

Statistical bulletin

# UK Manufacturers' Sales by Product (PRODCOM): Intermediate Results 2013 and Final Results 2012

Revised estimates of UK manufacturing sales by product (PRODCOM) including final estimates for the previous year, with EU comparisons.



Contact:  
William Barnes  
prodcomplications@ons.gsi.  
gov.uk

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# 1. Key points

- The intermediate estimate of the value of UK manufacturers' product sales in 2013 was £354.5 billion, a 3.7% increase on the final 2012 estimate of £ 342.0 billion
- UK manufacturers' product sales were 18.3% higher in 2013 than in 2009
- The product with the largest value of sales in 2013 was motor vehicles with a medium or large petrol engine at £13.8 billion
- The industry which contributed most to manufacturing sales growth between 2012 and 2013 was the manufacture of motor vehicles, trailers and semi-trailers
- The UK contributed between 5% and 10% of total EU manufacturers' product sales in 2012, behind Germany, France and Italy

## 2. Overview

Manufacturers' value of sales continued to grow in 2013, continuing the recovery in values of sales seen since 2009. The divisions which have driven most growth in the value of product sales are the manufacture of motor vehicles, the manufacture of other transport equipment and the manufacture of food products. Products with high manufacturers' sales value for 2013 include both petrol and diesel motor vehicles, beer, soft drinks and the manufacture of parts for all types of aircraft, for civil use.

This statistical bulletin and associated data provide intermediate estimates for manufacturers' product sales in 2013, from businesses based in the UK. It also provides final estimates for 2012. Manufacturers' Sales by Product (PRODCOM) surveys are carried out annually by all European Union (EU) member states, under EU regulation, to enable comparison and, where possible, produce a picture of emerging developments of an industry or product in a European context; the latest data for all EU member states can be found on the [Eurostat website](#).

All estimates of the value of sales are presented in current prices, meaning they have not been adjusted for inflation. Due to an update of the Standard Industry Classification (SIC), estimates prior to 2008 may not be comparable with those after 2008 - see background note 2. Total UK product sales estimates prior to 2008 are included in this release but care should be taken when comparing estimates over this period.

ONS makes every effort to provide informative commentary on the data in this release. Where possible, the commentary draws on evidence from businesses or other reputable sources of information to help explain possible reasons behind the observed changes. However, in some instances it can prove difficult to establish detailed reasons for movements, for example, businesses may state a 'change in the production strategy' or 'products being made under a new contract order'. Consequently, it is not possible for all data movements to be fully explained.

## 3. Your views matter

We continuously aim to improve this release and its associated commentary. We would welcome any feedback you might have and would be interested in knowing how you make use of these estimates to inform your work.

In particular we welcome any comments or feedback on the following:

- The new format of the excel tables
- The Open Data format of the PRODCOM reference tables

- The user interpretation manual

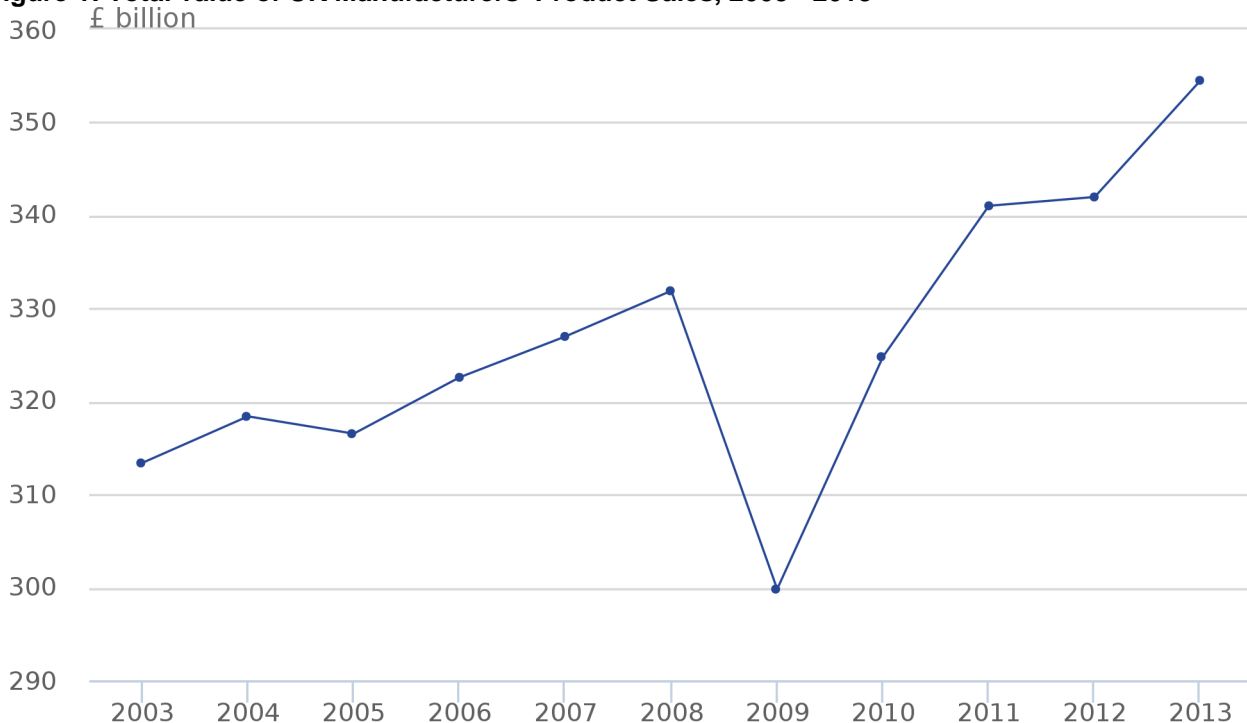
Background note 1 has further information

Please provide comments via email: [prodcompublications@ons.gsi.gov.uk](mailto:prodcompublications@ons.gsi.gov.uk) or telephone William Barnes on +44 (0) 1633 455711

## 4. UK manufacturers' sales by product 2013

The intermediate results for UK manufacturers' sales by product in 2013 show there was growth of 3.7% in the value of sales, at £354.5 billion, up from £342.0 billion in 2012. This is a continuation of the recovery seen since 2009 (see Figure 1). The final estimated value of UK manufacturers' product sales in 2012 of £342.0 billion is a downward revision of 0.5% from the £343.8 billion published as part of the 2012 intermediate estimate in December 2013.

**Figure 1: Total value of UK Manufacturers' Product Sales, 2003 - 2013**



**Source: Office for National Statistics**

**Notes:**

1. Care should be taken when comparing estimates prior to 2008 with those after 2008 due to an industry reclassification.

Between 2008 and 2009, there was a reduction of nearly 10% in the value of UK manufacturers' product sales, equivalent to £32.2 billion. Since 2009, the value of product sales has increased in each year, in current prices. In the four years since 2009, the value of UK manufacturers' product sales has increased by 18.3%, a value of £54.9 billion. The fall between 2008 and 2009, and the subsequent recovery in the value of industrial product sales, is broadly in line with movements seen in other data sources such as the [Annual Business Survey](#) and [National Accounts](#).

## 5. Results by product

Figure 2 shows the 10 products with the highest sales value for 2013 and highlights the change in rankings compared with 2012.

Figure 2: Top 10 UK manufactured products with the highest production by sales value



There are several core products that have been present in the top 10 of UK manufacturers' sales in value terms since 2008. For example, eight of the top 10 products in 2008 also feature in the 2013 list. These include both petrol and diesel motor vehicles, beer, soft drinks and the manufacture of aircraft. In 2013, one product features in the top 10 for the first time since the series began; the manufacture, installation and repair of military vessels (or parts there of).

The 2013 intermediate estimates show that the manufacture of motor vehicles with a medium or large petrol engine remains the leading product in terms of value of sales; this has remained unchanged since 2010.

### Motor vehicles

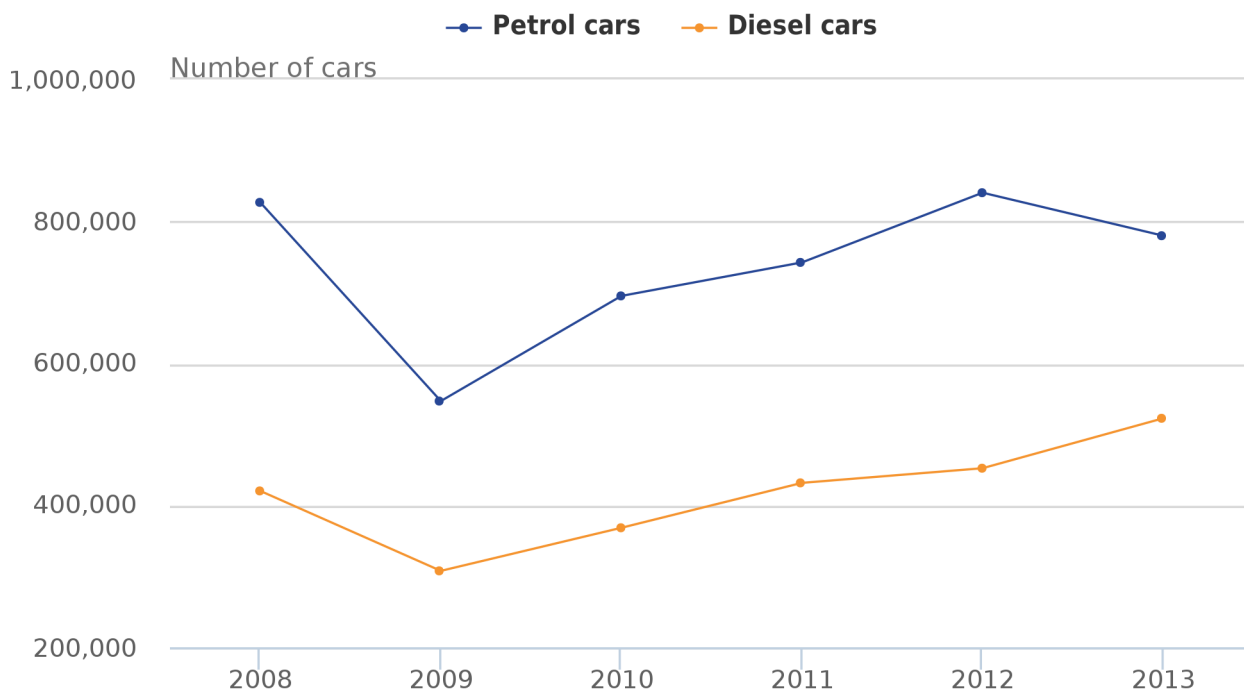
The sale of motor vehicles contributed 9.6% to total manufacturer sales, valued at £33.9 billion an increase of £5.9 billion on 2012. The motor vehicle products in the top 10, with their position shown by the number in brackets, were:

- motor vehicles with a petrol engine greater than 1500cc (1)
- motor vehicles with a diesel engine between 1500cc and 2500cc (2)

Cars with medium and large petrol engines had the highest value product sales at £13.8 billion, an increase of £0.6 billion since 2012. Conversely, the volume of motor vehicles of this type sold decreased over the same period by 61,000 items. This shows consumers are spending on average approximately 12.7% more per unit, a trend likely to be influenced by the [sales of luxury cars](#) and demand for improved technology in motor vehicles.

The value of sales of diesel cars between 1500cc and 2500cc also increased between 2012 and 2013, by £4.2 billion to £10.2 billion, an increase of 69.8%. The [demand for more fuel efficient vehicles](#) as fuel costs increased may be a contributory factor. Whereas the volume of petrol cars sold decreased between 2012 and 2013, the volume of diesel cars sold increased over the same period by 70,000 items, an increase of 15.6% (see Figure 3). As the value increased at a faster rate than the volume, the average unit value also increased from around £13,300 to £19,500.

**Figure 3: Sales of petrol and diesel cars manufactured in the UK, 2008 - 2013**



Source: Office for National Statistics

**Notes:**

1. Petrol cars in this chart refers to product code 29102230 - motor vehicles with a spark ignition internal combustion engine greater than 1500cc, excluding goods vehicles, motor caravans and those for carrying 10 or more people.
2. Diesel cars in this chart refers to product code 29102330 - motor vehicles with a diesel or semi-diesel engine greater than 1500cc but not exceeding 2500cc, excluding goods vehicles, motor caravans and those for carrying 10 or more people.

The Society of Motor Manufacturers and Traders (SMMT), the UK car industry's trade body, reported that in 2013, UK car manufacturers had their [best performance since 2007](#), reporting a number of [recent investment projects](#), including £2.0 billion investment in R&D as reported by the ONS [Business Enterprise Research and Development \(BERD\)](#) survey. The growth in the UK motor industry is in contrast to its European counterparts, with [industry sales among many EU members having fallen](#) since the economic downturn. While growth in the UK motor vehicle industry is still reliant on exports, it has been suggested that the upturn in the domestic market has been assisted by [cheaper credit deals](#) for consumers, specifically personal car plans directly offered by manufacturers.

## Aerospace and Defence

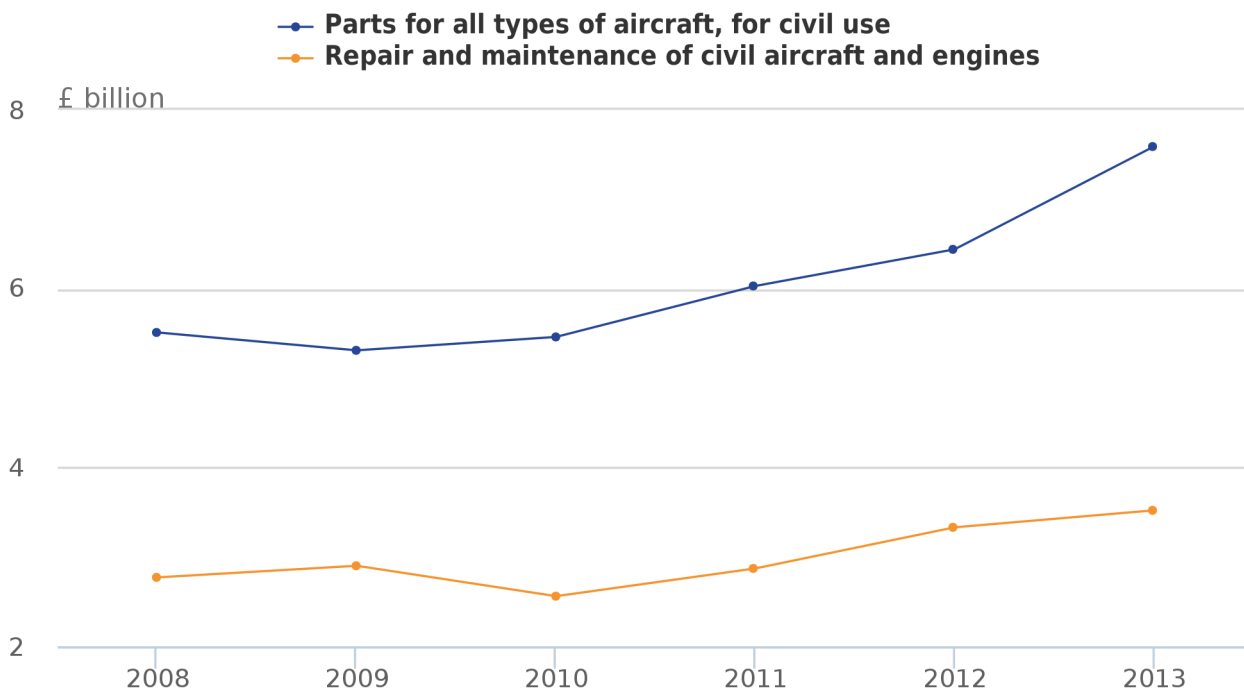
The UK has the largest aerospace industry in Europe in terms of the [number of businesses](#). The products in this group ranking within the top ten products in 2013, as shown by the number in brackets, were:

- parts for all types of aircraft, for civil use (3)
- manufacture, installation and repair of military aircraft and parts thereof (4)
- repair and maintenance of civil aircraft and civil aircraft engines (6)
- manufacture, installation and repair of military vessels and parts thereof (10)

There has been considerable year on year growth in the value of product sales in the manufacture of air and spacecraft. For example, between 2012 and 2013 the value of sales for products in this industry increased by 17.4%, from £17.3 billion to £20.3 billion. This is the fourth consecutive year of growth in the value of product sales. A key product driving this growth is the manufacture of parts for all types of aircraft for civil use, with an increase in sales of £1.2 billion. This product has moved up the product rankings every year since 2009 and currently sits third in the 2013 product list.

The strength of the UK aerospace industry is further highlighted by sales of the repair and maintenance of civil aircraft and engines, appearing at number 6 in the product list, with 5.8% growth in the value of product sales between 2012 and 2013, from £3.3 billion to £3.5 billion.

**Figure 4: Values of sales of civil aircraft parts manufacture, and repair and maintenance of civil aircraft and engines, 2008 - 2013**



Source: Office for National Statistics

Notes:

1. The full description of product code 30305090 is parts for all types of aircraft, for civil use, excluding propellers, rotors, under-carriages, aircraft engines and parts thereof, for military aircraft.
2. The full description of product code 33161000 is the repair and maintenance of civil aircraft and civil aircraft engines.

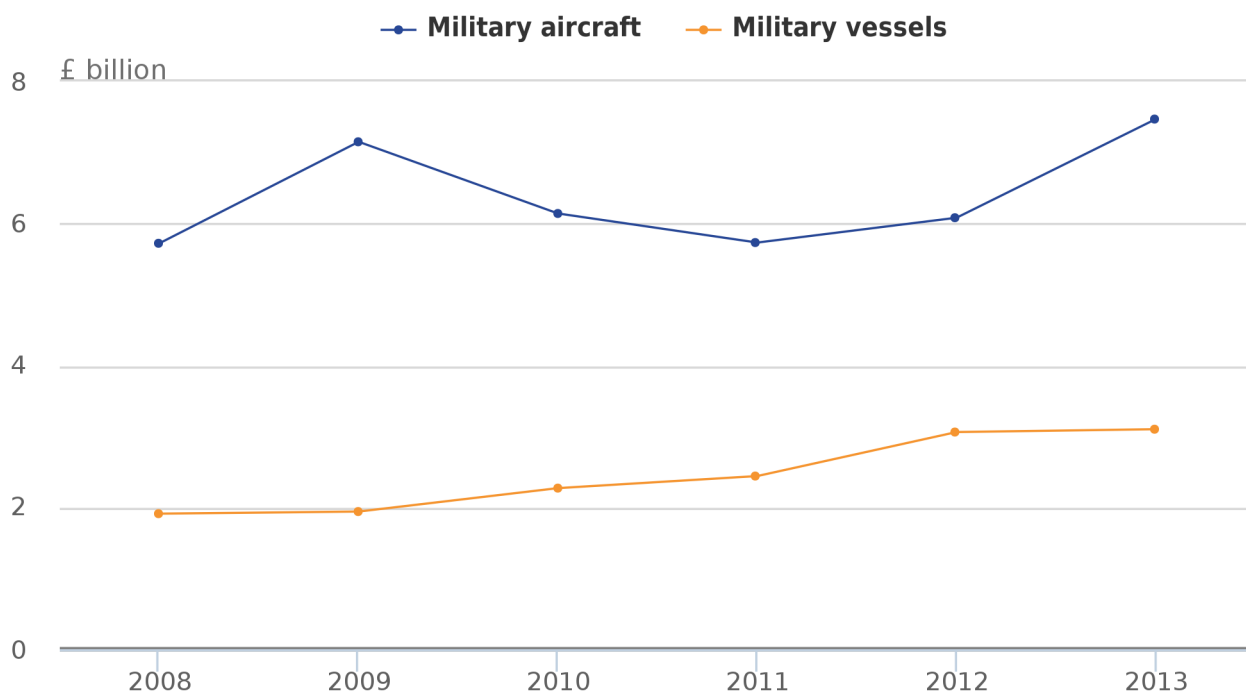
In July 2012, the Department of Business, Innovation and Skills published [an article](#) highlighting new investment in the aerospace industry and positive forecasts for growth in the future. This was followed in March 2013 with the announcement of a [£2 billion investment](#), aimed to secure over 100,000 jobs and outlining plans for a UK aerospace technology institute. Investment projects such as these, alongside forecasted growth in air travel as highlighted by the [International Air Transport Association](#), may have resulted in increased opportunities for UK businesses in this sector.

It has further been reported that the UK aerospace industry is benefiting from strong domestic orders for parts for civil aircraft, with businesses holding a [backlog of more than 11,000 aircraft and 20,000 engines](#), an estimated nine years' work for the UK industry.

The value of product sales for the manufacture, installation and repair of military aircraft showed a large increase of 22.8% between 2012 and 2013, following a period of stability between 2010 and 2012. This product currently sits at number 4 in the top 10 product sales for 2013, with sales totalling £7.5 billion.

The manufacture, installation and repair of military vessels and parts thereof also sits within the top 10 products in 2013, entering for the first time at position 10 with sales of £3.1 billion. There was a steady increase in the value of sales from 2012 on the back of continued growth since 2008 (see Figure 5).

**Figure 5: Values of sales of the manufacture, installation and repair of military vessels and military aircraft, and their parts thereof, manufactured in the UK, 2008 - 2013**



Source: Office for National Statistics

Notes:

1. The full description for product code 30309999 is the manufacture, installation and repair of military aircraft and parts thereof.
2. The full description for product code 30119999 is the manufacture, installation and repair of military vessels and parts thereof.

If you would like to find out more about [aerospace](#) and [defence](#) statistics, you can read more ONS analysis in the related links.

## Drinks

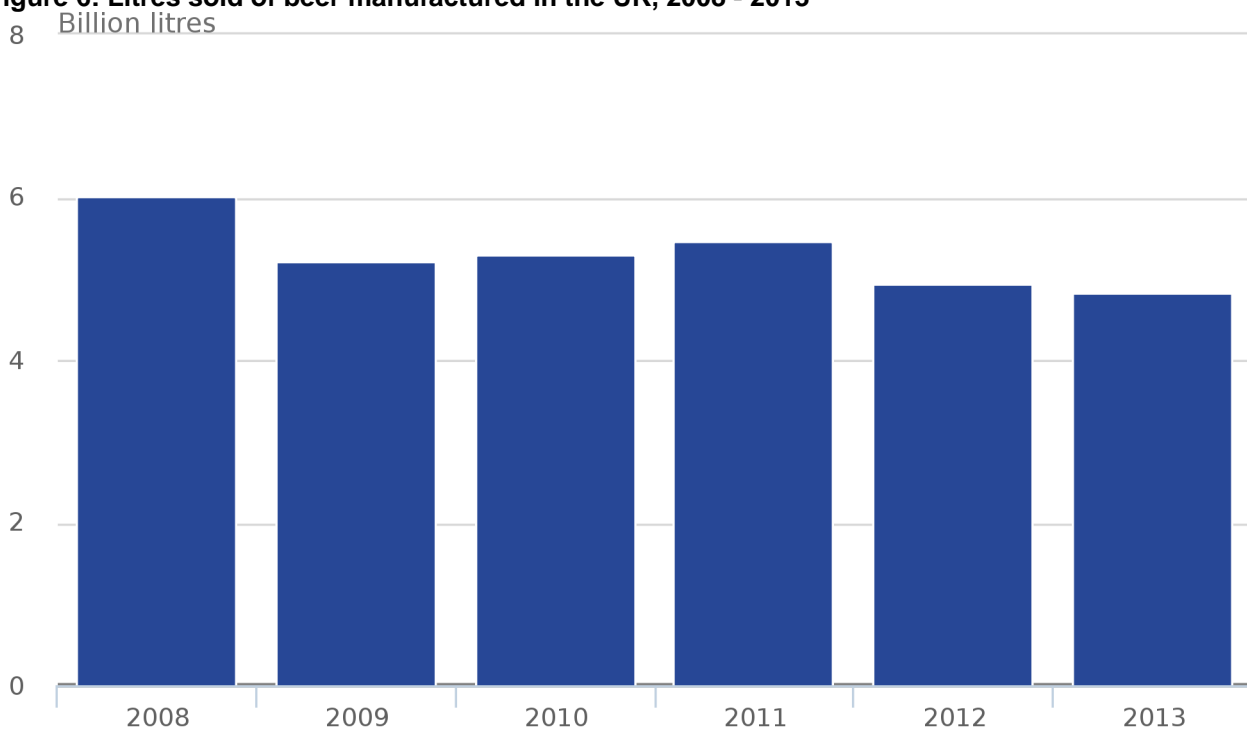
In 2013, the drinks industry generated £12.4 billion in product sales, 3.5% of all UK manufactured product sales. The industry has three key products that consistently appear in the top 10 manufacturers' sales; as signified by the number in brackets.

- waters, with added sugar, other sweetening matter or flavoured (7)
- beer made with malt (8)
- whisky (9)

In 2013, 'Waters with added sugar' (soft drinks) dropped one position from sixth to seventh place in the top 10, with sales totalling £3.4 billion, a 5.9% decrease from 2012 sales of £3.7 billion. Despite the drop in value of sales, the volume of sales has increased over the same period, from 7.0 billion litres sold to 7.3 billion litres sold. This increase in volume has been largely attributed to a warmer summer by the [British Soft Drinks Association](#).

Following a number of years of contraction in the value of beer sales in the UK, beer product sales increased marginally between 2012 and 2013 totalling £3.2 billion in 2013, an increase of 4.7% from 2012. However, the volume of beer sold has continued to decrease since 2011; see Figure 6.

**Figure 6: Litres sold of beer manufactured in the UK, 2008 - 2013**



Source: Office for National Statistics

**Notes:**

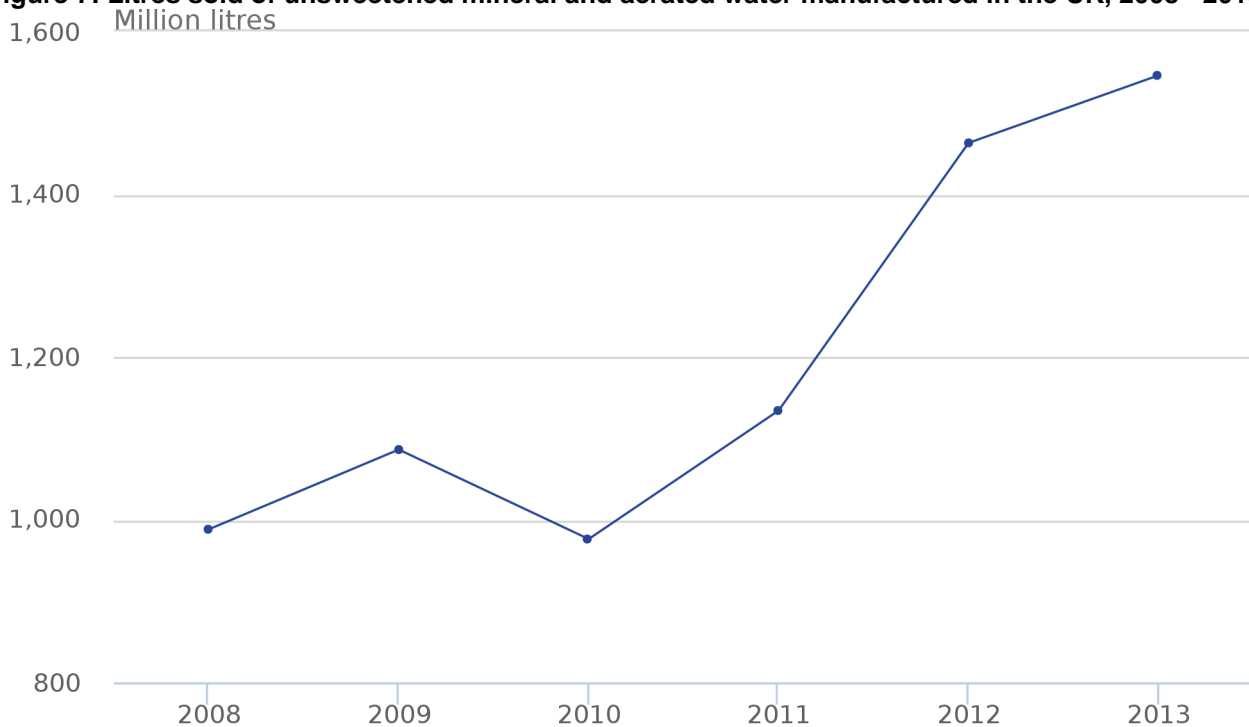
1. Data in this chart refers to product code 11051000 - Beer made from malt (EXCLUDING alcohol duty)  
EXCLUDING: - non-alcoholic beer - beer containing not more than 0.5% by volume of alcohol.

Whisky sales saw a slight value increase in 2013 of £40.7 million, from £3.1 billion in 2012 to £3.2 billion, ensuring it maintained its position as ninth in the top 10 products. However, this is a rise of only 1.3%, compared with an 8.1 % rise between 2011 and 2012. Following a decade of growth, it appears the demand for Scotch whisky is levelling off in some markets and in general the value of Scotch whisky exports during 2013 remained steady.



Other drinks outside the top 10, such as unsweetened mineral and aerated waters, have also shown significant growth over recent years (see Figure 7). Since 2010, the volume sold of UK manufactured mineral water has increased by 59.0% from 973 million litres to 1,546 million litres sold in 2013. This continues the trend seen since 2008.

**Figure 7: Litres sold of unsweetened mineral and aerated water manufactured in the UK, 2008 - 2013**



Source: Office for National Statistics

Notes:

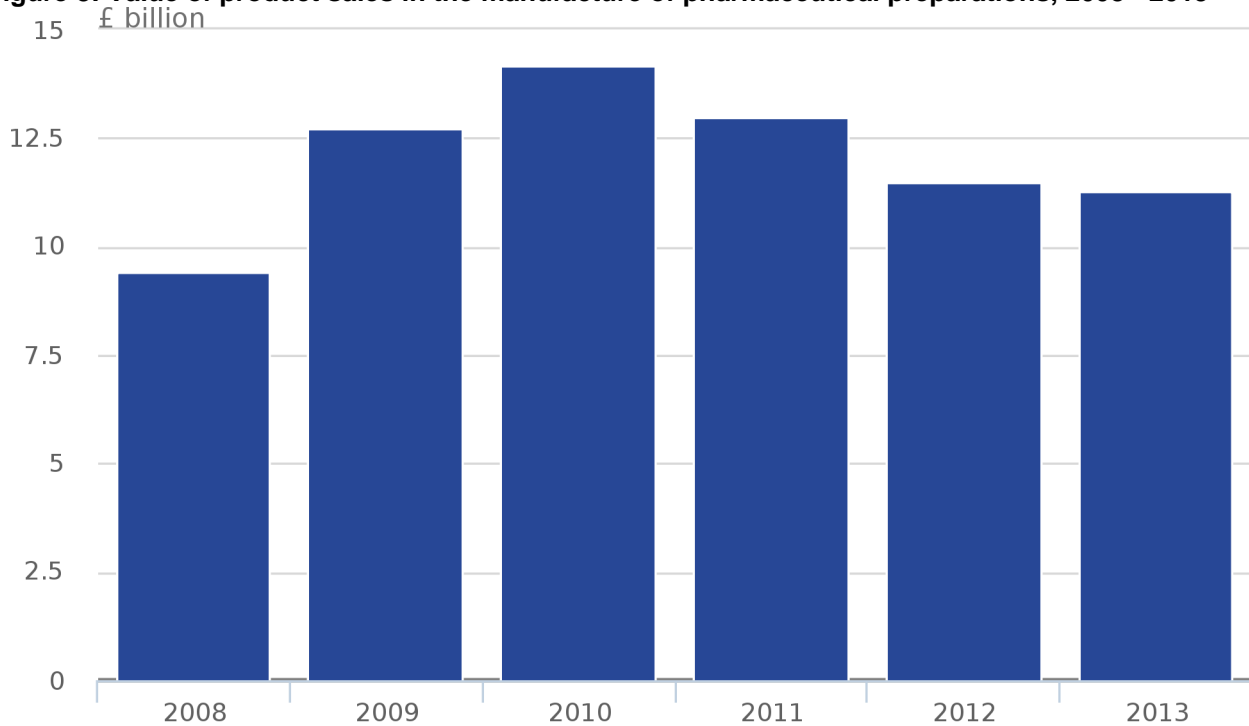
1. Data in this chart refers to product code 11071130 - Mineral waters and aerated waters, unsweetened.

## Pharmaceuticals

- Medicaments (5)

Medicaments (excluding antibiotics, hormones, steroids, alkaloids and vitamins) remain a top five product in terms of value of sales, with sales totalling £5.9 billion in 2013. However, this is a significant decrease from 2012 sales which totalled £7.1 billion, equivalent to a fall of 16.5%. A reason cited by some businesses was the expiry of medicament patents, which allow competing businesses to manufacture medicaments previously owned by only one company. This drop follows a decreasing trend seen in product sales in the manufacture of pharmaceutical preparations since 2010, where sales have fallen from £14.2 billion in 2010 to £11.3 billion in 2013, a fall of 20.4% (see Figure 8).

**Figure 8: Value of product sales in the manufacture of pharmaceutical preparations, 2008 - 2013**



Source: Office for National Statistics

**Notes:**

1. Data in this chart refer to total product sales for SIC 21200 - Manufacture of pharmaceutical preparations.

## 6. Results by industrial division

The UK estimate of manufacturers' sales by product covers 25 'Divisions' in the manufacturing sector (see background note 7 for more details on coverage).

There are two ways to consider the PRODCOM estimates; in terms of businesses classified to an industry and in terms of products corresponding to an industry. In this release product information, either individual products or total product sales relate to products corresponding to an industry irrespective of which industry the business making the product is classified to.

Products associated with an industry have been reasonably consistent over the past five years. The manufacture of motor vehicles, trailers and semi-trailers, other transport equipment and food have consistently had the highest manufacturing product sale values.

### Divisions' contribution to growth

**Table 1: Contribution to total value of industry sale growth between 2012 and 2013**

Division	Percentage contribution to growth
29 Manufacture of motor vehicles; trailers and semi-trailers	45.09
30 Manufacture of other transport equipment	28.99
10 Manufacture of food products	22.46
22 Manufacture of rubber and plastic products	9.09

33 Repair and installation of machinery and equipment	4.33
16 Manufacture of wood and of products of wood and cork	3.78
8 Other mining and quarrying	1.66
31 Manufacture of furniture	1.41
25 Manufacture of fabricated metal products; except machinery and equipment	1.11
23 Manufacture of other non-metallic mineral products	0.81
14 Manufacture of wearing apparel	0.66
32 Other manufacturing	0.65
15 Manufacture of leather and related products	0.56
11 Manufacture of beverages	0.07
19 Manufacture of coke and refined petroleum products	-0.05
17 Manufacture of paper and paper products	-0.14
13 Manufacture of textiles	-0.15
20 Manufacture of chemicals and chemical products	-0.16
12 Manufacture of tobacco products	-0.56
26 Manufacture of computer; electronic and optical products	-1.27
21 Manufacture of basic pharmaceutical products and pharmaceutical preparations	-1.74
27 Manufacture of electrical equipment	-1.96
28 Manufacture of machinery and equipment n.e.c.	-3.62
24 Manufacture of basic metals	-4.82
18 Printing and reproduction of recorded media	-6.19

Source: Office for National Statistics

Table 1 shows the contribution to growth in manufacturing product sales between 2012 and 2013. The manufacture of motor vehicles; trailers and semi trailers contributed more than any other division to product sale growth, consistent with the industry high year on year product sales. In contrast, the printing and reproduction of recorded media provided the largest negative contribution to growth between 2012 and 2013.

## Divisions driving growth in overall manufacturing product sales

- Manufacture of motor vehicles, trailers and semi-trailers
- Manufacture of other transport equipment
- Manufacture of food products

As mentioned previously, there has been considerable growth in manufacturers' product sales within the motor industry, which has been mainly driven by the manufacture of motor vehicles, in particular cars with medium and large sized engines. In contrast, other industries contributing to this division (manufacture of coaches, trailers and semi-trailers; electrical and electronic equipment for motor vehicles; other parts and accessories for motor vehicles) all experienced negative growth in product sales over the same period (see Table 2).

**Table 2: Sales and growth in the manufacturing of motor vehicles; trailers and semi-trailers division**

	2012 Sales	2013 Sales	Growth
Manufacture of motor vehicles	28,004	33,860	5,856
Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers	2,153	2,127	-26
Manufacture of electrical and electronic equipment for motor vehicles	346	313	-33
Manufacture of other parts and accessories for motor vehicles	8,794	8,650	-144
<b>Total</b>	<b>39,297</b>	<b>44,950</b>	<b>5,653</b>

Source: Office for National Statistics

The growth in the other transport equipment division was in part led by the increase in the value of product sales for self-propelled railway or tramway passenger coaches, whose sales totalled £769 million in 2013.

There was a 17.7% fall in the volume sold of sausages from 411 million kilos to 338 million kilos. However, the industry has been buoyed by the growth in volume sales of fresh cuts of chicken (up 12.5%) as well as fresh cuts of beef and veal (9.1%). Elsewhere, the value of sales of fresh bread showed one of the biggest areas of growth for any product in the division, alongside milk and cream with a fat content above 1%.

## Divisions restricting growth in overall manufacturing product sales

- Printing and reproduction of recorded media
- Manufacture of basic metals

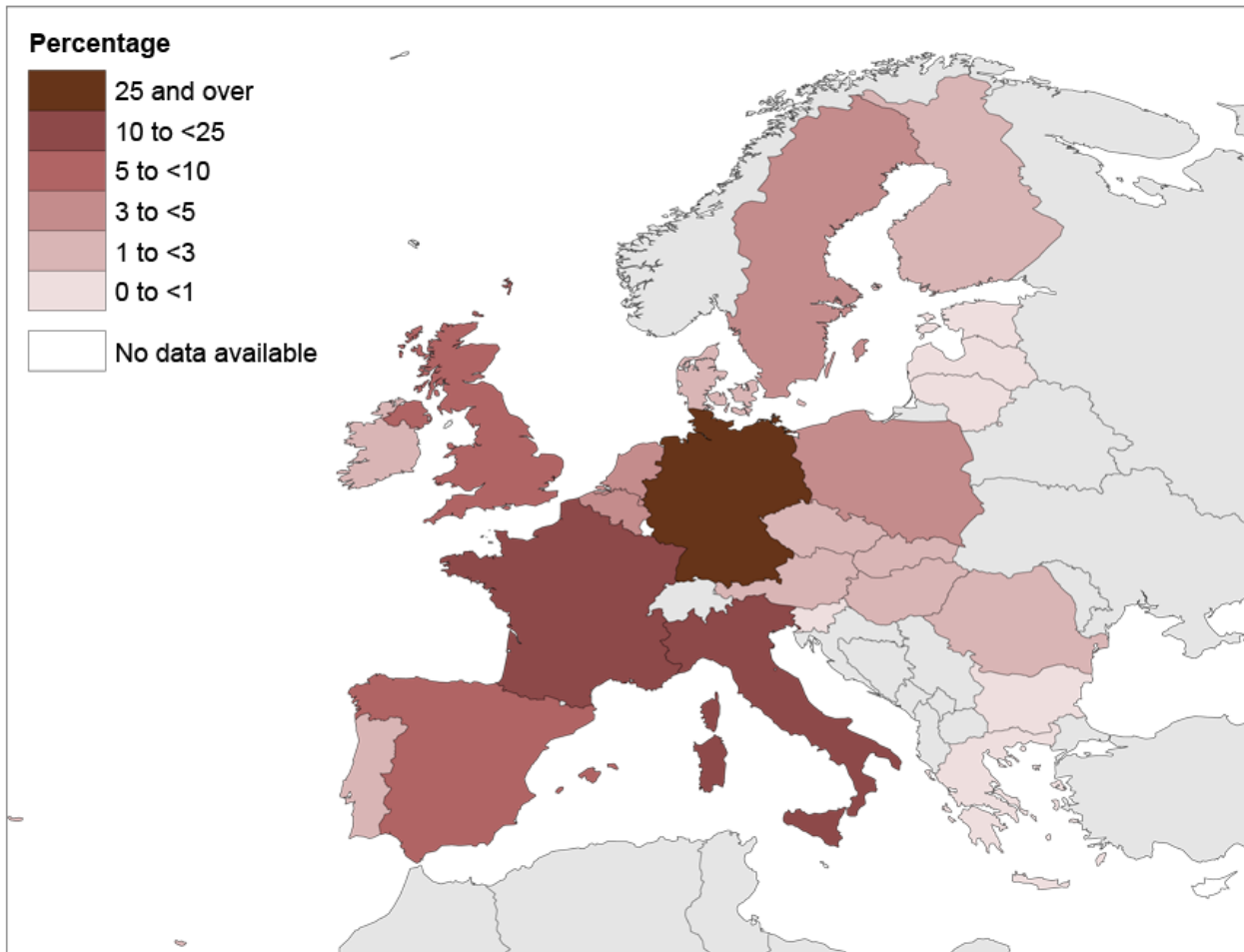
The division acting as the largest drag on overall manufacturers' sales growth between 2012 and 2013 was the printing and reproduction of recorded media, where sales fell from £8.7 billion to £7.9 billion, a fall of 9.0%. The product within this division with the largest fall in sales was the printing of paper trade advertising material where sales fell from £1.8 billion to £1.5 billion, a fall of 18.9%. This is likely due to the rise in Internet advertising. The printing of newspapers, journals and periodicals at least four times a week has also seen a large comparative drop in value of sales, a fall of 5.4%, to £159 million in 2013. This is likely to be a result of the growth in online news at both a local and national level.

The manufacture of basic metals also contracted between 2012 and 2013, a £605 million fall (8.1%) in sales. Particular industry products in this division reporting reductions in product sales included the production of silver in semi manufactured forms and unwrought aluminium alloys; the latter saw a drop in value of almost £190 million (32.0%) and a drop in volume of 140 million tonnes (30.5%).

## 7. European comparison

The [PRODCOM survey](#) on production of manufactured goods is carried out annually by all EU member states, under [EU regulation](#), to enable comparison and, where possible, produce a picture of emerging developments in an industry or product in a European context.

Map 1: EU27 countries share of sold production value



Source of boundaries: UNEP (2011): UNEP Environmental Data Explorer.  
United Nations Environment Programme. <http://geodata.grid.unep.ch>.  
Source of data: Eurostat

Map 1 shows the [latest available estimates](#) for the share of total value of EU-27 manufacturers' product sales for each member state, using intermediate 2012 estimates. Germany accounts for almost a third of all EU-27 sold industrial production, while Italy and France each contribute more than 10% of total EU manufacturers' sales. The UK and Spain each contribute between 5 and 10% of EU production. The five countries provided 69.7% of all EU sold production in 2012.

Eurostat report that in 2012, of the 30 highest ranked products in terms of the value of European manufacturers' sales, the [UK is a top five producer](#) of 21 products but does not lead in the product sales value of any of these products.

The UK does lead EU product sales in many products outside the top 30, although comparisons can be difficult to make as often estimates from other countries are suppressed, disclosive or largely estimated.

In products where the majority of manufacturers' sales estimates are available for other EU countries, the UK leads in several food products including: savoury bakers' products; condiments; sandwiches and other food preparations; and chocolate biscuits. Outside of food products, the UK also leads product sales of soft drinks and flavoured waters; printed books and brochures; curtains and blinds made from woven materials; and base metal sign plates and name plates.

A more detailed comparative data for EU countries can be found on the [Eurostat website](#).

## 8. Background notes

### 1. What's new

- An interpretation [user guide](#) has been developed and published to aid the interpretation of PRODCOM estimates. This user guide explains the variables in PRODCOM and illustrates how the estimates can be used. A technical report is under development to complement the user guide
- PRODCOM reference tables have now been published in Open Data format (in addition to the excel format), which is consistent with ONS policy to make estimates available to users in a format that is user-friendly and more accessible. Other benefits of the Open Data format can be found on the [PRODCOM News page](#)
- Currently only product sales information is available in the data explorer, however, in future further SIC total variables such as non-production income and turnover will be included
- The excel reference tables have been reformatted and now include industry totals and related time series

## 2. UK Manufacturers' Sales by Product (PRODCOM) Survey

PRODCOM is from the French 'PRODUCTION COMMUNAUTAIRE' (Community Production). In the UK, these were formally known as the Products of the European Community (PRODCOM) Survey. In 2013, a sample of approximately 21,500 UK businesses was selected for the survey from ONS's Inter-Departmental Business Register (IDBR). A total of 234 four-digit manufacturing industries are surveyed and data collected on 3,800 products as specified in a [PRODCOM list](#). Every business is classified to a specific manufacturing industry but can manufacture a variety of products depending on its diversity. Visit the [PRODCOM webpages](#) for more in-depth information about PRODCOM, plus the latest news on survey changes and developments.

A [PRODCOM Glossary \(80.4 Kb Pdf\)](#) of terms can be used to interpret the technical descriptions and abbreviations used throughout the report.

Data collected by the Annual Minerals Raised Inquiry (AMRI) on mineral extraction are used in the PRODCOM survey to avoid duplication and to reduce the burden on business. AMRI collects data for England, Scotland and Wales, for 25 products in to the [Nomenclature of European Economic Activities](#) (NACE) divisions 0811, 0812 and 0893. Northern Ireland data is collected by PRODCOM for the same divisions. Due to delays in the production of 2012 AMRI survey results the AMRI data were not included in the 2012 intermediate and 2011 final PRODCOM estimates when published in December 2013, and was not estimated for. Data were made available in spring 2013 and as a result, both the 2012 intermediate and 2011 final figures have been revised in this statistical bulletin. While AMRI data is included in the 2012 final figures, the 2013 AMRI data is not currently available. Estimates including AMRI data for 2013 will be published in June 2015.

An extensive revision of NACE in 2007 led to a revision of the UK [Standard Industrial Classification](#) (SIC UK), bringing both of the classifications in line. This resulted in changes to PRODCOM estimates for the 2008 survey onwards. All PRODCOM industry sectors now align exactly to the NACE classification. PRODCOM reports for data pre-2008 are available on request from [prodcompublishings@ons.gsi.gov.uk](mailto:prodcompublishings@ons.gsi.gov.uk).

ONS have started investigating the possibility of creating a back series, prior to 2008. Total UK Manufacturers' product sales prior to 2008 have now been published. However due to the industry reclassification in 2008, there may be comparability issues between the pre and post-2008 estimates. This is due to the differences in sample and which businesses were in scope of the survey. For example, the definition of Manufacturing under SIC 2007 is different to the definition under SIC 2003. Some activities that were previously defined to be manufacturing are no longer defined as manufacturing under the new classification and vice versa. So, the series are discontinuous. Further updates on this investigation will be published on the [PRODCOM News Page](#).

The estimates in the accompanying reference tables are presented by manufacturing 'Division' divided into 'Industries', followed by product aggregates and then individual products. The [PRODCOM list](#), which is set by the European Commission, contains a comprehensive breakdown of industries. The structure of the PRODCOM codes are derived from various classification systems. An example of the hierarchy of the published data is as follows:

### Division: 10 - Manufacture of food products

- Division: 10 – Manufacture of food products
  - Industry code: 10.83 – Processing of tea and coffee
    - Product aggregate code: 10.83.11 – Coffee, decaffeinated or roasted
      - Product code: 10.83.11.30 – Decaffeinated coffee, not roasted
      - Product code: 10.83.11.50 – Roasted coffee not decaffeinated
      - Product code: 10.83.11.70 – Roasted decaffeinated coffee

Although products are classified under an industry classification, businesses outside these industry classifications can produce these products. In the same vein, businesses within an industry classification can manufacture products outside the industry. Each business can therefore span a variety of products depending on its diversity.

### 3. PRODCOM Quality Information

A [Quality and Methodology Information Report \(301.5 Kb Pdf\)](#) (QMI) can be found on the Office for National Statistics (ONS) website. The aims of the QMI report are to provide users with a greater understanding of ONS's statistics, their quality and the methods that are used to create them.

A report on [PRODCOM EU methodology](#) is also available from the Eurostat website. Eurostat also produce an annual [PRODCOM Quality Report](#) containing comprehensive quality information based on the latest data received from all EU members.

The following information is available to users for each PRODCOM Commodity Code:

- an estimate of standard error
- standard error as a percentage of the published value (the coefficient of variation)
- number of businesses providing data at the product level
- total employment of businesses providing data for the product

Standard errors are an estimate of the sampling error, which arises because an estimate is based on a survey rather than a population census. It is a measure of the precision of the estimate. A low standard error therefore indicates a precise estimate. To aid comparison and interpretation, the standard error is also expressed as a percentage of the product's estimated total sales. This quantity is sometimes called the coefficient of variation and it allows the standard errors to be put into context.

Standard error estimates are available for most product level value estimates. The latest data are available in the accompanying publication tables.

### 4. Uses and users of the data

The European Commission (EC) and national governments need data to monitor industry and markets and to develop their corresponding policies. To meet these requirements, Eurostat and Member States have developed the PRODCOM system and disseminate data which allows international comparisons between all Member States and other countries. The enterprises benefit from data provided by the PRODCOM system which allow them to evaluate markets and opportunities for development.

By matching PRODCOM with overseas trade estimates, which users can now obtain directly from the HMRC website, various other statistics at product level such as imports and exports and the trade balance can be derived. Caution should be taken when combining PRODCOM estimates with HMRC trade data for reasons outlined in background note 8.

A summary of the users and uses of PRODCOM Statistics is given in the [User Engagement for the PRODCOM Survey](#). The document describes how we have acted upon user feedback, and outlines our plans for user engagement over the next year.

Some of the known users of PRODCOM statistics are:

- the European Commission
- the national governments and their national authorities (i.e. public institutions, central and local administrations)
- businesses and trade associations
- the research institutions and students
- the media

In 2013 PRODCOM estimates contributed to the following:

- A short story on [defence](#) related activities in the UK



- A user engagement event on 'The Changing Shape of UK Manufacturing' held in October 2014. This event coordinated jointly with the Department for Business, Innovation and Skills (BIS), took place in October 2014. It featured a range of talks from users, producers and suppliers of manufacturing statistics, not just from central government and the devolved administrations, but also local government, media, business representatives and researchers. To view the content of the day, please visit [Storify](#)

There are numerous other users who use the data to produce various analyses and to inform policy decisions. Some specific examples are provided below.

EU anti-dumping cases: EU PRODCOM survey data are regularly used in matters relating to [EU anti-dumping cases](#) providing vital product information for scrutiny during formal investigations.

Environmental statistics: Increasingly the data are used in analysis relating to environmental statistics such as ONS' review of [measuring the environmental goods and services sector \(107.2 Kb Pdf\)](#) which utilises PRODCOM data in an aim to identifying potential 'green' products.

UK National Accounts: PRODCOM outputs are required as part of the National Accounts Supply Table, an integral part of the annual Supply and Use Tables balancing process which is used to reconcile the three approaches to measuring Gross Domestic Product (GDP) and Gross National Income (GNI).

Producer Prices: The PRODCOM Survey data identifies businesses that make particular products, and therefore are used to create a sampling frame for the ONS Producer Prices Index.

## 5. Revisions

Provisional survey estimates are published six months after the end of the reference period; intermediate estimates 12 months after the end of the reference period and a final set of estimates 24 months after the reference period.

The below tables outline the extent of the revisions, for the total value of manufacturing sales from UK based companies, for the last four years of data:

**Table 3: Values at each publication date**

Publication Date	Reference year				£ billion
	2010	2011	2012	2013	
Jun 2011	323.9	-	-	-	
Dec 2011	329.4	-	-	-	
Jun 2012	329.4	339.7	-	-	
Dec 2012	322.3	338.0	-	-	
Jun 2013	322.3	338.0	342.2	-	
Dec 2013	322.3	338.1	341.7	-	
Jun 2014	322.3	340.3	343.8	355.0	
Dec 2014	324.8	341.0	342.0	354.5	

Source: Office for National Statistics

Notes:

1. In June 2014 data for reference years 2012 and 2011 revised outside of normal revisions cycle as noted in Background Note 2.

2. Totals published in this release include data for the Manufacture of Military fighting vehicles and the cold drawing of bars. These data have been published for the first time in 2013 to provide additional data for users. Data has been revised for 2010 to 2012 in order to include the two additional products.

**Table 4: Percentage difference since previous publication**

Publication Date	Reference year			
	2010	2011	2012	2013
Jun 2011	-	-	-	-
Dec 2011	1.7	-	-	-
Jun 2012	-	-	-	-
Dec 2012	-2.2	-0.5	-	-
Jun 2013	-	-	-	-
Dec 2013	-	-	-	-
Jun 2014	-	0.7	0.6	-
Dec 2014	1.8	0.2	-0.5	-0.1

Source: Office for National Statistics

Notes:

1. In June 2014 data for reference years 2012 and 2011 revised outside of normal revisions cycle as noted in Background Note 2.

2. Totals published in this release include data for the Manufacture of Military fighting vehicles and the cold drawing of bars. These data have been published for the first time in 2013 to provide additional data for users. Data has been revised for 2010 to 2012 in order to include the two additional products.

PRODCOM estimates are revised in line with the [ONS's Revisions Policy](#). Users of this release are advised to read this policy before using the data for research or policy related purposes.

Planned revisions usually arise from either the receipt of additional data or the correction of errors to existing data by businesses responding to the PRODCOM survey. Those of notable magnitude will be highlighted and explained.

All other revisions will be regarded as unplanned and will be dealt with by non-standard releases. All revisions will be released in compliance with the same principles as other new information.

## 6. Response rates

These intermediate estimates are based on a response rate of 84.1%. Late and revised returns are included in the intermediate and final estimates, which explain the higher response rates for past years.

**Table 5: Overall response rates**

Period (Estimate)	%
2013 (intermediate)	84.1
2013 (provisional)	80.1
2012 (final)	84.0
2011 (final)	83.4
2010 (final)	82.1

Source: Office for National Statistics

## 7. General information

PRODCOM is based on a list of products known as the PRODCOM list, which comprises about 3,800 standard headings relating to manufacturing products and some services. The PRODCOM list is updated annually to allow for the addition and deletion of products as the market evolves. It is used for clarification of product definitions and corrections where identified.

Product information is collected from the following Divisions:

**Table 6: Industry coverage**

Division	Title
8	Other mining and quarrying
10	Food products
11	Beverages
12	Tobacco products
13	Textiles
14	Wearing Apparel
15	Leather and related products
16	Wood and of products of wood and cork (except furniture); articles of straw and plaiting materials
17	Paper and paper products
18	Printing and reproduction of recorded media
19	Coke and refined petroleum products
20	Chemicals and chemical products
21	Basic pharmaceutical products and pharmaceutical preparations
22	Rubber and plastic products
23	Other non-metallic mineral products
24	Basic metals
25	Fabricated metal products (except machinery and equipment)
26	Computer, electronic and optical equipment
27	Electrical equipment
28	Machinery and equipment, not elsewhere classified
29	Motor vehicles, trailers and semi-trailers
30	Other transport equipment
31	Furniture
32	Other manufacturing
33	Repair and installation of machinery and equipment

Source: Office for National Statistics

Industry classification 2410, 2432 and 2433 are collected by the [Iron and Steel Statistics Bureau](#) (ISSB). The data are supplied to Eurostat, but are marked as confidential and not published. They are not included in the overall UK manufacturers' product sales figures.

Data for Division 58 - Publishing is collected but not published as part of this bulletin. These data are not a requirement of the EU and are collected to ensure complete coverage of products in (and therefore the quality of estimates in) Division 18 - Printing. Data for Division 58 is available on request from [prodcompuplications@ons.gsi.gov.uk](mailto:prodcompuplications@ons.gsi.gov.uk).

## 8. Data Strengths and Limitations

PRODCOM provides a comprehensive picture of industrial production in the UK. The reference tables associated with this release provide estimates of value, volume, and unit values (value per unit of volume) for each product group, where possible. In the releases published up to June 2013 provisional estimates, estimates of Intra and Extra EU Imports and Exports were also reported alongside estimates of PRODCOM sales. These data are collected by HMRC, and are matched with the PRODCOM codes and included within the PRODCOM tables for the benefit of demonstrating the UK trade balance, and UK Net Supply by product.

Due to comparability issues between the HMRC trade and PRODCOM data, and following discussion with users, the ONS has ceased including the trade data in PRODCOM releases from this publication onwards. Users who require the trade data may obtain it directly from the [HMRC website](#) but should consider the comparability issues between the two data sources when drawing comparisons as summarised below. A review of the trade data published alongside PRODCOM will be undertaken with the view to reintroduce it if it is possible to improve comparability. Updates of progress will be available on the [PRODCOM News page](#).

The [HMRC](#) data are collected using the [Combined Nomenclature](#) (CN), a different coding frame to PRODCOM. The PRODCOM [Quality and Methods Information \(301.5 Kb Pdf\)](#) (QMI) Report provides a diagram (on page 3) to demonstrate the links between the PRODCOM list and the CN, which then links up to the [Harmonised System](#) (HS) codes at a world-wide level.

For some products, the PRODCOM and Trade Data collect different units of volume (for example number of items and kilograms). Both units of volumes are displayed in the product table. In these cases the volumes and unit values (for example £ per Item/kilogram) are not comparable.

More details on the inconsistencies between PRODCOM and the HMRC Trade Statistics are given in the [QMI \(301.5 Kb Pdf\)](#) report. Inconsistencies with other statistics collecting information on similar topics are also highlighted in the PRODCOM QMI report. For example, PRODCOM focuses on products, and the Annual Business Survey (ABS) focuses on activities. The total value of production for business in an industry may be different to the turnover reported by ABS for the same industry group. Enterprises may carry out other activities besides production that contribute to its turnover.

With the exception of the total product sales which cover 2003 - 2013, this release contains data from 2008 to 2013. Responses from the user survey questionnaire indicate that for some users, a longer time series based on a consistent [Standard Industrial Classification](#) (SIC) would be useful. Prior to 2008, data were published classified by SIC 2003. Since that time, the classification used has been SIC 2007, and creating a back series based on SIC 2007 is being investigated. Total UK Manufacturers' product sales for 2003 to 2007 have been published, however, due to the industry reclassification in 2008, users should take care when comparing pre and post-2008 estimates.

All estimates of the value of sales are presented at current prices, meaning that they have not been adjusted for inflation; this is important to bear in mind when comparing value changes over time.

## 9. Definitions of symbols used

The sum of constituent items in tables may not always agree exactly with the totals shown due to rounding. The following symbols are used in the accompanying tables:

S Suppressed as disclosive.

S\* Suppressed as disclosive but included in the aggregated for UK Manufacturer Sales of "Other" products aggregated for UK in the Sales and Turnover table.

N/A Data not available.

\* Not able to provide data due to secondary disclosure, different units of measurement or other technical issues.

E Data has low response, and therefore a high level of estimation, which may impact on the quality of the estimate

## 10. Disclosure

The ONS is required to maximise the access to data, while safeguarding the confidentiality of the individual business data. We are bound by the Statistics and Registration Services Act 2007 and the National Statistics Code of Practice to ensure data is kept confidential.

An initial review of the disclosure control method used by PRODCOM confirmed that it is in line with the Government Statistical Service (GSS) [Disclosure Control Policy](#). Unfortunately, the detailed level of our estimates often leads to PRODCOM estimates being suppressed. This is because there are either a small number of producers, or there is a dominant producer and the risk of disclosing the sales figures for an individual business is high.

There is already a process in place to write to businesses and ask permission to publish PRODCOM estimates where there is a risk that their data is disclosed. ONS plan to carry out a further review of the disclosure control methods for PRODCOM. This will determine if PRODCOM estimates are over-suppressed and identify any methods that may be more suitable, to improve the utility of the estimates.

## 11. National Statistics

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs
- are well explained and readily accessible
- are produced according to sound methods
- are managed impartially and objectively in the public interest

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

## 12. Social media

Follow ONS on [Twitter](#) and receive up to date information about our statistics.

Like ONS on [Facebook](#) to receive our updates in your newsfeed and to post comments on our page.

## 13. Government Statistical Service (GSS) Business Statistics

To find out about other official business statistics, and choose the right data for your needs, use the [GSS Business Statistics Interactive User Guide](#). By selecting your topics of interest, the tool will pinpoint publications that should be of interest to you, and provide you with links to more detailed information and the relevant statistical releases. It also offers guidance on which statistics are appropriate for different uses.

## 14. Discussing ONS Business Statistics Online

There is a [Business and Trade Statistics](#) community on the [StatsUserNet](#) website. StatsUserNet is the Royal Statistical Society's interactive site for users of official statistics. The community objectives are to promote dialogue and share information between users and producers of official business and trade statistics about the structure, content and performance of businesses within the UK. Anyone can join the discussions by registering via either of the links above.

## 15. ONS Theme Pages

Statistics are available on the ONS web pages categorised by themes, subject areas, topics and sub-topics. If you are interested in statistics on a particular issue, navigating through the categories will identify all the statistics available that relate to the selected theme, topic or sub-topic.

For Business themed short stories and articles please visit the [Business and Energy](#) theme page

## 16. Special events

ONS has published commentary, analysis and policy on 'Special Events' which may affect statistical outputs. For full details visit the [Special Events](#) page on the ONS website.

### Release policy

17. Details of the policy governing the release of new data are available by visiting [www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html](http://www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html) or from the Media Relations Office email: [media.relations@ons.gsi.gov.uk](mailto:media.relations@ons.gsi.gov.uk)

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.