

**SUPPORTING STATEMENT**  
**U.S. Department of Commerce**  
**Bureau of Industry and Security**  
**Competitive Enhancement Needs Assessment Survey Program**  
**OMB CONTROL NO. 0694-0083**

**A. JUSTIFICATION**

This is an extension of a currently approved information collection.

**1. Explain the circumstances that make the collection of information necessary.**

This collection of information is necessary under the **Defense Production Act of 1950 (DPA)**, as amended, and related **Executive Order 12919**.

Executive Order 12919 authorizes the Secretary of Commerce to assess the capabilities of the defense industrial base to support the national defense and to develop policy alternatives to improve the international competitiveness of specific domestic industries and their abilities to meet defense program needs.

Under the Competitive Enhancement Needs Assessment Survey Program (Program), the Department of Commerce, Bureau of Industry and Security, Office of Technology Evaluation (OTE) distributes surveys nationwide to businesses in order to determine which ongoing government competitive enhancement, procurement opportunity and business diversification programs would be useful to their operations to increase their ability to compete in global markets. Using the survey results, OTE then matches the businesses with those federal and state resources which best meet their individual needs. These resources include the expertise of more than 70 federal and state government organizations as well as access to the excess equipment and facilities resident in closed federal installations and excess government equipment at government contractor facilities. The companies respond to the OTE program surveys on a voluntary basis.

The industry feedback from the earlier Program has been positive, especially with defense-dependent subcontractors consistently noting that they were unaware of the broad scope of federal and state assistance programs available to them. These programs include manufacturing technology, product/service development, R&D programs, exporting, financing, technology transfer, training, marketing skills and excess equipment and facilities. The successful company participation in this Program helps maintain portions of the defense industrial base.

The Program will continue to operate in the same manner: firms responding to the voluntary survey will be matched with the resources of a wide range of federal and state government programs, with an emphasis on the technology transfer, exporting, business opportunities, excess equipment and manufacturing enhancement expertise. While the earlier effort focused primarily on those small businesses that were impacted by defense downsizing, it became apparent that non-defense dependent firms could also benefit from the variety of services offered. Therefore, the latest survey pool includes firms who manufacture products for non-defense end-uses,

including NASA and NOAA programs. OTE plans to distribute 8,000 surveys to small firms located in states adversely affected by economic downturns and program terminations as well as manufacturers in critical industries that support U.S. national security.

The Needs Assessment Survey has been devised to collect information related to the specific programmatic needs of small businesses and will supplement information available from other sources.

**2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.**

Based on analysis of the responses obtained, OTE will match specific companies with appropriate U.S. Government and state level assistance programs. OTE has assembled an interagency response team of experts including representatives from the Departments of Commerce, Defense, Labor, and Energy; the Small Business Administration; NASA; the Federal Laboratory Consortium; and numerous state level programs, including the Local Reuse Authorities associated with excess federal equipment and facilities. After the data is gathered and analyzed, OTE will forward summary information to the relevant agencies and organizations that will directly follow up with each firm. In this way, OTE is tailoring the available federal and state programs and resources to the specific needs of each firm. This method was already successfully utilized under the previous Needs Assessment and Manufacturing Empowerment Zone program. OTE will prepare assessments and statistical summaries of the responses on an ongoing basis, for internal review, comment and support of various programs. Information regarding individual company needs for assistance will be forwarded to relevant government agencies for action on a monthly basis until the end of the program

The Section 515 Information Quality Guidelines apply to this information collection and comply with all applicable information quality guidelines, i.e., OMB, Department of Commerce, and specific operating unit guidelines.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.**

To further lessen the burden on respondents, OTE has designed the survey instrument for online retrieval and response. Each respondent will receive a personalized letter which outlines the requirements of the study and the scope of information required; the letter will also contain a BIS web link where the respondent can gain access to the secure Excel survey application.

**4. Describe efforts to identify duplication.**

The information required by this collection is unique to each application. The information is not duplicated anywhere else in Government nor is it available from any other source. No similar information is currently available that offers the company-specific data needed to match specific companies with appropriate U.S. Government and state programs.

**5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.**

Most of the respondents to the voluntary survey would be classified as small businesses. However, the minimal information is required to comply with this collection, no matter the size of the entity. The voluntary nature of the survey will reduce the burden, as companies can elect not to participate in the data collection.

Based on previous industry response to the Program, the survey was not considered burdensome. Many questions only require checking a box for a response. In instances where historical corporate information is requested, estimates are acceptable.

**6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.**

The feedback from the completed surveys indicate that without the survey, these companies would not have had the resources nor the time to seek such assistance from federal and state agencies for themselves. Nor have they been made fully aware by federal, state, or local government offices of the variety of programs, business opportunities and excess equipment and facilities available to them. If this data is not collected, the small firms in the targeted areas will remain largely unaware of the assistance offered.

**7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.**

There are no special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

**8. Provide the information of the PRA Federal Register Notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity**

**of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

The notice requesting public comment was published in the Federal Register on May 22, 2014 (Vol. 76, page 29415). No comments were received.

The survey has been tested with a number of firms, trade associations and academic experts to determine its suitability and ease of completion, and was revised to reflect their comments.

**9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.**

There are no plans to provide payments or gifts to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.**

The survey states that any information submitted in response to this survey will be deemed BUSINESS CONFIDENTIAL and treated in accordance with Section 705 of the Defense Production Act (DPA), as amended. Section 705 of the DPA prohibits publication or disclosure of such information unless the President determines that withholding it is contrary to the interest of the national defense.

The survey further states that the Department of Commerce will assert the appropriate Freedom of Information Act (FOIA) exemptions if the information is the subject of FOIA requests. This assurance is based on Section 705 of the DPA, FOIA and relevant FOIA case law. These assurances appear in the survey instruments.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

There are no questions of a sensitive nature.

**12. Provide an estimate in hours of the burden of the collection of information.**

It is estimated that one hour is required to complete the survey, for an annual burden total of **2,400 hours**. This is based on experience with the previous survey.

This estimate is subject to variations among individual organizations because of differences in record keeping, number of establishments, breadth of activities, organization size, area of specialization and other variables. OTE has conducted surveys of multiple industries, including

the space industry, imaging and sensors, cartridge and propellant actuated devices, micro-chips and munitions power sources.

The annual burden hours were estimated as follows:

Number of surveys to be mailed: 8,000.

Response Percentage: 30%.

Number of voluntary responses: 2,400.

Responses per Organization: 1 x Burden hours per response:1 x Annual burden hours = 2,400.

The estimated total cost to respondents of this information collection is \$72,000. This estimate was calculated by assuming the respondent average work rate is \$30 per hour multiplied by the total burden hours of 2,400.

**13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in Question 12 above).**

There are no capitol or startup costs. Recordkeeping is not required.

**14. Provide estimates of annualized cost to the Federal government.**

The estimated cost to the Federal government for the survey is **\$76,465**. A major portion of this cost is related to the survey, which includes preparation, collecting and verifying the information, and analyzing the data. Other costs will be incurred in summarizing the analysis and findings, preparing summary reports for distribution to other federal and state agencies. The direct employee costs were estimated by assuming the hours spent on the project as about one-half year equivalent, or 26 weeks and taking half the annual pay of one GS-14. The direct employee cost is \$63,721.

Indirect or overhead costs associated with the project are calculated as 20 percent of the direct employee cost, or \$12,744.

**15. Explain the reasons for any program changes or adjustments.**

There are no program changes or adjustments.

**16. For collections whose results will be published, outline the plans for tabulation and publication.**

Not applicable.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.**

Not applicable.

**18. Explain each exception to the certification statement.**

Not applicable.

## **B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

This collection does not utilize statistical methods.