

November 25, 2025

Thomas Smith
U.S. Census Bureau
4600 Silver Hill Rd
Washington, DC 20233

RE: *Federal Register* notice of September 2, 2025, for the U.S. Census Bureau's Annual Business Survey (OMB Number: 0607-1004), formerly the Business Enterprise Research and Development Survey (OMB Number: 0607-0912)

Dear Mr. Smith:

The Bureau of Economic Analysis (BEA) supports the merger of the Business Enterprise Research and Development Survey (BERD) and the Annual Business Survey (ABS). These data are our primary source for developing key components of BEA's economic statistics, particularly in BEA's estimates of investment and output of research and development (R&D).

BEA's national income and product accounts (NIPAs), industry economic accounts (IEAs), and regional economic accounts (REAs) rely on data currently provided from BERD in estimating the effect of R&D investment expenditures on U.S. economic growth.

Expenditures for R&D were recognized as fixed investment in the calculation of GDP in the following major BEA updates: the 2013 Comprehensive Revision of the NIPAs, the 2014 Comprehensive Revision of the IEAs, and the 2014 Comprehensive Revision of GDP by State. Furthermore, expenditures for R&D have long been recognized as having the characteristics of fixed assets—defined ownership rights, long-lasting, and repeated use and benefit in the production process. The recognition of R&D as investment improved BEA's measures of fixed investment and allowed data users to better measure the effects of innovation and intangible assets on the economy.

BEA's international program uses R&D expenditures data currently provided from BERD as one of the tools to evaluate R&D survey results for U.S. multinational enterprises (MNEs) and U.S. affiliates of foreign MNEs. Business R&D data from BERD are also used to calculate shares of all U.S. R&D accounted for by U.S. parents and U.S. affiliates that we feature in our news releases and other publications. With the transition of R&D data to the ABS form, BEA will use the R&D data from ABS to estimate R&D investment and output in its accounts rather than from BERD. A list of the detailed items currently used by BEA is attached.

Additionally, BEA's regional economic accounts (REAs) use data currently published by the BERD as a primary source to estimate state-level business R&D production and investment. With the planned merger, the ABS will become REAs' primary source for state-level data on business R&D. These data are incorporated into the annual and quarterly GDP by state statistics, the annual GDP county statistics, as well as the R&D satellite account. Separate from the BERD,

the REAs also rely on ABS data on R&D performance by microbusinesses which impacts the business R&D estimates in the R&D satellite account.

The Regional Directorate fully supports the continued collection of data on business R&D that is currently collected in both the BERD and ABS surveys and will now be solely collected in the ABS survey. We are hopeful that the upcoming ABS surveys will have data consistent with the previous history of data collected as time-series consistency is an important consideration for the REAs.

We are particularly interested in any modifications proposed during the forms' approval process that might substantially affect our use of these data. For additional information, please contact Tiffany Burrell, Source Data Coordinator, on 301-278-9618, or by email at Tiffany.Burrell@bea.gov. Should you need assistance in justifying this survey to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

Dennis Fixler
Chief Economist

Attachment

Attachment

Items on Form BERD Used by the Bureau of Economic Analysis

Item	Form	Description	Detail Needed	BEA Use
1	BERD	Company Information	Business codes applicable to company	NIPA Private Fixed Investment in R&D, GDP by Industry, Input-Output Accounts
2	BERD	Financial Schedule A	All	NIPA Private Fixed Investment in R&D, GDP by Industry, Input-Output Accounts, GDP by State, International Accounts
3	BERD	Financial Schedule B	All	NIPA Private Fixed Investment in R&D, GDP by Industry, Input-Output Accounts, GDP by State, International Accounts
4	BERD	Management and Strategy of R&D	4-12, 4-24, 4-35 Percentage for software products or software embedded in other projects of products	NIPA Private Fixed Investment in R&D, GDP by Industry, Input-Output Accounts
5	BERD	Human Resources	All	NIPA Private Fixed Investment in R&D, GDP by Industry, Input-Output Accounts
6	BERD	Intellectual Property and Technology Transfer	All	International Accounts