Annual Business Survey
Dept. of Commerce, U.S. Census Bureau
National Science Foundation, National Center for Science and Engineering Statistics
ABS Background

• Joint project between the Census Bureau and the National Science Foundation’s (NSF) National Center for Science and Engineering Statistics (NCSES)
• New business survey planned for survey years 2017 - 2021
• Conducted annually as mandatory under Title 13
• Replaces Survey of Business Owners (SBO), Annual Survey of Entrepreneurs (ASE), and the Business R&D and Innovation Survey for Microbusinesses (BRDI-M)
• Also replaces the Innovation part of the Business R&D and Innovation Survey (BRDIS)
Survey of Business Owners

- Survey of Business Owners conducted every 5 years as part of the economic census
- First known as the Survey of Minority Business Enterprises (SMOBE) and the Survey of Women Business Enterprises (SWOBE)
- Developed in response to President Nixon's Executive Order 11458 to produce statistics on minority owned businesses
- Published number of firms, receipts, payroll, and employment by owner demographics
- Large sample size of 1.75 million to produce detailed statistics on minority owned employer and nonemployer businesses
Annual Survey of Entrepreneurs

• Supplement to the SBO
• Conducted annually to provide more frequent statistics on minority owned businesses (for survey years 2014 – 2016)
• Joint effort between the Ewing Marion Kauffman Foundation, the Minority Business Development Agency, and the Census Bureau
• Published number of firms, receipts, payroll, and employment by owner demographics
• Sampled 290,000 employer businesses to produce summary level statistics on minority owned employer businesses
Business R&D and Innovation Survey for Microbusinesses

• Annual survey to collect research and development activity for small employer businesses (for survey years 2016 and 2017)
• Sponsored by the National Science Foundation’s National Center for Science and Engineering Statistics
• Sampled 200,000 employer businesses to produce R&D activity and costs and other business characteristics (similar to ASE)
2012 SBO Data

• Sourced from the 2012 Survey of Business Owners
• Compares women business ownership over time
• Similar data available by race and ethnicity
• More data and visualizations available at
  https://www.census.gov/programs-surveys/sbo.html
ASE Data

America's Entrepreneurs: How Long Have America's Firms Been in Business?

<table>
<thead>
<tr>
<th>Category</th>
<th>Less Than 2 years</th>
<th>2-10 Years</th>
<th>11 or More years</th>
</tr>
</thead>
<tbody>
<tr>
<td>All firms</td>
<td>8.9%</td>
<td>43.9%</td>
<td>47.2%</td>
</tr>
<tr>
<td>Male</td>
<td>8.7%</td>
<td>43.0%</td>
<td>48.3%</td>
</tr>
<tr>
<td>Female</td>
<td>10.8%</td>
<td>50.3%</td>
<td>38.9%</td>
</tr>
<tr>
<td>Veteran</td>
<td>6.5%</td>
<td>34.8%</td>
<td>58.4%</td>
</tr>
<tr>
<td>Non-Veteran</td>
<td>9.4%</td>
<td>46.0%</td>
<td>44.6%</td>
</tr>
<tr>
<td>Minority</td>
<td>12.9%</td>
<td>56.2%</td>
<td>30.8%</td>
</tr>
<tr>
<td>Non-Minority</td>
<td>8.2%</td>
<td>42.1%</td>
<td>49.8%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>13.1%</td>
<td>55.3%</td>
<td>31.6%</td>
</tr>
<tr>
<td>Non-Hispanic</td>
<td>8.8%</td>
<td>44.1%</td>
<td>47.1%</td>
</tr>
<tr>
<td>White</td>
<td>8.5%</td>
<td>42.8%</td>
<td>46.7%</td>
</tr>
<tr>
<td>Black</td>
<td>14.1%</td>
<td>55.0%</td>
<td>30.9%</td>
</tr>
<tr>
<td>Asian</td>
<td>12.7%</td>
<td>57.5%</td>
<td>29.7%</td>
</tr>
<tr>
<td>Native Hawaiian and Other Pacific Islander</td>
<td>10.3%</td>
<td>51.1%</td>
<td>38.7%</td>
</tr>
<tr>
<td>American Indian and Alaska Native</td>
<td>11.6%</td>
<td>48.9%</td>
<td>39.4%</td>
</tr>
</tbody>
</table>

Hispanic-Owned Firms Top Five States

<table>
<thead>
<tr>
<th>State</th>
<th>Number of Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>68,563</td>
</tr>
<tr>
<td>Florida</td>
<td>61,256</td>
</tr>
<tr>
<td>Texas</td>
<td>51,849</td>
</tr>
<tr>
<td>New York</td>
<td>24,026</td>
</tr>
<tr>
<td>Illinois</td>
<td>13,873</td>
</tr>
</tbody>
</table>

Micro-Business R&D Data

- Sourced from the 2014 Business R&D and Innovation Survey (BRDIS); (BRDI-M 2016 not yet available)
- Compares R&D activities within small businesses with 5-49 employees
- Similar data will become available for businesses with 1-4 and 5-9 employees
Innovation Data

Share of U.S. manufacturing companies reporting product or process innovation, by selected industry: 2013–15

- All manufacturing industries
- Paper
- Plastics and rubber products
- Petroleum and coal products
- Machinery
- Chemicals
- Transportation equipment
- Miscellaneous manufacturing
- Electrical equipments and components
- Computer and electronic products

Note(s)
The survey asked companies to identify innovations introduced from 2013 to 2015. Electrical equipment includes appliances.

Source(s)

Share of U.S. nonmanufacturing companies reporting product or process innovation, by selected industry: 2013–15

- All nonmanufacturing industries
- Transportation and warehousing
- Health care services
- Architectural and engineering
- Information
- Electronic shopping and auctions
- Scientific R&D services
- Computer systems design

Note(s)
The survey asked companies to identify innovations introduced from 2013 to 2015. Architectural and engineering category and Computer system design includes related services.

Source(s)
National Science Foundation, National Center for Science and Engineering Statistics, Business R&D and Innovation Survey (BRDIS) (2015), Table 68.
High – Level Overview

<table>
<thead>
<tr>
<th>Past</th>
<th>Present</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 independent surveys: SBO, ASE, BRDI-M</td>
<td>Combined 3 surveys and 1 new survey, into one survey: ABS</td>
<td>Enterprise platform for businesses that combines administrative data and survey responses</td>
</tr>
</tbody>
</table>

Start → Present → Future

Past Present Future
ABS Content

• Collaboratively developed between NCSES and Census Bureau
• Collects data on owner demographics
  • Ask questions about the owner’s race, gender, ethnicity, and veteran status
• Collects data on research and development activity and cost for businesses with 1-9 employees
• Designed to introduce a new business topic each survey year
  • Innovation
  • Technology
• Core content maintained each survey year
• Use administrative data where feasible
ABS Methodology

- Samples 850,000 employer businesses in benchmark year (2017)
- Reduced sample size to 300,000 employer businesses annually (2018 – 2021)
- Conducted on a firm (enterprise) basis
- Includes all nonfarm businesses filing IRS employer tax forms
- Covers 20 NAICS industries with some exclusions
- Excludes nonemployer businesses
ABS Sample

• Stratified by frame, industry, and state
• Uses administrative data to estimate probability firm is minority- or women-owned
• Each firm placed in one of 9 frames for sampling
• Large companies selected with certainty based on volume of sales, payroll, or number of paid employees
• Certain R&D industries selected with certainty
Sampling Frames

- American Indian
- Asian
- Black or African American
- Hispanic
- Non-Hispanic white men
- Native Hawaiian and Other Pacific Islander
- Other (a different race as write-in)
- Publicly owned
- Women
ABS Estimates

• Firms, receipts, payroll, and employment by gender, ethnicity, race, and veteran status for all employer businesses
• Research and development activity and costs for businesses with 1-9 employees
• Innovation activity
• Technology usage
• Business and owner characteristics
ABS Data Tabulations

- By demographic and economic variables (where applicable).
- Detailed industries
  - 2-6 digit NAICS
- Detailed geographies
  - US, state, MSA, county, and economic place
- Years in business
- Size of business
  - Employment and receipts
2017 ABS Planning

• Data collection
  • Initial mail - June 21, 2018
  • Due date – August 8, 2018
  • Electronic only collection
• Data processing and analysis
  • Throughout 2018 and 2019
• Data releases
  • Starting December 2019
2018 – 2021 Timing

- Slightly shorter cycle
- Data collection
  - June – November
- Data processing
  - November - July
- Data analysis and data table review
  - July – November
- Data releases
  - Starting November/December
ABS Outreach

• Efforts to engage researchers, stakeholders, respondents, and user community
• Data user webinar – June 2018
• Association of Public Data Users (APDU) annual conference – July 2018
• Data user workshop on innovation policy priorities – September 2018
• Discussions with the OECD/Eurostat Oslo Manual Steering Group
• Ongoing discussions with Small Business Administration (SBA), Minority Business Development Agency (MBDA), National Women’s Business Council, Kauffman Foundation
Conclusion

• Combining 3 existing and 1 new innovation survey into one survey
• Continue to provide detailed comprehensive data
• Flexible content increases utility
• Shortened survey cycle
• Enriches existing data with additional topics.
Contact Information

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