

Step 5: For each budget category the amount spent per ship type on each prime product was obtained by multiplying the cost of each product on the representative ship by the number of ships of that type being built. The total cost of each prime product within each budget category was then obtained by summing the amount spent per ship type over all ship types (many prime products appeared in more than one ship type).

Step 6: The prime products in each budget category were coded to SIC product codes, and dollars were aggregated by four-digit SIC code. A percentage distribution by SIC code was developed for each budget category by dividing the dollar figure for each code by the sum of the prime product costs within that budget category. (See table 17.)

TABLE 17.—*First-order distributions for electrical and mechanical, electronics, and ordnance budget categories*

Category	SIC	Percent	Category	SIC	Percent
Electrical and mechanical.....	3443	45.93	Electrical and mechanical—Con.	3651	.45
	3511	14.30			
	3662	5.02	Total.....		100.00
	3613	3.94			
	3811	3.94	Electronics.....	3662	84.37
	3531	3.41		3571	13.45
	3519	2.91		3661	1.74
	3569	2.50		3651	.31
	3629	2.27		3611	.13
	3632	1.97			
	3621	1.79	Total.....		100.00
	3566	1.73			
	3731	1.70	Ordnance.....	1941	33.16
	1999	1.62		3662	27.51
	3332	1.37		1911	21.97
	3564	1.32		1999	10.78
	3691	.97		3571	3.80
	3561	.92		3599	2.73
	3391	.73		3811	.05
	3585	.63			
	3821	.58	Total.....		100.00

TABLE 18.—*First-order distribution of shipbuilding and conversion, Navy, procurement by 4-digit SIC product codes*

SIC	Product	Percent
3731	Shipbuilding and repairing.....	66.8
3662	Radio, TV communication equipment.....	13.0
3443	Boiler-shop products.....	6.4
1941	Sighting and fire-control equipment.....	2.5
3511	Steam engines and turbines.....	2.0
3571	Computing and related machines.....	1.9
1911	Guns, howitzers, mortars, and related equipment, over 30 mm.....	1.6
1999	Ordnance and accessories, n.e.c.....	1.0
3531	Construction machinery.....	.5
3613	Switchgear and switchboards.....	.5
3811	Scientific instruments.....	.5
3519	Internal-combustion engines.....	.4
3569	General-industry machines, n.e.c.....	.4
3621	Motors and generators.....	.3
3629	Electric industrial goods, n.e.c.....	.3
3732	Boat building and repairing.....	.3
3332	Primary lead.....	.2
3564	Blowers and fans.....	.2
3566	Power-transmission equipment.....	.2
3599	Miscellaneous machinery.....	.2
3661	Telephone, telegraph apparatus.....	.2
3391	Iron and steel forgings.....	.1
3561	Pumps and compressors.....	.1
3585	Refrigeration machinery.....	.1
3651	Radio and TV receiving sets.....	.1
3691	Storage batteries.....	.1
3821	Mechanical measuring devices.....	.1
	Total.....	100.0