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DEPARTMENT OF COMMERCE

Census Bureau

Proposed Information Collection; Comment Request; Annual Survey of Manufactures

AGENCY: U.S. Census Bureau, Commerce.

ACTION: Notice.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)).

DATES: To ensure consideration, written comments must be submitted on or before (insert date 60 days after date of publication in the FEDERAL REGISTER).

ADDRESSES: Direct all written comments to Jennifer Jessup, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6616, 14th and Constitution Avenue, NW, Washington, DC 20230 (or via the Internet at jjessup@doc.gov).

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies

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of the information collection instrument(s) and instructions should be directed to Julius Smith, Jr., U.S. Census Bureau, Manufacturing and Construction Division, Room 7K055, 4600 Silver Hill Road, Washington, DC 20233, (301) 763-7662 (or via the Internet at *julius.smith.jr@census.gov*).

SUPPLEMENTARY INFORMATION:

I. Abstract

The Census Bureau has conducted the Annual Survey of Manufactures (ASM) since 1949 to provide key measures of manufacturing activity during intercensal periods. In census years ending in "2" and "7", we mail and collect the ASM as part of the Economic Census covering the Manufacturing Sector. This survey is an integral part of the Government's statistical program. The ASM furnishes up-to-date estimates of employment and payroll, hours and wages of production workers, value added by manufacture, cost of materials, value of shipments by product class, inventories, and expenditures for both plant and equipment and structures. The survey provides data at the two-through six-digit North American Industry Classification System (NAICS) levels. It also provides geographic data by state at a more aggregated industry level.

The survey also provides valuable information to private companies, research organizations, and trade associations. Industry makes extensive use of the annual figures on product class shipments at the U.S. level in its market analysis, product planning, and investment planning. The ASM data are used to benchmark and reconcile monthly and quarterly data on manufacturing production and inventories. The Census Bureau plans to request a revision of a currently approved collection. We plan to make the following changes:

MA-10000 (L):

a. Question 9:

To improve, efficiency and understanding, the last-in, first-out (LIFO)-related items 9B5 and 9B6 are no longer in this section.

b. Question 10:

Previously, item 10, titled "Inventories by valuation method", queried for both LIFO and non-LIFO valuation methods together. Research done by the U.S. Census Bureau's Response Improvement Research Staff found that these methods should be collected separately. The new version of item 10 replaces the former item 10A, and focuses ONLY on non-LIFO valuation methods.

c. Question 11:

Although this is a new item, this section houses the LIFO-related items that were removed from the items 9 and 10. This item begins with a Yes/No question that allows respondents to skip to item 12 if there is no applicable LIFO data. Pieces removed from items 9 and 10, the amount subject to LIFO (previously item 10A) and LIFO reserve (previously item 9B5), are a part of item 11, along with a total that will tie back to the inventory total in item 9B4.

MA-10000 (L) and MA-10000 (S):

a. Question 16:

Item 16B, normal depreciation charges for tangible assets, is being removed. In addition to it being one of the most poorly reported items that we collect, depreciation is highly correlated to and dependent on assets, which is not collected for the ASM. As a result, we are not able to accurately impute or edit

data for this item.

As stated above, we need to revise the above information in items 9-11 to improve the responses for this section. The primary objective is to improve reporting and avoid confusion for non-LIFO respondents. In previous reporting cycles, reporting on these items were filled with errors that revolved around non-LIFO respondents reporting data in the LIFO-related items due to confusion on what was being requested. After research, we feel that grouping all of the LIFO-related items together and moving to the end of the inventory section will greatly decrease confusion for the large majority of respondents that do not use the LIFO valuation method. The removal of item 16B will simplify what respondents are required to report and remove an item that does not have the supplemental variables that it needs for editing and imputation.

II. Method of Collection

The ASM statistics are based on a survey that includes both mail and nonmail components. The mail portion of the survey consists of a probability sample that will be redesigned for the 2014 ASM using a methodology similar to the one that was used for the 2009 ASM. However, the industry strata for the 2014 ASM sample will be based on the 2012 NAICS, which combines many of the six-digit codes in the Manufacturing Sector. For the 2009 ASM, approximately 51,000 establishments were selected from a frame of approximately 117,000 manufacturing establishments located in the United States. The frame contained all

manufacturing establishments of multiunit companies (companies with operations at more than one location) plus the largest single-location manufacturing companies within each manufacturing industry. In this document, we assume that the number of establishments in the 2014 ASM sample will be about the same as the number of establishments in the 2009 ASM sample. The 2009 ASM nonmail component contained the remaining single-location companies, approximately 211,000 companies. No data are collected from companies in the nonmail component. Rather, data are imputed based on models that incorporate the administrative records of the Internal Revenue Service (IRS), the Social Security Administration (SSA), and the Bureau of Labor Statistics (BLS). Though the nonmail companies account for nearly two-thirds of the universe, they account for less than 7 percent of the manufacturing output.

The 51,000 sampled establishments will be asked to report either on a long report form (MA-10000(L)) or a short form (MA-10000(S)) based on mail selection procedures. All establishments of multiunit companies plus the large single-location companies will be asked to report on the MA-10000(L). The remaining single-location companies in the sample will be asked to report on the MA-10000(S) form. We estimate that 48,000 establishments will be asked to report the MA-10000(L) and 3,000 establishments will be asked to report on the MA-10000(S).

Starting in 2014, the initial mailing will include only a letter and a flyer providing electronic reporting instructions. Establishments will have the option to request paper forms after

the initial mail. By omitting paper forms from the initial mail package, we hope to reduce costs and to move establishments towards electronic reporting.

III. Data

OMB Control Number: 0607-0449.

Form Number(s): MA-10000(L), MA-10000(S).

Type of Review: Regular submission (revision of a currently approved information collection).

Affected Public: Business or Other for Profit, Non-profit Institutions, Small Businesses or Organizations, and State or Local Governments.

Estimated Number of Respondents:

Estimated Time Per Response:

Estimated Total Annual Burden Hours: 196,200.

Estimated Total Annual Cost to Public: \$0.

Respondents Obligation: Mandatory.

Legal Authority: Title 13, United States Code, Sections 182, 224, and 225.

IV. Request for Comments

Comments are invited on: (a) whether the proposed collection of information is necessary

for the proper performance of the functions of the agency, including whether the information

shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including

hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility,

and clarity of the information to be collected; and (d) ways to minimize the burden of the

collection of information on respondents, including through the use of automated collection

techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the

request for OMB approval of this information collection; they also will become a matter of

public record.

Dated: May 30, 2014

Glenna Mickelson,

Management Analyst, Office of the Chief Information Officer.

BILLING CODE: 3510-07-P.

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