

2020 Annual Business Survey

SECTION A: Company Information

The following section collects information on the operations and structure of this business. All businesses that receive this survey should answer questions in the upcoming section. The reporting unit for the survey is the U.S.-located company, including all majority-owned subsidiaries and divisions regardless of location. **Report only for domestic operations.**

A.1 Ceased Operation

Has this business ceased operations?

Yes

No – **Skip to A.3 Business Ownership - Foreign Owned Entity** on page 1.

A.2 Date Ceased Operations

Enter the month and year this business ceased operations.

Month

Year

Reporting Instructions: If date ceased operations is before January 2019, **skip to Section F: Contact Information** on page 41.

If the ceased operations date is after January 1, 2020, you are still required to complete this survey covering any business activity for 2019; even though this business is not currently operating.

A.3 Business Ownership – Foreign Owned Entity

In 2019, was this business a majority-owned subsidiary of a foreign company?

Yes

No

Reporting Instructions for Foreign-Owned Companies: If this business is owned by a foreign parent, the reporting unit for the survey is the U.S.- located company, including all majority-owned subsidiaries and divisions located in the domestic United States (50 states and District of Columbia). For reporting purposes, the foreign parent and any foreign affiliates this company does not own, should be treated the same as any business partner, customer, or supplier this business does not own.

A.4 Business Ownership – U.S. Entity

In 2019, did another U.S. company or other entity own more than 50 percent of this business? *Examples of other entities include estates, trusts, employee stock ownership plans (ESOPs), associations, membership clubs, and cooperatives.*

- Yes – **Skip to A.6 Business - 10% or More Ownership** on page 2.
 No

A.5 Business Ownership – Government or Tribal Entity

In 2019, was this business owned by a government or tribal entity?

- Yes
 No

A.6 Business - 10% or More Ownership

In 2019, did at least one person own 10% or more of this business? **Do not count parent companies, estates, trusts or other entities.**

- Yes
 No - **Select "No" ONLY if no person owned 10% or more of this business.**

A.7 Number of Owners

In 2019, how many people owned this business?

- *Do not combine two or more owners to create one owner.*
- *Count spouses and partners as separate owners.*

- 1 person
 2 people
 3 people
 4 people
 5 - 10 people
 11 or more people
 Business is owned by a parent company, estate, trust or other entity
 Do not know

A.8 Number of W-2 Paid Domestic Employees or Employee/Owners

For the pay period including March 12, 2019, how many people worked for this business, including those paid through grants? *Include both full-time and part-time employees as well as yourself. Include only persons in the U.S. Count each person only once. If none, report zero.*

	Number of People
a. Owners who received a W-2 issued by this business for salary or wages	_____
b. Employees who received a W-2 issued by this business for salary or wages	_____
Total	_____

A.9 Number of Domestic Workers Who Did Not Receive a W-2

Not including employees or employee/owners included in the previous question, how many other people worked for this business, including those paid through grants? *Include both full-time and part-time workers as well as yourself, if applicable. Include only persons in the U.S. Count each person only once. If none, report zero.*

- | | Number of People |
|--|-------------------------|
| a. Individuals whose work was directed by this business who received payment in other ways (e.g., contractors, consultants, temporary workers who received a 1099 from this business or payment from another business) | _____ |
| b. Unpaid individuals who worked for this business (e.g., friends, volunteers, family members) | _____ |

A.10 Total Worldwide Sales and Operating Revenues

In 2019, what was the amount of this business's worldwide and domestic sales and operating revenues, including grants?

Round to the nearest one thousand dollars. If none, report zero.

	\$Bil. Mil. Thou.
2019 sales, revenues, and grants	\$ _____ ,000

Reporting Instructions: Report amount using U.S. Generally Accepted Accounting Principles (U.S. GAAP) as recognized by the Financial Accounting Standard Board (FASB). If this business follows International Financial Reporting Standards (IFRS), we request that you estimate any adjustments that would be required to conform to U.S. GAAP.

A.11 Domestic Sales and Revenues

How much of the 'A.10 Total Worldwide Sales and Operating Revenues' in 2019 sales, revenue, and grants was attributable to or originated from domestic operations? *Include sales and operating revenues to foreign customers, including foreign subsidiaries. Round to the nearest one thousand dollars. If none report zero.*

	\$Bil. Mil. Thou.
	\$ _____ ,000

Reporting Instructions: For example, a U.S. manufacturing corporation sells parts to customers around the world; however, because all of its operations are located inside the United States, it reports all of its sales in this question.

A.12 Types of Customers

In 2019, which of the following types of customers accounted for 10% or more of this business's total sales of goods and/or services? **Select all that apply.**

- U.S. Federal government
- State and local government, including school districts, transportation authorities, etc.
- Other businesses, including distributors of your product(s)
- Other organizations (foreign governments, nonprofits, etc.)
- Individuals

A.13 Types of Workers

In 2019, which of the following types of workers were used by this business? **Select all that apply.**

- Full-time paid employees (workers who received a W-2)
- Part-time paid employees (workers who received a W-2)
- Paid day laborers
- Temporary staffing obtained from a temporary help service
- Leased employees from a leasing service or a professional employer organization
- Contractors, subcontractors, independent contractors, or outside consultants (workers who received a 1099 or payment from another company)
- None of the above

A.14 Franchise Operation

In 2019, did all or part of this business operate as a franchise?

- Yes
- No

A.15 Primary Business Activity

Describe this business's primary business activity during 2019.

Section B: Owner Characteristics

The following section collects information on the owners of this business. Based on the number of owners you reported, you may be asked to complete this section for up to four owners of this business. If this business has no owners, then you will proceed to Section C: Goods, Services, and Business Processes on page 19.

Unless otherwise indicated, the reporting period for this section is calendar year 2019.

B.1 Percent Ownership

For the person(s) owning the largest percentage(s) in this business in 2019, list each person's name and percentage owned.

- **Do not report** percentages owned by parent companies, estates, trusts, or other entities.
- If more than 4 people owned this business equally, select any 4 people.
- Round percentages to whole numbers. For example, report 1/3 ownership as 33%.

Name of Owner	Percentage Owned (Estimates are acceptable)

If percent entered for Owner 1 is more than 0%, then answer questions for Owner 1 on pages 6, 7 and 8.

If percent entered for Owner 2 is more than 0%, then answer questions for Owner 2 on pages 9, 10 and 11.

If percent entered for Owner 3 is more than 0%, then answer questions for Owner 3 on pages 12, 13 and 14.

If percent entered for Owner 4 is more than 0%, then answer questions for Owner 4 on pages 15, 16 and 17.

Owner 1 - If Applicable. If Not, Skip To Section C on page 19.**B.1.1 Sex**What is the sex of *Owner 1*?

- Male
 Female

B.1.2 EthnicityIs *Owner 1* of Hispanic, Latino, or Spanish origin?

- No, not of Hispanic, Latino, or Spanish origin
 Yes, Mexican, Mexican American, Chicano
 Yes, Puerto Rican
 Yes, Cuban
 Yes, another Hispanic, Latino, or Spanish origin —
*Enter origin below. For example, Argentinean,
Colombian, Dominican, Nicaraguan, Salvadoran,
Spaniard, and so on.* ↘
-

B.1.3 RaceWhat is *Owner 1's* race? **Select all that apply.** (For this survey, Hispanic origins are not races.)

- White
 Black or African American
 American Indian or Alaska Native — *Enter name of
enrolled or principal tribe below.* ↘
-
- Asian Indian Chinese
 Filipino Japanese
 Korean Vietnamese
 Other Asian — *Enter race, for example, Hmong,
Laotian, Thai, Pakistani, Cambodian, and so on.* ↘
-
- Native Hawaiian Guamanian or Chamorro
 Samoan
 Other Pacific Islander — *Enter race, for example,
Fijian, Tongan, and so on.* ↘
-

B.1.4 Military Service

Has *Owner 1* ever served in any branch of the U.S. Armed Forces, including the Coast Guard, the National Guard, or a Reserve component of any service branch?
 Yes
 No — **Skip to B.1.7 Initial Acquisition Year** on page 6.

B.1.5 Military Service Disability

Is *Owner 1* disabled as the result of illness or injury incurred or aggravated during military service?
 Yes
 No

B.1.6 Other Military ServiceDo any of the following characteristics describe *Owner 1's* military service? **Select all that apply.**

- Served on active duty military service, not including training for the Reserves or National Guard
 Served on active duty military service after September 11, 2001
 Served on active duty military service in 2019
 Served in the National Guard or as a reservist of any branch of the U.S. Armed Forces in 2019
 None of the above

B.1.7 Initial Acquisition YearIn what year did *Owner 1* initially acquire ownership of this business?

Year Do not know

B.1.8 Primary Income Source

In 2019, did this business provide *Owner 1*'s primary source of personal income?

- Yes
 No

B.1.9 Prior Business Ownership

Not including this business, what is the status of the previous business *Owner 1* started most recently?

- This is the owner's first business
 Business is still operating and *Owner 1* still owns it
 Business is no longer in operation
 Business was purchased by another company
 Business was purchased by another individual
 Other (specify): ↙

B.1.10 Education Prior to Owning this Business

Prior to establishing, purchasing, or acquiring this business, what was the highest degree or level of school *Owner 1* completed?

- Less than high school / secondary school graduate – **Skip to B.1.12 Age** on page 7.
 High school / secondary school graduate - Diploma or GED – **Skip to B.1.12 Age** on page 7.
 Technical, trade, or vocational school – **Skip to B.1.12 Age** on page 7.
 Some college, but no degree – **Skip to B.1.12 Age** on page 7.
 Associate Degree (for example, AA, AS)
 Bachelor's Degree (for example, BA, BS)
 Master's Degree (for example, MA, MEng, Med, MSW, MBA)
 Doctorate Degree (for example, PhD, EdD)
 Professional Degree, beyond a Bachelor's Degree (for example, MD, DDS, DVM, LLB, JD)

B.1.11 Field of Highest Degree Prior to Owning this Business

Prior to establishing, purchasing, or acquiring this business, what was the field of the highest degree completed for *Owner 1*? **Select all that apply.**

- Biological, agricultural and environmental life sciences
 Chemistry, except biochemistry
 Computer and mathematical sciences and other technology and technical fields
 Earth, atmospheric and ocean sciences
 Economics, political science, psychology, sociology and other social sciences
 Engineering
 Health
 Physics and astronomy
 Science and mathematics teacher education
 Other science and engineering related fields, not listed above
 Art and humanities fields
 Education, except science and math teacher education
 Management and administration fields
 Sales and marketing fields
 Social service and related fields
 Other nonscience and nonengineering related fields, not listed above

B.1.12 Age

What was the age of *Owner 1* as of December 31, 2019?

- Under 25 45 - 54
 25 - 34 55 - 64
 35 - 44 65 or over

B.1.13 Place of Birth

Was *Owner 1* born in the United States?

- Yes
 No

B.1.14 U.S. Citizenship

Is *Owner 1* a citizen of the United States?

- Yes
 No

B.1.15 Reasons for Owning this Business

How important to *Owner 1* are each of the following reasons for owning this business? **Select one for each row.**

	Very Important	Somewhat Important	Not Important
Wanted to be my own boss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flexible hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balance work and family	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Opportunity for greater income	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Best avenue for my ideas/goods/services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unable to find employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Working for someone else did not appeal to me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Always wanted to start my own business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
An entrepreneurial friend or family member was a role model	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wanted to carry on the family business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wanted to help and/or become more involved in my community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) ↗	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Owner 2 - If Applicable. If Not Skip To B.5 One Family Majority on page 18.**B.2.1 Sex**What is the sex of *Owner 2*?

- Male
 Female

B.2.2 EthnicityIs *Owner 2* of Hispanic, Latino, or Spanish origin?

- No, not of Hispanic, Latino, or Spanish origin
 Yes, Mexican, Mexican American, Chicano
 Yes, Puerto Rican
 Yes, Cuban
 Yes, another Hispanic, Latino, or Spanish origin —
*Enter origin below. For example, Argentinean,
 Colombian, Dominican, Nicaraguan, Salvadoran,
 Spaniard, and so on.* ↘
-

B.2.3 RaceWhat is *Owner 2's* race? **Select all that apply.** (For this survey, Hispanic origins are not races.)

- White
 Black or African American
 American Indian or Alaska Native — *Enter name of
 enrolled or principal tribe below.* ↘
-
- Asian Indian Chinese
 Filipino Japanese
 Korean Vietnamese
 Other Asian — *Enter race, for example, Hmong,
 Laotian, Thai, Pakistani, Cambodian, and so on.* ↘
-
- Native Hawaiian Guamanian or Chamorro
 Samoan
 Other Pacific Islander — *Enter race, for example,
 Fijian, Tongan, and so on.* ↘
-

B.2.4 Military ServiceHas *Owner 2* ever served in any branch of the U.S. Armed Forces, including the Coast Guard, the National Guard, or a Reserve component of any service branch?

- Yes
 No — **Skip to B.2.7 Initial Acquisition Year** on page 9.

B.2.5 Military Service DisabilityIs *Owner 2* disabled as the result of illness or injury incurred or aggravated during military service?

- Yes
 No

B.2.6 Other Military ServiceDo any of the following characteristics describe *Owner 2's* military service? **Select all that apply.**

- Served on active duty military service, not including training for the Reserves or National Guard
 Served on active duty military service after September 11, 2001
 Served on active duty military service in 2019
 Served in the National Guard or as a reservist of any branch of the U.S. Armed Forces in 2019
 None of the above

B.2.7 Initial Acquisition YearIn what year did *Owner 2* initially acquire ownership of this business?

Year Do not know

B.2.8 Primary Income Source

In 2019, did this business provide *Owner 2's* primary source of personal income?

- Yes
 No

B.2.9 Prior Business Ownership

Not including this business, what is the status of the previous business *Owner 2* started most recently?

- This is the owner's first business
 Business is still operating and *Owner 2* still owns it
 Business is no longer in operation
 Business was purchased by another company
 Business was purchased by another individual
 Other (specify): ↘

B.2.10 Education Prior to Owning this Business

Prior to establishing, purchasing, or acquiring this business, what was the highest degree or level of school *Owner 2* completed?

- Less than high school / secondary school graduate – **Skip to B.2.12 Age** on page 10.
 High school / secondary school graduate - Diploma or GED – **Skip to B.2.12 Age** on page 10.
 Technical, trade, or vocational school – **Skip to B.2.12 Age** on page 10.
 Some college, but no degree – **Skip to B.2.12 Age** on page 10.
 Associate Degree (for example, AA, AS)
 Bachelor's Degree (for example, BA, BS)
 Master's Degree (for example, MA, MEng, Med, MSW, MBA)
 Doctorate Degree (for example, PhD, EdD)
 Professional Degree, beyond a Bachelor's Degree (for example, MD, DDS, DVM, LLB, JD)

B.2.11 Field of Highest Degree Prior to Owning this Business

Prior to establishing, purchasing, or acquiring this business, what was the field of the highest degree completed for *Owner 2*? **Select all that apply.**

- Biological, agricultural and environmental life sciences
 Chemistry, except biochemistry
 Computer and mathematical sciences and other technology and technical fields
 Earth, atmospheric and ocean sciences
 Economics, political science, psychology, sociology and other social sciences
 Engineering
 Health
 Physics and astronomy
 Science and mathematics teacher education
 Other science and engineering related fields, not listed above
 Art and humanities fields
 Education, except science and math teacher education
 Management and administration fields
 Sales and marketing fields
 Social service and related fields
 Other nonscience and nonengineering related fields, not listed above

B.2.12 Age

What was the age of *Owner 2* as of December 31, 2019?

- Under 25 45 - 54
 25 - 34 55 - 64
 35 - 44 65 or over

B.2.13 Place of Birth

Was *Owner 2* born in the United States?

- Yes
 No

B.2.14 U.S. Citizenship

Is *Owner 2* a citizen of the United States?

- Yes
 No

B.2.15 Reasons for Owning this Business

How important to *Owner 2* are each of the following reasons for owning this business? **Select one for each row.**

	Very Important	Somewhat Important	Not Important
Wanted to be my own boss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flexible hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balance work and family	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Opportunity for greater income	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Best avenue for my ideas/goods/services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unable to find employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Working for someone else did not appeal to me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Always wanted to start my own business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
An entrepreneurial friend or family member was a role model	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wanted to carry on the family business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wanted to help and/or become more involved in my community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) ↙	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Owner 3 - If Applicable. If Not Skip To B.5 One Family Majority on page 18.**B.3.1 Sex**What is the sex of *Owner 3*?

- Male
 Female

B.3.2 EthnicityIs *Owner 3* of Hispanic, Latino, or Spanish origin?

- No, not of Hispanic, Latino, or Spanish origin
 Yes, Mexican, Mexican American, Chicano
 Yes, Puerto Rican
 Yes, Cuban
 Yes, another Hispanic, Latino, or Spanish origin —
Enter origin below. For example, Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, and so on. ↘
-

B.3.3 RaceWhat is *Owner 3's* race? **Select all that apply.** (For this survey, Hispanic origins are not races.)

- White
 Black or African American
 American Indian or Alaska Native — *Enter name of enrolled or principal tribe below.* ↘

-
- | | |
|---|-------------------------------------|
| <input type="checkbox"/> Asian Indian | <input type="checkbox"/> Chinese |
| <input type="checkbox"/> Filipino | <input type="checkbox"/> Japanese |
| <input type="checkbox"/> Korean | <input type="checkbox"/> Vietnamese |
| <input type="checkbox"/> Other Asian — <i>Enter race, for example, Hmong, Laotian, Thai, Pakistani, Cambodian, and so on.</i> ↘ | |

-
- Native Hawaiian Guamanian or Chamorro
 Samoan
 Other Pacific Islander — *Enter race, for example, Fijian, Tongan, and so on.* ↘
-

B.3.4 Military ServiceHas *Owner 3* ever served in any branch of the U.S. Armed Forces, including the Coast Guard, the National Guard, or a Reserve component of any service branch?

- Yes
 No — **Skip to B.3.7 Initial Acquisition Year** on page 12.

B.3.5 Military Service DisabilityIs *Owner 3* disabled as the result of illness or injury incurred or aggravated during military services?

- Yes
 No

B.3.6 Other Military ServiceDo any of the following characteristics describe *Owner 3's* military service? **Select all that apply.**

- Served on active duty military service, not including training for the Reserves or National Guard
 Served on active duty military service after September 11, 2001
 Served on active duty military service in 2019
 Served in the National Guard or as a reservist of any branch of the U.S. Armed Forces in 2019
 None of the above

B.3.7 Initial Acquisition YearIn what year did *Owner 3* initially acquire ownership of this business?

Year Do not know

B.3.8 Primary Income Source

In 2019, did this business provide *Owner 3's* primary source of personal income?

- Yes
 No

B.3.9 Prior Business Ownership

Not including this business, what is the status of the previous business *Owner 3* started most recently?

- This is the owner's first business
 Business is still operating and *Owner 3* still owns it
 Business is no longer in operation
 Business was purchased by another company
 Business was purchased by another individual
 Other (specify): 

B.3.10 Education Prior to Owning this Business

Prior to establishing, purchasing, or acquiring this business, what was the highest degree or level of school *Owner 3* completed?

- Less than high school / secondary school graduate
 – **Skip to B.3.12 Age** on page 13.
 High school / secondary school graduate - Diploma or GED – **Skip to B.3.12 Age** on page 13.
 Technical, trade, or vocational school – **Skip to B.3.12 Age** on page 13.
 Some college, but no degree – **Skip to B.3.12 Age** on page 13.
 Associate Degree (for example, AA, AS)
 Bachelor's Degree (for example, BA, BS)
 Master's Degree (for example, MA, MEng, Med, MSW, MBA)
 Doctorate Degree (for example, PhD, EdD)
 Professional Degree, beyond a Bachelor's Degree (for example, MD, DDS, DVM, LLB, JD)

B.3.11 Field of Highest Degree Prior to Owning this Business

Prior to establishing, purchasing, or acquiring this business, what was the field of the highest degree completed for *Owner 3*? **Select all that apply.**

- Biological, agricultural and environmental life sciences
 Chemistry, except biochemistry
 Computer and mathematical sciences and other technology and technical fields
 Earth, atmospheric and ocean sciences
 Economics, political science, psychology, sociology and other social sciences
 Engineering
 Health
 Physics and astronomy
 Science and mathematics teacher education
 Other science and engineering related fields, not listed above
 Art and humanities fields
 Education, except science and math teacher education
 Management and administration fields
 Sales and marketing fields
 Social service and related fields
 Other nonscience and nonengineering related fields, not listed above

B.3.12 Age

What was the age of *Owner 3* as of December 31, 2019?

- Under 25 45 - 54
 25 - 34 55 - 64
 35 - 44 65 or over

B.3.13 Place of Birth

Was *Owner 3* born in the United States?

- Yes
 No

B.3.14 U.S. Citizenship

Is *Owner 3* a citizen of the United States?

- Yes
 No

B.3.15 Reasons for Owning this Business

How important to *Owner 3* are each of the following reasons for owning this business? **Select one for each row.**

	Very Important	Somewhat Important	Not Important
Wanted to be my own boss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flexible hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balance work and family	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Opportunity for greater income	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Best avenue for my ideas/goods/services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unable to find employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Working for someone else did not appeal to me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Always wanted to start my own business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
An entrepreneurial friend or family member was a role model	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wanted to carry on the family business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wanted to help and/or become more involved in my community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) ↙	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Owner 4 If Applicable. If Not Skip To B.5 One Family Majority on page 18.**B.4.1 Sex**What is the sex of *Owner 4*?

- Male
 Female

B.4.2 EthnicityIs *Owner 4* of Hispanic, Latino, or Spanish origin?

- No, not of Hispanic, Latino, or Spanish origin
 Yes, Mexican, Mexican American, Chicano
 Yes, Puerto Rican
 Yes, Cuban
 Yes, another Hispanic, Latino, or Spanish origin —
Enter origin below. For example, Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, and so on. ↘
-

B.4.3 RaceWhat is *Owner 4's* race? **Select all that apply.** (For this survey, Hispanic origins are not races.)

- White
 Black or African American
 American Indian or Alaska Native — *Enter name of enrolled or principal tribe below.* ↘
-
- Asian Indian Chinese
 Filipino Japanese
 Korean Vietnamese
 Other Asian — *Enter race, for example, Hmong, Laotian, Thai, Pakistani, Cambodian, and so on.* ↘
-

- Native Hawaiian Guamanian or Chamorro
 Samoan
 Other Pacific Islander — *Enter race, for example, Fijian, Tongan, and so on.* ↘
-

B.4.4 Military ServiceHas *Owner 4* ever served in any branch of the U.S. Armed Forces, including the Coast Guard, the National Guard, or a Reserve component of any service branch?

- Yes
 No — **Skip to B.4.7. Initial Acquisition Year** on page 15.

B.4.5 Military Service DisabilityIs *Owner 4* disabled as the result of illness or injury incurred or aggravated during military services?

- Yes
 No

B.4.6 Other Military ServiceDo any of the following characteristics describe *Owner 4's* military service? **Select all that apply.**

- Served on active duty military service, not including training for the Reserves or National Guard
 Served on active duty military service after September 11, 2001
 Served on active duty military service in 2019
 Served in the National Guard or as a reservist of any branch of the U.S. Armed Forces in 2019
 None of the above

B.4.7 Initial Acquisition YearIn what year did *Owner 4* initially acquire ownership of this business?

Year Do not know

B.4.8 Primary Income Source

In 2019, did this business provide *Owner 4*'s primary source of personal income?

- Yes
 No

B.4.9 Prior Business Ownership

Not including this business, what is the status of the previous business *Owner 4* started most recently?

- This is the owner's first business
 Business is still operating and *Owner 4* still owns it
 Business is no longer in operation
 Business was purchased by another company
 Business was purchased by another individual
 Other (specify): ↗

B.4.10 Education Prior to Owning this Business

Prior to establishing, purchasing, or acquiring this business, what was the highest degree or level of school *Owner 4* completed?

- Less than high school / secondary school graduate
 – **Skip to B.4.12 Age** on page 16.
 High school / secondary school graduate - Diploma or GED – **Skip to B.4.12 Age** on page 16.
 Technical, trade, or vocational school – **Skip to B.4.12 Age** on page 16.
 Some college, but no degree – **Skip to B.4.12 Age** on page 16.
 Associate Degree (for example, AA, AS)
 Bachelor's Degree (for example, BA, BS)
 Master's Degree (for example, MA, MEng, Med, MSW, MBA)
 Doctorate Degree (for example, PhD, EdD)
 Professional Degree, beyond a Bachelor's Degree (for example, MD, DDS, DVM, LLB, JD)

B.4.11 Field of Highest Degree Prior to Owning this Business

Prior to establishing, purchasing, or acquiring this business, what was the field of the highest degree completed for *Owner 4*? **Select all that apply.**

- Biological, agricultural and environmental life sciences
 Chemistry, except biochemistry
 Computer and mathematical sciences and other technology and technical fields
 Earth, atmospheric and ocean sciences
 Economics, political science, psychology, sociology and other social sciences
 Engineering
 Health
 Physics and astronomy
 Science and mathematics teacher education
 Other science and engineering related fields, not listed above
 Art and humanities fields
 Education, except science and math teacher education
 Management and administration fields
 Sales and marketing fields
 Social service and related fields
 Other nonscience and nonengineering related fields, not listed above

B.4.12 Age

What was the age of *Owner 4* as of December 31, 2019?

- Under 25 45 - 54
 25 - 34 55 - 64
 35 - 44 65 or over

B.4.13 Place of Birth

Was *Owner 4* born in the United States?

- Yes
 No

B.4.14 U.S. Citizenship

Is *Owner 4* a citizen of the United States?

- Yes
 No

B.4.15 Reasons for Owning this Business

How important to *Owner 4* are each of the following reasons for owning this business? **Select one for each row.**

	Very Important	Somewhat Important	Not Important
Wanted to be my own boss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flexible hours	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balance work and family	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Opportunity for greater income	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Best avenue for my ideas/goods/services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unable to find employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Working for someone else did not appeal to me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Always wanted to start my own business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
An entrepreneurial friend or family member was a role model	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wanted to carry on the family business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wanted to help and/or become more involved in my community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) ↗	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.5 One Family Majority Ownership

In 2019, did **two or more members of one family own the majority** of this business? (Family refers to spouses/unmarried partners, parents/guardians, children, siblings, or close relatives).

- Yes
 No

B.6 Joint Ownership

In 2019, did spouses/unmarried partners jointly own this business?

- Yes
 No -**Skip to Section C: Goods, Services, and Business Processes** on page 19

B.7 Equal Operation

In 2019, was this business operated equally by both spouses/unmarried partners?

- Yes, equally operated by spouses/unmarried partners
 No, primarily operated by **Owner 1**
 No, primarily operated by **Owner 2**

Section C: Goods, Services, and Business Processes

The following section collects information on this business's introduction of new or improved goods, services or business processes that differed significantly from this business's previous goods, services, or processes.

The goods, services, or business processes must have characteristics or intended uses that are new or which provide a significant improvement over what was previously used or sold by this business. However, they can fail or take time to prove themselves.

The goods, services, or business processes need only be new or improved for this business. They could have been originally developed or used by other businesses or organizations.

The following section asks about the 2017- 2019 time period instead of one year as in other sections of this survey.

C.1 New or Improved Goods

During the three years 2017 to 2019, did this business introduce to the market any new or improved goods that differed significantly from this business's previous goods? (This includes the addition of new functions or improvements to existing functions or user utility. Functions include quality, technical specifications, reliability, durability, economic efficiency during use, affordability, convenience, usability, and user friendliness. User utility includes attributes such as affordability and financial convenience.)

Goods: usually a tangible object such as a smartphone, furniture, or packaged software, but also includes digital goods such as downloadable software, music and film. *(Exclude the simple resale of new goods or changes of a solely aesthetic nature.)*

- Yes
- No

C.2 New or Improved Services

During the three years 2017 to 2019, did this business introduce to the market any new or improved services that differed significantly from this business's previous services? (This includes the addition of new functions or improvements to existing functions or user utility. Functions include quality, technical specifications, reliability, durability, economic efficiency during use, affordability, convenience, usability, and user friendliness. User utility includes attributes such as affordability and financial convenience.)

Services: intangible activities, such as retailing, insurance, educational courses, air travel, consulting, etc., also includes digital services. *(Exclude the simple resale of new services.)*

- Yes
- No

If no is selected for 'C.1 – New or Improved Goods' and no is selected for 'C.2 – New or Improved Services,' **skip to 'C.11 – New or Improved Business Processes'** on page 23.

C.3 Novelty of New or Improved Goods or Services

During the three years 2017 to 2019, did this business introduce any new or improved goods or services that differ significantly from goods or services previously offered by this business that were:

Select one for each row.

	Yes	No
New to the market? This business introduced a new or improved good or service that was <u>not previously offered</u> by any of your competitors (it may have already been available in other markets).	<input type="checkbox"/>	<input type="checkbox"/>
New only to this business? This business introduced a new or improved good or service that was <u>identical or very similar</u> to products already offered by your competitors.	<input type="checkbox"/>	<input type="checkbox"/>

If no is selected for both a. and b., **skip to 'C.5 – Expectations'** on page 20.

If you reported \$0 for 'A.11 – Domestic Sales and Revenues', **skip to 'C.5 – Expectations'** on page 20.

C.4 New or Improved Goods or Services as a Percent of Total Sales

In 2019, what percentage of this business's 'A.11 DOMESTIC SALES AND REVENUES' in domestic sales and revenues were attributable to or originated from domestic operations in the following categories?

Details must sum to total dollar amount of Domestic Sales and Revenues. Estimates are acceptable.

- | | |
|--|---------|
| a. New or improved goods or services introduced during 2017 to 2019 that were new to your market. | _____ % |
| b. New or improved goods or services introduced during 2017 to 2019 that were new only to this business. | _____ % |
| c. Goods or services that were unchanged or only marginally modified during 2017 to 2019 (include the resale of new goods or services purchased from other companies). | _____ % |

Total sales in 2019	100%
---------------------	------

C.5 Expectations

Did the new or improved goods or services introduced during 2017 to 2019 meet this business's expectations, such as market share, sales or profits as of December 2019?

- Yes, expectations were exceeded.
- Yes, expectations were met.
- No, Expectations were not met.
- Too early to tell

C.6 Sources of New or Improved Goods or Services

Who developed these new or improved goods or services? **Select all that apply.**

- This business by itself
- This business together with other businesses, universities, research institutes, nonprofits, or other organizations
- This business by adapting or modifying goods or services originally developed by other businesses or organizations
- Other businesses or organizations

C.7 Goods or Services Cooperation Partners

During the three years 2017 to 2019, did this business cooperate with any of the following partners in developing new or improved goods or services? **Select all that apply.**

	Yes	No
a) Parent, affiliated, or subsidiary business	<input type="checkbox"/>	<input type="checkbox"/>
b) Suppliers of equipment, materials, components, or software	<input type="checkbox"/>	<input type="checkbox"/>
c) Other businesses	<input type="checkbox"/>	<input type="checkbox"/>
d) Federal, state, or local government	<input type="checkbox"/>	<input type="checkbox"/>
e) Customers	<input type="checkbox"/>	<input type="checkbox"/>
f) Consultants or commercial laboratories	<input type="checkbox"/>	<input type="checkbox"/>
g) Universities, colleges, or other institutions of higher education	<input type="checkbox"/>	<input type="checkbox"/>
h) Nonprofit organizations	<input type="checkbox"/>	<input type="checkbox"/>
i) Households or individuals	<input type="checkbox"/>	<input type="checkbox"/>

If no is selected for a.-i., **skip to 'C.9 – Most Important Innovation'** on page 22.

C.8 Goods or Services Cooperation Partners Location

Where were these businesses or organizations located? **Select all that apply.**

	United States	Canada or Mexico	Rest of World
a) Parent, affiliated, or subsidiary business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Suppliers of equipment, materials, components, or software	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Other businesses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Federal, state, or local government	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Consultants or commercial laboratories	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Universities, colleges or other institutions of higher education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Nonprofit organizations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) Households or individuals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C.9 Most Important Innovation

Thinking about the most important good or service this business introduced during 2017 to 2019, was that good or service new to the market or new only to this business?

New to the market - This business introduced a new or improved good or service that was not previously offered by any of your competitors (it may have already been available in other markets).

New only to this business - This business introduced a new or improved good or service that was identical or very similar to goods or services already offered by your competitors.

If you reported \$0 for 'A.11 – Domestic Sales and Revenues', **skip to 'C.11 – New or Improved Business Processes'** on page 23.

C.10 Most Important Innovation and Sales

In 2019, what percentage of this business's 'A.11 DOMESTIC SALES AND REVENUES' in domestic sales and revenues were attributed to this business's most important innovation? *Estimates are acceptable.*

_____ %

C.11 New or Improved Business Processes

During the three years 2017 to 2019, did this business introduce any of the following types of new or improved business processes that differed significantly (e.g., greater efficacy, resource efficiency, reliability and resilience, affordability, convenience and usability) from your previous business processes?

	Yes	No
a. Methods for producing goods or providing services (including methods related to engineering and related technical testing, analysis and certification)	<input type="checkbox"/>	<input type="checkbox"/>
b. Logistics, delivery or distribution methods	<input type="checkbox"/>	<input type="checkbox"/>
c. Marketing methods for promotion, packaging, pricing, product placement or after sales services	<input type="checkbox"/>	<input type="checkbox"/>
d. Information and communication systems (including hardware, software and data processing)	<input type="checkbox"/>	<input type="checkbox"/>
e. Administration and management activities (including decision-making, human resource management, and methods for accounting or other administrative operations)	<input type="checkbox"/>	<input type="checkbox"/>
f. Product and business process development activities (including activities to identify, develop, or adapt products or processes, or adopting new methodologies for developing products and processes)	<input type="checkbox"/>	<input type="checkbox"/>

If no is selected for a. – f., **skip to ‘C.13 Goods, Services, or Business Process Activities’** on page 24.

C.12 Improved Business Process Developers

Who developed these new or improved business processes? **Select all that apply.**

- This business by itself
- This business together with other businesses, universities, research institutes, nonprofits, or other organizations
- This business by adapting or modifying business processes originally developed by other businesses or organizations
- Other businesses or organizations

C.13 Goods, Services, or Business Process Activities

During the three years 2017 to 2019, did this business have any of the following types of innovation activities? Include all developmental, financial and commercial activities that were intended to result in a new or improved good, service or business process that differed significantly from your previous goods, services, or business processes. *(Similar activities that were not intended to result in a new or improved good, service or business process should not be reported here (e.g., employee training intended for general maintenance of skills are not considered "innovation activities." Simple replacement of machinery without enhanced capabilities are not considered "innovation activities.")*

	Yes	No
a. Research and development: creative and systematic work undertaken in order to increase the stock of knowledge and to devise new applications of available knowledge	<input type="checkbox"/>	<input type="checkbox"/>
b. Engineering and design activities: planning of technical specifications, testing, evaluation, setup and preproduction for goods, services, processes or systems; installing equipment, tooling-up, testing, trials and user demonstrations; and activities to extract knowledge or design information from existing products or process equipment. Also include activities to develop a new or modified function, form or appearance for goods, services, or processes	<input type="checkbox"/>	<input type="checkbox"/>
c. Marketing and brand equity activities: include market research, market testing, methods for pricing, product placement and product promotion; product advertising, the promotion of products at trade fairs or exhibitions, and the development of marketing strategies	<input type="checkbox"/>	<input type="checkbox"/>
d. Intellectual Property (IP) related activities: protection or exploitation of knowledge, often created through R&D, software development, and engineering, design and other creative work, including all related administrative and legal work	<input type="checkbox"/>	<input type="checkbox"/>
e. Employee training: activities that are paid for or subsidized by the firm to develop knowledge and skills required for the specific trade, occupation or vocation of a firm's employees	<input type="checkbox"/>	<input type="checkbox"/>
f. Software development and database activities: in-house development and purchase of computer software; collection and analysis of data in proprietary computer databases and data obtained from publicly available reports or the Internet; and activities to upgrade or expand the functions of IT systems, including computer program and databases	<input type="checkbox"/>	<input type="checkbox"/>
g. Acquisition of machinery, equipment and other tangible assets	<input type="checkbox"/>	<input type="checkbox"/>
h. Management related to innovation: Activities to plan, govern and control internal and external resources	<input type="checkbox"/>	<input type="checkbox"/>

If no is selected for a. – h., **skip to 'C.17 – Government Support'** on page 26.

C.14 Results of Innovation Activities

During the three years 2017 to 2019, did this business have any innovation activities that did not result in a goods, services, or business process innovation because the activities were: **Select one for each row.**

	Yes	No
a. Abandoned or suspended before completion	<input type="checkbox"/>	<input type="checkbox"/>
b. Still ongoing at the end of 2019	<input type="checkbox"/>	<input type="checkbox"/>

C.15 Activity Costs

In 2019, how much did this business spend on the innovation activities selected in 'C.13 Goods, Services or Business Process activities' question? *Note that this question refers only to the year 2019 and not the three-year period, 2017 – 2019. Estimates are acceptable.*

- Research and development
- Engineering and design activities
- Marketing and brand equity activities
- Intellectual Property (IP) related activities
- Employee training
- Software development and database activities
- Acquisition of machinery, equipment and other tangible assets
- Management related to innovation

\$Mil. Thou. Dol.

_____,000

If yes is selected for a. from 'C.13 – Goods, Services, or Business Process Activities' and Total Number of W-2 Paid Employees or Employee/Owners from 'A.8 Number of W-2 Paid Employees or Employee/Owners' is greater than or equal to 10 and response to 'C.15 – Activity Costs' does not equal zero, continue to 'C.16 - R&D for Activity Costs'.

All else **skip to 'C.17 – Government Support'** on page 26.

C.16 R&D for Activity Costs

Of the 'C.15 Activity Costs' reported, how much was for Research and Development (creative and systematic work undertaken in order to increase the stock of knowledge and to devise new applications of available knowledge) in 2019?

\$Mil. Thou. Dol.

_____,000

C.17 Government Support

During the three years 2017 to 2019, did this business use any of the following types of government programs (federal, state, or local) to aid innovation activities?

- | | Yes | No |
|---|--------------------------|--------------------------|
| a. Government tax incentive or tax credit programs: Include programs intended to support innovation activities such as research and development or capital expenditures | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Government grants and contributions programs: Include programs intended to support innovation activities such as research and development, business development or commercialization of intellectual property | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Government training and hiring programs: Include programs intended to support innovation activities such as hiring and training of researchers, interns or other personnel | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Government procurement: Include programs intended to support innovation such as the procurement of new or improved goods, services or business processes | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Other government programs: Include programs and activities to support innovation not included elsewhere such as access to facilities, export incentives, technical assistance, market information or loans | <input type="checkbox"/> | <input type="checkbox"/> |

C.18 Barriers of Innovation

During the three years 2017 to 2019, how, if at all, were each of the following factors in discouraging this business to conduct innovation activities:

Select one for each row.

	Very discouraging	Somewhat discouraging	A little discouraging	Not at all discouraging
a. Lack of internal finance for innovation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Lack of credit or private equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Difficulties in obtaining public grants or subsidies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Costs too high	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Lack of skilled employees within this business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Lack of collaboration partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Lack of access to external knowledge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Uncertain market demand for your ideas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Too much competition in your market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Different priorities within this business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Government regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C.19 Business Strategies

During 2017 to 2019, to what extent did this business focus on the following business strategies?

Select one for each row.

	A great extent	To some extent	To a small extent	Not at all
a. Improve existing goods or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Introduce new goods or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Reduce prices for goods or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Increase the quality of goods or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Develop a broad range of products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Develop one or a small number of key products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Satisfy established customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Reach out to new customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Develop standardized goods or services (e.g., goods or services are the same regardless of market or customer type)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Develop customer-specific solutions(e.g., customized goods or services)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C.20 Use of Digital Technologies

During 2017 to 2019, to what extent does this business use the following digital technologies for innovation activities?

Select one for each row.

	A great extent	To some extent	To a small extent	Not at all
a. Computer infrastructure (server technologies)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Cloud computing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Artificial Intelligence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Automation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Internet-connected devices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Mobile communication technologies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. The use of digital technologies for collaboration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Communication (e.g., through social media)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Digital technologies for planning and management (e.g., enterprise resource planning, customer relationship management)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Digital technologies for distributed ledgers (blockchain)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C.21 Capabilities for Using Digital Technologies

During 2017 to 2019, to what extent does this business use any of the following for innovation activities?

Select one for each row.

	A great extent	To some extent	To a small extent	Not at all
a. Digital integration within and across different business functions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Access to and ability to use data analytics to design, develop, commercialize and improve products, including data about the users of the firm's products and their interactions with such products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Access to networks and the use of solutions and architectures (hardware and software)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Effective management of privacy and cybersecurity risks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Adoption of business models for digital environments, such as e-commerce, participative platforms, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C.22 Technology Capabilities

During 2017 to 2019, did this business obtain the necessary technical expertise for its innovation activities through any of the following means?

Select one for each row.

	Yes	No
a. Acquired technology products (machinery, equipment, software) from other firms or organizations	<input type="checkbox"/>	<input type="checkbox"/>
b. Acquired intellectual property (IP) rights, including patents, copyrights, and trademarks that give ownership, exclusion rights or rights to use technical knowledge	<input type="checkbox"/>	<input type="checkbox"/>
c. Modified or adapted existing technology to the firm's specific needs	<input type="checkbox"/>	<input type="checkbox"/>
d. Developed new technology (both hardware and software) in-house	<input type="checkbox"/>	<input type="checkbox"/>

Section D: Research and Development

The following section collects information on research and development activity from businesses with W-2 employment between 1 and 9.

What is Research and Development (R&D)?

Research and development (R&D) comprise creative and systematic work undertaken in order to increase the stock of knowledge and to devise new applications of available knowledge.

The term R&D does NOT include expenditures for:

- Costs for routine product testing, quality control, and technical services unless they are an integral part of an R&D project
- Market research
- Efficiency surveys or management studies
- Literary, artistic, or historical projects, such as films, music, or books and other publications
- Prospecting or exploration for natural resources

R&D activity in software INCLUDES:

- Software development or improvement activities that expand scientific or technological knowledge
- Construction of new theories and algorithms in the field of computer science

R&D activity in software EXCLUDES:

- Software development that does not depend on a scientific or technological advance, such as
 - supporting or adapting existing systems
 - adding functionality to existing application programs, and
 - routine debugging of existing systems and software
- Creation of new software based on known methods and applications
- Conversion or translation of existing software and software languages
- Adaptation of a product to a specific client, unless knowledge that significantly improved the base program was added in that process

Reporting unit

The reporting unit is this business, including all subsidiaries and divisions. Include subsidiary companies where there is more than 50 percent ownership.

Reporting period

Report data for the calendar year 2019, if possible, or for this business's fiscal year ending between April 2019 and March 2020.

Estimates are acceptable

Report all items to the best of your ability.

D.1 R&D Activities

During 2019, did this business do any of the following R&D activities? *Include activities that:*

- This business performed
- Others paid this business to do
- This business paid others to do

	Yes	No
a. Conducted activities aimed at acquiring new knowledge or understanding without specific immediate commercial applications or uses	<input type="checkbox"/>	<input type="checkbox"/>
b. Conducted activities aimed at acquiring new knowledge for solving a specific problem or meeting a specific commercial objective	<input type="checkbox"/>	<input type="checkbox"/>
c. Conducted systematic work, drawing on research and practical experience and resulting in additional knowledge, which is directed to producing new products or processes or to improving existing products or processes	<input type="checkbox"/>	<input type="checkbox"/>
d. Developed and tested goods, services, or processes that were derived from scientific research or technical findings	<input type="checkbox"/>	<input type="checkbox"/>
e. Developed software that advanced scientific or technological knowledge	<input type="checkbox"/>	<input type="checkbox"/>
f. Produced findings that could be published in academic journals or presented at scientific conferences	<input type="checkbox"/>	<input type="checkbox"/>
g. Applied scientific or technical knowledge in a way that has never been done before	<input type="checkbox"/>	<input type="checkbox"/>
h. Created new scientific or technical solutions that can be generalized to other situations	<input type="checkbox"/>	<input type="checkbox"/>
i. Conducted work to discover previously unknown technological facts, structures, or relationships	<input type="checkbox"/>	<input type="checkbox"/>
j. Conducted work to extend the understanding of scientific facts, relationships, or principles in ways that could be useful to others	<input type="checkbox"/>	<input type="checkbox"/>

If "No" is selected for a. – j., **skip to Section E: Domestic and Foreign Transactions** on page 37.

D.2 R&D Costs

What was the total cost (both direct and indirect) in 2019 for all the R&D activities reported as “Yes” in the ‘R&D ACTIVITIES’ question? *Your best estimate is acceptable. Report dollar amount in thousands. If none, report zero.*

Include the following costs:

- Salaries, wages, fringe benefits
- Plant, machinery, and equipment, except that which was capitalized because it had an alternative future use
- Materials, supplies, software
- Rent, utilities
- Consultants, contractors
- Depreciation expense from plant, machinery, and equipment that was capitalized because it had an alternative future use

Do not include:

- Costs for routine product testing, quality control, and technical services unless they are an integral part of an R&D project
- Market research
- Efficiency surveys or management studies
- Literary, artistic, or historical projects, such as films, music, or books and other publications
- Prospecting or exploration for natural resources

Total costs for ‘R&D activities’ reported in the R&D Activities question for 2019.

\$Mil. Thou. Dol.
 _____,000

If you reported less than \$50(000) for ‘D.2 – R&D Costs’, **skip to Section E: Domestic and Foreign Transactions** on page 37.

D.3 Foreign R&D Costs

During 2019, what amount, if any, of the ‘D.2 R&D Costs’ was performed by businesses outside the U.S.?

\$Mil. Thou. Dol.
 _____,000

D.4 Domestic R&D Costs

We have calculated this business’s domestic R&D costs by subtracting the amount entered for R&D costs outside the U.S. from all R&D costs. This value will be used in other questions in this survey.

This business’s domestic R&D cost in 2019 is:

\$Mil. Thou. Dol.
 _____,000

If ‘D.4 Domestic R&D Costs’ equals \$0, **skip to ‘D.9 – R&D Employees’** on page 36.

D.5 Types of R&D Costs

During 2019, how much of the 'D.4 Domestic R&D Costs' in domestic R&D costs was for each of the following types of costs?

	In thousands
a. Salaries, wages, and fringe benefits	\$_____,000
b. Expensed machinery and equipment (not capitalized)	\$_____,000
c. Materials and supplies	\$_____,000
d. Payments to others for R&D, including purchased R&D services	\$_____,000
e. Depreciation on R&D property and equipment	\$_____,000
f. All other costs (e.g., consultants, contractors, travel, rent)	\$_____,000
Total should equal D.4 Domestic R&D Costs	\$_____,000

D.6 R&D Domestic Performance Costs

We have calculated this business's domestic R&D performance cost by subtracting the payments for R&D services (item d. in question 'D.5 - Types of R&D Costs') from domestic R&D costs (question 'D.4 Domestic R&D Costs'). This value will be used in the next question.

This business's domestic R&D performance cost in 2019 is:

\$Mil. Thou. Dol.

_____ ,000

If 'D.6 – R&D Domestic Performance Costs' equals \$0, **skip to 'D.9 – R&D Employees'** on page 36.

D.7 Funding Sources for R&D Activities

During 2019, of the 'D.6 R&D Domestic Performance Costs' in total R&D domestic performance costs, how much was paid for by the following sources?

	In thousands
a. This U.S. business	\$ _____,000
b. Your foreign owner (if this business is foreign owned)	\$ _____,000
c. Other businesses located within the U.S.	\$ _____,000
d. Other businesses located outside the U.S.	\$ _____,000
e. Universities or colleges located within the U.S.	\$ _____,000
f. Nonprofit organizations located within the U.S.	\$ _____,000
g. U.S. Federal government (including R&D grants)	\$ _____,000
h. U.S. State or Local government (not including state universities)	\$ _____,000
i. All other organizations outside the U.S.	\$ _____,000
Total should equal D.6 R&D Domestic Performance Costs	\$ _____,000

D.8 R&D Categories

During 2019, of the 'D.6 R&D Domestic Performance Costs' in R&D domestic performance costs, how much was for the following categories?

a. Basic Research – activities aimed at acquiring new knowledge or understanding without specific immediate commercial applications or uses	\$ _____,000
b. Applied Research – activities aimed at solving a specific problem or meeting a specific commercial objective	\$ _____,000
c. Development – systematic work, drawing on research and practical experience and resulting in additional knowledge, which is directed to producing new products or processes or to improving existing products or processes	\$ _____,000
Total should equal D.6 R&D Domestic Performance Costs	\$ _____,000

D.9 R&D Employees

For the pay period including March 12, 2019, how many employees from this business's domestic operations, were **R&D employees** and how many were **all other employees**? Include owners who receive a W-2. **If none, report zero.**

R&D employees include all employees who work on R&D or who provide direct support to R&D, such as researchers, R&D managers, technicians, clerical staff, and others assigned to R&D groups. **Exclude** employees who provide only indirect support to R&D, such as corporate personnel, security guards, and cafeteria workers.

Previously, you indicated this business had 'A.8 Number of W-2 Paid Employees or Employee/Owners – show number of employees' W-2 employees and owner/employees.

- a. How many of those employees and owner/employees were R&D employees? _____
- b. Of the R&D employees, how many were female? _____
- c. Of the R&D employees, how many were male? _____

The sum of b. and c. should equal the amount entered in a.

If you reported 0 for item a. in question 'D.9 - R&D Employees', **skip to 'D.13 – Tax Credit for Research Activities'** on page 36.

D.10 R&D Employee Occupations

Of the 'D.9.a. R&D Employees' R&D Employees how many were? **If none, report zero.**

- a. Researchers (including R&D scientists, engineers, and their managers) _____
- b. R&D technicians and equivalent staff _____
- c. R&D support staff (clerical and other) _____
- d. Total R&D employees Total from D.9 R&D Employees
- e. Of the researchers reported in line a how many had PhDs? _____

D.11 Domestic R&D Employees Full-Time Equivalent

What was the full-time equivalent of the 'D.9.a R&D employees' R&D employees? *For full-time R&D employees use the number of employees for the FTEs. For other full-time employees not working solely on R&D or part-time employees working on R&D use the share of full-time workweek they work on R&D.*

Total FTEs _____

D.12 Domestic Researchers Full-Time Equivalent

What was the full-time equivalent of the 'D.10.a R&D Employee Occupations' researchers?

Total FTEs _____

D.13 Tax Credit for Research Activities

Did this business file for the tax credit for increasing research activities (IRS Form 6765) in 2019?

- Yes
- No

Section E: Domestic and Foreign Transactions

This section collects information on selected domestic and global transactions. The section includes questions about costs and business activities and transactions involving contract manufacturing and design activities. The data will be used to assist public and private organizations better understand, plan, and and make decisions affected by the relationship between domestic and foreign activities.

For questions requiring dollar amounts, estimates are acceptable.

E.1 Operating Expenses

In 2019, what was this business' total domestic operating expenses or costs?

- INCLUDE:
 - Cost of goods sold
 - Cost of services sold
 - Selling, general, and administrative (SG&A) costs so long as they are incurred to promote the selling and delivery of the company's products and services, e.g., advertising expense, sales commission expenses, office salaries, rent expense,
 - Depreciation expense
 - Research and development expense
- EXCLUDE:
 - Capitalized expenses
 - Interest expense
 - Income taxes
 - Impairment reserves
 - Losses on sales of assets

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 _____ ,000

E.2 Activities Conducted by Unaffiliated Companies

In 2019, did any unaffiliated companies located in the U.S. conduct any of the following activities for this business? *Unaffiliated companies include firms such as independent contractors and suppliers.*

Select one for each row.

	Yes	No
a. Core production (cost of goods and services in your primary business activities)	<input type="checkbox"/>	<input type="checkbox"/>
b. Distribution and logistics (include transportation costs)	<input type="checkbox"/>	<input type="checkbox"/>
c. Marketing, sales/after sales services	<input type="checkbox"/>	<input type="checkbox"/>
d. Administrative or management functions	<input type="checkbox"/>	<input type="checkbox"/>
e. Research and development (R&D; includes creative and systematic work undertaken in order to increase the stock of knowledge and to devise new applications of available knowledge)	<input type="checkbox"/>	<input type="checkbox"/>
f. Engineering and other technical services (includes testing and design other than R&D)	<input type="checkbox"/>	<input type="checkbox"/>
g. Information and Communication Technology (ICT) services	<input type="checkbox"/>	<input type="checkbox"/>
h. All other operating expenses.	<input type="checkbox"/>	<input type="checkbox"/>

E.3 Activities Conducted by Foreign Companies

In 2019, did any companies located outside the U.S. conduct any of the following activities for your business?

Companies located outside the U.S. may be unaffiliated or affiliated (such as a foreign affiliate or a foreign parent).

Select one for each row.

	Yes	No
a. Core production (cost of goods and services in your primary business activities)	<input type="checkbox"/>	<input type="checkbox"/>
b. Distribution and logistics (include transportation costs)	<input type="checkbox"/>	<input type="checkbox"/>
c. Marketing, sales/after sales services	<input type="checkbox"/>	<input type="checkbox"/>
d. Administrative or management functions	<input type="checkbox"/>	<input type="checkbox"/>
e. Research and development (R&D; includes creative and systematic work undertaken in order to increase the stock of knowledge and to devise new applications of available knowledge)	<input type="checkbox"/>	<input type="checkbox"/>
f. Engineering and other technical services (includes testing and design other than R&D)	<input type="checkbox"/>	<input type="checkbox"/>
g. Information and Communication Technology (ICT) services	<input type="checkbox"/>	<input type="checkbox"/>
h. All other operating expenses	<input type="checkbox"/>	<input type="checkbox"/>

E.4 Manufacturing Activities

In 2019, did this business manufacture any goods in the United States? *Includes processing, assembly, labeling, packing and related services on materials and physical components.*

- Yes
 No

E.5 Contracting Out Manufacturing

In 2019, did this business contract out any manufacturing tasks or otherwise purchase manufacturing services (processing, assembly, labeling, packing or related services on materials and physical components) from any unaffiliated company or from affiliated companies located outside the United States?

- Yes
 No – **Skip to E.8 Contracting In Manufacturing** on page 39.

E.6 Contracting Out Manufacturing by Company Type

In 2019, who performed the manufacturing for this business' U.S.-located units or establishments? **Select all that apply.**

- U.S.-located unaffiliated companies
 Foreign-affiliated companies
 Foreign unaffiliated companies

E.7 Design for Contracting Out

In 2019, did this business provide or determine the design or specifications for goods, finished or in-process, manufactured for this business by any company type identified in question E.6?

- Yes
 No

E.8 Contracting In Manufacturing

In 2019, did this business perform any manufacturing tasks for any unaffiliated company or affiliated companies located outside the United States?

- Yes
 No – **Skip to Section F: Contact Information** on page 41.

E.9 Contracting In Manufacturing by Company Type

In 2019, on behalf of what types of companies did this business' U.S.-located units or establishments perform manufacturing activities? **Select all that apply.**

- U.S.-located unaffiliated companies
- Foreign-affiliated companies
- Foreign unaffiliated companies

E.10 Design for Contracting In

In 2019, did this business provide or determine the design or specifications for any of the goods, finished or in-process, that were manufactured by your business for any company type identified in question E.9?

- Yes
- No

Section F: Contact Information

Contact Information

Enter the first and last name of the person who is filling out this survey. We request a telephone number so we can contact you if there is a question.

Contact Name:

Title:

Phone:

Email address:

Additional Remarks: Please use this space for any explanations that may be essential in understanding your reported data.

Thank You

Definitions

Affiliated (company or business): An entity that is owned 10% or more (based on voting interest or an equivalent interest) directly or indirectly by your company.

Business processes: Business process includes the following: (1) methods for producing goods or providing services; (2) distribution and logistics; (3) marketing and sales; (4) information and communication systems; (5) administration and management activities; and (6) product and business process development (including activities to identify, develop or adapt products or a firm's processes).

Core production activity: This term refers to your primary business activities. For manufacturing companies, core production typically involves production of physical goods. For service companies and other companies, core production refers to the main services or activities provided by your business such as ICT services, marketing services, etc.

Domestic (or U.S.-located): Refers to a location in any of the U.S. 50 states, and the District of Columbia.

Exported goods: Value of goods including the value of equipment, supplies, materials, etc. This should equal the amounts reported in the Automated Export System's (AES) Electronic Export Information (EEI) filed with U.S. Customs and Border Protection plus the cost of transporting the goods to customers located in foreign destinations (i.e., outside the United States).

Exported services: An exported service is a service-related product (e.g., services performed, including digital service, license agreement) that is sold or transferred to, or performed for customers (individual, government, business establishment, etc.) located in foreign destinations (i.e., outside the United States).

Foreign affiliate: A foreign affiliate is an entity located outside the United States that is owned at least 10% (based on voting interest or an equivalent interest) directly or indirectly by the U.S. reporter.

Foreign parent (of a U.S.-located business): The first entity outside the United States in an affiliate's ownership chain that has a direct or indirect investment interest of more than 50 percent of the affiliate's voting securities.

Goods: Usually a tangible object such as a smartphone, furniture, or packaged software, but also includes digital goods such as downloadable software, music and film. (Exclude the simple resale of new goods and changes of a solely aesthetic nature.)

Imported goods: The value of goods purchased from customers located in foreign destinations (i.e., outside the United States) as indicated in import declarations filed with the U.S. Customs and Border Protection.

Imported services: An imported service is a service-related product (e.g., service performed, including digital service, license agreement) that is purchased from customers located in foreign destinations (i.e., outside the United States).

Intellectual property: Includes patents, processes, and trade secrets; books and music; trademarks; recorded performances and events such as radio and television programs and motion pictures; broadcast and recorded live performances and events and their content; general use computer software; franchise fees; and other (for example, digital media).

Research and Development (R&D): Research and development (R&D) comprise creative and systematic work undertaken in order to increase the stock of knowledge and to devise new applications of available knowledge.

The term R&D does NOT include expenditures for:

- Costs for routine product testing, quality control, and technical services unless they are an integral part of an R&D project
- Market research
- Efficiency surveys or management studies
- Literary, artistic, or historical projects, such as films, music, or books and other publications
- Prospecting or exploration for natural resources

R&D activity in software INCLUDES:

- Software development or improvement activities that expand scientific or technological knowledge
- Construction of new theories and algorithms in the field of computer science

R&D activity in software EXCLUDES:

- Software development that does not depend on a scientific or technological advance, such as
- supporting or adapting existing systems
- adding functionality to existing application programs, and
- routine debugging of existing systems and software
- Creation of new software based on known methods and applications
- Conversion or translation of existing software and software languages
- Adaptation of a product to a specific client, unless knowledge that significantly improved the base program was added in that process

Services: Intangible activities, such as retailing, insurance, educational courses, air travel, consulting, etc., also includes digital services. (Exclude the simple resale of new services.)

Services are intangible activities that are produced and consumed simultaneously and that change the conditions (e.g., physical, psychological, etc.) of users.

Services are the result of a production activity that changes the conditions of the consuming units or facilitates the exchange of products or financial assets. They cannot be traded separately from their production. Services can also include some knowledge-capturing products.

Unaffiliated (company or business): entity that is owned less than 10%, directly or indirectly, by your company (e.g., independent contractors and suppliers).