

**Request:** The Census Bureau plans to conduct additional research under the generic clearance for questionnaire pretesting research (OMB number 0607-0725). We will be conducting cognitive interviews for the revised BE-120, 2017 Benchmark Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons.

**Purpose:** The BE-120 survey, which will be fielded by the Bureau of Economic Analysis (BEA) in March 2018, collects information about products and intellectual property that are sold to or purchased from foreign persons and entities in fiscal year 2017. Respondents are asked to report whether they had certain service or transaction types with a foreign entity. For any transaction types above a certain threshold (\$2 million for sales, \$1 million for purchases), they are further asked to report the dollar amount and the affiliation of the foreign entity, for each country that they had such transactions with.

The data collected on the survey are used in compiling U.S. internal transactions accounts and national income and product accounts. The data are also used to help formulate U.S. policy on such international transactions, and to analyze the impact of that policy and the policies of foreign countries. This benchmark survey was last conducted in 2012, for fiscal year 2011. For additional information regarding the BE-120, visit [https://www.bea.gov/surveys/respondent\\_be125.htm](https://www.bea.gov/surveys/respondent_be125.htm).

Staff from the Data Collection Methodology & Research Branch within the Economic Directorate of the Census Bureau will be working with staff from BEA to conduct cognitive interviews on an updated version of the BE-120 form. For this testing, we will interview up to 30 respondents via in-person interviews. The interviews will be conducted in two rounds of approximately 15 interviews each; in between rounds, modifications may be made to the draft of the survey based on findings from the first round. BEA will provide DCMRB staff with a list of businesses and respondent contact information, from which we will recruit. The frame of respondents will be businesses who recently responded to the BE-125 survey, which is a survey that collects similar data on a quarterly basis, and who may likely be respondents to the BE-120.

The purpose of these cognitive interviews is to understand potential measurement errors that may occur when respondents respond to the BE-120, and to understand what modifications can be made to the questionnaire to reduce the likelihood of these errors. The cognitive interviews will focus on respondents' reactions to the layout of the survey forms, their interpretations of terminology throughout the forms, overall comprehension of the questions, and their ability to provide the data being requested from them.

**Method:**

The cognitive interviews will take place in-person at participants' places of business or another location of their choosing. The interviews will follow a semi-structured interview protocol (attached).

Subject area specialists from BEA will participate in most, if not all, of the cognitive interviews. They will assist in cases where additional clarification of the subject matter is required, and to provide information on the purpose and uses of the survey. Cognitive interviews will be audio recorded with the participants' permission, to aid researchers in accurately summarizing key

findings from the interviews.

*Survey Population:*

Participants in these debriefing interviews will be chosen from a pool of respondents to the BE-125 survey, which collects similar data on a quarterly basis, and who may likely be respondents to the BE-120. The survey population for the BE-125 consists of any U.S. person or entity that had sales to foreign persons that exceeded \$6 million or purchases from foreign persons that exceeded \$4 million in any of the intellectual property or services categories listed in this survey during their prior fiscal year, or for which sales or purchases are expected to exceed those amounts during the current fiscal year. Also included in this population is any person or entity that was contacted by BEA to complete the survey; respondents who have been contacted that do not meet the previous criteria must file a claim for exemption form.

The list of potential participants will focus on several cities throughout the country that are densely populated with respondents to the BE-125, in order to maximize our ability to get adequate numbers of participants at any particular site. During this testing, we will travel to between four and eight cities, in order to meet with participants from companies in a wide variety of industries. The specific sites of testing have yet to be determined.

*Sample selection:*

We will contact potential participants via phone, explain the nature of our research, and ask them to participate in our study. The sample of participants will be those who are able to be contacted and who agree to participate in the study. Efforts will be made to sample respondents who are both individuals or organizations, with larger or smaller filings, although we will ultimately be dependent on who chooses to participate in the research.

Participants will be informed that their response is voluntary and that the information they provide is confidential and will be seen only by Census Bureau employees and BEA employees involved in the research project. We will not be providing monetary incentives to participants in this study. Once interviews are scheduled, researchers will send respondents a confirmation via email, and may conduct reminder calls a few days before the meetings.

**Timeline:**

Recruiting for these interviews will begin as early as June 2017, for interviews that will be conducted during June through September 2017.

We anticipate that each interview will include one or two participants, for an average of 1.5. We estimate that, on average, the interviews will take 1.5 hours. Thus, the total estimated burden for completed interviews is 67.5 hours (30 interviews X 1.5 company participants X 1.5 hours).

In order to schedule up to 30 interviews, we may need to contact up to 300 companies, with each call lasting up to five minutes. We estimate the maximum associated recruiting burden to be approximately 25 hours (300 X 5 minutes = 25 hours). Thus, the estimated total public reporting burden for this research is approximately 92.5 hours.

Enclosed are the draft BE-120 form, two versions of a potential additional question for the BE-120, and the protocol that we will be using for the cognitive interviews.

The contact person for questions regarding data collection and statistical aspects of the design of this research is listed below:

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