

Potential Methodological Topics using Foreign Trade Data

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- Valuable comparisons can be made between the Foreign Trade Data (based on administrative data) and other censuses and surveys conducted by the Census Bureau for different industries. While manufacturing and wholesale trade are likely to constitute the largest share of exports in the Foreign Trade Data, comparisons using data on retail trade, services, and even transportation (freight forwarders) would provide valuable information to the Census Bureau. Since the Foreign Trade Data (FTD) are reported by entities using their Employer Identification Number (EIN), the establishment level data collected in the Census Bureau's censuses and surveys would need to be aggregated to the EIN level for direct comparisons to be made.
 - Compare export revenues between the administrative and survey data
 - Compare the products reported as being exported in the administrative data to those reported as being produced or sold by the firm. Are there products that are being reported in the FTD?
 - Compare materials trailers in manufacturing with import information in the FTD (for manufactures) to assess the extent imports are being used for production.
 - Examine how many products the firm exports relative to how many products are being reported as produced or sold by the firm.
 - Compare the firms in the FTD to those that report that they are exporters in the censuses and surveys in any given year. For example, how many firms report to Census that they export products but then do not show up in the FTD? Is this more prevalent in specific industries? Does this vary based on specific firm characteristics?
 - Examine the issue of "accidental" exporters (i.e., firms that only have one transaction in the FTD). It is thought that this is a large percentage of transactions, but it has not been formally quantified or thoroughly investigated. Is this more prevalent in specific industries? Does this vary based on specific firm characteristics?
- Developing a methodology to allocate imports and exports to the establishment level rather than leaving everything at the more aggregated EIN level would be very valuable.
- In early years of the FTD, the consignee for the transaction is not reported. However, in the later years, the consignee is reported separately from the importer/exporter. Quantifying the extent to which the importer/exporter is different from the consignee would contribute to the Census Bureau's knowledge on this topic. Is this more prevalent in specific industries? Does this vary based on specific firm characteristics? What percentage of transactions and shipments does this affect? It is also important to examine potential causes for these differences.

- The geography in the FTD can be problematic since the geographic location reported is often the port where the goods clear customs. For example, New Jersey, Kentucky, and Sparks, Nevada are wholesale meccas, so a large volume of importing and exporting is reported in these locations even though these are not the final destinations for a large number of the goods. Many of these are custom brokers (which can be identified using a list of NAICS codes) and freight forwarders (which cannot be identified using specific NAICS codes).
- It is unclear how mergers and acquisitions (M&A) affect the published estimates for the Foreign Trade Data. How much change is due to M&A activity?
- The unique identifier in the FTD is either an EIN, SSN, or CBP assigned number. The CBP number can be identified since it is formatted differently than the EIN or SSN. (Note that SSNs have been converted to Protected Identification Keys (PIKs) in the data available in the RDCs). This number should not match the unique identifier in the business register; however, it is possible that, by random chance, a match was made. It is unknown to what extent this happened. A better understanding of this issue would improve the link between the FTD and the business register (which provides links to the rest of the economic censuses and surveys). Is there a way to improve the match?
- The CBP number indicates that the importer or exporter is a foreign entity. An examination of the extent to which the FTD transactions are by foreign entities and in which countries these entities are based would be valuable information for the Census Bureau.
- The match rate for the Canadian data is particularly bad. Given the volume of trade between Canada and the U.S., development of a new methodology to improve this match would be extremely beneficial.
- The Foreign Trade Division does a lot of editing of extreme values. The editing methodology is known, so comparisons between the FTD and the census and survey data to better understand the impact of these edits on the true estimate are important. Can these edits be improved using industry-country or related/unrelated party breakdowns? Expert knowledge of specific sectors and countries would be extremely valuable for these types of analyses.
 - Comparisons could be done using firm revenues and export revenues to determine if the reported values in the FTD are reasonable.
 - Quantity value ratios could be used to make these comparisons as well. It is known that there is a truncation for CPB values, but is there a break point for these?