The C major scale. Each note is given a number name called intervals.:

1	2	3	4	5	6	7	8
c	d	e	f	g	a	b	c

Harmony in 3rds is created by playing notes a third apart simultaneously.:

e	f	g	a	b	c	d	e
c	d	e	f	g	a	b	c

The harmonized scale is created by playing the 1, 3, and 5 simultaneously. The three intervals ascend in parallel motion :

g	a	b	c	d	e	f	g
e	f	g	a	b	c	d	e
c	d	e	f	g	a	b	c

Harmonizing the scale creates seven triads. We analyze each chord by measuring the distance the notes are from the lowest note:

C to E is the distance of a major 3rd (distance of four frets). C to G is the distance of a perfect 5th. The 1 (c), major 3rd (e), perfect 5 (g), create a major triad. Or, to simplify the lingo, 1, 3, 5 = major.

The chords are also given numbers. The are usually denoted with roman numerals. Therefore, C is the I chord in the key of C.

When analyzing the second chord the distance from d to f is a minor 3rd (three frets). The distance from d to a is a perfect 5th. A 1, minor 3rd, and perfect 5th creates a minor triad. Or simply, 1, ♭3, 5 = minor. Therefore, Dm is the II chord.

When we analyze all seven chord we find they are all major or minor except the vii chord. The vii chord has a minor 3rd and a diminished 5th creating a diminished triad.

The seven chords created by harmonizing the C major scale:

I	ii	iii	IV	V	vi	vii
C	Dm	Em	F	G	Am	B○

This is commonly known as The Nashville Number System.