



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

FORM

BRDI-1(S) (08-18-2015) D4

2015 BUSINESS R&D AND INNOVATION SURVEY

OMB No. 0607-0912: Approval Expires 12/31/2015

DUE DATE:

Need help or have questions about filling out the form?

Visit

<https://econhelp.census.gov/brdscr>
Here, you can access helpful
tools, get question-by-question
detailed instructions and learn
more about the survey.

Call 1-800-772-7851, between
8:00 a.m. and 4:45 p.m. Eastern
time, Monday through Friday.
Choose option '1' for English,
then option '5' to speak with a
survey specialist.

Or write to the address below.
Include your 11-digit ID printed
on the mailing label.

**Please file your form
electronically** (see details
below).

**Or mail your completed
form to:**

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

(Please correct any errors in this mailing address)

YOUR RESPONSE IS REQUIRED BY LAW. The survey is conducted under the authority of Title 13, United States Code, Sections 8(b), 131, and 182, and Title 42, United States Code, Sections 1861-76 (National Science Foundation Act of 1950, as amended). Title 13, United States Code, Sections 224 and 225 requires businesses and other organizations that receive this questionnaire to answer the questions and return the report to the U.S. Census Bureau.

YOUR RESPONSE IS CONFIDENTIAL BY LAW. Title 13, United States Code, Section 9 requires that your response be seen only by persons sworn to uphold the confidentiality of Census Bureau information and may be used only for statistical purposes. The law also provides that copies retained in your company's files are immune from legal process.

Why did your company receive this survey?

The Census Bureau surveys a broad cross section of U.S. businesses to better identify which companies engage in R&D activities. Even companies that have no R&D activity are required to complete the survey. The data all companies provide are used to produce economic indicators related to sales, employment and innovation.

**INTERNET REPORTING OPTION AVAILABLE – We encourage you to complete
this survey online at: <https://econhelp.census.gov/brdscr>**

User ID:

Password:

You may submit your survey online via a secure website. Online submission allows you to save the data on secure Census Bureau servers as you go, so you can save, exit, and resume later without losing any of your data. It also allows you to save a paper or electronic copy of your completed survey.

~ This survey is jointly conducted by the U.S. Census Bureau and the National Science Foundation ~



What is Research and Experimental Development (R&D)?

R&D is planned, creative work aimed at discovering new knowledge or developing new or significantly improved goods and services. This includes a) activities aimed at acquiring new knowledge or understanding without specific immediate commercial applications or uses (basic research); b) activities aimed at solving a specific problem or meeting a specific commercial objective (applied research); and c) systematic use of research and practical experience to produce new or significantly improved goods, services, or processes (experimental development).

The term R&D does NOT include expenditures for:

- Costs for routine product testing, quality control, and technical services unless they are an integral part of an R&D project
- Market research
- Efficiency surveys or management studies
- Literary, artistic, or historical projects, such as films, music, or books and other publications
- Prospecting or exploration for natural resources

Does R&D include development of software and Internet applications?

Research and experimental development activity in software and Internet applications refers only to activities with an element of uncertainty and that are intended to close knowledge gaps and meet scientific and technological needs. Report in this survey all software R&D as defined here regardless of the eventual user (internal or external).

R&D activity in software INCLUDES:

- Software development or improvement activities that expand scientific or technological knowledge
- Construction of new theories and algorithms in the field of computer science

R&D activity in software EXCLUDES:

- Software development that does not depend on a scientific or technological advance, such as
 - supporting or adapting existing systems
 - adding functionality to existing application programs, and
 - routine debugging of existing systems and software
- Creation of new software based on known methods and applications
- Conversion or translation of existing software and software languages
- Adaptation of a product to a specific client, unless knowledge that significantly improved the base program was added in that process

Reporting unit

The reporting unit is your company, including all subsidiaries and divisions regardless of location. Include only subsidiary companies where there is more than 50 percent ownership. If you are owned by a foreign parent, the reporting unit for the survey is your U.S.-located company, including all your majority-owned subsidiaries and divisions regardless of location. For reporting purposes, your foreign parent and any foreign affiliates your company does not own should be treated the same as any business partner, customer, or supplier you do not own.

Reporting period

Report data for the calendar year 2015, if possible, or for your company's fiscal year ending between April 2015 and March 2016.

Estimates are acceptable

Please report all items to the best of your ability.

To speak with a survey specialist, call 1-800-772-7851, option '1' for English, then option '5'.

Survey specialists are available 8 a.m. to 4:45 p.m., EST, M-F to help with any questions you may have.

For further instructions, please visit: <https://econhelp.census.gov/brdscr>



Company Information

1 Was your company a majority-owned subsidiary of a foreign company in 2015?

Yes → **Please provide the following information and then skip to Question 3:**

Name of parent company

REPORTING INSTRUCTIONS FOR FOREIGN-OWNED COMPANIES:

If you are owned by a foreign parent, the reporting unit for the survey is your U.S.-located company, including all your majority-owned subsidiaries and divisions regardless of location. For reporting purposes, your foreign parent and any foreign affiliates your company does not own should be treated the same as any business partner, customer, or supplier you do not own.

If you pay your foreign parent for R&D services, those costs should be included in your response to Question 11.

If your foreign parent pays or reimburses your company for R&D services, the costs for this R&D should be included in your response to Question 16, line a.

No

2 Did another U.S. company other than a holding company own more than 50 percent of the voting interest in your company during 2015?

Yes → **Please provide the following information:**

Name of parent company

EIN of parent company (9 digits)

Date parent company purchased your company

(MM) (DD) (YYYY)

REPORTING INSTRUCTIONS FOR U.S.-OWNED COMPANIES:

If your company was purchased between April 1, 2015 and December 31, 2015, report only for the period January 1, 2015 to the date of purchase. If your company was purchased before April 1, 2015, return this form to the Census Bureau – you are not required to complete the rest of this survey unless your owner instructs you to complete this survey.

No

3 Has your company ceased operations?

Yes → **Please provide the following information:**

(MM) (DD) (YYYY)

Date your company ceased operations

REPORTING INSTRUCTIONS:

If your company ceased operations between April 1, 2015 and December 31, 2015, report only for the period January 1, 2015 to the date your company ceased operations. If your company ceased operations before April 1, 2015, return this form to the Census Bureau – you are not required to complete the rest of this survey.

No



4 Please provide the name and phone number of the person completing this survey.

Name

Telephone

Area code Number

Extension

E-mail address

5 Please describe your company's primary business activity during 2015.

6 What was the amount of your company's worldwide sales and revenues during 2015?

Include:

- Sales and operating revenues for discontinued operations

\$Bil.

Mil.

Thou.

7 How much of the amount reported in Question 6 was attributable to or originated from domestic operations?

Include:

- Sales and operating revenues to foreign customers, including foreign subsidiaries

Example: U.S. Manufacturing Corporation sells parts to customers around the world. However, because all its operations are located inside the United States it reports 100% of its sales in this question.

\$Bil.

Mil.

Thou.

Product (good or service) innovation

A product innovation is the market introduction of a **new** or **significantly** improved good or service with respect to its capabilities, user friendliness, components, or sub-systems.

- Product innovations (new or improved) must be new to your company, but they do not need to be new to your market.
- Product innovations could have been originally developed by your company or by other companies.

8 During the three years 2013 to 2015, did your company introduce:

a. New or significantly improved goods (Exclude the simple resale of new goods purchased from other companies and changes of a solely aesthetic nature)?

Yes

No

b. New or significantly improved services?

Yes

No



9 Please give the percentage of your total sales in 2015 from:

- a. New or significantly improved goods and services introduced during 2013 to 2015 that were **new to your market** %
- Your company introduced a new or significantly improved good or service to your market before your competitors. (It may have been available in other markets.)
- b. New or significantly improved goods and services introduced during 2013 to 2015 that were **new only to your company** %
- Your company introduced a new or significantly improved good or service that was already available from your competitors in your market.
- c. Goods and services that were **unchanged or only marginally modified** during 2013 to 2015 (include the resale of new goods or services purchased from other companies) %
- d. **Total sales in 2015** %

Process innovation

A process innovation is the implementation of a **new** or **significantly** improved production process, distribution method, or support activity for your goods or services.

- Process innovations must be new to your company, but they do not need to be new to your market.
- The innovation could have been originally developed by your company or by other companies.
- Exclude purely organizational innovations.

10 During the three years 2013 to 2015, did your company introduce:

- a. New or significantly improved methods of manufacturing or producing goods or services? Yes No
- b. New or significantly improved logistics, delivery or distribution methods for your inputs, goods, or services? Yes No
- c. New or significantly improved supporting activities for your processes, such as maintenance systems or operations for purchasing, accounting, or computing? Yes No

R&D paid for by your company**11 What was the total worldwide R&D expense for your company in 2015?**

If your company is publicly traded, this amount is equivalent to that disclosed on SEC Form 10-K as defined in FASB ASC Topic 730, Research and Development (FASB Statement No. 2, "Accounting for Research and Development Costs.")

If your company is foreign-owned, refer to the instructions on page 3. Additional guidance, such as for **privately owned companies**, is available online at <https://econhelp.census.gov/brdscr>.

NOTE: Report your company's R&D expense even if the amount is not considered material for your company's financial statements.

\$Bil. Mil. Thou.

12 Is the amount entered in Question 11 greater than zero?

- Yes → **Continue with Question 13**
- No → **Skip to Question 16 on page 6**



13 Does the amount reported in Question 11 include any of the following costs?

- a. Collaborative R&D that was reimbursed by business partners, such as through cost-sharing agreements Yes No
- b. R&D paid for by government or private foundation grants Yes No
- c. Technical services not an integral part of an R&D project (such as product support provided by R&D employees) Yes No
- d. Bid and proposal costs Yes No
- e. Expense your company claimed resulting from the acquisition of another company with unfinished R&D projects (in-process R&D) Yes No
- f. Phase IV clinical trials Yes No

14 If you answered "Yes" to any of the costs in Question 13, what was the amount of these costs that was included in your response to Question 11?

\$Bil.	Mil.	Thou.
<input type="text"/>	<input type="text"/>	<input type="text"/>

15 Subtract Question 14 from Question 11 and enter the result here. This is the total R&D paid for by your company in 2015.

\$Bil.	Mil.	Thou.
<input type="text"/>	<input type="text"/>	<input type="text"/>

R&D paid for by others

16 What were your company's total worldwide costs (both direct and indirect) in 2015 for the following that were funded, paid for, or reimbursed by others not owned by your company?

Exclude:

- Costs that were paid for by your company, such as those reported in Question 15
- Payments in excess of the actual cost of the work performed (such as profit or fees)

- | | \$Bil. | Mil. | Thou. |
|--|----------------------|----------------------|----------------------|
| a. R&D that was reimbursed by your company's foreign parent (if you are owned by a foreign parent) | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| b. Collaborative R&D that was reimbursed by business partners, such as through cost-sharing agreements | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| c. R&D paid for by government or private foundation grants | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| d. Defense RDT&E goods or services (including DOD 6.1 through 6.7 funding), provided as a prime or as a sub, to the government and/or government contractors | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| e. Medical nonclinical R&D services provided to others not owned by your company | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| f. Medical clinical trial Phase I-III services provided to others not owned by your company (include pass-through costs) | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| g. Nondefense custom software development and/or computer systems designed for others not owned by your company | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Exclude:

- Software development that does not depend on a scientific or technological advance, such as adding functionality to existing application programs, debugging systems, and adapting existing software

Question continues on next page



16 Continued

h. Prototype development, production, and testing for customer's products prior to their introduction to the market (excluding defense-related prototyping reported in line d)	□ □	□ □ □ □	□ □ □ □
i. All other R&D services, not included above, provided to the Federal Government or to others not owned by your company	□ □	□ □ □ □	□ □ □ □
j. Total	□ □	□ □ □ □	□ □ □ □

Employees

17 What was the total number of worldwide employees working at your company for the pay period that included March 12, 2015?

Include:

- Full- and part-time employees

Exclude:

- Leased or temporary employees and consultants

Number

□	□	□	□	□	□
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18 How many of the employees reported in Question 17 were employees of your company's domestic operations and foreign operations?

Domestic operations employees include all employees whose payroll was reported on the first quarter filing of IRS Form 941, Employer's Quarterly Tax Return.

	(1) Domestic operations	(2) Foreign operations	(3) Total employees
Employees	□ □ □ □ □ □ □ □	□ □ □ □ □ □ □ □	□ □ □ □ □ □ □ □

Total equals Question 17

19 How many employees reported in Question 18 were R&D employees and how many were all other employees?

R&D employees include all employees who work on R&D or who provide direct support to R&D, such as researchers, R&D managers, technicians, clerical staff, and others assigned to R&D groups. **Exclude** employees who provide only indirect support to R&D, such as corporate personnel, security guards, and cafeteria workers.

	(1) Domestic operations	(2) Foreign operations	(3) Total employees
a. R&D employees	□ □ □ □ □ □ □ □	□ □ □ □ □ □ □ □	□ □ □ □ □ □ □ □
b. All other employees ...	□ □ □ □ □ □ □ □	□ □ □ □ □ □ □ □	□ □ □ □ □ □ □ □
c. Total employees	□ □ □ □ □ □ □ □	□ □ □ □ □ □ □ □	□ □ □ □ □ □ □ □

Total line equals Question 18



20 Of the domestic R&D employees reported in Question 19, line a, what was the number of full-time equivalent (FTE) R&D employees working at your company for the pay period that included March 12, 2015?

Full-time equivalent (FTE) R&D employees are an estimate of the manpower devoted to R&D activities. Count each full-time R&D employee as 1 FTE and all other employees based on the fraction of their time devoted to R&D. These amounts may be less than those reported in Question 19, line a.

(1)
Domestic
operations

FTE R&D employees

21 Approximately how long did it take to complete this survey?

Hours Minutes
 :

Remarks (Please use the space below for any explanations that may help us understand your reported data.)

Thank You – Your Response is Important

Accurate and timely statistical information could not be produced without your continued cooperation and goodwill. Thank you.

Public reporting burden for this collection of information is estimated to average 35 minutes per response, including the time for reviewing instructions, researching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: ECON Survey Comments 0607-0912, U.S. Census Bureau, 4600 Silver Hill Road, Room EMD-8K122, Washington, DC 20233. You may e-mail comments to ECON.Survey.Comments@census.gov. Be sure to use ECON Survey Comments 0607-0912 as the subject. You are not required to respond to this collection of information if it does not display a valid approval number from the Office of Management and Budget (OMB). The eight-digit OMB number is 0607-0912 and appears in the upper right corner of the first page of this report form.

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