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Part IV

Small Business Administration

13 CFR Part 121
Small Business Size Standards for Manufacturing; Proposed Rule

SMALL BUSINESS ADMINISTRATION

13 CFR Part 121

RIN 3245–AG50

Small Business Size Standards for Manufacturing

AGENCY: U.S. Small Business Administration.

ACTION: Proposed rule.

SUMMARY: The U.S. Small Business Administration (SBA) proposes to increase small business size standards for 209 industries in North American Industry Classification System (NAICS) Sector 31–33, Manufacturing. SBA also proposes to increase the refining capacity component of the Petroleum Refiners (NAICS 324110) size standard to 200,000 barrels per calendar day total capacity for businesses that are primarily engaged in petroleum refining. In addition, SBA proposes to eliminate the requirement that 90 percent of output being delivered is refined by the bidder. As part of its ongoing comprehensive size standards review, SBA evaluated employee based size standards for all 364 industries in NAICS Sector 31–33 to determine whether they should be retained or revised. This proposed rule is one of a series of proposed rules that will review size standards of industries grouped by NAICS Sector.

DATES: SBA must receive comments to this proposed rule on or before November 10, 2014.

ADDRESSES: Identify your comments by RIN 3245–AG50 and submit them by one of the following methods:

(1) *Federal eRulemaking Portal: www.regulations.gov,* following the instructions for submitting comments; or

(2) *Mail/Hand Delivery/Courier:* Khem R. Sharma, Ph.D., Chief, Size Standards Division, 409 Third Street SW., Mail Code 6530, Washington, DC 20416. SBA will not accept comments to this proposed rule submitted by email.

SBA will post all comments to this proposed rule on *www.regulations.gov.* If you wish to submit confidential business information (CBI) as defined in the User Notice at *www.regulations.gov,* you must submit such information to U.S. Small Business Administration, Khem R. Sharma, Ph.D., Chief, Size Standards Division, 409 Third Street SW., Mail Code 6530, Washington, DC 20416, or send an email to *sizestandards@sba.gov.* Highlight the information that you consider to be CBI and explain why you believe SBA should hold this information as confidential. SBA will review your information and determine whether it will make the information public.

FOR FURTHER INFORMATION CONTACT: Jorge Laboy-Bruno, Ph.D., Economist, Size Standards Division, (202) 205–6618 or *sizestandards@sba.gov.*

SUPPLEMENTARY INFORMATION: To determine eligibility for Federal small business assistance, SBA establishes small business size definitions (referred to as size standards) for private sector industries in the United States. SBA uses two primary measures of business size—average annual receipts and average number of employees. SBA uses financial assets, electric output, and refining capacity to measure the size of a few specialized industries. In addition, SBA's Small Business Investment Company (SBIC), Certified Development Company (504), and 7(a) Loan Programs use either the industry based size standards, or net worth and net income based alternative size standards to determine eligibility for those programs. At the start of the SBA's current comprehensive size standards review when the size standards were based on NAICS 2007, there were 41 different size standards covering 1,141 NAICS industries and 18 sub-industry activities (''exceptions'' in SBA's table of size standards). Thirty-one of these size levels were based on average annual receipts, seven were based on average number of employees, and three were based on other measures. Presently, under NAICS 2012, there are 28 different size standards covering 1,031 industries and 16 ''exceptions''. Of these, 533 are based on average annual receipts, 509 on number of employees (one of which also contains barrels per day total capacity), and five on average assets.

Over the years, SBA has received comments that its size standards have not kept up with changes in the economy, in particular the changes in the Federal contracting marketplace and industry structure. The last time SBA conducted a comprehensive size standards review was during the late 1970s and early 1980s. Since then, most reviews of size standards were limited to a few specific industries, mostly with receipts based size standards, in response to requests from the public and Federal agencies. SBA reviews all monetary based size standards (except for statutorily set size standards in NAICS Sector 11) for inflation at least once every five years. SBA's latest inflation adjustment to size standards was published in the **Federal Register** on June 12, 2014 (79 FR 33647). However, the vast majority of manufacturing size standards have not been reviewed since they were first established.

Because of changes in the Federal marketplace and industry structure since the last comprehensive size standards review, SBA recognizes that current data may no longer support some of its existing size standards. Accordingly, in 2007, SBA began a comprehensive size standards review to determine if they are consistent with current data, and to adjust them when necessary. In addition, on September 27, 2010, the President of the United States signed the Small Business Jobs Act of 2010 (Jobs Act). The Jobs Act directs SBA to conduct a detailed review of all size standards and to make appropriate adjustments to reflect market conditions. Specifically, the Jobs Act requires SBA to conduct a detailed review of at least one-third of all size standards during every 18-month period from the date of its enactment. In addition, the Jobs Act requires that SBA review all size standards not less frequently than once every five years thereafter. Reviewing existing small business size standards and making appropriate adjustments based on the latest available data are also consistent with Executive Order 13563 on improving regulation and regulatory review.

Rather than review all size standards at one time, SBA is reviewing size standards on a Sector by Sector basis. A NAICS Sector generally includes 25 to 75 industries, except for NAICS Sector 31–33, Manufacturing, which has more than 350 industries. As stated above, this proposed rule covers all industries in NAICS Sector 31–33. Once SBA completes its review of size standards for industries in a NAICS Sector, it issues a proposed rule to revise size standards for those industries based on latest industry and program data available and other relevant factors, such as current economic climate and SBA's and other government's programs and policies to help small businesses.

Below is a discussion of SBA's size standards methodology for establishing employee based size standards that the Agency applied to this proposed rule, including analyses of industry structure, Federal contracting factor, the impact of the proposed revisions to size standards on SBA's financial assistance to small businesses, and the evaluation of whether a revised size standard would exclude dominant firms from being considered small.

Size Standards Methodology

In conjunction with the current comprehensive size standards review,

SBA developed a ''Size Standards Methodology'' for developing, reviewing, and modifying size standards when necessary. SBA published the document on its Web site at *www.sba.gov/size* for public review and comments, and has included it as a supporting document in the electronic docket of this proposed rule at *www.regulations.gov.* It should be noted that SBA does not apply all features of its ''Size Standards Methodology'' to all industries because not all features are appropriate for every industry. For example, since all industries in Sector 31–33 have employee based size standards, the methodology described in this proposed rule relates only to establishing employee based size standards. However, the methodology is available in its entirety for parties who have an interest in SBA's overall approach to establishing, evaluating, and modifying small business size standards. SBA always explains its methodology and analysis in individual proposed and final rules relating to size standards for specific industries.

SBA welcomes comments from the public on a number of issues concerning its ''Size Standards Methodology,'' that the Agency has applied in this proposed rule, such as whether there are other approaches to establishing and modifying size standards; whether there are alternative or additional factors that SBA should consider; whether SBA's approach to small business size standards makes sense in the current economic environment; whether SBA's use of anchor size standards is appropriate; whether there are gaps in SBA's methodology because the data it uses are not current or sufficiently comprehensive; and whether there are other data, facts, and/or issues that SBA should consider. Comments on SBA's size standards methodology should be submitted via: (1) The Federal eRulemaking Portal: *www.regulations.gov,* following the instructions for submitting comments; the docket number is SBA–2009–0008, or (2) Mail/Hand Delivery/Courier: Khem R. Sharma, Ph.D., Chief, Size Standards Division, 409 Third Street SW., Mail Code 6530, Washington, DC 20416. As it will do with comments to this and other proposed rules, SBA will post all comments on its methodology on *www.regulations.gov.* As of June 12, 2014, SBA has received 18 comments to its ''Size Standards Methodology.'' The comments are available to the public at *www.regulations.gov.* SBA continues to welcome comments on its methodology from interested parties. SBA will not accept comments to its ''Size Standards Methodology'' submitted by email.

Congress granted the SBA's Administrator discretion to establish detailed small business size standards. 15 U.S.C. 632(a)(2). Specifically, Section 3(a)(3) of the Small Business Act (15 U.S.C. 632(a)(3)) requires that ''. . . the [SBA] Administrator shall ensure that the size standard varies from industry to industry to the extent necessary to reflect the differing characteristics of the various industries and consider other factors deemed to be relevant by the Administrator.'' Accordingly, the economic structure of an industry is the basis for developing and modifying small business size standards. SBA identifies the small business segment of an industry by examining data on the economic characteristics defining the industry structure (as described below). In addition, SBA considers current economic conditions, its mission and program objectives, the Administration's current policies, suggestions from industry groups and Federal agencies, and public comments on the proposed rule. SBA also examines whether a size standard based on industry and other relevant data successfully excludes businesses that are dominant in the industry.

This proposed rule includes information regarding the factors SBA evaluated and the criteria it used to propose adjustments, where necessary, to size standards for industries covered by this rule. This proposed rule affords the public an opportunity to review and to comment on SBA's proposal to revise size standards for certain industries, as well as on the data and methodology it used to evaluate and revise the size standards.

Industry Analysis

For the current comprehensive size standards review, SBA has established three ''base'' or ''anchor'' size standards—$7.0 million in average annual receipts for industries that have receipts based size standards, 500 employees for Manufacturing and industries that have employee based size standards in non-manufacturing Sectors (except for Wholesale Trade and Retail Trade), and 100 employees for industries in the Wholesale and Retail Trade Sectors that have employee based size standards. SBA established 500 employees as the anchor size standard for manufacturing industries at its inception in 1953. Shortly thereafter, SBA established $1 million in average annual receipts as the anchor size standard for nonmanufacturing industries. SBA has periodically increased the receipts based anchor size standard for inflation, and today it is $7 million. Since 1986, the size standard for all industries in the Wholesale Trade Sector for SBA's financial assistance and for most Federal programs has been 100 employees. Presently, SBA also has employee based size standards for two industries in Retail Trade, namely NAICS 441110, New Car Dealers (200 employees) and NAICS 454310, Fuel Dealers (50 employees). However, NAICS codes for the Wholesale and Retail Trade Sectors and their size standards do not apply to Federal procurement programs. Rather, for Federal procurement the size standard for all industries in Wholesale Trade (NAICS Sector 42) and for all industries in Retail Trade (NAICS Sector 44–45) is 500 employees under the SBA's nonmanufacturer rule (13 CFR 121.406(b)).

These long-standing anchor size standards have stood the test of time and gained legitimacy through practice and general public acceptance. An anchor is neither a minimum nor a maximum size standard. It is a common size standard for a large number of industries that have similar economic characteristics and serves as a reference point in evaluating size standards for individual industries. SBA uses the anchor in lieu of trying to establish precise small business size standards for each industry. Otherwise, theoretically, the number of size standards might be as high as the number of industries for which SBA establishes size standards (i.e., more than 1,000). Furthermore, the data SBA analyzes are static, while the U.S. economy is not. Hence, absolute precision is impossible. Similarly, because of the disclosure problem in getting the distribution of firms by more granular size classes, the 2007 Economic Census tabulation (the latest available when this proposed rule was prepared) that SBA received from the U.S. Census Bureau for current size standards review would not allow an accurate regulatory impact analysis of size standards changes if precise, separate size standards were established for each industry. SBA presumes an anchor size standard is appropriate for a particular industry unless that industry displays economic characteristics that are considerably different from other industries with the same anchor size standard.

When evaluating a size standard, SBA compares the economic characteristics of the industry under review to the average characteristics of industries with one of the three anchor size standards (referred to as the ''anchor comparison group''). This allows SBA to assess the industry structure and to

determine whether the industry is appreciably different from the other industries in the anchor comparison group. If the characteristics of a specific industry under review are similar to the average characteristics of the anchor comparison group, the anchor size standard is generally appropriate for that industry. SBA may consider adopting a size standard below the anchor when: (1) All or most of the industry characteristics are significantly smaller than the average characteristics of the anchor comparison group; or (2) other industry considerations strongly suggest that the anchor size standard would be an unreasonably high size standard for the industry.

If the specific industry's characteristics are significantly higher than those of the anchor comparison group, then a size standard higher than the anchor size standard may be appropriate. The larger the differences are between the characteristics of the industry under review and those in the anchor comparison group, the larger will be the difference between the appropriate industry size standard and the anchor size standard. To determine a size standard above the anchor size standard, SBA analyzes the characteristics of a second comparison group.

For industries with employee based size standards in manufacturing and industries not in Sector 42 (Wholesale Trade) or Sector 44–45 (Retail Trade), SBA has developed a second comparison group consisting of industries that have the highest of employee based size standards. To determine a size standard above the 500-employee anchor size standard, SBA analyzes the characteristics of this second comparison group. The industries in this group have size standards of either 1,000 employees or 1,500 employees; the weighted average size standard for the group is 1,323 employees. SBA refers to this comparison group as the ''higher level employee based size standard group.''

To examine industry structure, SBA evaluates average firm size, startup costs and entry barriers, industry competition, and distribution of firms by size. SBA also evaluates the level and small business share of total Federal contracting dollars. These are, generally, the five primary factors SBA examines when establishing or revising a size standard for an industry. However, SBA will also consider and evaluate other information that it believes is relevant to a particular industry (such as technological changes, growth trends, SBA financial assistance, other program factors, etc.). SBA also considers possible impacts of size standard revisions on eligibility for Federal small business assistance, current economic conditions, the Administration's policies, and suggestions from industry groups and Federal agencies. Public comments on a proposed rule also provide important additional information. SBA thoroughly reviews all public comments before making a final decision on its proposed size standards. Below are brief descriptions of each of the five primary factors that SBA has evaluated for each industry and sub-industry covered by this proposed rule. A more detailed description of these factors is provided in SBA's ''Size Standards Methodology,'' available at *http://www.sba.gov/size.*

1. *Average firm size.* SBA computes two measures of average firm size: Simple average and weighted average. For industries with employee based size standards, the simple average firm size is the total number of employees in an industry divided by the total number of firms in that industry. The weighted average firm size is the sum of weighted simple average firm sizes in different employee size classes, where weights are the shares of total industry employees for respective employee size classes. The simple average firm size weighs all firms within an industry equally regardless of their size. The weighted average firm size overcomes that limitation by giving more weight to larger firms.

If the average firm size of an industry is significantly higher than the average firm size of industries in the anchor comparison industry group, this will generally support a size standard higher than the anchor size standard. Conversely, if the industry's average firm size is similar to or significantly lower than that of the anchor comparison industry group, it will be a basis to adopt the anchor size standard, or, in rare cases, a standard lower than the anchor.

2. *Startup costs and entry barriers.* Startup costs reflect a firm's initial size in an industry. New entrants to an industry must have sufficient capital and other assets to start and maintain a viable business. If new firms entering a particular industry have greater capital requirements than firms in industries in the anchor comparison group, this can be a basis for establishing a size standard higher than the anchor size standard. In lieu of actual startup cost data, SBA uses average assets as a proxy to measure the capital requirements for new entrants to an industry.

To calculate average assets, SBA begins with the sales to total assets ratio for an industry from the Risk Management Association's Annual eStatement Studies. SBA then applies these ratios to the average receipts of firms in that industry. An industry with average assets that are significantly higher than those of the anchor comparison group is likely to have higher startup costs; this in turn will support a size standard higher than the anchor. Conversely, an industry with average assets that are similar to or lower than those of the anchor comparison group is likely to have lower startup costs; this will support the anchor standard or one lower than the anchor.

3. *Industry competition.* Industry competition is generally measured by the share of total industry receipts generated by the largest firms in an industry. SBA generally evaluates the share of industry receipts generated by the four largest firms in each industry. This is referred to as the ''four-firm concentration ratio,'' a commonly used economic measure of market competition. If a significant share of economic activity within the industry is concentrated among a few relatively large companies, all else being equal, SBA will establish a size standard higher than the anchor size standard. SBA does not consider the four-firm concentration ratio as an important factor in assessing a size standard if its share of economic activity of the largest four firms within the industry is less than 40 percent. For an industry with a four-firm concentration ratio of 40 percent or more, SBA compares the average employee size of the four largest firms in the industry with the average employee size of the four largest firms in the anchor and higher level size comparison groups to determine an employee size standard for that industry.

4. *Distribution of firms by size.* For employee based size standards, SBA examines the shares of industry total receipts accounted for by firms of various employment size classes in an industry. This is an additional factor SBA examines in assessing industry competition. If most of an industry's economic activity is attributable to smaller firms, this generally indicates that small businesses are competitive in that industry. This can, generally, support adopting the anchor size standard. If most of an industry's economic activity is attributable to larger firms, this indicates that small businesses are not competitive in that industry. This can support adopting a size standard above the anchor.

Concentration is a measure of inequality of distribution. To determine the degree of inequality of distribution

in an industry, SBA computes the Gini coefficient by constructing the Lorenz curve. The Lorenz curve presents the cumulative percentages of units (firms) in various employee size classes along the horizontal axis and the cumulative percentages of receipts (or other measures of size) in the same employee size classes along the vertical axis. (For further detail, please refer to SBA's ''Size Standards Methodology'' on its Web site at *www.sba.gov/size.*) Gini coefficient values vary from zero to one. If receipts are distributed equally among all the firms in an industry, the value of the Gini coefficient will equal zero. If an industry's total receipts are attributed to a single firm, the Gini coefficient will equal one.

SBA compares the Gini coefficient value for an industry with that for industries in the anchor comparison group. If the Gini coefficient value for an industry is higher than it is for industries in the anchor comparison industry group this may, all else being equal, warrant a size standard higher than the anchor. Conversely, if an industry's Gini coefficient is similar to or lower than that for the anchor group, the anchor standard, or in some cases a standard lower than the anchor, may be adopted.

5. *Impact on Federal contracting and SBA loan programs.* SBA examines the possible impact a size standard change may have on Federal small business assistance. This most often focuses on the level and small business share of total Federal contracting dollars in the industry in question. In general, if the small business share of total Federal contracting dollars in an industry with significant Federal contracting is appreciably less than the small business share of the industry's total receipts, this could justify considering a size standard higher than the existing size standard. If the small business share of an industry's total Federal contracting dollars is similar to or higher than the small business share of its total receipts, this would support the existing size standard for that industry. By comparing the small business share in the Federal market with the small business share in the industry-wide market, SBA accounts for conditions in the Federal market in its size standards analysis. The disparity between the small business Federal market share and small business industry-wide share may be due to various factors, such as extensive administrative and compliance requirements associated with Federal contracts, the different skill set required for Federal contracts as compared to typical commercial contracting work, and the size of Federal contracts. Data permitting, SBA will also examine these, as well as other factors that are likely to influence the type of firms within an industry that compete for Federal contracts.

SBA considers the Federal contracting factor in an industry's size standards analysis only if the industry's total Federal contracting dollars average $100 million or more annually during the latest three fiscal years. SBA believes that this threshold reflects a significant level of contracting where a revision to a size standard may have an impact on contracting opportunities to small businesses. For industries where total contracting dollars average $100 million or more annually, SBA establishes a size standard higher than the existing size standard if the small business share of total industry receipts is 10 percent or higher than the small business share of total industry receipts. If this difference is less than 10 percent, this would support the existing size standard.

Besides the impact on small business Federal contracting, SBA also evaluates the impact of a proposed size standard revision on SBA's loan programs. For this, SBA examines the data on volume and number of its guaranteed loans within an industry and the size of firms obtaining those loans. This allows SBA to assess whether the existing, proposed, or revised size standard for a particular industry may restrict the level of financial assistance to small firms. If existing size standards are found to have impeded financial assistance to small businesses, higher size standards may be justified. However, if small businesses under existing size standards have been receiving significant amounts of financial assistance through SBA's loan programs, or if the financial assistance has been provided mainly to businesses that are much smaller than the existing size standards, SBA does not consider this factor when determining the size standard.

Sources of Industry and Program Data

SBA's primary source of industry data used in this proposed rule is a special tabulation of the 2007 Economic Census (see *www.census.gov/econ/census07/*) prepared by the U.S. Bureau of the Census (Census Bureau) for SBA. The 2007 Economic Census data are the latest Economic Census data available at the time of drafting this proposed rule. SBA expects to receive the special tabulation from the 2012 Economic Census in 2016 for the next round of comprehensive size standards review. The special tabulation provides SBA with data on the number of firms, number of establishments, number of employees, annual payroll, and annual receipts of companies by Industry (6-digit level), Industry Group (4-digit level), Subsector (3-digit level), and Sector (2-digit level). These data are arrayed by various classes of firms' size based on the overall number of employees and receipts of the entire enterprise (all establishments and affiliated firms) from all industries. The special tabulation enables SBA to evaluate average firm size, the four-firm concentration ratio, and distribution of firms by various receipts and employment size classes. It should be noted that the Economic Census tabulation data on the number of firms, number of establishments, number of employees, annual payroll, and annual receipts for a particular NAICS Industry category relate to establishments and firms that are primarily engaged in that Industry. To mitigate this limitation of the Economic Census tabulation data, SBA also examines the data from the System of Award Management (SAM) (formerly Central Contractor Registration (CCR)) and FPDS–NG which provides more recent data on Federal contract awards by NAICS code and the actual size of the concerns receiving the contract awards.

In some cases, where data were not available at the 6-digit industry level due to disclosure prohibitions in the Census Bureau's tabulation, SBA either estimates missing values using available relevant data or examines data at a higher level of industry aggregation, such as at the NAICS 2-digit (Sector), 3-digit (Subsector), or 4-digit (Industry Group) level. In some instances, SBA's analysis is based only on those factors for which data are available or estimates of missing values are possible.

To evaluate the refining capacity component of the size standard for NAICS 324110, Petroleum Refiners, SBA evaluated a special tabulation of refinery production data obtained from Energy Information Administration (EIA). SBA obtained the data on number of employees for petroleum refining companies in the EIA tabulation from Duns and Bradstreet (*www.dnb.com*) and those companies' SAM (CCR) profiles.

To calculate average assets, SBA used sales to total assets ratios from the Risk Management Association's Annual eStatement Studies, 2009–2011, available at *www.statementstudies.org.*

To evaluate the Federal contracting factor, SBA examined the data from FPDS–NG for fiscal years 2009–2011, available at *https://www.fpds.gov* and 2007 Economic Census tabulation, which is the latest available as stated elsewhere in the rule.

To assess the impact on financial assistance to small businesses, SBA examined its internal data on 7(a) and 504 loan programs for fiscal years 2010–2012.

Data sources and estimation procedures SBA uses in its size standards analysis are documented in detail in SBA's ''Size Standards Methodology'' White Paper, which is available at *www.sba.gov/size.*

Dominance in Field of Operation

Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) defines a small business concern as one that: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) meets a specific small business definition or size standard established by SBA's Administrator. SBA considers as part of its evaluation whether a business concern at a proposed or revised size standard would be dominant in its field of operation. For this, SBA generally examines the industry's market share of firms at the proposed or revised standard. SBA also examines distribution of firms by size to ensure that a contemplated size standard derived from its size standards analysis excludes the largest firms within an industry. Market share, the size distribution and other factors may indicate whether a firm can exercise a major controlling influence on a national basis in an industry where a significant number of business concerns are engaged. If a contemplated size standard includes dominant or the largest firms in an industry, SBA will consider a lower size standard than the one suggested by the analytical results to exclude the dominant and largest firms from being defined as small.

Selection of Size Standards

In NAICS Sector 31–33 (Manufacturing), currently there are four levels of employee based size standards: 500 employees (minimum), 750 employees, 1,000 employees, and 1,500 employees (maximum). In this proposed rule, SBA has applied its ''Size Standards Methodology'' for employee based size standards with two modifications. First, to be consistent with its policy of not lowering any size standards in all recent proposed and final rules on receipts based size standards, SBA is retaining the current 500-employee minimum and 1,500-employee maximum size standards for all industries in the Manufacturing Sector. In its ''Size Standards Methodology,'' SBA had proposed setting the minimum size standard for manufacturing industries at 250 employees and the maximum size standard at 1,000 employees. However, doing so would mean lowering existing size standards, thereby making currently small businesses ineligible to continue their participation in Federal small business programs. This would run counter to what SBA and the Administration are doing to help small businesses to create jobs and boost economic growth. Further, lowering a manufacturing size standard below 500 employees would conflict with the existing 500-employee size standard for non-manufacturers under the SBA's non-manufacturer's rule. Second, SBA is proposing a new 1,250-employee size standard between 1,000 employees and 1,500 employees. This new size standard level maintains the same 250-employee increment between the two successive levels that SBA has below 1,000 employees (500, 750, 1,000). SBA proposes, therefore, to apply one of these five employee based size standards to the analysis of size standards for industries in the Manufacturing Sector: 500 employees, 750 employees, 1,000 employees, 1,250 employees, and 1,500 employees.

To simplify size standards and for other reasons, SBA may propose a common size standard for closely related industries. Although the size standard analysis may support a separate size standard for each industry, SBA believes that establishing different size standards for closely related industries may not always be appropriate. For example, in cases where many of the same businesses operate in the same multiple industries, a common size standard for those industries might better reflect the Federal marketplace. This might also make size standards among related industries more consistent than separate size standards for each of those industries. Whenever SBA proposes a common size standard for closely related industries it will provide its justification.

Evaluation of Industry Structure

In this proposed rule, SBA evaluated 364 industries in NAICS Sectors 31–33 to assess the appropriateness of their current size standards. As described above, SBA compared data on the economic characteristics of each of those industries to the average characteristics of industries in two comparison groups. The first comparison group consists of all industries in Manufacturing and industries not in Wholesale Trade or Retail Trade with 500-employee size standards. SBA refers this group of industries to as the ''employee based anchor comparison group.'' Because the goal of SBA's review is to assess whether a specific industry's size standard should be the same as or different from the anchor size standard, this is the most logical group of industries to analyze. In addition, this group includes a sufficient number of firms to provide a meaningful assessment and comparison of industry characteristics.

As stated previously, if the characteristics of an industry are similar to the average characteristics of industries in the anchor comparison group, the anchor size standard is generally appropriate for that industry. If an industry's structure is significantly different from industries in the anchor group, a size standard lower or higher than the anchor size standard might be appropriate. The proposed new size standard is based on the difference between the characteristics of the anchor comparison group and a second industry comparison group. As described above, the second comparison group for employee based standards consists of industries with either 1,000-employee or 1,500-employee size standards. The weighted average size standard for this group is 1,323 employees. SBA refers this group of industries to as the ''higher level employee based size standard comparison group.'' SBA determines differences in industry structure between an industry under review and the industries in the two comparison groups by comparing data on each of the industry factors, including average firm size, average assets size, the four-firm concentration ratio, and the Gini coefficient of distribution of firms by size. Table 1, Average Characteristics of Employee Based Comparison Groups, shows the average firm size (both simple and weighted), average assets size, four-firm concentration ratio, average employees of the four largest firms, and the Gini coefficient for both anchor level and higher level comparison groups for employee based size standards.

TABLE 1—AVERAGE CHARACTERISTICS OF EMPLOYEE BASED COMPARISON GROUPS

Employee based comparison group	Average firm size (number of employees)		Average assets size ($ million)	Four-firm concentration ratio (%)	Average employees of four largest firms*	Gini coefficient
	Simple average	Weighted average				
Anchor Level	51	322	$6.4	35.9	1,267	0.765
Higher Level	136	602	37.0	64.3	2,033	0.808

*To be used for industries with a four-firm concentration ratio of 40% or greater.

Derivation of Size Standards Based on Industry Factors

For each industry factor in Table 1, Average Characteristics of Employee Based Comparison Groups, SBA derives a separate size standard based on the differences between the values for an industry under review and the values for the two comparison groups. If the industry value for a particular factor is near the corresponding factor for the anchor comparison group, the 500-employee anchor size standard is appropriate for that factor.

An industry factor significantly above or below the anchor comparison group will generally imply a size standard for that industry above or below the 500-employee anchor. The new size standard in these cases is based on the proportional difference between the industry value and the values for the two comparison groups.

For example, an industry's simple average firm size of 75 employees will support a 750-employee size standard. The 75-employee level is 28.2 percent between 51 employees for the anchor comparison group and 136 employees for the higher level comparison group ((75 employees − 51 employees) ÷ (136 employees − 51 employees) = 0.282 or 28.2%). This proportional difference is applied to the difference between the size standard of 500 employees for the anchor level size standard group and average size standard of 1,323 employees for the higher level size standard group and then added to 500 employees to estimate a size standard of 733 employees ([{1,323 employees − 500 employees} * 0.282] + 500 employees = 733 employees). The final step is to round the estimated 733-employee size standard to the nearest size standard level, which in this example is 750 employees.

SBA applies the above calculation to derive a size standard for each industry factor. Detailed formulas involved in these calculations are presented in SBA's ''Size Standards Methodology'' which is available on its Web site at *www.sba.gov/size.* As stated above, SBA has also included its ''Size Standards Methodology'' as a supporting document in the electronic docket of this proposed rule at *www.regulations.gov.* (However, it should be noted that figures in the ''Size Standards Methodology'' White Paper are based on 2002 Economic Census data and are different from those presented in this proposed rule. That is because when SBA prepared its ''Size Standards Methodology,'' the 2007 Economic Census data were not yet available). Table 2, Values of Industry Factors and Supported Size Standards, below, shows ranges of values for each industry factor and the levels of size standards supported by those values.

TABLE 2—VALUES OF INDUSTRY FACTORS AND SUPPORTED SIZE STANDARDS

If simple average firm size (number of employees)	*Or if* weighted average firm size (number of employees)	*Or if* average assets size ($ million)	*Or if* average number employees of largest four firms	*Or if* Gini coefficient	Then implied size standard is (number of employees)
< 63.9	< 364.5	< 11.1	< 1,383.3	< 0.772	500
63.9 to < 89.7	364.5 to < 449.6	11.1 to < 20.3	1,383.3 to < 1,616.0	0.772 to < 0.785	750
89.7 to < 115.6	449.6 to < 534.6	20.3 to < 29.6	1,616.0 to < 1,848.7	0.785 to < 0.798	1,000
115.6 to < 141.4	534.6 to < 619.7	29.6 to < 38.9	1,848.7 to < 2,081.4	0.798 to < 0.811	1,250
≥ 141.4	≥ 619.7	≥ 38.9	≥ 2,081.4	≥ 0.811	1,500

Derivation of Size Standard Based on Federal Contracting Factor

Besides industry structure, SBA also evaluates Federal contracting data to assess the success of small businesses in getting Federal contracts under the existing size standards. For industries where Federal contract dollars average $100 million or more annually and the small business share of total Federal contracting dollars is 10 to 30 percent lower than the small business share of total industry receipts, SBA has designated a size standard one level higher than their current size standard. For industries where the small business share of total Federal contracting dollars is more than 30 percent lower than the small business share of total industry receipts, SBA has designated a size standard two levels higher than the current size standard. For industries, where this difference is less than 10 percent, SBA applies the existing size standard for the Federal contracting factor.

Because of the complex relationships among several variables affecting small business participation in the Federal marketplace, SBA has chosen not to designate a size standard for the Federal contracting factor alone that is more than two levels above the current size standard. SBA believes that a larger adjustment to size standards based on Federal contracting activity should be based on a more detailed analysis of the impact of any subsequent revision to the current size standard. In limited situations, however, SBA may conduct a more extensive examination of Federal contracting experience. This may support a different size standard than indicated by this general rule and take into consideration significant and unique aspects of small business competitiveness in the Federal contract market. SBA welcomes comments on its methodology for incorporating the Federal contracting factor in its size standard analysis and suggestions for

alternative methods and other relevant information on small business experience in the Federal contract market that SBA should consider.

When SBA adopted NAICS 2012 for its size standards, a number of industries under NAICS 2007 were merged to form new industries or combined with other existing industries. SBA adopted the highest size standard among the merged or combined industries under NAICS 2007 as the size standard for the new industry or modified industry under NAICS 2012. As a result, the size standard increased, effective October 1, 2012, for a number of industries in NAICS Sector 31–33. However, FPDS-NG data for fiscal years 2009–2011 that SBA analyzed to derive the Federal contracting factor were based on older size standards under NAICS 2007. Thus, for industries for which the size standard increased due to the adoption of NAICS 2012, the Federal contracting factor was based on the size standard that was on effect prior to October 1, 2012. Similarly, where multiple industries were merged to a new, single industry, the size standard for Federal contract factor for the new industry was the weighted average size standard of the merged industries prior to October 1, 2012, rounded to the nearest size level. The shares of contract dollars of individual merged industries served as the weights in computing the weighted average size standard.

Of the 364 industries reviewed in this proposed rule, 119 averaged $100 million or more annually in Federal contracting during fiscal years 2009–2011 and thus, the Federal contracting factor was significant for those industries. Of the 119 industries, the difference between the small business share of total industry receipts and small business share of Federal contracting dollars was less than 10 percent for 78 industries and in this proposed rule, SBA applied the existing size standard to each. This difference was between 10 and 30 percent for 29 industries for which a size standard one level higher than the existing size standard was applied. Finally, in 12 industries, this difference was more than 30 percent and a size standard that was two levels higher than the existing size standard was applied.

New Size Standards Based on Industry and Federal Contracting Factors

Table 3, Size Standards Supported by Each Factor for Each Industry (No. of Employees), below, shows the results of analyses of industry and Federal contracting factors for each industry covered by this proposed rule. Many NAICS industries in columns 2, 3, 4, 6, and 7 show two numbers. The upper number is the value for the industry factor shown on the top of the column and the lower number is the size standard supported by that factor. For the four-firm concentration ratio, SBA estimates a size standard only if its value is 40 percent or more. If the four-firm concentration ratio for an industry is less than 40 percent, SBA does not estimate a size standard for that factor. If the four-firm concentration ratio is 40 percent or more, SBA indicates in column 6 the average size of the industry's four largest firms together with a size standard based on that average. Column 9 shows a calculated new size standard for each industry. This is the average of the size standards supported by each factor, rounded to the nearest fixed size level. However, the size standards for the simple average and weighted average firm size are averaged together, and therefore receive a single weight. Analytical details involved in the averaging procedure are described in SBA's ''Size Standard Methodology.'' For comparison with the new standards, the current size standards are in column 10 of Table 3.

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
311111 Dog and Cat Food Manufacturing	85	551	.....	71.0	1,591	0.884	.....	.....	.....
	750	1,250	.....	.....	750	1,500	.....	1,000	500
311119 Other Animal Food Manufacturing.	29	146	$8.3	30.1	.....	0.784	.....	.....	.....
	500	500	500	.....	.....	750	.....	500	500
311211 Flour Milling	60	427	25.9	54.5	957	0.821	−14.9	.....	.....
	500	750	1,000	.....	500	1,500	750	1,000	500
311212 Rice Milling	66	256	.....	45.6	419	0.693	.....	.....	.....
	750	500	.....	.....	500	500	.....	500	500
311213 Malt Manufacturing	68	123	.....	73.2	145	0.559	.....	.....	.....
	750	500	.....	.....	500	500	.....	500	500
311221 Wet Corn Milling	248	1,101	.....	83.8	1,384	0.823	.....	.....	.....
	1,500	1,500	.....	.....	750	1,500	.....	1,250	750
311224 Soybean and Other Oilseed Processing.	76	347	.....	.....	.....	0.824	8.8	.....	.....
	750	500	.....	.....	.....	1,500	500	1,000	1,000
311225 Fats and Oils Refining and Blending.	116	337	.....	54.4	855	0.725	62.3	.....	.....
	1,000	500	.....	.....	500	500	1,000	750	1,000
311230 Breakfast Cereal Manufacturing	392	1,214	.....	80.4	1,817	0.754	.....	.....	.....
	1,500	1,500	.....	.....	1,000	500	.....	1,000	1,000
311313 Beet Sugar Manufacturing	550	796	.....	81.5	1,233	0.325	.....	.....	.....
	1,500	1,500	.....	.....	500	500	.....	750	750
311314 Cane Sugar Manufacturing	227	430	.....	.....	.....	0.567	.....	.....	.....
	1,500	750	.....	.....	.....	500	.....	1,000	750
311340 Nonchocolate Confectionery Manufacturing.	44	329	.....	38.2	.....	0.840	.....	.....	.....
	500	500	.....	.....	.....	1,500	.....	1,000	500
311351 Chocolate and Confectionery Manufacturing from Cacao Beans.	50	464	.....	.....	.....	0.895	.....	.....	.....
	500	1,000	.....	.....	.....	1,500	.....	1,250	500
311352 Confectionery Manufacturing from Purchased Chocolate.	29	485	4.0	.....	.....	0.913	.....	.....	.....
	500	1,000	500	.....	.....	1,500	.....	1,000	500
311411 Frozen Fruit, Juice, and Vegetable Manufacturing.	231	911	45.3	41.1	3,213	0.737	22.3	.....	.....
	1,500	1,500	1,500	.....	1,500	500	500	1,000	500

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)—Continued

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
311412 Frozen Specialty Food Manufacturing.	150	879	16.6	29.4	.....	0.819	.....	.....	.....
	1,500	1,500	750	.....	.....	1,500	.....	1,250	500
311421 Fruit and Vegetable Canning	102	656	20.6	24.4	.....	0.831	6.8	.....	.....
	1,000	1,500	1,000	.....	.....	1,500	500	1,000	500
311422 Specialty Canning	139	970	.....	75.9	1,664	0.876	.....	.....	.....
	1,250	1,500	.....	.....	1,000	1,500	.....	1,250	1,000
311423 Dried and Dehydrated Food Manufacturing.	101	388	20.6	35.9	.....	0.720	.....	.....	.....
	1,000	750	1,000	.....	.....	500	.....	750	500
311511 Fluid Milk Manufacturing	196	896	35.2	46.0	6,316	0.774	29.6	.....	.....
	1,500	1,500	1,250	.....	1,500	750	500	1,000	500
311512 Creamery Butter Manufacturing ..	67	145	30.1	78.9	225	0.589	.....	.....	.....
	750	500	1,250	.....	500	500	.....	750	500
311513 Cheese Manufacturing	121	729	34.7	31.5	.....	0.818	−0.7	.....	.....
	1,250	1,500	1,250	.....	.....	1,500	500	1,250	500
311514 Dry, Condensed, and Evaporated Dairy Product Manufacturing.	108	403	.....	41.9	1,195	0.726	.....	.....	.....
	1,000	750	.....	.....	500	500	.....	750	500
311520 Ice Cream and Frozen Dessert Manufacturing.	53	445	12.1	52.7	1,818	0.863	.....	.....	.....
	500	750	750	.....	1,000	1,500	.....	1,000	500
311611 Animal (except Poultry) Slaughtering.	96	7,661	12.2	59.4	20,844	0.953	18.3	.....	.....
	1,000	1,500	750	.....	1,500	1,500	500	1,000	500
311612 Meat Processed from Carcasses	85	936	9.1	27.9	.....	0.848	.....	.....	.....
	750	1,500	500	.....	.....	1,500	.....	1,000	500
311613 Rendering and Meat Byproduct Processing.	78	517	10.3	42.8	974	0.691	.....	.....	.....
	750	1,000	500	.....	500	500	.....	750	500
311615 Poultry Processing	749	7,247	57.4	45.7	26,713	0.875	−3.6	.....	.....
	1,500	1,500	1,500	.....	1,500	1,500	500	1,250	500
311710 Seafood Product Preparation and Packaging.	69	547	7.9	.....	.....	0.786	.....	.....	.....
	750	1,250	500	.....	.....	1,000	.....	750	500
311811 Retail Bakeries	9	27	0.2	3.7	.....	0.396	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
311812 Commercial Bakeries	61	1,180	4.5	37.3	.....	0.886	−12.6	.....	.....
	500	1,500	500	.....	.....	1,500	750	1,000	500
311813 Frozen Cakes, Pies, and Other Pastries Manufacturing.	96	322	.....	32.4	.....	0.753	.....	.....	.....
	1,000	500	.....	.....	.....	500	.....	750	500
311821 Cookie and Cracker Manufacturing.	100	1,267	14.8	69.3	3,372	0.918	.....	.....	.....
	1,000	1,500	750	.....	1,500	1,500	.....	1,250	750
311824 Dry Pasta, Dough, and Flour Mixes Manufacturing from Purchased Flour.	50	242	.....	.....	.....	0.781	.....	.....	.....
	500	500	.....	.....	.....	750	.....	750	500
311830 Tortilla Manufacturing	48	932	.....	57.4	1,726	0.850	.....	.....	.....
	500	1,500	.....	.....	1,000	1,500	.....	1,250	500
311911 Roasted Nuts and Peanut Butter Manufacturing.	74	346	13.9	33.5	.....	0.727	.....	.....	.....
	750	500	750	.....	.....	500	.....	750	500
311919 Other Snack Food Manufacturing	113	986	24.5	71.1	3,695	0.905	.....	.....	.....
	1,000	1,500	1,000	.....	1,500	1,500	.....	1,250	500
311920 Coffee and Tea Manufacturing	38	270	9.3	43.3	677	0.867	.....	.....	.....
	500	500	500	.....	500	1,500	.....	750	500
311930 Flavoring Syrup and Concentrate Manufacturing.	45	222	29.1	80.3	583	0.896	.....	.....	.....
	500	500	1,000	.....	500	1,500	.....	1,000	500
311941 Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing.	53	304	9.7	36.2	.....	0.801	.....	.....	.....
	500	500	500	.....	.....	1,250	.....	750	500
311942 Spice and Extract Manufacturing	58	222	12.7	29.6	.....	0.743	.....	.....	.....
	500	500	750	.....	.....	500	.....	500	500
311991 Perishable Prepared Food Manufacturing.	56	280	5.4	27.8	.....	0.775	.....	.....	.....
	500	500	500	.....	.....	750	.....	500	500
311999 All Other Miscellaneous Food Manufacturing.	43	262	5.7	18.7	.....	0.761	−29.0	.....	.....
	500	500	500	.....	.....	500	750	500	500
312111 Soft Drink Manufacturing	207	1,599	76.6	58.1	5,557	0.861	6.0	.....	.....
	1,500	1,500	1,500	.....	1,500	1,500	500	1,250	500
312112 Bottled Water Manufacturing	43	552	12.4	71.9	1,528	0.891	57.1	.....	.....
	500	1,250	750	.....	750	1,500	500	1,000	500
312113 Ice Manufacturing	16	555	.....	63.6	703	0.720	.....	.....	.....
	500	1,250	.....	.....	500	500	.....	750	500
312120 Breweries	60	4,594	33.4	89.5	3,929	0.942	.....	.....	.....
	500	1,500	1,250	.....	1,500	1,500	.....	1,250	500
312130 Wineries	18	357	9.6	42.3	1,753	0.845	.....	.....	.....
	500	500	500	.....	1,000	1,500	.....	1,000	500
312140 Distilleries	110	690	.....	69.5	1,225	0.867	.....	.....	.....
	1,000	1,500	.....	.....	500	1,500	.....	1,000	750
312230 Tobacco Manufacturing	245	978	195.8	.....	.....	0.840	−5.0	.....	.....
	1,500	1,500	1,500	.....	.....	1,500	1,000	1,500	1,000
313110 Fiber, Yarn, and Thread Mills	133	1,041	15.1	.....	.....	0.832	.....	.....	.....
	1,250	1,500	750	.....	.....	1,500	.....	1,250	500

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)—Continued

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
313210 Broadwoven Fabric Mills	79	482	8.5	22.2		0.806			
	750	1,000	500			1,250		1,000	1,000
313220 Narrow Fabric Mills and Schiffli Machine Embroidery.	36	146	2.1			0.720			
	500	500	500			500		500	500
313230 Nonwoven Fabric Mills	94	352		45.3	1,443	0.774			
	1,000	500			750	750		750	500
313240 Knit Fabric Mills	45	227				0.724			
	500	500				500		500	500
313310 Textile and Fabric Finishing Mills	33	211	3.0			0.758			
	500	500	500			500		500	1,000
313320 Fabric Coating Mills	49	120	7.1	21.6		0.599			
	500	500	500			500		500	1,000
314110 Carpet and Rug Mills	137	1,779	24.9	63.6	4,751	0.905			
	1,250	1,500	1,000		1,500	1,500		1,500	500
314120 Curtain and Linen Mills	18	194	1.2			0.802			
	500	500	500			1,250		750	500
314910 Textile Bag and Canvas Mills	15	96	0.9			0.658	−13.7		
	500	500	500			500	750	500	500
314994 Rope, Cordage, Twine, Tire Cord, and Tire Fabric Mills.	49	286				0.821			
	500	500				1,500		1,000	1,000
314999 All Other Miscellaneous Textile Product Mills.	17	152	1.0	20.7		0.765	−23.6		
	500	500	500			500	750	500	500
315110 Hosiery and Sock Mills	75	415	5.3			0.795			
	750	750	500			1,000		750	500
315190 Other Apparel Knitting Mills	28	138	2.8			0.791			
	500	500	500			1,000		750	500
315210 Cut and Sew Apparel Contractors	13	73	0.4			0.488	−64.0		
	500	500	500			500	1,000	750	500
315220 Men's and Boys' Cut and Sew Apparel Manufacturing.	50	416	2.7			0.817	−5.1		
	500	750	500			1,500	500	750	500
315240 Women's, Girls', and Infants' Cut and Sew Apparel Manufacturing.	26	225	2.9			0.794			
	500	500	500			1,000		750	500
315280 Other Cut and Sew Apparel Manufacturing.	25	129	1.3			0.747	−41.2		
	500	500	500			500	1,000	750	500
315990 Apparel Accessories and Other Apparel Manufacturing.	19	205	0.9			0.773	−8.3		
	500	500	500			750	500	500	500
316110 Leather and Hide Tanning and Finishing.	19	110	2.6	38.5		0.751			
	500	500	500			500		500	500
316210 Footwear Manufacturing	55	550				0.827	7.8		
	500	1,250				1,500	500	1,000	1,000
316992 Women's Handbag and Purse Manufacturing.	18	173		85.9	251	0.886			
	500	500			500	1,500		750	500
316998 All Other Leather Good and Allied Product Manufacturing.	21	184				0.739			
	500	500				500		500	500
321113 Sawmills	27	272	4.2	14.6		0.765			
	500	500	500			500		500	500
321114 Wood Preservation	32	211	6.4	31.1		0.722			
	500	500	500			500		500	500
321211 Hardwood Veneer and Plywood Manufacturing.	66	408	6.3	30.4		0.683			
	750	750	500			500		500	500
321212 Softwood Veneer and Plywood Manufacturing.	244	1,313		55.7	2,684	0.747			
	1,500	1,500			1,500	500		1,250	500
321213 Engineered Wood Member (except Truss) Manufacturing.	58	383		64.0	892	0.802			
	500	750			500	1,250		750	500
321214 Truss Manufacturing	45	214	2.6	14.3		0.643			
	500	500	500			500		500	500
321219 Reconstituted Wood Product Manufacturing.	115	384		27.7		0.682			
	1,000	750				500		750	500
321911 Wood Window and Door Manufacturing.	59	776	4.4	32.6		0.837			
	500	1,500	500			1,500		1,000	500
321912 Cut Stock, Resawing Lumber, and Planning.	30	139	3.5	16.3		0.681			
	500	500	500			500		500	500
321918 Other Millwork (including Flooring).	21	156	1.6	18.6		0.725			
	500	500	500			500		500	500
321920 Wood Container and Pallet Manufacturing.	22	196	1.0	11.3		0.590			
	500	500	500			500		500	500
321991 Manufactured Home (Mobile Home) Manufacturing.	179	1,995	14.8	47.7	4,539	0.824	64.6		
	1,500	1,500	750		1,500	1,500	500	1,250	500
321992 Prefabricated Wood Building Manufacturing.	35	228	3.0	21.9		0.736			
	500	500	500			500		500	500
321999 All Other Miscellaneous Wood Product Manufacturing.	19	107	1.5			0.706			
	500	500	500			500		500	500
322110 Pulp Mills	242	652		53.9	874	0.534			
	1,500	1,500			500	500		750	750

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)—Continued

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
322121 Paper (except Newsprint) Mills ...	559	2,866	155.0	49.8	7,418	0.824	−1.6	.....	.....
	1,500	1,500	1,500	.....	1,500	1,500	750	1,250	750
322122 Newsprint Mills	307	517	.....	58.1	651	0.393	.....	.....	.....
	1,500	1,000	.....	.....	500	500	.....	750	750
322130 Paperboard Mills	476	1,367	193.7	45.8	3,598	0.685	.....	.....	.....
	1,500	1,500	1,500	.....	1,500	500	.....	1,250	750
322211 Corrugated and Solid Fiber Box Manufacturing.	118	2,033	15.5	40.7	8,642	0.852	.....	.....	.....
	1,250	1,500	750	.....	1,500	1,500	.....	1,250	500
322212 Folding Paperboard Box Manufacturing.	115	587	16.0	33.5	.....	0.732	.....	.....	.....
	1,000	1,250	750	.....	.....	500	.....	750	750
322219 Other Paperboard Container Manufacturing.	87	485	11.1	.....	.....	0.813	.....	.....	.....
	750	1,000	750	.....	.....	1,500	.....	1,000	750
322220 Paper Bag and Coated and Treated Paper Manufacturing.	83	269	13.6	.....	.....	0.723	11.4	.....	.....
	750	500	750	.....	.....	500	500	750	500
322230 Stationery Product Manufacturing	68	438	6.8	.....	.....	0.801	.....	.....	.....
	750	750	500	.....	.....	1,250	.....	750	500
322291 Sanitary Paper Product Manufacturing.	151	716	43.7	62.2	1,838	0.812	.....	.....	.....
	1,500	1,500	1,500	.....	1,000	1,500	.....	1,500	500
322299 All Other Converted Paper Product Manufacturing.	40	138	5.0	20.5	.....	0.697	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
323111 Commercial Printing (except Screen and Books).	20	266	1.6	.....	.....	0.780	.....	.....	.....
	500	500	500	.....	.....	750	.....	500	500
323113 Commercial Screen Printing	15	106	0.8	12.2	.....	0.695	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
323117 Books Printing	59	851	5.1	42.5	3,177	0.832	.....	.....	.....
	500	1,500	500	.....	1,500	1,500	.....	1,250	500
323120 Support Activities for Printing	20	146	1.1	.....	.....	0.718	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
324110 Petroleum Refineries	662	2,356	1,849.6	47.5	6,459	0.746	0.1	.....	.....
	1,500	1,500	1,500	.....	1,500	500	1,500	1,250	1,500
324121 Asphalt Paving Mixture and Block Manufacturing.	34	109	11.9	21.8	.....	0.662	.....	.....	.....
	500	500	750	.....	.....	500	.....	500	500
324122 Asphalt Shingle and Coating Materials Manufacturing.	92	480	.....	67.0	1,755	0.769	.....	.....	.....
	1,000	1,000	.....	.....	1,000	500	.....	750	750
324191 Petroleum Lubricating Oil and Grease Manufacturing.	29	96	12.6	42.5	348	0.814	.....	.....	.....
	500	500	750	.....	500	1,500	.....	750	500
324199 All Other Petroleum and Coal Products Manufacturing.	34	129	15.7	45.5	173	0.596	.....	.....	.....
	500	500	750	.....	500	500	.....	500	500
325110 Petrochemical Manufacturing	243	577	.....	79.6	1,362	0.696	.....	.....	.....
	1,500	1,250	.....	.....	500	500	.....	750	1,000
325120 Industrial Gas Manufacturing	115	599	.....	67.6	1,335	0.832	7.9	.....	.....
	1,000	1,250	.....	.....	500	1,500	1,000	1,000	1,000
325130 Synthetic Dye and Pigment Manufacturing.	81	324	.....	.....	.....	0.742	.....	.....	.....
	750	500	.....	.....	.....	500	.....	750	1,000
325180 Other Basic Inorganic Chemical Manufacturing.	91	298	37.0	.....	.....	0.734	11.5	.....	.....
	1,000	500	1,250	.....	.....	500	1,000	1,000	1,000
325193 Ethyl Alcohol Manufacturing	45	156	72.7	25.3	.....	0.485	.....	.....	.....
	500	500	1,500	.....	.....	500	.....	750	1,000
325194 Cyclic Crude, Intermediate, and Gum and Wood Chemical Manufacturing.	77	323	86.9	.....	.....	0.803	.....	.....	.....
	750	500	1,500	.....	.....	1,250	.....	1,250	750
325199 All Other Basic Organic Chemical Manufacturing.	125	474	98.1	32.0	.....	0.773	.....	.....	.....
	1,250	1,000	1,500	.....	.....	750	.....	1,250	1,000
325211 Plastics Material and Resin Manufacturing.	88	356	52.8	31.8	.....	0.834	.....	.....	.....
	750	500	1,500	.....	.....	1,500	.....	1,250	750
325212 Synthetic Rubber Manufacturing	73	239	.....	43.0	763	0.703	.....	.....	.....
	750	500	.....	.....	500	500	.....	500	1,000
325220 Artificial and Synthetic Fibers and Filaments Manufacturing.	161	612	.....	.....	.....	0.739	.....	.....	.....
	1,500	1,250	.....	.....	.....	500	.....	1,000	1,000
325311 Nitrogenous Fertilizer Manufacturing.	29	151	21.4	61.4	364	0.785	.....	.....	.....
	500	500	1,000	.....	500	1,000	.....	750	1,000
325312 Phosphatic Fertilizer Manufacturing.	123	643	.....	82.9	1,093	0.725	.....	.....	.....
	1,250	1,500	.....	.....	500	500	.....	750	500
325314 Fertilizer (Mixing Only) Manufacturing.	24	85	6.6	29.6	.....	0.687	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
325320 Pesticide and Other Agricultural Chemical Manufacturing.	53	254	33.6	58.2	805	0.835	.....	.....	.....
	500	500	1,250	.....	500	1,500	.....	1,000	500
325411 Medicinal and Botanical Manufacturing.	64	382	16.3	53.5	1,730	0.828	−26.8	.....	.....
	750	750	750	.....	1,000	1,500	1,000	1,000	750
325412 Pharmaceutical Preparation Manufacturing.	208	1,611	124.8	34.5	.....	0.897	−7.4	.....	.....
	1,500	1,500	1,500	.....	.....	1,500	750	1,250	750
325413 In-Vitro Diagnostic Substance Manufacturing.	144	876	.....	48.6	1,784	0.857	9.3	.....	.....
	1,500	1,500	.....	.....	1,000	1,500	500	1,250	500

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
325414 Biological Product (except Diagnostic) Manufacturing.	147	746	.....	51.9	2,461	0.830	0.8	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	500	1,250	500
325510 Paint and Coating Manufacturing	37	395	9.9	38.9	.....	0.868	.....	.....	.....
	500	750	500	.....	.....	1,500	.....	1,000	500
325520 Adhesive Manufacturing	50	161	11.0	23.2	.....	0.742	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
325611 Soap and Other Detergent Manufacturing.	35	465	18.9	67.1	1,619	0.859	−13.1	.....	.....
	500	1,000	750	.....	1,000	1,500	1,000	1,000	750
325612 Polish and Other Sanitation Good Manufacturing.	36	231	8.7	60.2	1,235	0.850	.....	.....	.....
	500	500	500	.....	500	1,500	.....	750	500
325613 Surface Active Agent Manufacturing.	48	192	.....	60.5	510	0.812	.....	.....	.....
	500	500	.....	.....	500	1,500	.....	750	500
325620 Toilet Preparation Manufacturing	74	576	26.9	49.9	2,568	0.879	.....	.....	.....
	750	1,250	1,000	.....	1,500	1,500	.....	1,250	500
325910 Printing Ink Manufacturing	51	296	8.9	49.9	1,045	0.765	.....	.....	.....
	500	500	500	.....	500	500	.....	500	500
325920 Explosives Manufacturing	117	402	.....	52.2	757	0.650	−20.2	.....	.....
	1,250	750	.....	.....	500	500	1,000	750	750
325991 Custom Compounding of Purchased Resins.	43	178	9.5	27.6	.....	0.749	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
325992 Photographic Film, Paper, Plate, and Chemical Manufacturing.	67	1,623	.....	67.6	4,055	0.942	.....	.....	.....
	750	1,500	.....	.....	1,500	1,500	.....	1,500	500
325998 All Other Miscellaneous Chemical Product and Preparation Manufacturing.	34	147	7.2	18.9	.....	0.761	−17.9	.....	.....
	500	500	500	.....	.....	500	750	500	500
326111 Plastics Bag and Pouch Manufacturing.	93	404	12.6	26.5	.....	0.762	.....	.....	.....
	1,000	750	750	.....	.....	500	.....	750	500
326112 Plastics Packaging Film and Sheet (including Laminated) Manufacturing.	92	347	17.0	48.5	2,364	0.733	.....	.....	.....
	1,000	500	750	.....	1,500	500	.....	1,000	500
326113 Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing.	73	267	12.2	19.3	.....	0.746	.....	.....	.....
	750	500	750	.....	.....	500	.....	750	500
326121 Unlaminated Plastics Profile Shape Manufacturing.	49	167	6.5	29.2	.....	0.739	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
326122 Plastics Pipe and Pipe Fitting Manufacturing.	83	243	16.1	30.8	.....	0.679	.....	.....	.....
	750	500	750	.....	.....	500	.....	750	500
326130 Laminated Plastics Plate, Sheet (except Packaging), and Shape Manufacturing.	53	241	7.6	34.5	.....	0.760	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
326140 Polystyrene Foam Product Manufacturing.	81	571	10.5	45.9	2,624	0.803	.....	.....	.....
	750	1,250	500	.....	1,500	1,250	.....	1,000	500
326150 Urethane and Other Foam Product (except Polystyrene) Manufacturing.	74	395	.....	28.0	.....	0.774	.....	.....	.....
	750	750	.....	.....	.....	750	.....	750	500
326160 Plastics Bottle Manufacturing	186	883	33.4	46.3	3,257	0.796	.....	.....	.....
	1,500	1,500	1,250	.....	1,500	1,000	.....	1,250	500
326191 Plastics Plumbing Fixture Manufacturing.	53	399	4.2	32.2	.....	0.796	.....	.....	.....
	500	750	500	.....	.....	1,000	.....	750	500
326199 All Other Plastics Product Manufacturing.	67	366	6.7	.....	.....	0.780	.....	.....	.....
	750	750	500	.....	.....	750	.....	750	750
326211 Tire Manufacturing (except Retreading).	552	6,344	.....	77.6	9,879	0.895	7.4	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	1,000	1,500	1,000
326212 Tire Retreading	21	137	1.6	28.2	.....	0.641	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
326220 Rubber and Plastics Hoses and Belting Manufacturing.	100	471	12.4	38.6	.....	0.738	.....	.....	.....
	1,000	1,000	750	.....	.....	500	.....	750	500
326291 Rubber Product Manufacturing for Mechanical Use.	86	412	8.9	25.5	.....	0.777	.....	.....	.....
	750	750	500	.....	.....	750	.....	750	500
326299 All Other Rubber Product Manufacturing.	52	160	6.4	26.9	.....	0.744	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
327110 Pottery, Ceramics, and Plumbing Fixture Manufacturing.	22	263	.....	.....	.....	0.846	.....	.....	.....
	500	500	.....	.....	.....	1,500	.....	1,000	750
327120 Clay Building Material and Refractories Manufacturing.	59	314	10.0	.....	.....	0.769	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	750
327211 Flat Glass Manufacturing	519	1,086	78.3	68.9	1,586	0.571	.....	.....	.....
	1,500	1,500	1,500	.....	750	500	.....	1,000	1,000
327212 Other Pressed and Blown Glass and Glassware Manufacturing.	48	656	.....	34.4	.....	0.895	.....	.....	.....
	500	1,500	.....	.....	.....	1,500	.....	1,250	750
327213 Glass Container Manufacturing ...	641	2,038	.....	87.1	3,040	0.709	.....	.....	.....
	1,500	1,500	.....	.....	1,500	500	.....	1,250	750
327215 Glass Product Manufacturing Made of Purchased Glass.	41	584	4.1	29.8	.....	0.870	.....	.....	.....
	500	1,250	500	.....	.....	1,500	.....	1,000	500
327310 Cement Manufacturing	120	626	.....	40.8	1,721	0.770	.....	.....	.....
	1,250	1,500	.....	.....	1,000	500	.....	1,000	750
327320 Ready-Mix Concrete Manufacturing.	44	368	8.9	22.6	.....	0.764	.....	.....	.....
	500	750	500	.....	.....	500	.....	500	500

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)—Continued

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
327331 Concrete Block and Brick Manufacturing.	42	236	9.2	32.3	.....	0.694	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
327332 Concrete Pipe Manufacturing	69	460	13.2	54.0	1,328	0.745	.....	.....	.....
	750	1,000	750	.....	500	500	.....	750	500
327390 Other Concrete Product Manufacturing.	35	213	3.6	19.2	.....	0.760	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
327410 Lime Manufacturing	108	507	.....	69.0	673	0.624	.....	.....	.....
	1,000	1,000	.....	.....	500	500	.....	750	500
327420 Gypsum Product Manufacturing ..	68	1,272	.....	73.6	2,108	0.901	.....	.....	.....
	750	1,500	.....	.....	1,500	1,500	.....	1,500	1,000
327910 Abrasive Product Manufacturing	49	424	8.7	58.4	1,348	0.824	.....	.....	.....
	500	750	500	.....	500	1,500	.....	750	500
327991 Cut Stone and Stone Product Manufacturing.	16	57	1.1	6.9	.....	0.525	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
327992 Ground or Treated Mineral and Earth Manufacturing.	41	101	.....	43.7	374	0.698	.....	.....	.....
	500	500	.....	.....	500	500	.....	500	500
327993 Mineral Wool Manufacturing	96	889	.....	55.3	2,210	0.841	.....	.....	.....
	1,000	1,500	.....	.....	1,500	1,500	.....	1,500	750
327999 All Other Miscellaneous Nonmetallic Mineral Product Manufacturing.	29	271	6.2	40.8	898	0.743	.....	.....	.....
	500	500	500	.....	500	500	.....	500	500
331110 Iron and Steel Mills and Ferroalloy Manufacturing.	425	2,108	199.2	.....	.....	0.798	.....	.....	.....
	1,500	1,500	1,500	.....	.....	1,250	.....	1,500	1,000
331210 Iron and Steel Pipe and Tube Manufacturing from Purchased Steel.	162	299	36.5	34.2	.....	0.536	.....	.....	.....
	1,500	500	1,250	.....	.....	500	.....	1,000	1,000
331221 Rolled Steel Shape Manufacturing.	87	165	26.5	30.8	.....	0.545	.....	.....	.....
	750	500	1,000	.....	.....	500	.....	750	1,000
331222 Steel Wire Drawing	70	246	11.4	25.2	.....	0.710	.....	.....	.....
	750	500	750	.....	.....	500	.....	750	1,000
331313 Alumina Refining and Primary Aluminum Production.	234	656	.....	.....	.....	0.686	.....	.....	.....
	1,500	1,500	.....	.....	.....	500	.....	1,000	1,000
331314 Secondary Smelting and Alloying of Aluminum.	69	306	24.1	54.8	776	0.716	.....	.....	.....
	750	500	1,000	.....	500	500	.....	750	750
331315 Aluminum Sheet, Plate, and Foil Manufacturing.	197	1,462	.....	70.5	2,445	0.866	3.6	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	750	1,250	750
331318 Other Aluminum Rolling, Drawing, and Extruding.	120	378	18.7	.....	.....	0.700	.....	.....	.....
	1,250	750	750	.....	.....	500	.....	750	750
331410 Nonferrous Metal (except Aluminum) Smelting and Refining.	61	259	.....	.....	.....	0.823	.....	.....	.....
	500	500	.....	.....	.....	1,500	.....	1,000	1,000
331420 Copper Rolling, Drawing, Extruding, and Alloying.	132	408	55.1	.....	.....	0.751	−16.6	.....	.....
	1,250	750	1,500	.....	.....	500	1,000	1,000	1,000
331491 Nonferrous Metal (except Copper and Aluminum) Rolling, Drawing, and Extruding.	65	281	17.8	48.5	1,545	0.784	−11.0	750	750
	750	500	750	.....	750	750	1,000	.....	.....
331492 Secondary Smelting, Refining, and Alloying of Nonferrous Metal (except Copper and Aluminum).	54	153	14.0	28.2	.....	0.617	.....	.....	.....
	500	500	750	.....	.....	500	.....	500	750
331511 Iron Foundries	128	675	16.3	29.4	.....	0.768	.....	.....	.....
	1,250	1,500	750	.....	.....	500	.....	1,000	500
331512 Steel Investment Foundries	145	631	.....	61.9	2,055	0.752	.....	.....	.....
	1,500	1,500	.....	.....	1,250	500	.....	1,000	500
331513 Steel Foundries (except Investment).	86	343	9.0	30.5	.....	0.742	.....	.....	.....
	750	500	500	.....	.....	500	.....	500	500
331523 Nonferrous Metal Die-Casting Foundries.	84	335	9.9	.....	.....	0.744	.....	.....	.....
	750	500	500	.....	.....	500	.....	500	500
331524 Aluminum Foundries (except Die-Casting).	47	242	4.2	27.5	.....	0.778	.....	.....	.....
	500	500	500	.....	.....	750	.....	500	500
331529 Other Nonferrous Metal Foundries (except Die-Casting).	35	137	3.5	.....	.....	0.688	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332111 Iron and Steel Forging	64	230	11.3	20.8	.....	0.719	.....	.....	.....
	750	500	750	.....	.....	500	.....	750	500
332112 Nonferrous Forging	128	421	.....	51.5	687	0.672	.....	.....	.....
	1,250	750	.....	.....	500	500	.....	750	500
332114 Custom Roll Forming	51	152	.....	36.9	.....	0.732	.....	.....	.....
	500	500	.....	.....	.....	500	.....	500	500
332117 Powder Metallurgy Part Manufacturing.	76	204	8.4	37.5	.....	0.656	.....	.....	.....
	750	500	500	.....	.....	500	.....	500	500
332119 Metal Crown, Closure, and Other Metal Stamping (except Automotive).	41	131	4.3	.....	.....	0.676	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332215 Metal Kitchen Cookware, Utensil, Cutlery, and Flatware (except Precious) Manufacturing.	44	221	9.0	.....	.....	0.806	.....	.....	.....
	500	500	500	.....	.....	1,250	.....	750	500
332216 Saw Blade and Handtool Manufacturing.	35	240	4.2	.....	.....	0.791	14.3	.....	.....
	500	500	500	.....	.....	1,000	500	750	500

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)—Continued

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
332311 Prefabricated Metal Building and Component Manufacturing.	42	386	4.5	27.6	.....	0.787	3.5	.....	.....
	500	750	500	.....	.....	1,000	500	750	500
332312 Fabricated Structural Metal Manufacturing.	34	196	4.5	10.4	.....	0.726	−21.9	.....	.....
	500	500	500	.....	.....	500	750	500	500
332313 Plate Work Manufacturing	28	92	2.8	8.6	.....	0.640	−68.5	.....	.....
	500	500	500	.....	.....	500	1,000	750	500
332321 Metal Window and Door Manufacturing.	65	385	5.3	12.7	.....	0.788	.....	.....	.....
	750	750	500	.....	.....	1,000	.....	750	500
332322 Sheet Metal Work Manufacturing	29	135	2.4	7.4	.....	0.693	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332323 Ornamental and Architectural Metal Work Manufacturing.	17	127	1.5	15.9	.....	0.707	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332410 Power Boiler and Heat Exchanger Manufacturing.	84	296	.....	27.2	.....	0.665	−43.5	.....	.....
	750	500	.....	.....	.....	500	1,000	750	500
332420 Metal Tank (Heavy Gauge) Manufacturing.	60	228	.....	17.4	.....	0.700	−42.8	.....	.....
	500	500	.....	.....	.....	500	1,000	750	500
332431 Metal Can Manufacturing	281	1,425	.....	76.5	3,349	0.824	.....	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	.....	1,500	1,000
332439 Other Metal Container Manufacturing.	40	177	5.2	28.8	.....	0.717	−10.4	.....	.....
	500	500	500	.....	.....	500	750	500	500
332510 Hardware Manufacturing	56	400	7.6	24.1	.....	0.813	14.0	.....	.....
	500	750	500	.....	.....	1,500	500	750	500
332613 Spring Manufacturing	49	271	5.6	.....	.....	0.749	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332618 Other Fabricated Wire Product Manufacturing.	30	119	2.9	9.6	.....	0.700	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332710 Machine Shops	13	50	0.9	1.7	.....	0.590	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332721 Precision Turned Product Manufacturing.	30	85	2.5	4.3	.....	0.601	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332722 Bolt, Nut, Screw, Rivet, and Washer Manufacturing.	54	302	7.0	21.1	.....	0.732	−20.8	.....	.....
	500	500	500	.....	.....	500	750	500	500
332811 Metal Heat Treating	36	149	4.2	26.2	.....	0.692	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	750
332812 Metal Coating, Engraving (except Jewelry and Silverware), and Allied Services to Manufacturers.	24	102	3.0	22.0	.....	0.768	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332813 Electroplating, Plating, Polishing, Anodizing, and Coloring.	23	70	1.4	10.5	.....	0.624	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332911 Industrial Valve Manufacturing	100	462	14.2	27.1	.....	0.781	.....	.....	.....
	1,000	1,000	750	.....	.....	750	.....	750	500
332912 Fluid Power Valve and Hose Fitting Manufacturing.	111	654	16.1	38.9	.....	0.798	.....	.....	.....
	1,000	1,500	750	.....	.....	1,250	.....	1,000	500
332913 Plumbing Fixture Fitting and Trim Manufacturing.	92	627	19.1	58.1	1,171	0.820	.....	.....	.....
	1,000	1,500	750	.....	500	1,500	.....	1,000	500
332919 Other Metal Valve and Pipe Fitting Manufacturing.	71	211	11.5	17.9	.....	0.668	.....	.....	.....
	750	500	750	.....	.....	500	.....	750	500
332991 Ball and Roller Bearing Manufacturing.	234	994	40.7	58.9	3,423	0.800	30.8	.....	.....
	1,500	1,500	1,500	.....	1,500	1,250	750	1,250	750
332992 Small Arms Ammunition Manufacturing.	93	935	.....	79.3	1,886	0.878	−11.6	.....	.....
	1,000	1,500	.....	.....	1,250	1,500	1,250	1,250	1,000
332993 Ammunition (except Small Arms) Manufacturing.	151	585	.....	80.2	795	0.808	−17.6	.....	.....
	1,500	1,250	.....	.....	500	1,250	1,500	1,250	1,500
332994 Small Arms, Ordnance, and Ordnance Accessories Manufacturing.	54	518	.....	.....	.....	0.855	−17.7	.....	.....
	500	1,000	.....	.....	.....	1,500	1,000	1,000	1,000
332996 Fabricated Pipe and Pipe Fitting Manufacturing.	44	164	4.9	24.1	.....	0.715	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
332999 All Other Miscellaneous Fabricated Metal Product Manufacturing.	22	88	2.3	.....	.....	0.674	−34.1	.....	.....
	500	500	500	.....	.....	500	1,000	750	750
333111 Farm Machinery and Equipment Manufacturing.	50	681	11.1	59.0	4,290	0.899	.....	.....	.....
	500	1,500	750	.....	1,500	1,500	.....	1,250	500
333112 Lawn and Garden Tractor and Home Lawn and Garden Equipment Manufacturing.	142	1,010	33.5	71.1	3,059	0.860	.....	.....	.....
	1,500	1,500	1,250	.....	1,500	1,500	.....	1,500	500
333120 Construction Machinery Manufacturing.	99	1,086	36.6	53.6	5,741	0.890	−9.5	.....	.....
	1,000	1,500	1,250	.....	1,500	1,500	750	1,250	750
333131 Mining Machinery and Equipment Manufacturing.	51	310	9.1	38.0	.....	0.747	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333132 Oil and Gas Field Machinery and Equipment Manufacturing.	86	709	21.2	32.4	.....	0.837	.....	.....	.....
	750	1,500	1,000	.....	.....	1,500	.....	1,250	500
333241 Food Product Machinery Manufacturing.	36	127	5.1	.....	.....	0.681	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333242 Semiconductor Machinery Manufacturing.	122	871	.....	.....	.....	0.861	.....	.....	.....
	1,250	1,500	.....	.....	.....	1,500	.....	1,500	500

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NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
333243 Sawmill, Woodworking, and Paper Machinery Manufacturing.	31	204	4.3	.....	.....	0.721	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333244 Printing Machinery and Equipment Manufacturing.	32	177	4.0	.....	.....	0.708	−55.6	.....	.....
	500	500	500	.....	.....	500	1,000	750	500
333249 Other Industrial Machinery Manufacturing.	30	115	3.9	.....	.....	0.704	−20.7	.....	.....
	500	500	500	.....	.....	500	750	500	500
333314 Optical Instrument and Lens Manufacturing.	42	204	5.5	26.9	.....	0.761	−11.4	.....	.....
	500	500	500	.....	.....	500	750	500	500
333316 Photographic and Photocopying Equipment Manufacturing.	43	300	7.9	29.9	.....	0.820	−5.8	.....	.....
	500	500	500	.....	.....	1,500	1,000	1,000	1,000
333318 Other Commercial and Service Industry Machinery Manufacturing.	46	274	.....	.....	.....	0.781	−22.2	.....	.....
	500	500	.....	.....	.....	750	750	750	1,000
333413 Industrial and Commercial Fan and Blower and Air Purification Equipment Manufacturing.	61	244	5.9	.....	.....	0.714	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333414 Heating Equipment (except Warm Air Furnaces) Manufacturing.	49	202	6.4	21.1	.....	0.732	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333415 Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing.	139	1,352	18.7	39.3	.....	0.868	28.5	.....	.....
	1,250	1,500	750	.....	.....	1,500	750	1,250	750
333511 Industrial Mold Manufacturing	21	63	1.6	4.6	.....	0.586	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333514 Special Die and Tool, Die Set, Jig, and Fixture Manufacturing.	17	67	1.5	11.9	.....	0.647	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333515 Cutting Tool and Machine Tool Accessory Manufacturing.	20	143	1.9	19.2	.....	0.696	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333517 Machine Tool Manufacturing	52	230	7.2	.....	.....	0.695	24.9	.....	.....
	500	500	500	.....	.....	500	500	500	500
333519 Rolling Mill and Other Metalworking Machinery Manufacturing.	32	101	4.4	.....	.....	0.638	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333611 Turbine and Turbine Generator Set Units Manufacturing.	159	920	.....	68.4	3,126	0.823	−6.9	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	1,000	1,500	1,000
333612 Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing.	68	273	9.6	29.5	.....	0.725	−30.7	.....	.....
	750	500	500	.....	.....	500	1,000	750	500
333613 Mechanical Power Transmission Equipment Manufacturing.	79	330	12.0	26.9	.....	0.716	22.8	.....	.....
	750	500	750	.....	.....	500	500	750	500
333618 Other Engine Equipment Manufacturing.	169	1,217	.....	55.9	4,909	0.869	33.1	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	1,000	1,500	1,000
333911 Pump and Pumping Equipment Manufacturing.	76	382	14.2	30.5	.....	0.797	14.7	.....	.....
	750	750	750	.....	.....	1,000	500	750	500
333912 Air and Gas Compressor Manufacturing.	84	419	19.5	26.8	.....	0.808	.....	.....	.....
	750	750	750	.....	.....	1,250	.....	1,000	500
333913 Measuring and Dispensing Pump Manufacturing.	121	404	.....	72.7	653	0.745	.....	.....	.....
	1,250	750	.....	.....	500	500	.....	750	500
333921 Elevator and Moving Stairway Manufacturing.	55	440	.....	56.1	1,028	0.813	.....	.....	.....
	500	750	.....	.....	500	1,500	.....	1,000	500
333922 Conveyor and Conveying Equipment Manufacturing.	44	167	5.1	17.0	.....	0.672	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333923 Overhead Traveling Crane, Hoist, and Monorail System Manufacturing.	81	768	13.0	62.5	2,738	0.852	.....	.....	.....
	750	1,500	750	.....	1,500	1,500	.....	1,250	500
333924 Industrial Truck, Tractor, Trailer, and Stacker Machinery Manufacturing.	70	411	12.1	40.2	1,743	0.789	−9.3	.....	.....
	750	750	750	.....	1,000	1,000	750	750	750
333991 Power-Driven Handtool Manufacturing.	56	431	.....	45.2	674	0.771	.....	.....	.....
	500	750	.....	.....	500	500	.....	500	500
333992 Welding and Soldering Equipment Manufacturing.	55	1,042	11.4	55.7	1,897	0.855	.....	.....	.....
	500	1,500	750	.....	1,250	1,500	.....	1,250	500
333993 Packaging Machinery Manufacturing.	36	135	4.4	24.0	.....	0.696	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333994 Industrial Process Furnace and Oven Manufacturing.	36	179	3.9	21.8	.....	0.659	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
333995 Fluid Power Cylinder and Actuator Manufacturing.	74	341	.....	43.3	1,582	0.788	.....	.....	.....
	750	500	.....	.....	750	1,000	.....	750	500
333996 Fluid Power Pump and Motor Manufacturing.	101	715	.....	69.1	2,002	0.825	.....	.....	.....
	1,000	1,500	.....	.....	1,250	1,500	.....	1,250	500
333997 Scale and Balance Manufacturing	41	264	.....	51.9	408	0.735	.....	.....	.....
	500	500	.....	.....	500	500	.....	500	500
333999 All Other Miscellaneous General Purpose Machinery Manufacturing.	29	144	3.7	15.9	.....	0.723	−11.9	.....	.....
	500	500	500	.....	.....	500	750	500	500
334111 Electronic Computer Manufacturing.	88	1,322	46.4	86.9	6,047	0.946	21.7	.....	.....
	750	1,500	1,500	.....	1,500	1,500	1,000	1,250	1,000
334112 Computer Storage Device Manufacturing.	143	1,450	.....	75.6	2,068	0.883	−3.4	.....	.....
	1,500	1,500	.....	.....	1,250	1,500	1,000	1,250	1,000

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)—Continued

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
334118 Computer Terminal and Other Computer Peripheral Equipment Manufacturing.	52	376	9.2	31.0	.....	0.818	−6.4	.....	.....
	500	750	500	.....	.....	1,500	1,000	1,000	1,000
334210 Telephone Apparatus Manufacturing.	95	462	29.9	60.5	2,244	0.853	8.3	.....	.....
	1,000	1,000	1,250	.....	1,500	1,500	1,000	1,250	1,000
334220 Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing.	113	1,170	30.2	45.2	7,609	0.889	−5.5	.....	.....
	1,000	1,500	1,250	.....	1,500	1,500	750	1,250	750
334290 Other Communications Equipment Manufacturing.	41	273	6.0	43.6	1,339	0.806	−26.2	.....	.....
	500	500	500	.....	500	1,250	1,000	750	750
334310 Audio and Video Equipment Manufacturing.	34	377	7.5	40.5	953	0.763	30.9	.....	.....
	500	750	500	.....	500	500	750	500	750
334412 Bare Printed Circuit Board Manufacturing.	57	385	4.5	36.7	.....	0.777	−34.6	.....	.....
	500	750	500	.....	.....	750	1,000	750	500
334413 Semiconductor and Related Device Manufacturing.	168	1,372	55.4	55.7	11,153	0.899	45.9	.....	.....
	1,500	1,500	1,500	.....	1,500	1,500	500	1,250	500
334416 Capacitor, Resistor, Coil, Transformer, and Other Inductor Manufacturing.	55	244	4.0	.....	.....	0.710	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
334417 Electronic Connector Manufacturing.	119	485	13.0	48.8	2,190	0.764	−13.3	.....	.....
	1,250	1,000	750	.....	1,500	500	750	1,000	500
334418 Printed Circuit Assembly (Electronic Assembly) Manufacturing.	84	436	.....	33.3	.....	0.801	−7.7	.....	.....
	750	750	.....	.....	.....	1,250	500	750	500
334419 Other Electronic Component Manufacturing.	46	211	4.4	.....	.....	0.744	−47.4	.....	.....
	500	500	500	.....	.....	500	1,250	750	750
334510 Electromedical and Electrotherapeutic Apparatus Manufacturing.	119	909	26.6	35.0	.....	0.863	−3.7	.....	.....
	1,250	1,500	1,000	.....	.....	1,500	500	1,250	500
334511 Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing.	300	5,370	61.6	47.0	18,216	0.919	−1.5	.....	.....
	1,500	1,500	1,500	.....	1,500	1,500	750	1,250	750
334512 Automatic Environmental Control Manufacturing for Residential, Commercial, and Appliance Use.	46	288	4.4	38.6	.....	0.779	.....	.....	.....
	500	500	500	.....	.....	750	.....	500	500
334513 Instruments and Related Products Manufacturing for Measuring, Displaying, and Controlling Industrial Process Variables.	46	287	6.8	30.4	.....	0.807	7.9	.....	.....
	500	500	500	.....	.....	1,250	500	750	500
334514 Totalizing Fluid Meter and Counting Device Manufacturing.	67	324	14.2	44.1	1,006	0.801	.....	.....	.....
	750	500	750	.....	500	1,250	.....	750	500
334515 Instrument Manufacturing for Measuring and Testing Electricity and Electrical Signals.	53	312	9.0	37.9	.....	0.820	15.1	.....	.....
	500	500	500	.....	.....	1,500	500	750	500
334516 Analytical Laboratory Instrument Manufacturing.	66	396	13.8	32.3	.....	0.835	6.0	.....	.....
	750	750	750	.....	.....	1,500	500	1,000	500
334517 Irradiation Apparatus Manufacturing.	76	588	.....	58.2	1,398	0.845	5.9	.....	.....
	750	1,250	.....	.....	750	1,500	500	1,000	500
334519 Other Measuring and Controlling Device Manufacturing.	37	183	6.4	.....	.....	0.766	−1.5	.....	.....
	500	500	500	.....	.....	500	500	500	500
334613 Blank Magnetic and Optical Recording Media Manufacturing.	54	1,092	.....	84.7	1,121	0.889	.....	.....	.....
	500	1,500	.....	.....	500	1,500	.....	1,000	1,000
334614 Software and Other Prerecorded Compact Disc, Tape, and Record Reproducing.	34	519	.....	.....	.....	0.819	.....	1,250	.....
	500	1,000	.....	.....	.....	1,500	.....	.....	750
335110 Electric Lamp Bulb and Part Manufacturing.	136	1,057	.....	75.4	1,497	0.848	.....	.....	.....
	1,250	1,500	.....	.....	750	1,500	.....	1,250	1,000
335121 Residential Electric Lighting Fixture Manufacturing.	30	320	3.5	46.1	847	0.814	.....	.....	.....
	500	500	500	.....	500	1,500	.....	750	500
335122 Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing.	56	373	5.9	32.0	.....	0.763	.....	.....	.....
	500	750	500	.....	.....	500	.....	500	500
335129 Other Lighting Equipment Manufacturing.	54	243	7.1	21.6	.....	0.749	.....	.....	.....
	500	500	500	.....	.....	500	.....	500	500
335210 Small Electrical Appliance Manufacturing.	104	579	.....	.....	.....	0.816	.....	.....	.....
	1,000	1,250	.....	.....	.....	1,500	.....	1,500	750
335221 Household Cooking Appliance Manufacturing.	145	1,611	.....	72.3	2,734	0.870	.....	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	.....	1,500	750
335222 Household Refrigerator and Home Freezer Manufacturing.	735	2,956	.....	91.6	3,010	0.764	.....	.....	.....
	1,500	1,500	.....	.....	1,500	500	.....	1,250	1,000
335224 Household Laundry Equipment Manufacturing.	746	3,165	.....	98.3	2,549	0.768	.....	.....	.....
	1,500	1,500	.....	.....	1,500	500	.....	1,250	1,000
335228 Other Major Household Appliance Manufacturing.	310	1,116	.....	63.6	1,614	0.744	.....	.....	.....
	1,500	1,500	.....	.....	750	500	.....	1,000	500

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)—Continued

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
335311 Power, Distribution, and Specialty Transformer Manufacturing.	88	493	13.7	39.9	.....	0.771	22.0	.....	.....
	750	1,000	750	.....	.....	500	750	750	750
335312 Motor and Generator Manufacturing.	98	587	15.0	34.3	.....	0.837	−7.3	.....	.....
	1,000	1,250	750	.....	.....	1,500	1,000	1,250	1,000
335313 Switchgear and Switchboard Apparatus Manufacturing.	87	840	11.6	47.0	3,373	0.862	12.4	.....	.....
	750	1,500	750	.....	1,500	1,500	750	1,250	750
335314 Relay and Industrial Control Manufacturing.	41	267	5.5	31.1	.....	0.805	.....	.....	.....
	500	500	500	.....	.....	1,250	.....	750	750
335911 Storage Battery Manufacturing	240	1,819	.....	65.7	3,305	0.850	25.7	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	500	1,250	500
335912 Primary Battery Manufacturing	134	572	.....	88.0	837	0.773	.....	.....	.....
	1,250	1,250	.....	.....	500	750	.....	750	1,000
335921 Fiber Optic Cable Manufacturing	65	294	.....	64.3	569	0.710	.....	.....	.....
	750	500	.....	.....	500	500	.....	500	1,000
335929 Other Communication and Energy Wire Manufacturing.	109	398	.....	36.6	.....	0.749	−19.8	.....	.....
	1,000	750	.....	.....	.....	500	1,250	1,000	1,000
335931 Current-Carrying Wiring Device Manufacturing.	79	303	7.5	20.4	.....	0.742	.....	.....	.....
	750	500	500	.....	.....	500	.....	500	500
335932 Noncurrent-Carrying Wiring Device Manufacturing.	119	537	.....	37.6	.....	0.783	.....	.....	.....
	1,250	1,250	.....	.....	.....	750	.....	1,000	500
335991 Carbon and Graphite Product Manufacturing.	71	335	.....	41.2	660	0.782	.....	.....	.....
	750	500	.....	.....	500	750	.....	750	750
335999 All Other Miscellaneous Electrical Equipment and Component Manufacturing.	45	188	5.5	19.6	.....	0.763	−18.6	.....	.....
	500	500	500	.....	.....	500	750	500	500
336111 Automobile Manufacturing	376	6,539	286.4	67.6	9,705	0.945	2.2	.....	.....
	1,500	1,500	1,500	.....	1,500	1,500	1,000	1,500	1,000
336112 Light Truck and Utility Vehicle Manufacturing.	1,285	8,271	.....	84.3	16,270	0.857	4.7	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	1,000	1,500	1,000
336120 Heavy Duty Truck Manufacturing	360	2,029	.....	65.5	4,526	0.822	14.0	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	1,000	1,500	1,000
336211 Motor Vehicle Body Manufacturing.	66	411	7.5	23.6	.....	0.787	−14.9	.....	.....
	750	750	500	.....	.....	1,000	1,250	1,000	1,000
336212 Truck Trailer Manufacturing	78	688	7.8	42.4	2,364	0.806	−32.9	.....	.....
	750	1,500	500	.....	1,500	1,250	1,000	1,000	500
336213 Motor Home Manufacturing	247	1,226	.....	52.7	1,958	0.804	.....	.....	.....
	1,500	1,500	.....	.....	1,250	1,250	.....	1,250	1,000
336214 Travel Trailer and Camper Manufacturing.	65	650	4.5	40.4	3,444	0.810	−37.4	.....	.....
	750	1,500	500	.....	1,500	1,250	1,000	1,000	500
336310 Motor Vehicle Gasoline Engine and Engine Parts Manufacturing.	67	809	.....	.....	.....	0.914	45.5	.....	.....
	750	1,500	.....	.....	.....	1,500	500	1,000	750
336320 Motor Vehicle Electrical and Electronic Equipment Manufacturing.	97	707	13.0	.....	.....	0.852	11.3	.....	.....
	1,000	1,500	750	.....	.....	1,500	750	1,000	750
336330 Motor Vehicle Steering and Suspension Components (except Spring) Manufacturing.	162	641	.....	32.7	.....	0.771	.....	.....	.....
	1,500	1,500	.....	.....	.....	500	.....	1,000	750
336340 Motor Vehicle Brake System Manufacturing.	167	671	.....	42.2	1,994	0.786	.....	.....	.....
	1,500	1,500	.....	.....	1,250	1,000	.....	1,250	750
336350 Motor Vehicle Transmission and Power Train Parts Manufacturing.	172	1,572	.....	36.7	.....	0.892	.....	.....	.....
	1,500	1,500	.....	.....	.....	1,500	.....	1,500	750
336360 Motor Vehicle Seating and Interior Trim Manufacturing.	170	1,367	26.7	56.9	5,459	0.860	.....	.....	.....
	1,500	1,500	1,000	.....	1,500	1,500	.....	1,500	500
336370 Motor Vehicle Metal Stamping	148	718	24.3	33.2	.....	0.756	.....	.....	.....
	1,500	1,500	1,000	.....	.....	500	.....	1,000	500
336390 Other Motor Vehicle Parts Manufacturing.	111	542	18.8	.....	.....	0.798	3.2	.....	.....
	1,000	1,250	750	.....	.....	1,250	750	1,000	750
336411 Aircraft Manufacturing	815	7,782	.....	81.3	33,731	0.901	0.1	.....	.....
	1,500	1,500	.....	.....	1,500	1,500	1,500	1,500	1,500
336412 Aircraft Engine and Engine Parts Manufacturing.	230	1,861	73.5	74.3	10,158	0.888	−7.3	.....	.....
	1,500	1,500	1,500	.....	1,500	1,500	1,000	1,500	1,000
336413 Other Aircraft Parts and Auxiliary Equipment Manufacturing.	146	1,768	26.1	47.3	9,325	0.884	−6.3	.....	.....
	1,500	1,500	1,000	.....	1,500	1,500	1,000	1,250	1,000
336414 Guided Missile and Space Vehicle Manufacturing.	3,525	7,103	.....	94.8	11,710	0.522	−0.8	.....	.....
	1,500	1,500	.....	.....	1,500	500	1,000	1,250	1,000
336415 Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing.	938	2,829	.....	97.1	3,871	0.682	0.5	.....	.....
	1,500	1,500	.....	.....	1,500	500	1,000	1,250	1,000
336419 Other Guided Missile and Space Vehicle Parts and Auxiliary Equipment Manufacturing.	158	602	.....	66.5	1,250	0.718	−19.7	.....	.....
	1,500	1,250	.....	.....	500	500	1,250	1,000	1,000
336510 Railroad Rolling Stock Manufacturing.	164	935	53.0	49.4	2,757	0.814	.....	.....	.....
	1,500	1,500	1,500	.....	1,500	1,500	.....	1,500	1,000
336611 Ship Building and Repairing	162	4,868	16.5	60.5	14,610	0.899	−17.1	.....	.....
	1,500	1,500	750	.....	1,500	1,500	1,250	1,250	1,000

TABLE 3—SIZE STANDARDS SUPPORTED BY EACH FACTOR FOR EACH INDUSTRY (NUMBER OF EMPLOYEES)—Continued

[Upper Value = Calculated Factor, Lower Value = Size Standard Supported]

NAICS code NAICS industry title	Simple average firm size (number of employees)	Weighted average firm size (number of employees)	Average assets size ($ million)	Four-firm ratio %	Four-firm average size (number of employees)	Gini coefficient	Federal contract factor (%)	Calculated size standard (number of employees)	Current size standard (number of employees)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
336612 Boat Building	51	1,271	6.2	35.0		0.857	22.3		
	500	1,500	500			1,500	500	1,000	500
336991 Motorcycle, Bicycle, and Parts Manufacturing.	30	1,380	6.9	72.0	1,705	0.879			
	500	1,500	500		1,000	1,500		1,000	500
336992 Military Armored Vehicle, Tank, and Tank Component Manufacturing.	264	1,538		81.8	2,674	0.857	−5.5		
	1,500	1,500			1,500	1,500	1,000	1,500	1,000
336999 All Other Transportation Equipment Manufacturing.	39	730	7.7	57.2	1,657	0.904	51.2		
	500	1,500	500		1,000	1,500	500	1,000	500
337110 Wood Kitchen Cabinet and Countertop Manufacturing.	15	899	0.8	30.4		0.752			
	500	1,500	500			500		750	500
337121 Upholstered Household Furniture Manufacturing.	52	1,121	2.7	34.0		0.856			
	500	1,500	500			1,500		1,000	500
337122 Nonupholstered Wood Household Furniture Manufacturing.	18	420	1.1	30.1		0.783	14.2		
	500	750	500			750	500	750	500
337124 Metal Household Furniture Manufacturing.	37	349		44.4	1,047	0.812			
	500	500			500	1,500		750	500
337125 Household Furniture (except Wood and Metal) Manufacturing.	21	439	2.6	67.0	455	0.867			
	500	750	500		500	1,500		750	500
337127 Institutional Furniture Manufacturing.	46	168	3.5	13.1		0.697			
	500	500	500			500		500	500
337211 Wood Office Furniture Manufacturing.	44	445	2.8	39.8		0.813			
	500	750	500			1,500		1,000	500
337212 Custom Architectural Woodwork and Millwork Manufacturing.	22	61	1.1	5.1		0.575			
	500	500	500			500		500	500
337214 Office Furniture (except Wood) Manufacturing.	111	1,302	14.1	64.7	3,581	0.898	8.5		
	1,000	1,500	750		1,500	1,500	500	1,000	500
337215 Showcase, Partition, Shelving, and Locker Manufacturing.	34	183	2.6	15.7		0.756	20.8		
	500	500	500			500	500	500	500
337910 Mattress Manufacturing	50	636	5.7	51.3	2,026	0.847			
	500	1,500	500		1,250	1,500		1,000	500
337920 Blind and Shade Manufacturing	43	666	2.2	38.5		0.815			
	500	1,500	500			1,500		1,000	500
339112 Surgical and Medical Instrument Manufacturing.	92	787	15.7	24.7		0.867	14.8		
	1,000	1,500	750			1,500	500	1,000	500
339113 Surgical Appliance and Supplies Manufacturing.	58	529	8.7	30.3		0.877	14.6		
	500	1,000	500			1,500	500	750	500
339114 Dental Equipment and Supplies Manufacturing.	22	341	3.3	34.6		0.853			
	500	500	500			1,500		750	500
339115 Ophthalmic Goods Manufacturing	46	594	6.0	42.5	1,595	0.882			
	500	1,250	500		750	1,500		1,000	500
339116 Dental Laboratories	8	160	0.2	18.0		0.553			
	500	500	500			500		500	500
339910 Jewelry and Silverware Manufacturing.	15	185	1.9			0.784			
	500	500	500			750		500	500
339920 Sporting and Athletic Goods Manufacturing.	27	305	3.8	27.0		0.838	27.0		
	500	500	500			1,500	500	750	500
339930 Doll, Toy, and Game Manufacturing.	17	266	2.1			0.778			
	500	500	500			750		500	500
339940 Office Supplies (except Paper) Manufacturing.	25	176				0.828	37.7		
	500	500				1,500	500	750	500
339950 Sign Manufacturing	14	105	0.9	6.7		0.693			
	500	500	500			500		500	500
339991 Gasket, Packing, and Sealing Device Manufacturing.	61	335	6.3	26.9		0.774			
	500	500	500			750		500	500
339992 Musical Instrument Manufacturing	23	424	1.9	32.2		0.819			
	500	750	500			1,500		1,000	500
339993 Fastener, Button, Needle, and Pin Manufacturing.	31	526		49.1	533	0.783			
	500	1,000			500	750		750	500
339994 Broom, Brush, and Mop Manufacturing.	53	223	5.4	29.3		0.765			
	500	500	500			500		500	500
339995 Burial Casket Manufacturing	36	873		73.5	673	0.896			
	500	1,500			500	1,500		1,000	500
339999 All Other Miscellaneous Manufacturing.	13	135	1.4	26.2		0.764	−20.8		
	500	500	500			500	750	500	500

Special Considerations: NAICS Code 324110 (Petroleum Refiners)

Footnote 4 of SBA's table of size standards (13 CFR 121.201) states that to qualify as a small business concern for purposes of Government procurement, the petroleum refiner must be a concern that has no more than 1,500 employees and no more than 125,000 barrels per calendar day total Operable Atmospheric Crude Oil Distillation capacity. In addition, the total product to be delivered under the small business contract must be at least 90 percent

refined by the successful bidder from either crude oil or bona fide feedstocks.

To determine if the current Petroleum Refiners size standard is appropriate, SBA analyzed current data on both total and aviation fuel capacity, as well as the number of employees of all refiners operating in the U.S. SBA also examined industry trends, and the Federal government's petroleum procurement needs. Based on this analysis, SBA proposes to increase the refining capacity component of the Petroleum Refiners (NAICS 324110) size standard from 125,000 barrels per calendar day (BPCD) total Operable Atmospheric Crude Oil Distillation capacity to 200,000 BPCD, and maintain the employee component at the current 1,500-employee level. Under the proposed size standard, for proposes of Federal procurement, a petroleum refiner can qualify as small under the 1,500-employee size standard or under the 200,000 BPCD capacity size standard. To qualify under the capacity size standard, the firm, together with its affiliates, must be primarily engaged in refining crude petroleum into refined petroleum products. The proposed increase to the capacity size standard would expand the pool of small refiners that produce aviation fuel.

Since the current regulation (limitations on subcontracting) already requires that a concern must perform at least 50 percent of the cost of contracts for the supplies or products (not including the costs of materials) (see 13 CFR 125.6), SBA is also proposing to remove the requirement that total product to be delivered under the small business contract must be at least 90 percent refined by the successful bidder from either crude oil or bona fide feedstocks. SBA has found this 90 percent requirement to be overly restrictive for small refiners to compete for government contracts. The removal of this requirement will make the limitations on subcontracting consistent across all contracts for manufactured products or supplies.

Given these changes, SBA also proposes to revise Footnote 4 of the SBA's table of size standards to read as follows:

''To qualify as small for purposes of Government procurement, the petroleum refiner, including its affiliates, must be a concern that has no more than 1,500 employees OR no more than 200,000 barrels per calendar day total Operable Atmospheric Crude Oil Distillation capacity. Capacity includes all domestic and foreign affiliates, owned or leased facilities, and facilities under a processing agreement or an arrangement such as an exchange agreement or a throughput. To qualify under the capacity size standard, the firm, together with its affiliates, must be primarily engaged in refining crude petroleum into refined petroleum products. A firm's ''primary industry'' is determined in accordance with 13 CFR 121.107.''

NAICS 326211, Tire Manufacturing (Except Retreading)

Footnote 5 to SBA size standards table currently includes Census Bureau's Product Classifications codes based on Standard Industry Classification (SIC) system: Namely 30111 (Passenger car pneumatic tires) and 30112 (Truck/bus tires, including off highway, pneumatic tires). To make them consistent with industry size standards that are based on NAICS, in this proposed rule, SBA amends Footnote 5 by replacing them with the Census Bureau's corresponding NAICS Product Classification codes 3262111 and 3262113, respectively. The amended Footnote 5 will read as follows:

5. *NAICS code 326211*—For Government procurement, a firm is small for bidding on a contract for pneumatic tires within Census NAICS Product Classification codes 3262111 and 3262113, provided that:

(a) The value of tires within Census NAICS Product Classification codes 3262113 which it manufactured in the United States during the previous calendar year is more than 50 percent of the value of its total worldwide manufacture,

(b) The value of pneumatic tires within Census NAICS Product Classification codes 3262113 comprising its total worldwide manufacture during the preceding calendar year was less than 5 percent of the value of all such tires manufactured in the United States during that period, and

(c) The value of the principal product which it manufactured or otherwise produced, or sold worldwide during the preceding calendar year is less than 10 percent of the total value of such products manufactured or otherwise produced or sold in the United States during that period.

Proposed Changes to Size Standards

As can be seen from Table 3, Size Standards Supported by Each Factor for Each Industry (No. of employees), the results might support increases in size standards for 209 industries, decreases for 19 industries and no changes for 136 industries.

However, SBA believes that lowering small business size standards is not in the best interest of small businesses in the current economic environment. The U.S. economy was in recession from December 2007 to June 2009, the longest and deepest of any recessions since before World War II. The economy lost more than eight million non-farm jobs during 2008–2009. In response, Congress passed and the President signed into law the American Recovery and Reinvestment Act of 2009 (Recovery Act) to promote economic recovery and to preserve and create jobs. Although the recession officially ended in June 2009, the unemployment rate is still high at 6.2 percent in July 2014 (*www.bls.gov*) and is forecast to remain around this level at least through the end of 2014 (*http://www.federalreserve.gov/monetarypolicy/mpr_20140211_part3.htm*).

In 2010, Congress passed and the President signed the Jobs Act to promote small business job creation. The Jobs Act puts more capital into the hands of entrepreneurs and small business owners; strengthens small businesses' ability to compete for contracts; includes recommendations from the President's Task Force on Federal Contracting Opportunities for Small Business; creates a better playing field for small businesses; promotes small business exporting, building on the President's National Export Initiative; expands training and counseling; and provides $12 billion in tax relief to help small businesses invest in their firms and create jobs. A proposal to reduce size standards will have an immediate impact on jobs, and it would be contrary to the expressed will of the President and the Congress.

Lowering size standards would decrease the number of firms that participate in Federal financial and procurement assistance programs for small businesses. It would also affect small businesses that are now exempt or receive some form of relief from other Federal regulations that use SBA's size standards. That impact could take the form of increased fees, paperwork, or other compliance requirements for small businesses. Furthermore, size standards based solely on analytical results without any other considerations can cut off currently eligible small firms from those programs and benefits. In the 19 industries for which analytical results might have supported lowering their size standards, about 60 businesses would lose their small business eligibility if their size standards were lowered. That would run counter to what SBA and the Federal government are doing to help small businesses and create jobs. Reducing size eligibility for Federal procurement opportunities, especially under current economic

conditions, would not preserve or create more jobs; rather, it would have the opposite effect. Therefore, in this proposed rule, SBA does not intend to reduce size standards for any industries. Accordingly, for industries where analyses might seem to support lowering size standards, SBA proposes to retain the current size standards.

Furthermore, as stated previously, the Small Business Act requires the SBA's Administrator to ''. . . consider other factors deemed to be relevant . . .'' to establishing small business size standards. The current economic conditions and the impact on job creation are quite relevant factors when establishing small business size standards. SBA nevertheless invites comments and suggestions on whether it should lower size standards as suggested by analyses of industry and program data or retain the current standards for those industries in view of current economic conditions.

As discussed above, lowering small business size standards is inconsistent with what the Federal government is doing to stimulate the economy and would discourage job growth for which Congress established the Recovery Act and Jobs Act. In addition, it would be inconsistent with the Small Business Act requiring the Administrator to establish size standards based on industry analysis and other relevant factors such as current economic conditions. Thus, of the 364 manufacturing industries reviewed in this rule, SBA proposes to increase size standards for 209 industries and retain the current size standards for 155 industries, including 19 for which the results might support lowering their size standards. The proposed size standards are in Table 4, Summary of Proposed Size Standards Revisions, below.

TABLE 4—SUMMARY OF PROPOSED SIZE STANDARDS REVISIONS

NAICS code	NAICS U.S. industry title	Current size standard (number of employees)	Proposed size standard (number of employees)
311111	Dog and Cat Food Manufacturing	500	1,000
311211	Flour Milling	500	1,000
311221	Wet Corn Milling	750	1,250
311314	Cane Sugar Manufacturing	750	1,000
311340	Nonchocolate Confectionery Manufacturing	500	1,000
311351	Chocolate and Confectionery Manufacturing from Cacao Beans	500	1,250
311352	Confectionery Manufacturing from Purchased Chocolate	500	1,000
311411	Frozen Fruit, Juice, and Vegetable Manufacturing	500	1,000
311412	Frozen Specialty Food Manufacturing	500	1,250
311421	Fruit and Vegetable Canning	500	1,000
311422	Specialty Canning	1,000	1,250
311423	Dried and Dehydrated Food Manufacturing	500	750
311511	Fluid Milk Manufacturing	500	1,000
311512	Creamery Butter Manufacturing	500	750
311513	Cheese Manufacturing	500	1,250
311514	Dry, Condensed, and Evaporated Dairy Product Manufacturing	500	750
311520	Ice Cream and Frozen Dessert Manufacturing	500	1,000
311611	Animal (except Poultry) Slaughtering	500	1,000
311612	Meat Processed from Carcasses	500	1,000
311613	Rendering and Meat Byproduct Processing	500	750
311615	Poultry Processing	500	1,250
311710	Seafood Product Preparation and Packaging	500	750
311812	Commercial Bakeries	500	1,000
311813	Frozen Cakes, Pies, and Other Pastries Manufacturing	500	750
311821	Cookie and Cracker Manufacturing	750	1,250
311824	Dry Pasta, Dough, and Flour Mixes Manufacturing from Purchased Flour	500	750
311830	Tortilla Manufacturing	500	1,250
311911	Roasted Nuts and Peanut Butter Manufacturing	500	750
311919	Other Snack Food Manufacturing	500	1,250
311920	Coffee and Tea Manufacturing	500	750
311930	Flavoring Syrup and Concentrate Manufacturing	500	1,000
311941	Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing	500	750
312111	Soft Drink Manufacturing	500	1,250
312112	Bottled Water Manufacturing	500	1,000
312113	Ice Manufacturing	500	750
312120	Breweries	500	1,250
312130	Wineries	500	1,000
312140	Distilleries	750	1,000
312230	Tobacco Manufacturing	1,000	1,500
313110	Fiber, Yarn, and Thread Mills	500	1,250
313230	Nonwoven Fabric Mills	500	750
314110	Carpet and Rug Mills	500	1,500
314120	Curtain and Linen Mills	500	750
315110	Hosiery and Sock Mills	500	750
315190	Other Apparel Knitting Mills	500	750
315210	Cut and Sew Apparel Contractors	500	750
315220	Men's and Boys' Cut and Sew Apparel Manufacturing	500	750
315240	Women's, Girls', and Infants' Cut and Sew Apparel Manufacturing	500	750
315280	Other Cut and Sew Apparel Manufacturing	500	750
316992	Women's Handbag and Purse Manufacturing	500	750
321212	Softwood Veneer and Plywood Manufacturing	500	1,250

TABLE 4—SUMMARY OF PROPOSED SIZE STANDARDS REVISIONS—Continued

NAICS code	NAICS U.S. industry title	Current size standard (number of employees)	Proposed size standard (number of employees)
321213	Engineered Wood Member (except Truss) Manufacturing	500	750
321219	Reconstituted Wood Product Manufacturing	500	750
321911	Wood Window and Door Manufacturing	500	1,000
321991	Manufactured Home (Mobile Home) Manufacturing	500	1,250
322121	Paper (except Newsprint) Mills	750	1,250
322130	Paperboard Mills	750	1,250
322211	Corrugated and Solid Fiber Box Manufacturing	500	1,250
322219	Other Paperboard Container Manufacturing	750	1,000
322220	Paper Bag and Coated and Treated Paper Manufacturing	500	750
322230	Stationery Product Manufacturing	500	750
322291	Sanitary Paper Product Manufacturing	500	1,500
323117	Books Printing	500	1,250
324191	Petroleum Lubricating Oil and Grease Manufacturing	500	750
325194	Cyclic Crude, Intermediate, and Gum and Wood Chemical Manufacturing	750	1,250
325199	All Other Basic Organic Chemical Manufacturing	1,000	1,250
325211	Plastics Material and Resin Manufacturing	750	1,250
325312	Phosphatic Fertilizer Manufacturing	500	750
325320	Pesticide and Other Agricultural Chemical Manufacturing	500	1,000
325411	Medicinal and Botanical Manufacturing	750	1,000
325412	Pharmaceutical Preparation Manufacturing	750	1,250
325413	In-Vitro Diagnostic Substance Manufacturing	500	1,250
325414	Biological Product (except Diagnostic) Manufacturing	500	1,250
325510	Paint and Coating Manufacturing	500	1,000
325611	Soap and Other Detergent Manufacturing	750	1,000
325612	Polish and Other Sanitation Good Manufacturing	500	750
325613	Surface Active Agent Manufacturing	500	750
325620	Toilet Preparation Manufacturing	500	1,250
325992	Photographic Film, Paper, Plate, and Chemical Manufacturing	500	1,500
326111	Plastics Bag and Pouch Manufacturing	500	750
326112	Plastics Packaging Film and Sheet (including Laminated) Manufacturing	500	1,000
326113	Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing	500	750
326122	Plastics Pipe and Pipe Fitting Manufacturing	500	750
326140	Polystyrene Foam Product Manufacturing	500	1,000
326150	Urethane and Other Foam Product (except Polystyrene) Manufacturing	500	750
326160	Plastics Bottle Manufacturing	500	1,250
326191	Plastics Plumbing Fixture Manufacturing	500	750
326211	Tire Manufacturing (except Retreading)	1,000	1,500
326220	Rubber and Plastics Hoses and Belting Manufacturing	500	750
326291	Rubber Product Manufacturing for Mechanical Use	500	750
327110	Pottery, Ceramics, and Plumbing Fixture Manufacturing	750	1,000
327212	Other Pressed and Blown Glass and Glassware Manufacturing	750	1,250
327213	Glass Container Manufacturing	750	1,250
327215	Glass Product Manufacturing Made of Purchased Glass	500	1,000
327310	Cement Manufacturing	750	1,000
327332	Concrete Pipe Manufacturing	500	750
327410	Lime Manufacturing	500	750
327420	Gypsum Product Manufacturing	1,000	1,500
327910	Abrasive Product Manufacturing	500	750
327993	Mineral Wool Manufacturing	750	1,500
331110	Iron and Steel Mills and Ferroalloy Manufacturing	1,000	1,500
331315	Aluminum Sheet, Plate, and Foil Manufacturing	750	1,250
331511	Iron Foundries	500	1,000
331512	Steel Investment Foundries	500	1,000
332111	Iron and Steel Forging	500	750
332112	Nonferrous Forging	500	750
332215	Metal Kitchen Cookware, Utensil, Cutlery, and Flatware (except Precious) Manufacturing	500	750
332216	Saw Blade and Handtool Manufacturing	500	750
332311	Prefabricated Metal Building and Component Manufacturing	500	750
332313	Plate Work Manufacturing	500	750
332321	Metal Window and Door Manufacturing	500	750
332410	Power Boiler and Heat Exchanger Manufacturing	500	750
332420	Metal Tank (Heavy Gauge) Manufacturing	500	750
332431	Metal Can Manufacturing	1,000	1,500
332510	Hardware Manufacturing	500	750
332911	Industrial Valve Manufacturing	500	750
332912	Fluid Power Valve and Hose Fitting Manufacturing	500	1,000
332913	Plumbing Fixture Fitting and Trim Manufacturing	500	1,000
332919	Other Metal Valve and Pipe Fitting Manufacturing	500	750
332991	Ball and Roller Bearing Manufacturing	750	1,250

TABLE 4—SUMMARY OF PROPOSED SIZE STANDARDS REVISIONS—Continued

NAICS code	NAICS U.S. industry title	Current size standard (number of employees)	Proposed size standard (number of employees)
332992	Small Arms Ammunition Manufacturing	1,000	1,250
333111	Farm Machinery and Equipment Manufacturing	500	1,250
333112	Lawn and Garden Tractor and Home Lawn and Garden Equipment Manufacturing	500	1,500
333120	Construction Machinery Manufacturing	750	1,250
333132	Oil and Gas Field Machinery and Equipment Manufacturing	500	1,250
333242	Semiconductor Machinery Manufacturing	500	1,500
333244	Printing Machinery and Equipment Manufacturing	500	750
333415	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing.	750	1,250
333611	Turbine and Turbine Generator Set Units Manufacturing	1,000	1,500
333612	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing	500	750
333613	Mechanical Power Transmission Equipment Manufacturing	500	750
333618	Other Engine Equipment Manufacturing	1,000	1,500
333911	Pump and Pumping Equipment Manufacturing	500	750
333912	Air and Gas Compressor Manufacturing	500	1,000
333913	Measuring and Dispensing Pump Manufacturing	500	750
333921	Elevator and Moving Stairway Manufacturing	500	1,000
333923	Overhead Traveling Crane, Hoist, and Monorail System Manufacturing	500	1,250
333992	Welding and Soldering Equipment Manufacturing	500	1,250
333995	Fluid Power Cylinder and Actuator Manufacturing	500	750
333996	Fluid Power Pump and Motor Manufacturing	500	1,250
334111	Electronic Computer Manufacturing	1,000	1,250
334112	Computer Storage Device Manufacturing	1,000	1,250
334210	Telephone Apparatus Manufacturing	1,000	1,250
334220	Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	750	1,250
334412	Bare Printed Circuit Board Manufacturing	500	750
334413	Semiconductor and Related Device Manufacturing	500	1,250
334417	Electronic Connector Manufacturing	500	1,000
334418	Printed Circuit Assembly (Electronic Assembly) Manufacturing	500	750
334510	Electromedical and Electrotherapeutic Apparatus Manufacturing	500	1,250
334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing.	750	1,250
334513	Instruments and Related Products Manufacturing for Measuring, Displaying, and Controlling Industrial Process Variables.	500	750
334514	Totalizing Fluid Meter and Counting Device Manufacturing	500	750
334515	Instrument Manufacturing for Measuring and Testing Electricity and Electrical Signals	500	750
334516	Analytical Laboratory Instrument Manufacturing	500	1,000
334517	Irradiation Apparatus Manufacturing	500	1,000
334614	Software and Other Prerecorded Compact Disc, Tape, and Record Reproducing	750	1,250
335110	Electric Lamp Bulb and Part Manufacturing	1,000	1,250
335121	Residential Electric Lighting Fixture Manufacturing	500	750
335210	Small Electrical Appliance Manufacturing	750	1,500
335221	Household Cooking Appliance Manufacturing	750	1,500
335222	Household Refrigerator and Home Freezer Manufacturing	1,000	1,250
335224	Household Laundry Equipment Manufacturing	1,000	1,250
335228	Other Major Household Appliance Manufacturing	500	1,000
335312	Motor and Generator Manufacturing	1,000	1,250
335313	Switchgear and Switchboard Apparatus Manufacturing	750	1,250
335911	Storage Battery Manufacturing	500	1,250
335932	Noncurrent-Carrying Wiring Device Manufacturing	500	1,000
336111	Automobile Manufacturing	1,000	1,500
336112	Light Truck and Utility Vehicle Manufacturing	1,000	1,500
336120	Heavy Duty Truck Manufacturing	1,000	1,500
336212	Truck Trailer Manufacturing	500	1,000
336213	Motor Home Manufacturing	1,000	1,250
336214	Travel Trailer and Camper Manufacturing	500	1,000
336310	Motor Vehicle Gasoline Engine and Engine Parts Manufacturing	750	1,000
336320	Motor Vehicle Electrical and Electronic Equipment Manufacturing	750	1,000
336330	Motor Vehicle Steering and Suspension Components (except Spring) Manufacturing	750	1,000
336340	Motor Vehicle Brake System Manufacturing	750	1,250
336350	Motor Vehicle Transmission and Power Train Parts Manufacturing	750	1,500
336360	Motor Vehicle Seating and Interior Trim Manufacturing	500	1,500
336370	Motor Vehicle Metal Stamping	500	1,000
336390	Other Motor Vehicle Parts Manufacturing	750	1,000
336412	Aircraft Engine and Engine Parts Manufacturing	1,000	1,500
336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing	1,000	1,250
336414	Guided Missile and Space Vehicle Manufacturing	1,000	1,250
336415	Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing	1,000	1,250
336510	Railroad Rolling Stock Manufacturing	1,000	1,500

TABLE 4—SUMMARY OF PROPOSED SIZE STANDARDS REVISIONS—Continued

NAICS code	NAICS U.S. industry title	Current size standard (number of employees)	Proposed size standard (number of employees)
336611	Ship Building and Repairing	1,000	1,250
336612	Boat Building	500	1,000
336991	Motorcycle, Bicycle, and Parts Manufacturing	500	1,000
336992	Military Armored Vehicle, Tank, and Tank Component Manufacturing	1,000	1,500
336999	All Other Transportation Equipment Manufacturing	500	1,000
337110	Wood Kitchen Cabinet and Countertop Manufacturing	500	750
337121	Upholstered Household Furniture Manufacturing	500	1,000
337122	Nonupholstered Wood Household Furniture Manufacturing	500	750
337124	Metal Household Furniture Manufacturing	500	750
337125	Household Furniture (except Wood and Metal) Manufacturing	500	750
337211	Wood Office Furniture Manufacturing	500	1,000
337214	Office Furniture (except Wood) Manufacturing	500	1,000
337910	Mattress Manufacturing	500	1,000
337920	Blind and Shade Manufacturing	500	1,000
339112	Surgical and Medical Instrument Manufacturing	500	1,000
339113	Surgical Appliance and Supplies Manufacturing	500	750
339114	Dental Equipment and Supplies Manufacturing	500	750
339115	Ophthalmic Goods Manufacturing	500	1,000
339920	Sporting and Athletic Goods Manufacturing	500	750
339940	Office Supplies (except Paper) Manufacturing	500	750
339992	Musical Instrument Manufacturing	500	1,000
339993	Fastener, Button, Needle, and Pin Manufacturing	500	750
339995	Burial Casket Manufacturing	500	1,000

Maintaining current size standards when the analytical results suggested lowering them is consistent with SBA's recent final rules on NAICS Sector 44–45, Retail Trade (75 FR 61597 (October 6, 2010)); NAICS Sector 72, Accommodation and Food Services (75 FR 61604 (October 6, 2010)); NAICS Sector 81, Other Services (75 FR 61591 (October 6, 2010)); NAICS Sector 54, Professional, Scientific and Technical Services (77 FR 7490 (February 10, 2012)); NAICS Sector 48 49, Transportation and Warehousing (77 FR 10943 (February 24, 2012)); NAICS Sector 51, Information (77 FR 72702 (December 6, 2012)); NAICS Sector 53, Real Estate and Rental and Leasing (77 FR 88747 (September 24, 2012)); NAICS Sector 56, Administrative and Support, Waste Management and Remediation Services (77 FR 72691 (December 6, 2012)); NAICS Sector 61, Educational Services (77 FR 58739 (September 24, 2012)); and NAICS Sector 62, Health Care and Social Assistance (77 FR 58755 (September 24, 2012)); NAICS Sector 11, Agriculture, Forestry, Fishing and Hunting (78 FR 37398 (June 20, 2013)); NAICS Subsector 213, Support Activities for Mining (78 FR 37404 (June 20, 2013)); NAICS Sector 52, Finance and Insurance and Sector 55, Management of Companies and Enterprises (78 FR 37409 (June 20, 2013)); NAICS Sector 71, Arts, Entertainment and Recreation (78 FR 37417 (June 20, 2013)); and NAICS Sector 23, Construction (78 FR 77334 (December 23, 2013)). In each of those final rules, SBA retained the existing size standards for those that it could have reduced.

Evaluation of Dominance in Field of Operation

SBA has determined that for the industries for which it has proposed to increase size standards in this proposed rule, no individual firm at or below the proposed size standard will be large enough to dominate its field of operation. At the proposed size standards, if adopted, the small business share of total industry receipts among those industries for which SBA has proposed to increase their size standards is, on average, 1.7 percent, varying from a minimum of 0.02 percent to a maximum of 18.9 percent. These market shares effectively preclude a firm at or below the proposed size standards from exerting control on any of the industries.

Request for Comments

SBA invites public comments on this proposed rule, especially on the following issues:

1. SBA proposes five levels of employee based size standards for industries in Manufacturing and industries in other Sectors except for Wholesale Trade and Retail Trade that have employee based size standards: 500 employees, 750 employees, 1,000 employees, 1,250 employees, and 1,500 employees. SBA invites comments on whether these proposed size levels are appropriate and suggestions on alternative levels, if they would be more appropriate.

2. To be consistent with its policy of not lowering any size standards in all recent proposed and final rules on receipts based size standards in view of current economic conditions, SBA is retaining the current 500-employee minimum and 1,500-employee maximum size standards for all industries in the Manufacturing Sector and other industries not in the Wholesale and Retail Trade Sectors that have employee based size standards. In its ''Size Standards Methodology,'' available at *www.sba.gov/size,* SBA had proposed setting the minimum size standard for these industries at 250 employees and the maximum size standard at 1,000 employees. This would have resulted in lowering the existing employee based size standards for some industries. SBA invites comments on whether it should maintain the 500-employee minimum and the 1,500-employee maximum size standards or it lower them to 250 employees and 1,000 employees, respectively, as the Agency proposed in its ''Size Standards Methodology.'' SBA requests suggestions on alternative minimum and maximum levels, if they would be more appropriate.

3. SBA seeks feedback on whether it should adjust employee based size standards for labor productivity growth. SBA periodically increases receipts

based size standards for inflation. Should SBA take labor productivity growth and technological change into consideration when it reviews employee based standards? If so, what data are available to assist SBA in evaluating such factors? What if such an evaluation leads to lower size standards for some industries? How should SBA apply the results to its size standards decision?

4. SBA seeks feedback on whether its proposal to increase size standards for 209 industries and retain current size standards for 155 industries is appropriate, given the economic characteristics of each industry reviewed in this proposed rule. SBA also seeks feedback and suggestions on alternative size standards, if they would be more appropriate.

5. SBA has proposed to retain the current size standards for 19 industries for which the analytical results would support lowering them. SBA seeks comments on whether SBA should lower them solely based on its analysis or retain them at their current levels in view of current economic conditions.

6. SBA invites comments on its proposal to increase the capacity component of the Petroleum Refiners (NAICS 324110) size standard from 125,000 barrels per calendar day (BPCD) total Operable Atmospheric Crude Oil Distillation capacity to 200,000 BPCD and retain the employee component at the current 1,500-employee level. SBA also welcomes comments on its proposal to allow business concerns to qualify either under the 1,500-employee size standard or under the 200,000 BPCD capacity size standard, if they, together with affiliates, are primarily engaged in petroleum refining. Finally, SBA also seeks feedback on its proposal to eliminate the requirement that ''[t]he total product to be delivered under the contract must be at least 90 percent refined by the successful bidder from either crude oil or bona fide feedstocks.''

7. SBA's proposed size standards are based on five primary factors—average firm size, average assets size (as a proxy of startup costs and entry barriers), four-firm concentration ratio, distribution of firms by size and, the level and small business share of Federal contracting dollars of the evaluated industries and sub-industries. SBA welcomes comments on these factors and/or suggestions on other factors that it should consider when evaluating or revising employee based size standards. SBA also seeks information on relevant data sources, other than what it uses, if available.

8. SBA gives equal weight to each of the five primary factors in all industries. SBA seeks feedback on whether it should continue giving equal weight to each factor or whether it should give more weight to one or more factors for certain industries. Recommendations to weigh some factors more than others should include suggested weights for each factor along with supporting information.

9. For analytical simplicity and efficiency, in this proposed rule, SBA has refined its size standard methodology to obtain a single value as a proposed size standard instead of a range of values, as in its past size regulations. SBA welcomes any comments on this procedure and suggestions on alternative methods.

Public comments on the above issues are very valuable to SBA for validating its size standard methodology and its proposed size standards revisions in this proposed rule. This will help SBA to ensure that size standards reflect industry structure and Federal market conditions. Commenters addressing SBA's proposed size standard revisions for a specific industry or a group of industries should include relevant data and/or other information supporting their comments. If comments relate to using size standards for Federal procurement programs, SBA suggests that commenters provide information on the size of contracts in their industries, the size of businesses that can undertake the contracts, startup costs, equipment and other asset requirements, the amount of subcontracting, other direct and indirect costs associated with the contracts, the use of mandatory sources of supply for products and services, and the degree to which contractors can mark up those costs.

Compliance With Executive Orders 12866, 13563, 12988 and 13132, the Paperwork Reduction Act (44 U.S.C. Ch. 35) and the Regulatory Flexibility Act (5 U.S.C. 601–612)

Executive Order 12866

The Office of Management and Budget (OMB) has determined that this proposed rule is a significant regulatory action for purposes of Executive Order 12866. Accordingly, in the next section SBA provides a Regulatory Impact Analysis of this proposed rule. However, this rule is not a ''major rule'' under the Congressional Review Act, 5 U.S.C. 800.

Regulatory Impact Analysis

1. Is there a need for the regulatory action?

SBA believes that the proposed size standards revisions in this proposed rule will better reflect the economic characteristics of small businesses and the Federal government marketplace in the affected industries and. SBA's mission is to aid and assist small businesses through a variety of financial, procurement, business development, and advocacy programs. To determine the intended beneficiaries of these programs, SBA establishes distinct definitions of which businesses are deemed small businesses. The Small Business Act (15 U.S.C. 632(a)) delegates to SBA's Administrator the responsibility for establishing small business definitions. The Act also requires that small business definitions vary to reflect industry differences. The Jobs Act also requires SBA to review all size standards and make necessary adjustments to reflect market conditions. The supplementary information section of this proposed rule explains SBA's methodology for analyzing a size standard for a particular industry.

2. What are the potential benefits and costs of this regulatory action?

The most significant benefit to businesses obtaining small business status because of this proposed rule is gaining or retaining eligibility for Federal small business assistance programs. These include SBA's financial assistance programs, economic injury disaster loans, and Federal procurement programs intended for small businesses. Federal procurement programs provide targeted opportunities for small businesses under SBA's business development programs, such as 8(a), Small Disadvantaged Businesses (SDB), small businesses located in Historically Underutilized Business Zones (HUBZone), women-owned small businesses (WOSB), economically disadvantaged women-owned small businesses (EDWOSB), and service-disabled veteran-owned small businesses (SDVOSB). Federal agencies may also use SBA's size standards for a variety of other regulatory and program purposes. These programs assist small businesses to become more knowledgeable, stable, and competitive. SBA estimates that in 209 industries for which it has proposed to increase size standards about 1,250 firms, not small under the existing size standards, will become small under the proposed size standards and therefore become eligible for these programs. That is about 0.4 percent of all firms classified as small under the current size standards in all industries reviewed in this proposed rule. If adopted as proposed, this will increase the small business share of total receipts in those industries from 26 percent to 29 percent.

Three groups will benefit from the proposed size standards revisions in this rule, if they are adopted as proposed: (1) Some businesses that are above the current size standards may gain small business status under the higher size standards, thereby enabling them to participate in Federal small business assistance programs; (2) growing small businesses that are close to exceeding the current size standards will be able to retain their small business status under the higher size standards, thereby enabling them to continue their participation in the programs; and (3) Federal agencies will have a larger pool of small businesses from which to draw for their small business procurement programs.

SBA estimates that firms gaining small business status under the proposed size standards could receive Federal contracts totaling $170 million to $175 million annually under SBA's small business, 8(a), SDB, HUBZone, WOSB, EDWOSB, and SDVOSB Programs, and other unrestricted procurements. The added competition for many of these procurements can also result in lower prices to the Government for procurements reserved for small businesses, but SBA cannot quantify this benefit.

Under SBA's 7(a) and 504 Loan Programs, based on the fiscal years 2010–2012 data, SBA estimates up to about 25 SBA loans totaling about $12.0 million could be made to these newly defined small businesses under the proposed size standards. Increasing the size standards will likely result in more small business guaranteed loans to businesses in these industries, but it is be impractical to try to estimate exactly the number and total amount of loans. There are two reasons for this: (1) Under the Jobs Act, SBA can now guarantee substantially larger loans than in the past; and (2) as described above, the Jobs Act established a higher alternative size standard ($15 million in tangible net worth and $5 million in net income after income taxes) for business concerns that do not meet the size standards for their industry. Therefore, SBA finds it difficult to quantify the actual impact of these proposed size standards on its 7(a) and 504 Loan Programs.

Newly defined small businesses will also benefit from SBA's Economic Injury Disaster Loan (EIDL) Program. Since this program is contingent on the occurrence and severity of a disaster in the future, SBA cannot make a meaningful estimate of this impact.

In addition, newly defined small businesses will also benefit through reduced fees, less paperwork, and fewer compliance requirements that are available to small businesses through Federal government.

To the extent that those 1,250 newly defined additional small firms could become active in Federal procurement programs, the proposed changes to size standards, if adopted, may entail some additional administrative costs to the government as a result of more businesses being eligible for Federal small business programs. For example, there will be more firms seeking SBA's guaranteed loans, more firms eligible for enrollment in the System of Award Management (SAM) database, and more firms seeking certification as 8(a) or HUBZone firms or qualifying for small business, WOSB, EDWOSB, SDVOSB, and SDB status. Among those newly defined small businesses seeking SBA's assistance, there could be some additional costs associated with compliance and verification of small business status and protests of small business status. However, SBA believes that these added administrative costs will be minimal because mechanisms are already in place to handle these requirements.

Additionally, Federal government contracts may have higher costs. With a greater number of businesses defined as small, Federal agencies may choose to set aside more contracts for competition among small businesses only rather than using full and open competition. The movement from unrestricted to small business set-aside contracting might result in competition among fewer total bidders, although there will be more small businesses eligible to submit offers. However, the additional costs associated with fewer bidders are expected to be minor since, by law, procurements may be set aside for small businesses or reserved for the 8(a), HUBZone, WOSB, EDWOSB, or SDVOSB Programs only if awards are expected to be made at fair and reasonable prices. In addition, there may be higher costs when more full and open contracts are awarded to HUBZone businesses that receive price evaluation preferences.

The proposed size standards revisions, if adopted, may have some distributional effects among large and small businesses. Although SBA cannot estimate with certainty the actual outcome of the gains and losses among small and large businesses, it can identify several probable impacts. There may be a transfer of some Federal contracts to small businesses from large businesses. Large businesses may have fewer Federal contract opportunities as Federal agencies decide to set aside more contracts for small businesses. In addition, some Federal contracts may be awarded to HUBZone concerns instead of large businesses since these firms may be eligible for a price evaluation preference for contracts when they compete on a full and open basis.

Similarly, some businesses defined small under the current size standards may obtain fewer Federal contracts due to the increased competition from more businesses defined as small under the proposed size standards. This transfer may be offset by a greater number of Federal procurements set aside for all small businesses. The number of newly defined and expanding small businesses that are willing and able to sell to the Federal Government will limit the potential transfer of contracts from large and currently defined small businesses. SBA cannot estimate the potential distributional impacts of these transfers with any degree of precision.

The proposed revisions to the existing size standards for 210 industries in Sector 31–33 are consistent with SBA's statutory mandate to assist small business. This regulatory action promotes the Administration's objectives. One of SBA's goals in support of the Administration's objectives is to help individual small businesses succeed through fair and equitable access to capital and credit, Government contracts, and management and technical assistance. Reviewing and modifying size standards, when appropriate, ensures that intended beneficiaries have access to small business programs designed to assist them.

Executive Order 13563

Descriptions of the need for this regulatory action and benefits and costs associated with this action including possible distributional impacts that relate to Executive Order 13563 are included above in the Regulatory Impact Analysis under Executive Order 12866, above.

In an effort to engage interested parties in this action, SBA has presented its size standards methodology (discussed above under Supplementary Information) to various industry associations and trade groups. SBA also met with a number of industry groups and individual businesses to get their feedback on its methodology and other size standards issues. In addition, SBA presented its size standards methodology to businesses in 13 cities in the U.S. and sought their input as part of Jobs Act tours. The presentation also included information on the latest status of the comprehensive size standards review and on how interested

parties can provide SBA with input and feedback on size standards review.

Additionally, SBA sent letters to the Directors of the Offices of Small and Disadvantaged Business Utilization (OSDBU) at several Federal agencies with considerable procurement responsibilities requesting their feedback on how the agencies use SBA's size standards and whether current size standards meet their programmatic needs (both procurement and non-procurement). SBA gave appropriate consideration to all input, suggestions, recommendations, and relevant information obtained from industry groups, individual businesses, and Federal agencies in preparing this proposed rule.

The review of size standards in industries covered in this proposed rule is consistent with Executive Order 13563, Section 6, calling for retrospective analyses of existing rules. The last comprehensive review of size standards occurred during the late 1970s and early 1980s. Since then, except for periodic adjustments for monetary based size standards, most reviews of size standards were limited to a few specific industries in response to requests from the public and Federal agencies. The majority of employee based size standards, including those in NAICS Sector 31–33, have not been reviewed since they were first established. SBA recognizes that changes in industry structure and the Federal marketplace over time have rendered existing size standards for some industries no longer supportable by current data. Accordingly, in 2007, SBA began a comprehensive review of its size standards to ensure that existing size standards have supportable bases and to revise them when necessary. In addition, the Jobs Act requires SBA to conduct a detailed review of all size standards and to make appropriate adjustments to reflect market conditions. Specifically, the Jobs Act requires SBA to conduct a detailed review of at least one-third of all size standards during every 18-month period from the date of its enactment and do a complete review of all size standards not less frequently than once every 5 years thereafter.

Executive Order 12988

This action meets applicable standards set forth in Sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden. The action does not have retroactive or preemptive effect.

Executive Order 13132

For purposes of Executive Order 13132, SBA has determined that this proposed rule will not have substantial, direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, SBA has determined that this proposed rule has no federalism implications warranting preparation of a federalism assessment.

Paperwork Reduction Act

For the purpose of the Paperwork Reduction Act, 44 U.S.C. Ch. 35, SBA has determined that this proposed rule will not impose any new reporting or record keeping requirements.

Initial Regulatory Flexibility Analysis

Under the Regulatory Flexibility Act (RFA), this proposed rule, if adopted, may have a significant impact on a substantial number of small businesses in the industries and sub-industries covered by this rule. As described above, this rule may affect small businesses seeking Federal contracts, loans under SBA's 7(a), 504 and Economic Injury Disaster Loan Programs, and assistance under other Federal small business programs.

Immediately below, SBA sets forth an initial regulatory flexibility analysis (IRFA) of this proposed rule addressing the following questions: (1) What are the need for and objective of the rule? (2) What are SBA's description and estimate of the number of small businesses to which the rule will apply? (3) What are the projected reporting, record keeping, and other compliance requirements of the rule? (4) What are the relevant Federal rules that may duplicate, overlap, or conflict with the rule? and (5) What alternatives will allow the Agency to accomplish its regulatory objectives while minimizing the impact on small businesses?

1. What are the need for and objective of the rule?

Changes in industry structure, technological changes, productivity growth, mergers and acquisitions, and updated industry definitions have changed the structure of many industries reviewed in this proposed rule. Such changes can be sufficient to support revisions to current size standards for some industries. Based on the analysis of the latest data available, SBA believes that the revised standards in this proposed rule more appropriately reflect the size of businesses that need Federal assistance. The Jobs Act also requires SBA to review all size standards and make necessary adjustments to reflect market conditions.

2. What are SBA's description and estimate of the number of small businesses to which the rule will apply?

If the proposed rule is adopted in its present form, SBA estimates that about 1,250 additional firms will become small because of increased size standards 209 industries in NAICS Sector 31–33. That represents 0.4 percent of total firms that are small under current size standards in all industries in that Sector. This will result in an increase in the small business share of total industry receipts in Sector 31–33 from 26 percent under the current size standards to 29 percent under the proposed size standards. The proposed size standards, if adopted, will enable more small businesses to retain their small business status for a longer period. Many firms may have lost their eligibility and find it difficult to compete at current size standards with companies that are significantly larger than they are. SBA believes the competitive impact will be positive for existing small businesses and for those that exceed the size standards but are on the very low end of those that are not small. They might otherwise be called or referred to as mid-sized businesses, although SBA only defines what is small; other entities are other than small.

3. What are the projected reporting, recordkeeping and other compliance requirements of the rule?

The proposed size standard changes impose no additional reporting or recordkeeping requirements on small businesses. However, qualifying for Federal procurement and a number of other programs requires that businesses register in the SAM database and certify in SAM that they are small at least once annually. Therefore, businesses opting to participate in those programs must comply with SAM requirements. However, there are no costs associated with SAM registration or certification. Changing size standards alters the access to SBA's programs that assist small businesses, but does not impose a regulatory burden because they neither regulate nor control business behavior.

4. What are the relevant Federal rules, which may duplicate, overlap or conflict with the rule?

Under § 3(a)(2)(C) of the Small Business Act, 15 U.S.C. 632(a)(2)(c), Federal agencies must use SBA's size standards to define a small business,

unless specifically authorized by statute to do otherwise. In 1995, SBA published in the **Federal Register** a list of statutory and regulatory size standards that identified the application of SBA's size standards as well as other size standards used by Federal agencies (60 FR 57988 (November 24, 1995)). SBA is not aware of any Federal rule that would duplicate or conflict with establishing size standards.

However, the Small Business Act and SBA's regulations allow Federal agencies to develop different size standards if they believe that SBA's size standards are not appropriate for their programs, with the approval of SBA's Administrator (13 CFR 121.903). The Regulatory Flexibility Act authorizes an Agency to establish an alternative small business definition, after consultation with the Office of Advocacy of the U.S. Small Business Administration (5 U.S.C. 601(3)).

5. What alternatives will allow the Agency to accomplish its regulatory objectives while minimizing the impact on small entities?

By law, SBA is required to develop numerical size standards for establishing eligibility for Federal small business assistance programs. Other than varying size standards by industry and changing the size measures, no practical alternative exists to the systems of numerical size standards.

List of Subjects in 13 CFR Part 121

Administrative practice and procedure, Government procurement, Government property, Grant programs—business, Individuals with disabilities, Loan programs—business, Reporting and recordkeeping requirements, Small businesses.

For the reasons set forth in the preamble, SBA proposes to amend part 13 CFR part 121 as follows:

PART 121—SMALL BUSINESS SIZE REGULATIONS

■ 1. The authority citation for part 121 continues to read as follows:

Authority: 15 U.S.C. 632, 634(b)(6), 662, and 694a(9).

■ 2. In § 121.201, amend the table ''Small Business Size Standards by NAICS Industry'' as follows:

■ a. Revise the entries for ''311111'', ''311211'', ''311221'', ''311314'', ''311340'', ''311351'', ''311352'', ''311411'', ''311412'', 311421'', ''311422'', ''311423'', ''311511'', ''311512'', ''311513'', ''311514'', ''311520'', ''311611'', ''311612'', ''311613'', ''311615'', ''311710'', ''311812'', ''311813'', ''311821'', ''311824'', ''311830'', ''311911'', ''311919'', ''311920'', ''311930'', ''311941'', ''312111'', ''312112'', ''312113'', ''312120'', ''312130'', ''312140'', ''312230'', ''313110'', ''313230'', ''314110'', ''314120'', ''315110'', ''315190'', ''315210'', ''315220'', ''315240'', ''315280'', ''316992'', ''321212'', ''321213'', ''321219'', ''321911'', ''321991'', ''322121'', ''322130'', ''322211'', ''322219'', ''322220'', ''322230'', ''322291'', ''323117'', ''324110'', ''324191'', ''325194'', ''325199'', ''325211'', ''325312'', ''325320'', ''325411'', ''325412'', ''325413'', ''325414'', ''325510'', ''325611'', ''325612'', ''325613'', ''325620'', ''325992'', ''326111'', ''326112'', ''326113'', ''326122'', ''326140'', ''326150'', ''326160'', ''326191'', ''326211'', ''326220'', ''326291'', ''327110'', ''327212'', ''327213'', ''327215'', ''327310'', ''327332'', ''327410'', ''327420'', ''327910'', ''327993'', ''331110'', ''331315'', ''331511'', ''331512'', ''332111'', ''332112'', ''332215'', ''332216'', ''332311'', ''332313'', ''332321'', ''332410'', ''332420'', ''332431'', ''332510'', ''332911'', ''332912'', ''332913'', ''332919'', ''332991'', ''332992'', ''333111'', ''333112'', ''333120'', ''333132'', ''333242'', ''333244'', ''333415'', ''333611'', ''333612'', ''333613'', ''333618'', ''333911'', ''333912'', ''333913'', ''333921'', ''333923'', ''333992'', ''333995'', ''333996'', ''334111'', ''334112'', ''334210'', ''334220'', ''334412'', ''334413'', ''334417'', ''334418'', ''334510'', ''334511'', ''334513'', ''334514'', ''334515'', ''334516'', ''334517'', ''334614'', ''335110'', ''335121'', ''335210'', ''335221'', ''335222'', ''335224'', ''335228'', ''335312'', ''335313'', ''335911'', ''335932'', ''336111'', ''336112'', ''336120'', ''336212'', ''336213'', ''336214'', ''336310'', ''336320'', ''336330'', ''336340'', ''336350'', ''336360'', ''336370'', ''336390'', ''336412'', ''336413'', ''336414'', ''336415'', ''336510'', ''336611'', ''336612'', ''336991'', ''336992'', ''336999'', ''337110'', ''337121'', ''337122'', ''337124'', ''337125'', ''337211'', ''337214'', ''337910'', ''337920'', ''339112'', ''339113'', ''339114'', ''339115'', ''339920'', ''339940'', ''339992'', ''339993'', and ''339995''.

■ b. Revise footnotes 3, 4, 5, and 7.

The revisions read as follows:

§ 121.201 What size standards has SBA identified by North American Industry Classification System codes?

* * * * *

SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
*	* * * * *	*	*
311111	Dog and Cat Food Manufacturing		1,000
*	* * * * *	*	*
311211	Flour Milling		1,000
*	* * * * *	*	*
311221	Wet Corn Milling		1,250
*	* * * * *	*	*
311314	Cane Sugar Manufacturing		1,000
311340	Nonchocolate Confectionery Manufacturing		1,000
311351	Chocolate and Confectionery Manufacturing from Cacao Beans		1,250
311352	Confectionery Manufacturing from Purchased Chocolate		1,000
311411	Frozen Fruit, Juice, and Vegetable Manufacturing		1,000
311412	Frozen Specialty Food Manufacturing		1,250
311421	Fruit and Vegetable Canning[3]		[3]1,000

SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
311422	Specialty Canning		1,250
311423	Dried and Dehydrated Food Manufacturing		750
311511	Fluid Milk Manufacturing		1,000
311512	Creamery Butter Manufacturing		750
311513	Cheese Manufacturing		1,250
311514	Dry, Condensed, and Evaporated Dairy Product Manufacturing		750
311520	Ice Cream and Frozen Dessert Manufacturing		1,000
311611	Animal (except Poultry) Slaughtering		1,000
311612	Meat Processed from Carcasses		1,000
311613	Rendering and Meat Byproduct Processing		750
311615	Poultry Processing		1,250
311710	Seafood Product Preparation and Packaging		750
*	* * * * * * *		
311812	Commercial Bakeries		1,000
311813	Frozen Cakes, Pies, and Other Pastries Manufacturing		750
311821	Cookie and Cracker Manufacturing		1,250
311824	Dry Pasta, Dough, and Flour Mixes Manufacturing from Purchased Flour		750
311830	Tortilla Manufacturing		1,250
311911	Roasted Nuts and Peanut Butter Manufacturing		750
311919	Other Snack Food Manufacturing		1,250
311920	Coffee and Tea Manufacturing		750
311930	Flavoring Syrup and Concentrate Manufacturing		1,000
311941	Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing		750
*	* * * * * * *		
312111	Soft Drink Manufacturing		1,250
312112	Bottled Water Manufacturing		1,000
312113	Ice Manufacturing		750
312120	Breweries		1,250
312130	Wineries		1,000
312140	Distilleries		1,000
312230	Tobacco Manufacturing		1,500
313110	Fiber, Yarn, and Thread Mills		1,250
*	* * * * * * *		
313230	Nonwoven Fabric Mills		750
*	* * * * * * *		
314110	Carpet and Rug Mills		1,500
314120	Curtain and Linen Mills		750
*	* * * * * * *		
315110	Hosiery and Sock Mills		750
315190	Other Apparel Knitting Mills		750
315210	Cut and Sew Apparel Contractors		750
315220	Men's and Boys' Cut and Sew Apparel Manufacturing		750
315240	Women's, Girls', and Infants' Cut and Sew Apparel Manufacturing		750
315280	Other Cut and Sew Apparel Manufacturing		750
*	* * * * * * *		
316992	Women's Handbag and Purse Manufacturing		750
*	* * * * * * *		
321212	Softwood Veneer and Plywood Manufacturing		1,250
321213	Engineered Wood Member (except Truss) Manufacturing		750
*	* * * * * * *		
321219	Reconstituted Wood Product Manufacturing		750
321911	Wood Window and Door Manufacturing		1,000
*	* * * * * * *		
321991	Manufactured Home (Mobile Home) Manufacturing		1,250
*	* * * * * * *		
322121	Paper (except Newsprint) Mills		1,250
*	* * * * * * *		
322130	Paperboard Mills		1,250
322211	Corrugated and Solid Fiber Box Manufacturing		1,250

SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
*	* * * * * * *		
322219	Other Paperboard Container Manufacturing		1,000
322220	Paper Bag and Coated and Treated Paper Manufacturing		750
322230	Stationery Product Manufacturing		750
322291	Sanitary Paper Product Manufacturing		1,500
*	* * * * * * *		
323117	Books Printing		1,250
*	* * * * * * *		
324110	Petroleum Refineries [4]		[4]1,500
*	* * * * * * *		
324191	Petroleum Lubricating Oil and Grease Manufacturing		750
*	* * * * * * *		
325194	Cyclic Crude, Intermediate, and Gum and Wood Chemical Manufacturing		1,250
325199	All Other Basic Organic Chemical Manufacturing		1,250
325211	Plastics Material and Resin Manufacturing		1,250
*	* * * * * * *		
325312	Phosphatic Fertilizer Manufacturing		750
*	* * * * * * *		
325320	Pesticide and Other Agricultural Chemical Manufacturing		1,000
325411	Medicinal and Botanical Manufacturing		1,000
325412	Pharmaceutical Preparation Manufacturing		1,250
325413	In-Vitro Diagnostic Substance Manufacturing		1,250
325414	Biological Product (except Diagnostic) Manufacturing		1,250
325510	Paint and Coating Manufacturing		1,000
*	* * * * * * *		
325611	Soap and Other Detergent Manufacturing		1,000
325612	Polish and Other Sanitation Good Manufacturing		750
325613	Surface Active Agent Manufacturing		750
325620	Toilet Preparation Manufacturing		1,250
*	* * * * * * *		
325992	Photographic Film, Paper, Plate, and Chemical Manufacturing		1,500
*	* * * * * * *		
326111	Plastics Bag and Pouch Manufacturing		750
326112	Plastics Packaging Film and Sheet (including Laminated) Manufacturing		1,000
326113	Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing		750
*	* * * * * * *		
326122	Plastics Pipe and Pipe Fitting Manufacturing		750
*	* * * * * * *		
326140	Polystyrene Foam Product Manufacturing		1,000
326150	Urethane and Other Foam Product (except Polystyrene) Manufacturing		750
326160	Plastics Bottle Manufacturing		1,250
326191	Plastics Plumbing Fixture Manufacturing		750
*	* * * * * * *		
326211	Tire Manufacturing (except Retreading) [5]		[5]1,500
*	* * * * * * *		
326220	Rubber and Plastics Hoses and Belting Manufacturing		750
326291	Rubber Product Manufacturing for Mechanical Use		750
*	* * * * * * *		
327110	Pottery, Ceramics, and Plumbing Fixture Manufacturing		1,000
*	* * * * * * *		
327212	Other Pressed and Blown Glass and Glassware Manufacturing		1,250
327213	Glass Container Manufacturing		1,250
327215	Glass Product Manufacturing Made of Purchased Glass		1,000
327310	Cement Manufacturing		1,000

SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
*	* * * * * * *		
327332	Concrete Pipe Manufacturing		750
*	* * * * * * *		
327410	Lime Manufacturing		750
327420	Gypsum Product Manufacturing		1,500
327910	Abrasive Product Manufacturing		750
*	* * * * * * *		
327993	Mineral Wool Manufacturing		1,500
*	* * * * * * *		
331110	Iron and Steel Mills and Ferroalloy Manufacturing		1,500
*	* * * * * * *		
331315	Aluminum Sheet, Plate, and Foil Manufacturing		1,250
*	* * * * * * *		
331511	Iron Foundries		1,000
331512	Steel Investment Foundries		1,000
*	* * * * * * *		
332111	Iron and Steel Forging		750
332112	Nonferrous Forging		750
*	* * * * * * *		
332215	Metal Kitchen Cookware, Utensil, Cutlery, and Flatware (except Precious) Manufacturing		750
332216	Saw Blade and Handtool Manufacturing		750
332311	Prefabricated Metal Building and Component Manufacturing		750
*	* * * * * * *		
332313	Plate Work Manufacturing		750
332321	Metal Window and Door Manufacturing		750
*	* * * * * * *		
332410	Power Boiler and Heat Exchanger Manufacturing		750
332420	Metal Tank (Heavy Gauge) Manufacturing		750
332431	Metal Can Manufacturing		1,500
*	* * * * * * *		
332510	Hardware Manufacturing		750
*	* * * * * * *		
332911	Industrial Valve Manufacturing		750
332912	Fluid Power Valve and Hose Fitting Manufacturing		1,000
332913	Plumbing Fixture Fitting and Trim Manufacturing		1,000
332919	Other Metal Valve and Pipe Fitting Manufacturing		750
332991	Ball and Roller Bearing Manufacturing		1,250
332992	Small Arms Ammunition Manufacturing		1,250
*	* * * * * * *		
333111	Farm Machinery and Equipment Manufacturing		1,250
333112	Lawn and Garden Tractor and Home Lawn and Garden Equipment Manufacturing		1,500
333120	Construction Machinery Manufacturing		1,250
*	* * * * * * *		
333132	Oil and Gas Field Machinery and Equipment Manufacturing		1,250
*	* * * * * * *		
333242	Semiconductor Machinery Manufacturing		1,500
*	* * * * * * *		
333244	Printing Machinery and Equipment Manufacturing		750
*	* * * * * * *		
333415	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing.		1,250
*	* * * * * * *		
333611	Turbine and Turbine Generator Set Units Manufacturing		1,500

SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
333612	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing		750
333613	Mechanical Power Transmission Equipment Manufacturing		750
333618	Other Engine Equipment Manufacturing		1,500
333911	Pump and Pumping Equipment Manufacturing		750
333912	Air and Gas Compressor Manufacturing		1,000
333913	Measuring and Dispensing Pump Manufacturing		750
333921	Elevator and Moving Stairway Manufacturing		1,000
*	* * * * * * *		
333923	Overhead Traveling Crane, Hoist, and Monorail System Manufacturing		1,250
*	* * * * * * *		
333992	Welding and Soldering Equipment Manufacturing		1,250
*	* * * * * * *		
333995	Fluid Power Cylinder and Actuator Manufacturing		750
333996	Fluid Power Pump and Motor Manufacturing		1,250
*	* * * * * * *		
334111	Electronic Computer Manufacturing		1,250
334112	Computer Storage Device Manufacturing		1,250
*	* * * * * * *		
334210	Telephone Apparatus Manufacturing		1,250
334220	Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing		1,250
*	* * * * * * *		
334412	Bare Printed Circuit Board Manufacturing		750
334413	Semiconductor and Related Device Manufacturing		1,250
*	* * * * * * *		
334417	Electronic Connector Manufacturing		1,000
334418	Printed Circuit Assembly (Electronic Assembly) Manufacturing		750
*	* * * * * * *		
334510	Electromedical and Electrotherapeutic Apparatus Manufacturing		1,250
334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing.		1,250
*	* * * * * * *		
334513	Instruments and Related Products Manufacturing for Measuring, Displaying, and Controlling Industrial Process Variables.		750
334514	Totalizing Fluid Meter and Counting Device Manufacturing		750
334515	Instrument Manufacturing for Measuring and Testing Electricity and Electrical Signals		750
334516	Analytical Laboratory Instrument Manufacturing		1,000
334517	Irradiation Apparatus Manufacturing		1,000
*	* * * * * * *		
334614	Software and Other Prerecorded Compact Disc, Tape, and Record Reproducing		1,250
335110	Electric Lamp Bulb and Part Manufacturing		1,250
335121	Residential Electric Lighting Fixture Manufacturing		750
*	* * * * * * *		
335210	Small Electrical Appliance Manufacturing		1,500
335221	Household Cooking Appliance Manufacturing		1,500
335222	Household Refrigerator and Home Freezer Manufacturing		1,250
335224	Household Laundry Equipment Manufacturing		1,250
335228	Other Major Household Appliance Manufacturing		1,000
*	* * * * * * *		
335312	Motor and Generator Manufacturing		1,250
335313	Switchgear and Switchboard Apparatus Manufacturing		1,250
*	* * * * * * *		
335911	Storage Battery Manufacturing		1,250
*	* * * * * * *		
335932	Noncurrent-Carrying Wiring Device Manufacturing		1,000
*	* * * * * * *		
336111	Automobile Manufacturing		1,500

SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY—Continued

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
336112	Light Truck and Utility Vehicle Manufacturing		1,500
336120	Heavy Duty Truck Manufacturing		1,500
*	* * * * * * *		
336212	Truck Trailer Manufacturing		1,000
336213	Motor Home Manufacturing		1,250
336214	Travel Trailer and Camper Manufacturing		1,000
336310	Motor Vehicle Gasoline Engine and Engine Parts Manufacturing		1,000
336320	Motor Vehicle Electrical and Electronic Equipment Manufacturing		1,000
336330	Motor Vehicle Steering and Suspension Components (except Spring) Manufacturing		1,000
336340	Motor Vehicle Brake System Manufacturing		1,250
336350	Motor Vehicle Transmission and Power Train Parts Manufacturing		1,500
336360	Motor Vehicle Seating and Interior Trim Manufacturing		1,500
336370	Motor Vehicle Metal Stamping		1,000
336390	Other Motor Vehicle Parts Manufacturing		1,000
*	* * * * * * *		
336412	Aircraft Engine and Engine Parts Manufacturing		1,500
336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing [7]		[7]1,250
336414	Guided Missile and Space Vehicle Manufacturing		1,250
336415	Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing		1,250
*	* * * * * * *		
336510	Railroad Rolling Stock Manufacturing		1,500
336611	Ship Building and Repairing		1,250
336612	Boat Building		1,000
336991	Motorcycle, Bicycle, and Parts Manufacturing		1,000
336992	Military Armored Vehicle, Tank, and Tank Component Manufacturing		1,500
336999	All Other Transportation Equipment Manufacturing		1,000
337110	Wood Kitchen Cabinet and Countertop Manufacturing		750
337121	Upholstered Household Furniture Manufacturing		1,000
337122	Nonupholstered Wood Household Furniture Manufacturing		750
337124	Metal Household Furniture Manufacturing		750
337125	Household Furniture (except Wood and Metal) Manufacturing		750
*	* * * * * * *		
337211	Wood Office Furniture Manufacturing		1,000
*	* * * * * * *		
337214	Office Furniture (except Wood) Manufacturing		1,000
*	* * * * * * *		
337910	Mattress Manufacturing		1,000
337920	Blind and Shade Manufacturing		1,000
*	* * * * * * *		
339112	Surgical and Medical Instrument Manufacturing		1,000
339113	Surgical Appliance and Supplies Manufacturing		750
339114	Dental Equipment and Supplies Manufacturing		750
339115	Ophthalmic Goods Manufacturing		1,000
*	* * * * * * *		
339920	Sporting and Athletic Goods Manufacturing		750
*	* * * * * * *		
339940	Office Supplies (except Paper) Manufacturing		750
*	* * * * * * *		
339992	Musical Instrument Manufacturing		1,000
339993	Fastener, Button, Needle, and Pin Manufacturing		750
*	* * * * * * *		
339995	Burial Casket Manufacturing		1,000
*	* * * * * * *		

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Footnotes

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3. *NAICS code 311421*—For purposes of Government procurement for food canning and preserving, the standard of 500 employees excludes agricultural labor as defined in 3306(k) of the Internal Revenue Code, 26 U.S.C. 3306(k).

4. *NAICS code 324110*—To qualify as small for purposes of Government procurement, the petroleum refiner, including its affiliates, must be a concern that has no more than 1,500 employees OR no more than 200,000 barrels per calendar day total Operable Atmospheric Crude Oil Distillation capacity. Capacity includes all domestic and foreign affiliates, owned or leased facilities, and facilities under a processing agreement or an arrangement such as an exchange agreement or a throughput. To qualify under the capacity size standard, the firm, together with its affiliates, must be primarily engaged in refining crude petroleum into refined petroleum products. A firm's ''primary industry'' is determined in accordance with 13 CFR 121.107.

5. *NAICS code 326211*—For Government procurement, a firm is small for bidding on a contract for pneumatic tires within Census NAICS Product Classification codes 3262111 and 3262113, provided that:

(a) The value of tires within Census NAICS Product Classification codes 3262113 which it manufactured in the United States during the previous calendar year is more than 50 percent of the value of its total worldwide manufacture,

(b) The value of pneumatic tires within Census NAICS Product Classification codes 3262113 comprising its total worldwide manufacture during the preceding calendar year was less than 5 percent of the value of all such tires manufactured in the United States during that period, and

(c) The value of the principal product which it manufactured or otherwise produced, or sold worldwide during the preceding calendar year is less than 10 percent of the total value of such products manufactured or otherwise produced or sold in the United States during that period.

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7. *NAICS code 336413*—Contracts for the rebuilding or overhaul of aircraft ground support equipment on a contract basis are classified under NAICS code 336413.

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Dated: August 25, 2014.

Maria Contreras-Sweet,

Administrator.

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