

SUPPORTING STATEMENT
U.S. Department of Commerce
U.S. Census Bureau
Monthly Retail Trade Survey
OMB Control No. 0607-0717

Part B. Collection of Information Employing Statistical Methods

1. Universe and Respondent Selection

The Monthly Retail Trade Survey sample consists of approximately 13,263 retail businesses per month. Of this number, approximately, 4,551 cases (reserve-refusal, reserve-scope, and reserve out-of-business) are excluded from the mailout, thus leaving the number of respondents at 8,712. The information used to create the sampling units was extracted from data collected as part of the 2002 Economic Census and from establishment records contained on the Census Bureau's Business Register as updated to December 2004. Beginning with the September 2006 sample, all companies except food service providers and drinking places report inventories. As of December 2007, 1,091 respondents report sales only, while 7,621 report sales and inventories.

2. Procedures for Collecting Information

A new sample was introduced in September 2006. The new sample was designed to produce estimates based on the North American Industry Classification System (NAICS). To create the sampling frame, we extracted records for all establishments classified in the Retail Trade and Accommodations and Food Services sectors as defined by the 2002 North American Industry Classification System. The primary stratification of the frame is by kind-of-business group. We further stratify the sampling units within kind-of-business group by measure of size related to their sales. To reduce the variance of the estimates, the largest sampling units are selected with certainty. This means they are sure to be selected and will represent only themselves.

Sampling units for the retail sample consist of both large companies that were selected with certainty (100 percent chance of selection) and smaller companies that were selected with varying sampling rates depending on their estimated annual sales. The weight assigned to each sample company or Employer Identification Number (EIN) is the reciprocal of the probability of its selection into the sample.

The sample is updated quarterly using a two-phase sample selection process for new employer births based on administrative records of the Internal Revenue Service (IRS). A first phase sample of EINs is canvassed quarterly to obtain information about their kind-of-business activities and measures of their sales

size. On the basis of this information, a second-phase sample of retail EINs is selected for addition to the monthly sample.

On a monthly basis, forms are mailed to respondents on the last workday of the survey month. The questionnaires are then screened for completeness and consistency and keyed beginning with the tenth workday of the month. This is also the start of telephone follow-up (TFU). Data are then tabulated and edited.

3. Methods to Maximize Response

The NPC in Jeffersonville, Indiana, performs a telephone follow-up for all firms that have not responded by a certain date and for those firms that have not completely filled out the form or have reported questionable data that may be unacceptable for the sales and inventories estimates. Firms that refuse to respond to the survey are called to convey the importance of their participation.

The Census Bureau accepts data prepared on a company's own form, thereby relieving the respondent of the burden of posting data to a report form. Carefully prepared estimates are accepted. A laser printer facsimile machine connected to an "800" telephone line permits facsimile reporting to our collection facility on a 24-hour basis. The Census Bureau also provides an "800" toll-free telephone number to permit respondents to call in data or ask questions without any extra expense. Additionally, within the Census Bureau, an economic area-wide effort continues to address issues to improve response and minimize reporting burden.

Additionally, we work with our data collection staff to identify strategies for maximizing response rates and improving the data collection process that will reduce response burden, improve data quality, and collect data in a more company centric manner.

4. Testing of Procedures

We continuously edit the reported data and monitor procedures and methods for data collection in an effort to reduce reporting burden and improve data quality. Budget permitting, we plan to conduct future content evaluation surveys to measure nonsampling error and ways to further reduce reporting burden.

5. Contacts for Statistical Aspects and Data Collection

Direct questions regarding the sample design and statistical methodology used for this survey to Carol King, Chief of the Statistical Methods Branch, Census Bureau, (301) 763-2675 or Bill Davie, Chief, Program Research and Development Branch, (301) 763-7182.

Planning and implementation of this survey are under the direction of Scott Scheleur, Chief of the Retail Indicators Branch, Census Bureau, (301) 763-2713.

Attachments

1. Copy of Form SM-44(06)S
2. Copy of Form SM-44(06)SE
3. Copy of Form SM-44(06)SS
4. Copy of Form SM-44(06)B
5. Copy of Form SM-44(06)BE
6. Copy of Form SM-44(06)BS
7. Copy of Form SM-45(06)S
8. Copy of Form SM-45(06)SE
9. Copy of Form SM-45(06)SS
10. Copy of Form SM-45(06)B
11. Copy of Form SM-45(06)BE
12. Copy of Form SM-45(06)BS
13. Copy of Form SM-72(06)S
14. Copy of Form SM-20(06)I
15. Copy of MRTS cover letter 1
16. Copy of MRTS cover letter 2
17. Written Comments