



DEPARTMENT OF COMMERCE

Billing Code 3510-07-P

Census Bureau

Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Manufacturers' Shipments, Inventories, and Orders (M3) Survey

AGENCY: U.S. Census Bureau, Commerce.

ACTION: Notice of information collection; request for comment.

SUMMARY: The Department of Commerce, in accordance with the Paperwork Reduction Act (PRA) of 1995, invites the general public and other Federal agencies to comment on proposed, and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public's reporting burden. The purpose of this notice is to allow for 60 days of public comment on the proposed revision of the Manufacturers' Shipments, Inventories, and Orders (M3) Survey prior to the submission of the information collection request (ICR) to OMB for approval.

DATES: To ensure consideration, comments regarding this proposed information collection must be received on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Interested persons are invited to submit written comments by email to Thomas.J.Smith@census.gov. Please reference Manufacturers' Shipments, Inventories, and Orders (M3) Survey in the subject line of your comments. You may also submit comments, identified by Docket Number USBC-2020-0023, to the Federal e-Rulemaking Portal:

<http://www.regulations.gov>. All comments received are part of the public record. No comments will be posted to <http://www.regulations.gov> for public viewing until after the comment period

has closed. Comments will generally be posted without change. All Personally Identifiable Information (for example, name and address) voluntarily submitted by the commenter may be publicly accessible. Do not submit Confidential Business Information or otherwise sensitive or protected information. You may submit attachments to electronic comments in Microsoft Word, Excel, or Adobe PDF file formats.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or specific questions related to collection activities should be directed to Carol Aristone, U.S. Census Bureau, Economic Indicators Division, (301) 763-7062, carol.ann.aristone@census.gov.

SUPPLEMENTARY INFORMATION:

I. Abstract

The U.S. Census Bureau plans to request a revision of the current Office of Management and Budget (OMB) clearance of the Manufacturers' Shipments, Inventories and Orders (M3) survey. The M3 survey requests data monthly from domestic manufacturers on form M-3 (SD). Data requested are shipments, new orders, unfilled orders, total inventory, materials and supplies, work-in-process, and finished goods.

The M3 survey is designed to measure current industrial activity and to provide an indication of future production commitments. The value of shipments measures the value of goods delivered during the month by domestic manufacturers. Estimates of new orders serve as an indicator of future production commitments and represent the current sales value of new orders received during the month, net of cancellations. Substantial accumulation or depletion of unfilled orders measures excess or deficient demand for manufactured products. The level of inventories, especially in relation to shipments, is frequently used to monitor the business cycle,

by calculating the inventories to sales ratio. In general, a low ratio indicates strong shipments. A high ratio indicates weaker shipments or accumulation of inventories in stock.

Starting in 2021, we may ask for additional data on the electronic instrument on a temporary quarterly basis to address a new module of business expectations. The new question will not be added to the paper M-3 (SD) form. Respondents will be divided into three subsamples; once a quarter, each subsample will be asked for a one year ahead estimate with five points and corresponding probabilities. For the April 2021 reporting period, selected M3 respondents would see a question similar, but possibly not identical, to the following drafted question:

- Looking ahead to April 2022, what is the approximate dollar value of net shipments, manufactured in the U.S. you would anticipate during that month for this reporting unit, and what likelihood do you assign to that value?

Leading indicators and forward-looking measures such as forecasts and projections are highly valued for their ability to help decision-makers, businesses, and individuals plan and adjust policies if necessary. To reduce respondent burden, companies will receive the supplemental question once per quarter asking for the expectation of net shipments looking twelve months ahead; expectations will be reported at the same level as they report for the rest of the instrument. Responses to this question will provide a better understanding of business uncertainty and insight on future business activity. Initially, this pilot collection will request data for twelve months with the possibility of continuing collection for an additional twelve months. Additionally, in 2021, we plan to accelerate the nondurable manufacturing estimates to the same time as the Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders to create an advance high-level report of total manufacturing. Currently, the Advance report on Durable goods is available approximately 18 working days after each month, with the Full report

available approximately 23 working days after each month. Accelerating the nondurable release would provide data users with early access to total manufacturing estimates ahead of the Full report, giving them an early snapshot of the direction of this critical indicator. Prior to releasing this advance total manufacturing data, we will submit a memo of exception to the Office of Management and Budget.

II. Method of Collection

Respondents may submit data on form via mail, fax, or via the Internet. We send emails and make telephone calls to respondents to remind them to report on time.

III. Data

OMB Control Number: 0607-0008.

Form Number(s): M-3 (SD).

Type of Review: Regular submission, Request for a Revision of a Currently Approved Collection.

Affected Public: Business or other for-profit organizations.

Estimated Number of Respondents: 5,000 respondents filing a total of 60,000 reports a year.

Estimated Time Per Response: 22 minutes.

Estimated Total Annual Burden Hours: 22,000.

Estimated Total Annual Cost to Public: \$0. (This is not the cost of respondents' time, but the indirect costs respondents may incur for such things as purchases of specialized software or hardware needed to report, or expenditures for accounting or records maintenance services required specifically by the collection.)

Respondent's Obligation: Voluntary.

Legal Authority: Title 13 U.S.C. Section 131, 182, and 193.

IV. Request for Comments

We are soliciting public comments to permit the Department/Bureau to: (a) Evaluate whether the proposed information collection is necessary for the proper functions of the Department, including whether the information will have practical utility; (b) Evaluate the accuracy of our estimate of the time and cost burden for this proposed collection, including the validity of the methodology and assumptions used; (c) Evaluate ways to enhance the quality, utility, and clarity of the information to be collected; and (d) Minimize the reporting burden on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Comments that you submit in response to this notice are a matter of public record. We will include, or summarize, each comment in our request to OMB to approve this ICR. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you may ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Sheleen Dumas,

Department PRA Clearance Officer,

Office of the Chief Information Officer,

Commerce Department.

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