

**Findings and Recommendations from Round 1 Cognitive
Testing of the 2008 Annual Wholesale Trade Report for Agents,
Brokers, and Electronic Markets**

Forms SA-42(AGBR) and SA-42A(AGBR)

Draft

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May 8, 2008

Background

The Annual Wholesale Trade Survey (AWTS) collects information about the volume of business conducted by wholesale firms, as well as the volume of sales done through e-commerce methods. Respondents have the option of completing the survey using paper or the Internet. This cognitive testing project focuses only on the paper questionnaires used for agents, brokers, and electronic markets (Forms SA-42A(AGBR) and SA-42(AGBR)).

Purpose

This report documents issues that arose during the AWTS first round of cognitive testing. The testing focused on several topics. First, there was concern that respondents were misinterpreting the phrase “gross selling value,” as well as other terms on the questionnaire. Second, survey analysts were concerned about the placement and content of instructions. Finally, survey analysts noted problems with some of the data requested:

- Respondents reported lower revenues than operating expenses
- Respondents reported higher gross selling values of products sold via e-commerce, compared with the gross selling value of products sold regardless of method
- Respondents reported the gross selling value of products sold was equal to the total receipts/revenues for the company.

ESMS expects to conduct two more rounds of testing, finishing by September 2008.

Methodology

Rebecca Morrison, Grace O’Neill, and Miriam Gerver conducted the cognitive interviews. They are U.S. Census Bureau employees in the Establishment Survey Methods Staff (ESMS) and have backgrounds in the social sciences and survey methodology. ESMS specializes in methodologies that help researchers understand the interaction between the business survey respondent and the business survey questionnaire. These methodologies are rooted in the cognitive response process model.

The cognitive response process model involves four main steps: comprehension, retrieval, judgment, and communication¹. Comprehension refers to the respondent’s interpretation and understanding of the question’s language, structure, and grammar. Retrieval refers to the respondent’s recall of relevant information, either from records or from memory. Judgment refers to the respondent’s evaluation of the completeness or relevance of the data obtained.

¹ For more information on the cognitive response process, see Willimack, D. K, and Nichols, E. 2001, “Building an Alternative Response Process Model for Business Surveys,” *Proceedings from the American Statistical Association*, Alexandria, Virginia.

The last step, communication, refers to the respondent's mapping and editing of their answer to the provided response options.

The four-step cognitive response process model was originally developed for household surveys and several additional factors must be considered for business surveys. First, business survey respondents rely heavily on company records. Second, organizational knowledge tends to be distributed across several employees. Third, a survey questionnaire is usually competing with other organizational and personal priorities and the survey may not receive the respondent's entire attention. Finally, organizations regularly authorize only a few individuals to release data. If the respondent is not authorized to release the data, an additional step is added to the response process.

Cognitive interviews elicit information about the cognitive response process and provide researchers with a better understanding of how respondents complete surveys. While cognitive interviews can employ any number of methods, this research primarily utilized concurrent think-aloud interviews with follow-up probes. During the interviews, respondents were asked to verbalize their thoughts as they moved through the questionnaire while follow-up probes were used to obtain more information from the respondent. Another method used was respondent debriefing. This method was used if a respondent brought a completed copy of their most recent AWTS form to the meeting. In these interviews, respondents were asked to talk through how they completed the form and then probes were used to further understand that process. In both the cognitive interviews and the respondent debriefings, respondents were asked about their interpretation of question wording, their data sources, and their thoughts on the survey's format. For all interviews, a survey analyst from the AWTS staff was present.

Fifteen interviews were conducted from April 2-28, 2008 in Washington, DC; Atlanta, GA, and; Houston and Dallas, TX. Two of the fifteen interviews were conducted over the phone with respondents in Texas. Companies were selected to provide a mix of business types, sizes, and products.

Our findings are qualitative and do not indicate any sort of expected respondent distribution. Rather, our findings are illustrative of the respondent range and type.

This document is divided into several sections. First, the general findings and recommendation section includes findings that apply to all questionnaire items. Second, the specific findings and recommendation section includes findings that apply to specific questionnaire items. Finally, we have attached copies of each questionnaire tested in Round 1.

General Findings and Recommendations

#1: Generally, the questionnaires are performing well. Respondents are able and willing to provide the information requested. Though respondents are misinterpreting some of the items, those problems have already been identified as such by the survey analysts.

Recommendation: No recommendation needed.

#2: The placement of keycodes is inconsistent. On the first page, all keycodes are located to the left of the response they refer to. However, on pages 2 and 3, the keycodes are located within the response space. One respondent thought this was previously reported data, and expressed confusion, as the number was completely unreasonable.

Recommendation: Remove all keycodes from answer spaces.

#3: Lines are currently being used to separate questions from each other, but arrows are also used to direct respondents' eyes from the question mark to the response space. As a result, there are a lot of horizontal lines across the page.

Recommendation: Convert the arrows to dot leaders to provide the impression of additional open space on the questionnaires.

#4: Respondents reported that it would take them about 15-30 minutes to complete these AWTS questionnaires. If they have e-commerce activities, it may take longer, due to the difficulties associated with retrieving and/or estimating the volume of sales arising from e-commerce.

Recommendation: No recommendation needed.

#5: Generally, the person we interviewed was the appropriate person. Usually this was the person who had completed the form in the past and would continue to complete it in the future.

Recommendation: No recommendation needed.

#6: Respondents were mixed in terms of their preferences for reporting on paper or online. When respondents said they preferred electronic reporting, most noted that they used the paper questionnaire as a worksheet prior to accessing Census Taker.

Recommendation: No recommendation needed.

#7: We asked respondents about their preferred method for nonresponse follow-up. The general consensus was that e-mail would only be effective if the survey name could be used in the body of the email. Even if e-mail is used, a couple of respondents expressed concern about differentiating between legitimate emails and spam emails and were concerned that they might delete something useful. If e-mail cannot be used, respondents were about evenly split in stating a preference for letter or telephone follow-up.

Recommendation: Use e-mail for nonresponse follow-up only if AWTS can be referred to by name. Otherwise, use mail or telephone to contact

nonrespondents. Also, if e-mail is used be careful to select a send name that is meaningful to the respondents in order to reduce their chance of deleting it.

Specific Findings and Recommendations

Front Page

#8: The main title on the questionnaires, Annual Wholesale Trade Report, is not particularly useful to respondents. However, the subtitle, Agents, Brokers, and Electronic Markets, is key for respondents to understand who the questionnaire is for.

Recommendation: Keep the subtitle on the questionnaire.

#9: The questionnaires do not have a confidentiality statement. Though only one respondent commented on this, it is highly unusual for a Census Bureau survey not to have this information located directly on the survey instrument.

Recommendation: Add the confidentiality statement to the questionnaire. Ideally, this information would be placed on the front page, following the mandatory statement.

#10: Some respondents expressed concern that the Internet reporting information could get lost on the page.

Recommendation:

- 1) Consider deleting “How can I report?” and put “Report by fax,” “Report by mail,” and “Report by Internet” in bold text.
- 2) Consider increasing the font size for the electronic reporting information, specifically the “Username” and “Password.”

#11: Placing the definition of “agents, brokers, or electronic markets” on page 1 proved useful for respondents, as it made them confident that this was a questionnaire that applied to them.

Recommendation: Keep this information on the first page of the questionnaire.

Question 2

#12: Respondents had varying interpretations of the question. Manufacturer’s agents especially had problems since they are acting on behalf of someone else and often do not have direct contact with sale or purchases. Some of the manufacturer’s agents reported zero locations. Other companies with sales representatives were unsure how to count them. These situations produced responses ranging from one (representing the main office) to the total number of offices/sites or states where sales representatives were located.

Recommendation: We would like to discuss the intent of this question with the AWTS staff before making a recommendation.

#13: Generally, the include and exclude lists helped respondents clarify their answer to Question 2. For example, one respondent was leaning towards reporting one location, read the “more than half of the volume of business” phrase, and then confidently reported one location, since no one individual outside that location does more than half of the volume of the business. Another respondent, whose company may have been misclassified as a single-unit, wondered whether or not to include the company’s warehouses. This respondent excluded them, based on the second bullet on the exclude list (locations selling or facilitating the sale of goods to the general public), but he still was not sure this was correct.

Recommendation: No recommendation needed, unless the respondent with warehouses reported incorrectly. If that is the case, we may need to propose a change.

#14: Most of the respondents neglected to read the “If you reported 0, please describe note below the answer space.”

Recommendation: Consider converting this note to a question and assign a number to it, as shown below. Re-number remaining items as appropriate. This change would be most useful if some large number of respondents report 0 and provide information in items 4 and 5.

- Did you report 0 locations in above?
- Yes – Go to to describe the sales at locations owned by your firm and its subsidiaries.
 - No

Question 3A

#15: Generally, this question is performing well, and is collecting the information requested. Respondents generally skipped the include, exclude, and deduct lists, read the question, and then read the lists only if they did not understand the question. When probed, only a few respondents had problems with these lists.

Recommendation: No recommendation needed.

#16: Businesses involved with consignment sales and businesses with unique or different billing practices may experience some difficulties answering this question. For example, one auction site expressed at first that 3A1 and 3A2 would not add up to 3A because 3A would not equal revenue. He seemed confident that most auction sites operate this way and would have similar trouble reporting in this manner.

Recommendation: We would like to discuss the intent of this question with the AWTS staff before making a recommendation.

#17: Respondents often had difficulties identifying the line numbers referenced in the note following Line A. We believe this might be a result of the “” within the

note, which may be too far removed from the  associated with the question number.

Recommendation: Consider deleting  from the note, so that it reads “...The sum of items A1 and A2 should equal A.”

#18: In Line 2, some respondents were confused by the phrase “on your own accounts.”

Recommendation: Change the phrase to “take physical ownership of” (respondent-suggested wording) or something similar.

#19: Several respondents commented on the order of Lines A, 1, and 2, because it seemed backwards to them to collect a total followed by the details.

Recommendation: In round 2 we would propose re-ordering the lines, so that 1 and 2 appear before A, thus collecting the details before the total. In addition, shift the answer spaces for Lines 1 and 2 to the left, similar to an IRS form, to visually indicate that these are parts of a total. See below for an example from the IRS Form 1040.

Adjusted Gross Income	23	Educator expenses (see page 26)	23			
	24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24			
	25	Health savings account deduction. Attach Form 8889	25			
	26	Moving expenses. Attach Form 3903	26			
	27	One-half of self-employment tax. Attach Schedule SE	27			
	28	Self-employed SEP, SIMPLE, and qualified plans	28			
	29	Self-employed health insurance deduction (see page 26)	29			
	30	Penalty on early withdrawal of savings	30			
	31a	Alimony paid b Recipient's SSN ▶ : !	31a			
	32	IRA deduction (see page 27)	32			
	33	Student loan interest deduction (see page 30)	33			
	34	Tuition and fees deduction. Attach Form 8917	34			
	35	Domestic production activities deduction. Attach Form 8903	35			
	36	Add lines 23 through 31 a and 32 through 35	36			
	37	Subtract line 36 from line 22. This is your adjusted gross income ▶	37			

Question 3B

#20: Most of the respondents we interviewed had problems determining what information they should report in response to this question. Some respondents did not understand what the term “gross selling value” meant, interpreted it as revenues, and simply re-reported the revenues they reported in Line A. Other respondents understood the concept, but encountered difficulties in reporting the data, as it is not normally tracked on a company’s books, especially if the company operates solely on a commission basis.

Some respondents read the accompanying note; these respondents relied on the note to interpret the question. Notes shouldn’t be a substitute for the question; they should merely clarify it.

Recommendation: Delete the question, as it is our understanding that this data is collected mainly to serve as a check for the commission rate

reported in 3C. If the question is kept, replace “gross selling value” with one of the following, suggested by respondents:

- Gross sales
- Value of products sold
- Gross margin
- Gross product
- Gross amount of products sold

#21: Question 3B is not phrased as a question.

Recommendation: Rephrase the question so it is a question and not a statement.

Question 3C

#22: Generally, this question performed well. Some respondents used the formula provided and came up with an answer that approximated numbers they calculated on their own. Other respondents did not use the formula, but provided their “commission rate.” We believe that either method is acceptable, and will yield good data.

Recommendation: Rephrase the question so that it asks for the company’s commission rate. One possibility: “On average, what was the commission rate this company earned for the products purchased or sold for others?” If item 3B is deleted, the instruction that currently follows the question will need to be deleted. Regardless, a question mark should be added to the end of the sentence.

Question 4A and 4B

#23: These questions are problematic for several reasons:

- Respondents generally define e-commerce as online sales or purchases only. Thinking that they know what e-commerce means, respondents tended to skim over the question, report “No,” and move on. When asked to read the definition provided, some of those respondents realized they should have reported “Yes.”
- Respondents often do not know what an Electronic Data Interchange (EDI) network is. Generally, they assume that if they had an EDI network, they would know it. This may be a safe assumption, but it might not be.
- The definition has problems. Many respondents wondered what “negotiation” meant. One respondent wondered if Yahoo! Chat or other instant messaging systems should be included in the definition.
- Once Line A has been answered, respondents have problems with the phrase “gross selling value” used in Line B. (See #20 for more information on this issue.)
- Respondents spent a significant amount of time reading through Lines B, 1, and 2 before realizing that the question is asking about total e-commerce sales, then EDI e-commerce and all other e-commerce sales. Once again, respondents are asked to report a total followed by the details. (See #19 for more information on this issue.)

- Once all of these issues are resolved – the respondents understand the meaning of e-commerce and have answered Line A correctly – completing Lines B, 1, and 2 is difficult. The majority of respondents we interviewed do not track sale information by the mode in which the sale is made. As a result, most of the information reported by respondents in Lines B, 1, and 2 is a rough estimate at best. Some respondents noted that, given the difficulties associated with retrieving and/or estimating data for Lines B, 1, and 2, they would report “No” in Line A so they could skip straight to 5.
Recommendation: Delete Question 4 from the questionnaire. If it must be kept, then a) carry over decisions made on Question 3 regarding “gross selling value” and the re-ordering of details followed by totals, b) modify the definition of e-commerce and incorporate it into the question, where respondents are more likely to read it.

Question 5

#24: This question generally performed well. One respondent acknowledged that he included a couple of items on the exclude list, but said they were insignificant or immaterial. Another respondent asked whether or not “customer-related losses” (these losses usually arise as a result of a conflict between the company and the customer, and are incurred when the company lets the customer “win”) were included in operating expenses. That respondent included these losses in his response.

Recommendation: If “customer-related losses” are to be excluded, it may need to be added to the exclude list. Additional research may be necessary to determine appropriate wording. If this respondent reported correctly, then we believe there is no need to alter the wording.

U.S. DEPARTMENT OF COMMERCE
Economics and Statistics Administration
U.S. CENSUS BUREAU



FORM
SA-42(AGBR)
(9-27-2007)

DUE DATE ➔

2007 ANNUAL WHOLESALE TRADE REPORT AGENTS, BROKERS, AND ELECTRONIC MARKETS

YOUR RESPONSE IS REQUIRED BY LAW. Title 13, United States Code, requires businesses and other organizations that receive this questionnaire to answer the questions and return the report to the U.S. Census Bureau.

Have questions?

Call 1-800-327-4389 (option 3)
Weekdays
8:30 a.m. to 4:30 p.m. EST

How can I report?

Via Fax:
1-800-447-4613

Via Mail:
U.S. CENSUS BUREAU
1201 East 10th Street
Jeffersonville, IN 47132-0001

Via Internet:

<http://www.census.gov/econhelp/awts>

Use your firm's unique username and original password. If you change your password, please keep a record for reference.

Username:

Password:

(Please correct any error(s) in name, address, and ZIP Code)

GENERAL INSTRUCTIONS

- This report should cover ALL agent, broker, and electronic market locations in the United States whose payroll was reported on the Employer's Quarterly Federal Tax Return, Treasury Form 941, **under the Employer Identification Number (EIN)** shown in the address label (or as corrected in item 1).
- For establishments sold or acquired during 2007, report data only for the period the establishments were operated by your firm.
- Estimates are acceptable if book figures are not available.

Agents, Brokers, or Electronic Markets

Firms that primarily arrange for the sale or purchase of goods owned by others, generally on a fee or commission basis

Examples include:

- Auction companies
- Commission merchants
- Import or export agents
- Manufacturers' agents
- Manufacturers' representatives
- Merchandise brokers
- Purchasing agents
- Selling agents
- Electronic markets (business to business)

1 FEDERAL EMPLOYER IDENTIFICATION NUMBER
Is the Employer Identification Number (EIN) printed in the upper left corner of the address box the SAME as that used for this firm on its latest Employer's Quarterly Federal Tax Return, Treasury Form 941?

020 1 YES → GO to 2

2 NO - Continue with 1A

A. What is the current EIN for this firm? →

021									
		-							
Month					Year				

B. When did you start reporting payroll under this EIN? →

022	

CONTINUE ON NEXT PAGE ➔

2 NUMBER OF AGENT, BROKER, AND ELECTRONIC MARKET LOCATIONS

What were the total number of agent, broker, and electronic market locations that met the criteria below on December 31, 2007?

Number in 2007
110

Include:

- Selling or purchasing locations where more than half of the volume of business is conducted on a commission basis.
- Electronic markets where buyers and sellers are brought together using the Internet or other electronic means and your company receives a commission or fee for the service

Exclude:

- Selling or purchasing locations primarily buying and selling goods on their own account
- Locations selling or facilitating the sale of goods to the general public

NOTE:

If you reported "0," please describe the sales at locations owned by your firm and its subsidiaries in item 6 Remarks section on page 3. Complete item 7 Contact person on page 4 and return this form in the enclosed envelope.

3 DOLLAR VOLUME OF BUSINESS

Total receipts and other operating revenue, should:

INCLUDE

- All revenue from locations identified in item 2
- Revenue from the sale of goods on your own account
- All revenue from businesses and household consumers
- Receipts from freight, installations, rentals, maintenance, repairs, alterations, storage, and other such services
- Excise taxes (such as those on gasoline, liquor, and tobacco) which are levied on the manufacturer and included in the cost of goods
- E-commerce receipts included in 4B
- Commissions and selling or listing fees

EXCLUDE

- Nonoperating receipts (such as interest income, income from investments, and receipts from the rental or sale of real estate)
- Receipts from customers for carrying or other credit charges
- Taxes (sales and other) collected directly from customers and paid directly to a Federal, State, or local tax agency

DEDUCT

- Refunds and allowances for returned products
- The actual value of rebates and discounts granted to the purchaser, even if granted as an increase in trade-in allowance

A. What were total receipts and other operating revenues for the locations identified in item 2?

2007			
\$ Bil.	Mil.	Thou.	Dol.
100			

NOTE: The sum of items 3A1 and 3A2 should equal item 3A

1. What were commissions and selling or listing fees?

140			
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2. What were product sales on your own account and other operating revenue? (Include e-commerce sales on own account)

141			
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B. Gross selling value of business conducted on the account of others on a commission basis

Exclude commissions, fees and goods that never enter the United States (Include e-commerce sales conducted for others)

\$ Bil.	Mil.	Thou.	Dol.
142			

NOTE: Gross selling value, item 3B should NOT equal the value in item 3A above

C. On average, what percentage rate do you earn for the products purchased or sold for others. (Line 3A1 divided by line 3B x 100)

143 _____%

D. Did you report receipts figures in 3A for the period that began on January 1 and ended on December 31?

¹⁰⁶ 1 YES – Continue with 4 on the next page

2 NO → Please report your beginning and ending dates for 2007

Beginning date

2007		
Month	Day	Year
104		

Ending date

Month	Day	Year
105		

4 E-COMMERCE

A. Did the agent, broker, and electronic market locations in 2 have any e-commerce or Electronic Data Interchange (EDI) network sales during 2007?

E-commerce sales and/or receipts are sales of goods and services, where an order is placed by the buyer, or the price and terms of the sale are negotiated over an Internet, extranet, EDI network, electronic mail, or other online system. Payment may or may not be made online.

- 120 1 YES → Continue with 4B
 2 NO – Go to 5 below

B. What is the GROSS SELLING VALUE of any e-commerce and EDI network sales and/or receipts for 2007 for your agent, broker, and electronic market?

(Exclude commissions)

2007

\$ Bil.	Mil.	Thou.	Dol.
113			

▶ **NOTE:** Line 4B should equal line 4B1 plus line 4B2

1. Did the agent, broker, and electronic market have EDI network sales during 2007?
(This includes EDI over the internet)

- 131 1 YES → What was the amount of these sales?
 2 NO – Continue with 4B 2

115			
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2. Did the agent, broker, and electronic market have Internet, extranet, electronic mail or other online system sales during 2007? (Exclude EDI)

- 130 1 YES → What was the amount of these sales?
 2 NO – Continue with 5

114			
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5 TOTAL OPERATING EXPENSES OF AGENTS, BROKERS, AND ELECTRONIC MARKETS

2007

What were the total operating expenses ONLY for your agent, broker, and electronic market locations?

\$ Bil.	Mil.	Thou.	Dol.
500			

INCLUDE

Expenses arising from the normal course of business

EXCLUDE

- Bad debt
- Purchases of goods for resale or cost of goods sold
- Income taxes
- Taxes (sales, excise, and other) collected directly from customers and paid directly to a local, State, or Federal tax agency
- Interest expenses
- Impairment (reduction in value of long-lived assets due to reappraisal)
- Capitalized expenses (except payroll and fringe benefits)
- Transfers made within the company

6 Remarks – Please use this space to explain any significant year-to-year changes, to clarify your responses, etc.

962

CENSUS USE

961

7 CONTACT PERSON – Certifies data are accurate and can assist with any questions

950

Name of person completing this report – *Please print*

952

Title

954 Telephone

Area code	Number	Extension
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955 Fax

Area code	Number
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957 E-mail address

THANK YOU**for completing your Annual Wholesale Trade Report***We suggest you keep a copy for your records*

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for assembling data from existing records and completing the form. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: Paperwork Project 0607-0195, U.S. Census Bureau, 4600 Silver Hill Road, AMSD-3K138, Washington, DC 20233. You may e-mail comments to Paperwork@census.gov; use "Paperwork Project 0607-0195" as the subject. Respondents are not required to respond to any information collection unless it displays a valid approval number from the Office of Management and Budget. This 8-digit number appears in the top right corner of this form.

2 NUMBER OF AGENT, BROKER, AND ELECTRONIC MARKET LOCATIONS

What were the total number of agent, broker, and electronic market locations that met the criteria below on December 31, 2007?

Number in 2007
110

Include:

- Selling or purchasing locations where more than half of the volume of business is conducted on a commission basis
- Electronic markets where buyers and sellers are brought together using the Internet or other electronic means and your company receives a commission or fee for the service

Exclude:

- Selling or purchasing locations primarily buying and selling goods on their own account
- Locations selling or facilitating the sale of goods to the general public

NOTE:

If you reported "0," please describe the sales at locations owned by your firm and its subsidiaries in item 6 Remarks section on page 3. Complete item 7 Contact person on page 4 and return this form in the enclosed envelope.

3 DOLLAR VOLUME OF BUSINESS

Total receipts and other operating revenue, should:

INCLUDE

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- E-commerce receipts included in 4B
- Commissions and selling or listing fees

EXCLUDE

- Nonoperating receipts (such as interest income, income from investments, and receipts from the rental or sale of real estate)
- Receipts from customers for carrying or other credit charges
- Taxes (sales and other) collected directly from customers and paid directly to a Federal, State, or local tax agency

DEDUCT

- Refunds and allowances for returned products
- The actual value of rebates and discounts granted to the purchaser, even if granted as an increase in trade-in allowance

A. What were total receipts and other operating revenues for the locations identified in item 2?

2007			
\$ Bil.	Mil.	Thou.	Dol.
100			

NOTE: The sum of items 3A1 and 3A2 should equal item 3A

1. What were commissions and selling or listing fees?

140			
-----	--	--	--

2. What were product sales on your own account and other operating revenue? (Include e-commerce sales on own account)

141			
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B. Gross selling value of business conducted on the account of others on a commission basis

Exclude commissions, fees and goods that never enter the United States (Include e-commerce sales conducted for others)

\$ Bil.	Mil.	Thou.	Dol.
142			

NOTE: Gross selling value, item 3B should NOT equal the value in item 3A above

C. On average, what percentage rate do you earn for the products purchased or sold for others. (Line 3A1 divided by line 3B x 100)

143 _____%

D. Did you report receipts figures in 3A for the period that began on January 1 and ended on December 31?

¹⁰⁶ YES – Continue with 4 on the next page

NO → Please report your beginning and ending dates for 2007 →

Beginning date

2007		
Month	Day	Year
104		

Ending date

Month	Day	Year
105		

4 E-COMMERCE

A. Did the agent, broker, and electronic market locations in 2 have any e-commerce or Electronic Data Interchange (EDI) network sales during 2007?

E-commerce sales and/or receipts are sales of goods and services, where an order is placed by the buyer, or the price and terms of the sale are negotiated over an Internet, extranet, EDI network, electronic mail, or other online system. Payment may or may not be made online.

- 120 1 YES → Continue with 4B
 2 NO – Go to 5 below

B. What is the GROSS SELLING VALUE of any e-commerce and EDI network sales and/or receipts for 2007 for your agent, broker, and electronic market?

(Exclude commissions)

2007

\$ Bil.	Mil.	Thou.	Dol.
113			

▶ **NOTE:** Line 4B should equal line 4B1 plus line 4B2

1. Did the agent, broker, and electronic market have EDI network sales during 2007?

(This includes EDI over the internet)

115			
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- 131 1 YES → What was the amount of these sales?
 2 NO – Continue with 4B 2

2. Did the agent, broker, and electronic market have Internet, extranet, electronic mail or other online system sales during 2007? (Exclude EDI).

114			
-----	--	--	--

- 130 1 YES → What was the amount of these sales?
 2 NO – Continue with 5

5 TOTAL OPERATING EXPENSES OF AGENTS, BROKERS, AND ELECTRONIC MARKETS

2007

\$ Bil.	Mil.	Thou.	Dol.
500			

What were the total operating expenses ONLY for your agent, broker, and electronic market locations?

INCLUDE

Expenses arising from the normal course of business

EXCLUDE

- Bad debt
- Purchases of goods for resale or cost of goods sold
- Income taxes
- Taxes (sales, excise, and other) collected directly from customers and paid directly to a local, State, or Federal tax agency
- Interest expenses
- Impairment (reduction in value of long-lived assets due to reappraisal)
- Capitalized expenses (except payroll and fringe benefits)
- Transfers made within the company

6 Remarks – Please use this space to explain any significant year-to-year changes, to clarify your responses, etc.

962

CENSUS USE
961

7 CONTACT PERSON – Certifies data are accurate and can assist with any questions

950

Name of person completing this report – *Please print*

952

Title

954 Telephone

Area code	Number	Extension

955 Fax

Area code	Number

957 E-mail address

THANK YOU**for completing your Annual Wholesale Trade Report***We suggest you keep a copy for your records*

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