

accounting definitions used in interindustry models. The Department of Commerce estimate will provide a control total for converting the RAC percentage distribution into a bill of goods in dollar terms, as required for interindustry model applications.*

The distribution in table 1 indicates that on the basis of first-order (prime contractor) impact the five largest codes accounted for 68 percent of total procurement, and the 15 largest codes accounted for 89 percent of the total. The largest code was 3721, aircraft, with 21 percent. SIC 3662, radio, TV communication equipment, with 20 percent, was the next largest code. Shipbuilding and repairing, SIC 3731, represented about 10 percent of DOD procurement funds, and SIC 3722, aircraft engines and parts, constituted about 9 percent. Approximately 8 percent of the total was SIC 1925, complete guided missiles, and almost 5 percent was SIC 1929, Ammunition, n.e.c.† Some 78 codes representing 97 percent of total procurement are identified in table 1. Each of the codes ranked below the 13 largest accounted for less than 1 percent of the total.

TABLE 1.—First-order distribution of DOD procurement, by 4-digit SIC product codes

[Fiscal year 1963 expenditure weights]

Rank	SIC code	Product	Percent	Cumulative percent
1	3721	Aircraft.....	21.05	
2	3662	Radio, TV communication equipment.....	19.71	
3	3731	Shipbuilding and repairing.....	10.24	
4	3722	Aircraft engines and parts.....	9.22	
5	1925	Complete guided missiles.....	7.66	68
6	1929	Ammunition, n.e.c.....	4.62	
7	3729	Aircraft equipment, n.e.c.....	4.05	
8	1931	Tanks and tank components.....	2.39	
9	3717	Motor vehicles and parts.....	2.35	
10	3571	Computing and related machines.....	2.15	
11	3621	Motors and generators.....	1.18	
12	3811	Scientific instruments.....	1.16	
13	8911	Engineering and architectural services.....	1.12	
14	3541	Metal-cutting machine tools.....	.94	
15	3443	Boiler-shop products.....	.93	89
16	3661	Telephone, telegraph apparatus.....	.84	
17	3723	Aircraft propellers and parts.....	.75	
18	3531	Construction machinery.....	.71	
19	3861	Photographic equipment.....	.67	
20	1999	Ordnance and accessories.....	.53	92
21	3611	Electric measuring instruments.....	.48	
22	1951	Small arms, 30 mm, and under.....	.47	
23	1941	Sighting and fire-control equipment.....	.46	
24	1961	Small-arms ammunition.....	.39	
25	1911	Guns, howitzers, and mortars.....	.36	
26	2892	Explosives.....	.31	
27	3511	Steam engines and turbines.....	.30	
28	3537	Industrial trucks and tractors.....	.25	
29	3545	Machine-tool accessories.....	.25	
30	3715	Truck trailers.....	.20	96
	3599	Miscellaneous machinery.....	.17	
	1511	General building contractors.....	.17	
	3613	Switchgear and switchboards.....	.15	
	3679	Electronic components, n.e.c.....	.12	
	1731	Electrical work.....	.09	
	3842	Surgical appliances and supplies.....	.08	
	3542	Metal-forming machine tools.....	.08	
	2295	Coated fabric, not rubberized.....	.07	
	3732	Boat building and repairing.....	.06	
40	3357	Nonferrous wire drawing, etc.....	.05	
	2399	Textile products, n.e.c.....	.05	
	3559	Special-industry machinery, n.e.c.....	.05	
	3536	Hoists, cranes, and monorails.....	.04	

* A preliminary control total for DOD procurement expenditures for calendar year 1963, \$15,722 million, is presented in the section on national income accounting in vol. II of this report. The derivation of control totals for subcategories of total procurement (e.g., aircraft, missiles, ships), for use with the percentage distributions by subcategory presented in this volume, is also discussed in vol. II.

† Not elsewhere classified.