

# NAICS CODE GUIDE How to successfully navigate the NORTH AMERICAN INDUSTRY

CLASSIFICATION SYSTEM

### Table of Contents

NAICS CODE OVERVIEW	.4
What is a NAICS Code?	.4
How DEN uses your NAICS Codes	.4
Why your NAICS Codes matter to your success	.4
HOW TO ADD OR CHANGE YOUR NAICS CODE(S)	.4
What you'll need to get started	.4
Steps to follow	.5
HOW TO CHOOSE THE APPROPRIATE NAICS CODE(S)	.6
Start with keywords	.6
Seach online	.6
Things to remember	.6

### NAICS CODE OVERVIEW

### What is a NAICS Code?

The North American Industry Classification System, also referred to as "NAICS", is a widely used two- through sixdigit hierarchical classification system. Each digit in the code is part of a series of progressively narrower categories. A complete and valid NAICS code contains six digits.

### How DEN uses your NAICS Codes

The City and County of Denver ("The City") on behalf of the Department of Aviation, hereinafter referred to as Denver International Airport ("DEN"), certifies companies based on the work that companies self-perform, and each kind of work is identified using the six-digit NAICS Code system.

Many NAICS Codes have subcategories, called "Index Entries," that indicate more specific categories of work under a NAICS Code.

In the certification process, companies are asked to pick the corresponding index entry most specific to the work that they perform and may select multiple corresponding index entries for a particular NAICS code.

DEN also uses a company's NAICS codes to verify that the company meets the size requirements for certification.

If your company renders services that are not fully or properly described by a corresponding index entry, you can request the six-digit NAICS Code as a general reference and then add a clear and specific description of the services you provide.

### Why your NAICS Codes matter to your success

- The NAICS Codes that you are certified in will be listed on your profile in the Certified Vendor Directory and on your certification letter.
- Prime concessionaires, companies, and agencies can search for you by sorting NAICS Codes.
- The Small Business Administration (SBA) uses NAICS codes to determine size standards. If you want to be classified as a small business, your company's NAICS codes must meet the size standards.
- To help determine participation on projects, government agencies post contract bids to any business within a given NAICS code, such as the SBA through the System for Award Management (SAM) or the City and County of Denver through BidNet and Work4Denver. NAICS Codes are a factor in how DEN and other airports and agencies determine participation goals.

### HOW TO ADD OR CHANGE YOUR NAICS CODE(S)

### What you'll need to get started

If you are looking to add NAICS Codes to your existing certification, you can now do that through your file in the Small Business Certification and Contract Management System, commonly referred to as "B2G." This is the system you used to apply for your certification with DEN.

When adding NAICS Code(s), please select the best six-digit corresponding index code(s) that your firm self-performs. (Not sure how to choose? Additional guidance on choosing a code or codes begins on the following page.) To find codes, go to https://www.census.gov/naics.

Make sure to have the required documents ready to upload into the system to support your requested change:

- A copy of the signed contract with the complete scope of work.
- A list of equipment your firm owns or leases.
- Proof of applicable education, experience, or expertise, including professional/contractor licenses (e.g., master electrician license, electrical contractor license, drywall supervisor/contractor)

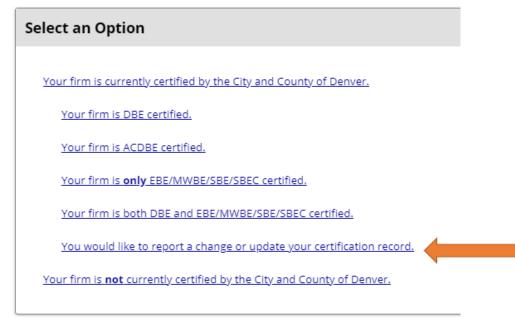
### **Steps to follow:**

## Log in to your account in B2G, the Small Business Certification and Contract Management System (https://denver.mwdbe.com/).

Under the Select an Option, click Your firm is currently certified by the City and County of Denver.

Select an Option	
Your firm is currently certified by the City and County of Denver.	

Then select You would like to report a change or update your certification record.



Then select Add/update NAICS Codes on your certification



### HOW TO CHOOSE THE APPROPRIATE CODE(S)

### Start with keywords

Put together a list of keywords or specialties your company has. Think about work your company has done/services your company has provided, and how your customers have asked about that work.

Go to https://www.census.gov/naics.

Enter a general keyword, for example Restaurant. You will then see:

### Search Results

	<b>2022 NAICS Definition</b> T = Canadian, Mexican, and United States industries are comparable.				
Search results for: Restaurant					
Number of records found: 28					
236220	Restaurant construction				
312120	Microbreweries without restaurant or bar				
337127	Furniture, <b>restaurant</b> -type, manufacturing				
337127	Restaurant furniture (e.g., carts, chairs, foodwagons, tables) manufacturing				
337127	Tray trucks, <b>restaurant</b> , manufacturing				
423210	Restaurant furniture merchant wholesalers				
423440	Restaurant equipment (except furniture) merchant wholesalers	-			

Scroll through the list and review the examples under that general heading and click on the NAICS Code that best fits what you do- for example, Full-Service Restaurants. Is this selection leading you to the work that describes what you perform? For example:

#### 2022 NAICS Definition

T = Canadian, Mexican, and United States industries are comparable.

### 722511 Full-Service Restaurants

This U.S. industry comprises establishments primarily engaged in providing food services to patrons who order and are served while seated (i.e., waiter/waitress service) and pay after eating. These establishments may provide this type of food service to patrons in combination with selling alcoholic beverages, providing carryout services, or presenting live nontheatrical entertainment.

Once you have selected the appropriate industry code, scroll down and to find the corresponding Index Entries that best fit your company. Some NAICS Codes have evolved as industries and specialties have emerged, so make sure you are following the 2022 NAICS numbering. For example:

2012 NAICS	2017 NAICS	2022 NAICS	Corresponding Index Entries
722511	722511	722511	Bagel shops, full service
722511	722511	722511	Brew pub restaurants, primarily serving meals, full service
722511	722511	722511	Diners, full service
722511	722511	722511	Doughnut shops, full service
722511	722511	722511	Family restaurants, full service
722511	722511	722511	Fine dining restaurants, full service
722511	722511	722511	Full service restaurants
722511	722511	722511	Pizza parlors, full service
722511	722511	722511	Pizzerias, full service
722511	722511	722511	Restaurants, full service
722511	722511	722511	Steak houses, full service

### Next, review the Cross-Reference section to see if anything else might fit what your company does. For example:

Cross-References. Establishments primarily engaged in--

- Providing food services where patrons generally order or select items and pay before eating, other than mobile food services, cafeterias, grill buffets, buffets, and snack and nonalcoholic beverage bars--are classified in U.S. Industry 722513, Limited-Service Restaurants;
- Preparing and serving meals for immediate consumption using cafeteria-style or buffet serving equipment, known as cafeterias, grill buffets, or buffets-are classified in U.S. Industry 722514, Cafeterias, Grill Buffets, and Buffets;
- Selling a specialty snack (e.g., ice cream, frozen yogurt, cookies, popcorn) or nonalcoholic beverage, except from mobile vehicles, for consumption on or near the premises—are classified in U.S. Industry 722515, Snack and Nonalcoholic Beverage Bars;
- Preparing and serving alcoholic beverages and known as bars, taverns, or nightclubs-are classified in Industry 722410, Drinking Places (Alcoholic Beverages);
- Operating a civic or social association with a restaurant for their members--are classified in Industry 813410, Civic and Social Organizations;
- Presenting live theatrical productions and providing food and beverages for consumption on the premises-are classified in Industry 711110, Theater Companies and Dinner Theaters; and
- Restaurant meals order and delivery services (i.e., independent order and delivery services)
  –are classified in Industry 492210, Local
  Messengers and Local Delivery.

### **Seach online**

To explore other possible keywords that might apply to your company, you can do web searches and see what language other companies in your field have used to describe themselves. However, be careful: there are many options and different sites that you may find. Remember to verify the accuracy or appropriateness of any descriptive word or phrase by checking back with <u>https://www.census.gov/naics</u> (the U.S. Census North American Classification site). Web searches are a great way to gain insight on the descriptive language used in your industry, but the phrasing may not be a fit with the NAICS Code system.

For example, suppose your company provides promotional products. The words "promotional products" will not show up on the Census NAICS search as they are, so on the web you should search "What is the NAICS Code for a promotional products company?"

Search results may come up with several options that may describe your company, such as 541870 Advertising Material Distribution or 541890 Other Services Related to Advertising.

Search each code on the NAICS site and see if they in fact describe what your company does and what your company can self-perform.

Finally, check the corresponding Index Entry based on the Codes that fit your company. In the example of promotional products, you might find 541890 Advertising Specialty (e.g., keychain, magnet, pen) distribution services.

One last review as you are exploring NAICS Codes, particularly those being used by your industry colleagues and/or competitors, is to consult the Colorado Unified Certification Program (UCP) DBE and ACDBE Directory at <a href="https://coucp.dbesystem.com">https://coucp.dbesystem.com</a> or the City and County of Denver vendor directory of certified firms at <a href="https://denver.mwdbe.com">https://coucp.dbesystem.com</a> or the City and County of Denver vendor directory of certified firms at <a href="https://denver.mwdbe.com">https://denver.mwdbe.com</a>. You may not find an exact match for what your company does, but you may discover other avenues to search for NAICS Codes to consider.

### **Things to remember**

- DEN only recognizes NAICS Codes from the United States Census North American Classification System found at https://www.census.gov/naics.
- A NAICS Code consists of the six-digit classification code and industry description (e.g., Corresponding Index Entry).
- Denver and the Colorado Department of Transportation utilize the industry description (Corresponding Index Entry) and not the overarching classification code. NAICS Codes will describe the services and/or goods provided by the firm; the industry determination will be based on a number of specific factors, including but not limited to equipment, expertise, licenses/certifications, marketing materials, and past work.
- Your NAICS codes are areas of work that your firm can self-perform. This means your firm can complete the work without subcontracting it out to another firm. You can select as many corresponding index codes as you need, as long as you can prove that you can do the work.
- NAICS Codes are not a wish list of things you want to do or aspire to do in the future development of your company; you must be able to prove that you can do the work or have done the work.
- To ensure the relevance, accuracy, and timeliness of the classification, NAICS Code classifications are reviewed every five years to determine what changes are required, if any. Make sure that you are utilizing the most recent list when selecting NAICS Codes and that you are verifying that your current codes are still correct after any updates are made.