

OMB Control No. 0640-XXXX
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Statement of Procedure

The purpose of this survey is to identify the participation rates of minority-owned businesses in global commerce. Currently there are no sources of data available that provide this level of information. A survey is necessary to establish benchmarks of minority business participation and contribution to export sales, international trade, and trade with fast growing countries/markets. This survey also aims to identify minority business access to capital markets, experience with trade barriers and regulatory issues, potential to enter the export market, and position in global supply chains.

To this end, the US Department of Commerce's Minority Business Development Agency (MBDA), in collaboration with Minimax Consulting, LLC, is administering the present questionnaire to minority- *and* non-minority-owned business enterprises. Data obtained from this survey will be used to develop a research paper on *Minority Business Contributions to the U.S. Economy through Global Commerce*.

This information collection contains requirements subject to the Paperwork Reduction Act (PRA). Notwithstanding any other provisions of the law, no person is required to respond to, nor shall any person be subject to penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB control number. The estimated response time for this collection is 30 minutes. The response time includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this estimate or any other aspects of this collection of information, including suggestions for reducing the length of this questionnaire, to the Minority Business Development Agency, Attn., Ivonne Cunarro, via email at icunarro@mbda.gov or telephone (202) 482-2157.

Instructions

Some of the questions in the present questionnaire will require information related to your company's financial statements; namely, the gross revenue within the last 3 years, as well as exports (if any) and number of employees will be required. Moreover, if your company has exports, a breakdown of the exports by country, as well as information about the barriers to exporting to those countries will be required. Finally, the questionnaire will end with questions about your company's access to capital markets. If you believe that another person within your company would be more idoneous to complete this questionnaire, please forward them the link you received by e-mail.

Contact Information

If you have any questions regarding the study or the present questionnaire, feel free to contact Mr. Clark Guo at Minimax Consulting, LLC (cguo@minimaxconsulting.com, phone: (401) 331-6360), or Ivonne Cunarro at the Department of Commerce's MBDA (icunarro@mbda.gov).

I certify that I have read and understand the statement of procedure and agree to participate as a subject in the specific research described therein. My participation in this research is given voluntarily. I understand that I may discontinue participation at any time without penalty. I certify that I am at least 18 years of age.

General Information about the Company

1. Please select the option that best describes the form of this company:

Sole proprietorship

Corporation

Partnership

Non-profit organization

Other (please specify):

2. Is this company a subsidiary of another company?

Yes

No

3. Is this company minority-owned?

Yes

No (**SKIP TO QUESTION 5**)

Note: For the purposes of this survey, a minority business enterprise (MBE) is defined as a business concern that is owned or controlled (greater than 50 percent) by the following persons or groups of persons that are also U.S. citizens or resident aliens admitted for lawful admission to the United States: African Americans, Hispanics, Asian and Pacific Islander Americans, Native Americans (including Alaska Natives, Alaska Native Corporations and Tribal entities), Asian Indians and Hasidic Jews.

4. Please indicate the type of minority ownership (check all that apply)

- American Indian or Alaska Native
- Asian
- Asian Indian
- Black or African American
- Hispanic or Latino
- Hasidic Jew
- Native Hawaiian or other Pacific Islander

5. Is the company principally owned or controlled by an individual?

Yes

No (**SKIP TO QUESTION 11**)

6. What is the gender of the principal owner?

Male

Female

7a. *What is the ethnicity of the principal owner?*

Hispanic or Latino

Not Hispanic or Latino

7b. *What is the race of the principal owner (check all that apply)?*

American Indian or Alaska Native

Asian

Black or African American

Native Hawaiian or other Pacific Islander

White

8. *What is the age of the principal owner? (please enter a number, or leave blank if you don't know)*

(PROGRAMMING: IF THERE IS A RESPONSE AND IT IS NOT A NUMBER, OR IF IT IS A NUMBER UNDER 18, DISPLAY ERROR: "Please enter a number above 18")

9. *How many years of experience does the principal owner have in this line of business? (please enter a number, or leave blank if you don't know)*

(PROGRAMMING: IF THERE IS A RESPONSE AND IT IS NOT A NUMBER, OR IF IT IS A NEGATIVE NUMBER, DISPLAY ERROR: "Please enter a a positive number")

10. What is the highest level of education attained by the principal owner?

- Less than high school graduate
- High school graduate/GED equivalent
- Technical, trade, or vocational school
- Some college, but no degree
- Associate's Degree
- Bachelor's Degree
- Master's, Doctorate, or Professional Degree

11. Which of the following best describes the activities of your company?

- Mining/Agriculture/Forestry/Fishing (farming and extraction of raw materials)
- Manufacturer (processing materials into new products)
- Wholesale trade
- Distribution/transportation
- Retailer (sales to final consumer)
- Financial/Insurance/Real Estate Services
- Professional, scientific, or technical services

Other (please specify):

12. Please select the 2-digit NAICS (North American Industry Classification System) codes of your company (check all that apply):

(PROGRAMMING: DISPLAY THE FOLLOWING INFORMATION IN DROPDOWN LIST FORM, AND ALLOW THE USER TO SELECT MORE THAN ONE)

| | |
|-------|--|
| 11 | Agriculture, Forestry, Fishing and Hunting |
| 21 | Mining |
| 22 | Utilities |
| 23 | Construction |
| 31-33 | Manufacturing |
| 42 | Wholesale Trade |
| 44-45 | Retail Trade |
| 48-49 | Transportation and Warehousing |
| 51 | Information |
| 52 | Finance and Insurance |
| 53 | Real Estate and Rental and Leasing |
| 54 | Professional, Scientific, and Technical Services |
| 55 | Management of Companies and Enterprises |
| 56 | Administrative and Support and Waste Management and Remediation Services |
| 61 | Educational Services |
| 62 | Health Care and Social Assistance |
| 71 | Arts, Entertainment, and Recreation |
| 72 | Accommodation and Food Services |
| 81 | Other Services (except Public Administration) |
| 92 | Public Administration |

13. In what year was the company established?

(PROGRAMMING: IF THERE IS A RESPONSE AND IT IS NOT A NUMBER, DISPLAY ERROR: "Please enter a number")

14. How many years has the company been operating?

(PROGRAMMING: IF THERE IS A RESPONSE AND IT IS NOT A NUMBER, DISPLAY ERROR: "Please enter a number")

15. What was the average number of employees this company had in 2009?

Full-Time:

Part-Time:

(PROGRAMMING: IF EITHER OF THE BOXES ARE FILLED WITH NON-NUMBERS, DISPLAY ERROR NEXT TO THE APPROPRIATE BOX: "Please enter a number")

16. Does this company sell goods, services, or both?

Goods

Services

Both

17. Please indicate the total dollar value of your company's gross revenue from sales of goods and services in the last 3 years:

| Annual reporting period ending in... | Goods | Services |
|--------------------------------------|----------------------|----------------------|
| 2007 | <input type="text"/> | <input type="text"/> |
| 2008 | <input type="text"/> | <input type="text"/> |
| 2009 | <input type="text"/> | <input type="text"/> |

PROGRAMMING: THE GOODS/SERVICES COLUMNS ARE DISPLAYED ONLY IF THE RESPONDENT STATED THAT THE COMPANY SELLS "BOTH" IN QUESTION 16. OTHERWISE, ONLY ONE OF THE COLUMNS IS

DISPLAYED, DEPENDING ON THE RESPONDENT'S CHOICE IN QUESTION 16.

IF ANY OF THE BOXES ARE FILLED WITH NON-NUMBERS, OR WITH NEGATIVE NUMBERS, DISPLAY ERROR NEXT TO THE APPROPRIATE BOX: "Please enter a number")

International Commerce

18. Within the last 3 years, did your company make any sales to clients outside of the United States?

Yes

No (**SKIP TO QUESTION 29**)

19. To which countries did your company sell goods and services within the last 3 years?

| | |
|----------------|--|
| Canada | |
| China | |
| France | |
| Germany | |
| Japan | |
| Mexico | |
| South Korea | |
| Taiwan | |
| United Kingdom | |
| Venezuela | |

20. Did your company create jobs to support the sale of goods and services to a country other than United States?

Yes

No (**SKIP TO QUESTION 22**)

21. How many jobs were specifically created at your company to support the sale of goods and services to a market other than United States?

Number of Jobs Created in the U.S. as a result of international trade:

Full-Time:

Part-Time:

Number of Jobs Created in Overseas Affiliates as a result of international trade:

Full-Time:

Part-Time:

(PROGRAMMING: IF EITHER OF THE BOXES ARE FILLED WITH NON-NUMBERS, DISPLAY ERROR NEXT TO THE APPROPRIATE BOX: "Please enter a number")

22. Please indicate the total dollar value of sales of goods and services made to *international clients* in the last 3 years:

| Annual reporting period ending in... | Goods | Services |
|--------------------------------------|----------------------|----------------------|
| 2007 | <input type="text"/> | <input type="text"/> |
| 2008 | <input type="text"/> | <input type="text"/> |
| 2009 | <input type="text"/> | <input type="text"/> |

(PROGRAMMING: THE GOODS/SERVICES COLUMNS ARE DISPLAYED ONLY IF THE RESPONDENT STATED THAT THE COMPANY SELLS "BOTH" IN QUESTION 16. OTHERWISE, ONLY ONE OF THE COLUMNS IS DISPLAYED, DEPENDING ON THE RESPONDENT'S CHOICE IN QUESTION 16.

IF ANY OF THE BOXES ARE FILLED WITH NON-NUMBERS, OR WITH NEGATIVE NUMBERS, DISPLAY ERROR NEXT TO THE APPROPRIATE BOX: "Please enter a number")

23. Please select the countries (non-US) where you sold the most goods or services during the annual reporting period ending in 2009. Choose up to 5 countries from the following list.

| | | |
|----------------|--------------------------|--|
| Canada | <input type="checkbox"/> | |
| China | <input type="checkbox"/> | |
| France | <input type="checkbox"/> | |
| Germany | <input type="checkbox"/> | |
| Japan | <input type="checkbox"/> | |
| Mexico | <input type="checkbox"/> | |
| South Korea | <input type="checkbox"/> | |
| Taiwan | <input type="checkbox"/> | |
| United Kingdom | <input type="checkbox"/> | |
| Venezuela | <input type="checkbox"/> | |

(PROGRAMMING: VERIFY THAT THE USER ENTERS AT LEAST 1 AND AT MOST 5 COUNTRIES. IF NOT, DISPLAY ERROR: "Please select at least one and at most five countries from the list")

24. During 2009, approximately what percentage of your company's total sales (goods and/or services) was made in the identified countries? Please ensure that the percentages add up to 100%.

| Country | Goods | Services |
|-----------|---------------------------------|---------------------------------|
| COUNTRY 1 | <input type="text" value="5%"/> | <input type="text" value="5%"/> |
| COUNTRY 2 | <input type="text" value="5%"/> | <input type="text" value="5%"/> |
| COUNTRY 3 | <input type="text" value="5%"/> | <input type="text" value="5%"/> |
| COUNTRY 4 | <input type="text" value="5%"/> | <input type="text" value="5%"/> |
| COUNTRY 5 | <input type="text" value="5%"/> | <input type="text" value="5%"/> |

[PROGRAMMING:

THE GOODS/SERVICES COLUMNS ARE DISPLAYED ONLY IF THE RESPONDENT STATED THAT THE COMPANY SELLS "BOTH" IN QUESTION 16. OTHERWISE, ONLY ONE OF THE COLUMNS IS DISPLAYED, DEPENDING ON THE RESPONDENT'S CHOICE IN QUESTION 16.

COUNTRY1-5 REPRESENT THE COUNTRIES CHOSEN IN QUESTION 23. ONE ROW PER COUNTRY IS DISPLAYED, SO THAT IF LESS THAN 5 COUNTRIES WERE CHOSEN, THEN LESS THAN 5 ROWS ARE SHOWN.

VALIDATE THAT THE SUM OF ALL PERCENTAGES CHOSEN IS 100%. IF THEY DO NOT ADD UP TO 100%, DISPLAY ERROR: "The percentages do not add up to 100%. Please revise them as needed."]

25. While engaging in sales to clients from **COUNTRY**, did you encounter any of the following? (check all that apply)

- U.S. regulations that require you to change the nature of your good or service (for example, its quality, packaging, ingredients, etc.) to get permission to export it to **COUNTRY**
- COUNTRY** regulations that required you to change the nature of your good or service (for example, its quality, packaging, ingredients, etc.) to get permission to export it from the U.S..
- Tariffs or other fees due to the government of **COUNTRY** to get permission to export it from the U.S..
- Fees requested by the government of **COUNTRY** to expedite or facilitate exports to that country.
- U.S. regulations that required some form of official registration/paperwork to get permission to export the goods or services to **COUNTRY**.
- COUNTRY** regulations that required some form of official registration/paperwork to get permission to export the goods or services from the U.S.
- U.S. regulations that banned exports of the company's goods or services to **COUNTRY**
- COUNTRY** regulations that banned imports of the company's goods or services to from the U.S..

(PROGRAMMING: THIS QUESTION IS TO BE REPEATED FOR EACH OF THE COUNTRIES ENTERED IN QUESTION 23. REPLACE THE WORD "COUNTRY" WITH THE ACTUAL NAME OF THE COUNTRY.)

26. In the following space, describe in your own words any experiences your company had with regulation-related difficulties that prevented your company's exporting.

27. *In the following space, describe in your own words any experiences your company had with other difficulties related to exporting (such as language barriers, cultural differences, etc.).*

28. *What do you think the U.S. government could do to facilitate the process of selling to international clients?*

PROGRAMMING: SKIP TO QUESTION 34 AFTER QUESTION 28

29. *Are the goods or services that your company sells potentially exportable? (examples of non-exportable goods and services include haircuts, auto repairs, etc.)*

Yes (**SKIP QUESTION 30**)

No

30. *Are you aware of other companies, similar in size to yours, that export goods or services that are similar to those provided by your company?*

Yes

No (**SKIP TO QUESTION 34**)

31. Please select the reasons why your company is not exporting its good or services (check all that apply):

Not interested in exporting / Never considered exporting. (**SKIP TO QUESTION 34**)

Want to export, but...

...don't know how to reach overseas clients.

...don't know how to register as an exporting company with the U.S. government.

...the registration process with the U.S. government to become an exporting company is too long, difficult, or costly.

...don't believe there is demand for your product abroad.

...don't have the infrastructure to ship/send/provide the goods/services to foreign clients.

...do not have access to adequate funds for expansion purposes or working capital.

...don't have the knowledge of the foreign market company wants to export to.

...tariffs are too high in the country/countries this company could export to.

...exports of the company's goods or services to the country/countries this company could export to are banned by the U.S. government.

...exports of the company's goods or services to the country/countries this company could export to are banned by the recipient country/countries government.

...other regulations/laws prevent your company from exporting (please indicate that regulation or law):

...company is otherwise incapable of exporting (please indicate reason):

32. If the U.S. government could alleviate the problem/s you marked in the previous question at no direct cost for your company, would you consider exporting your company's goods or services?

Yes

No (**SKIP TO QUESTION 34**)

33. If the U.S. government alleviated the problem/s you marked previously at no direct cost for your company, what percentage of your most recent year's sales would you expect to export in the next year?

<15%

15%-30%

30-50%

50-100%

100%+

Access to Capital Markets

34. Within the past 3 years, did your company require a capital injection in the form of loans, bonds, or equity purchases? Please answer "Yes" if a capital injection was needed, even if it could not be secured.

- Yes
- No (**SKIP TO END**)

35. *What were the main reasons your company sought the most recent capital injection? Please check all that apply.*

- Expansion of the business (hiring, purchasing new capital goods, etc.) to do business within the U.S.
- Expansion of the business to do business internationally
- Working capital to do business internationally
- Purchase of another company
- Payment of “ordinary” operating expenses
- Payment of extraordinary costs (such as litigation-related costs)
- Other (please specify):

36. *How did your company obtain its capital injections in the last 3 years? Please check all that apply.*

- The company was not able to not able to secure additional capital injections within the last 3 years (**SKIP TO QUESTION 40**)
- Bond issuance
- Family and friends savings or assets
- Personal/family home equity loan
- Personal/business credit card

- Business loan from federal, state or local government
- Government-guaranteed business loan by Export-Import Bank or SBA
- Other federal or state government-guaranteed business loan from a bank or financial institution
- Business loan from a bank or financial institution
- Business loan/investment from family/friends
- Private equity or venture capital
- Business profits and/or assets
- Grants

37. *What type of government-guaranteed loan was used?*

(PROGRAMMING: ONLY DISPLAY QUESTION 37 IF THE ANSWER TO QUESTION 36 WAS "Government-guaranteed business loan by Export-Import Bank or SBA" OR "Other government-guaranteed business loan from a bank or financial institution". OTHERWISE, SKIP IT)

38. *If your company obtained a loan or bond, what was the interest rate on the largest loan or bond secured within the last 3 years?*

Interest Rate:

No loan or bond was obtained within the last 3 years **(SKIP TO END)**

Note: please enter the interest rate without the percentage sign. For example, if the interest rate was 7%, please enter 7

(PROGRAMMING: IF THE "No loan or bond was obtained within the last 3 years" OPTION IS SELECTED, THEN THE INTEREST RATE BOX MUST BE

LEFT BLANK. IF IT IS NOT BLANK, DISPLAY ERROR: "You indicated that the company did not receive any loan or bond within the last 3 years, but also entered a number for the interest rate. Please verify this inconsistency and revise your answer as needed. If your company did not secure any loans or bonds within the last 3 years, please check that option and leave the interest rate box blank")

39. *Do you feel that the interest rate on that loan or bond was fair?*

Yes

No (**SKIP TO END**)

40. *Why was your company unable to secure capital (check all that apply)?*

Bank or financial institution loan was applied for and denied.

Government guaranty loan was applied for and denied.

Credit card was applied for and denied.

Private equity or venture capital was applied for and denied.

Did not apply for a bank loan because believed application would be denied.

Bond issuance was not sufficiently subscribed.

Other reason (please indicate):

END

Thank you very much for participating in this survey. Your collaboration will allow the research paper on *Minority Business Contributions to the U.S. Economy through Global Commerce* to be successfully completed.