Existing Sources of Small Business Information and Future Research Needs

by

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EXISTING SOURCES OF SMALL BUSINESS
INFORMATION AND FUTURE RESEARCH NEEDS

It is the intent of this paper to identify some sources, possible uses, and future needs for economic data by the typical small businessman. The regional area composed of the states of Arkansas, Louisiana, New Mexico, Oklahoma, and Texas (SBA Region VI) is emphasized in this study with sources listed in the attached appendix. Federal government data sources and comparable state agencies for states other than Region VI generally extend the application of this work.

Operation of a typical small business often requires preparation of sales forecast, loan application packaging, market research, location studies, development of sales promotions campaigns, and growth projections. These endeavors require many different data sources. Primary data sources (direct interviews or questionnaires with principals) are expensive and require too much time to be acceptable to the small business manager. In addition, primary research projects are often difficult to design and the results are open to interpretation. Fortunately, secondary source information about the economy is available from federal, state, and local sources and is readily adapted to common needs of small business managers if the information can be found quickly. Thus, the major purpose here is to point out a wide range of sources and to describe how those sources may be used to benefit the operation of a small business.

Acceptable reports for Standard Metropolitan Statistical Areas (SMSA) are easily generated because the data are complete and accessible.
For the construction of similar studies for smaller towns and rural counties the researcher will find a marked reduction of available information. An additional purpose of this paper is to present descriptions of some data sources for rural and small area regional analysis outside the SMSA. An appendix contains some of the major data sources for Region VI, both for SMSAs and areas with smaller populations.

The appendix and the body of this paper is organized according to sources of data. Three major divisions are: (1) Federal data, (2) state and local government data and University Bureau of Business Research Agency publications, and (3) data from trade or industry publications.

I. Federal Data for Small Business

Until publication of the indices listed in the paragraphs below, access to U.S. Government publications was very difficult. The indices are of two types, commercially published and federally published materials. The indices are available in printed form and are also accessible for nominal fees from computerized data bases, a service available at most large libraries. The commercial services are the American Statistics Index and the Congressional Information Service Index, and the federally published services are the Monthly Catalog of U.S. Government Publications and The Government Reports, Announcements and Index.

A. The American Statistical Index (ASI)

ASI began publication in 1975, but the listed publications go back to the 1960s and cover nearly all federal reports with
abstracts summarizing reports. ASI also publishes an index of state and local information.

B. Congressional and Information Service Index (CIS)

As the name implies, CIS deals primarily with Congressional hearings, reports, staff studies, and legislation. Unlike some other indices on Congressional topics, individuals appearing before committees and the subjects of reports are listed by name and subject. Annotation of the entries enables the business person to gain some information about the topic without going directly to the primary source.

C. Monthly Catalog of U.S. Government Publications

Of the various indices and catalogs of government data, this publication by the Government Printing Office is the most likely to be found in smaller libraries. In each issue new government materials published during the month are listed by subject; and in the December issue of the catalog, a summary of that year's publication is presented. With the call number obtained from the Monthly Catalog, the publication may be ordered from the Government Printing Office.

D. Government Reports, Announcements and Index

Published by the National Technical Information Service, an agency of the U.S. Department of Commerce, this index lists government sponsored projects at the federal, state, and local level, and in some cases privately sponsored research is included. There are currently available over one million titles contained in the several
volumes of the index. Most of these titles are available in the form of photo copies or microfiche from the agency. Little title duplication of materials listed in the Monthly Catalog occurs so that in fact these two federally published catalogs of data sources are independent, one of the other.

E. Some Publications of Federal Agencies

Analysis of business and economic data proceeds at two levels. First, it is important to be informed about economic trends of the national economy and within that context, the major emphasis of this paper, trends of the regional situation.

The single most important source for national trends (macro-economic trends) is the United States Department of Commerce publication titled Business Conditions Digest. Inspection of a recent issue will turn up charts or tables of data about every major macroeconomic statistic.

The United States Department of Commerce houses the Bureau of Economic Analysis, publishing in the form of a computer printout information for 3,618 regional areas (usually counties) in the United States. The information consists of annual levels of employment by industry, income by source, population estimates between census years, and location quotients for the regional areas. These data are available for previous ten-year periods. A methodology titled A Summary Description of the Sources and Methods Used in Estimating County Personal Income is available from the Bureau and explains the data printout.

The bureau of the Census, also part of the U.S. Department of
Commerce, compiles information useful for rural region studies. Census tract data for SMSAs are equivalent to "enumeration districts" in smaller towns and contain information similar to census tracts. The Series P-25, Population Estimates and Projections are published several times between the decade census. Number 691 for Texas was issued in April, 1977, and shows county population and community population estimates within those counties. Estimated per capita income figures are also shown for counties and communities.

Additional county data appears in County Business Patterns, a Bureau of the Census publication, and the County and City Data Book of the U.S. Department of Commerce. These two publications, along with the Statistical Abstract of the United States are well known and can be found at the reference desk of any library.

Various publications of the Small Business Administration, especially the series of Small Business Bibliography and Small Marketer's Aids, will be important sources to the manager.

Additional materials published by the federal government are listed in the appendix.

II. State Government Data

As stated earlier, Region VI of the Small Business Administration is composed of the states of Arkansas, Louisiana, New Mexico, Oklahoma, and Texas. A sample of small business data sources included here represents the types of sources which are generally available for other states as well.

An important index for all state publications (the 50 states plus
the Association of State Officials) is the Monthly Checklist of State Publications available from the Exchange and Gift Division, Library of Congress, Washington, D.C. The entries are arranged by states and according to the state agency which publishes the document.

The state governments in Region VI all provide important sources for the small business manager. The sources listed in the appendix show that there are employment and wage studies, industrial and manufacturing data, state and local taxation documents, economic development information, and many other categories of data. Generally the pattern of sources for one state in Region VI is repeated in other states. Therefore, the data sources for the state of Texas only are described here although selected sources for all five states in the region are listed in the appendix.

A. Texas

In the State of Texas the most complete data bank is the Texas Natural Resources Information System (TNRIS) which is an interagency system with many state agencies cooperating. An estimate of the size and nature of the data bank is obtained from the following list of participating agencies: Included are the Texas Water Development Board, General Land Office, Texas Air Control Board, Texas Forest Service, Texas Industrial Commission, Texas Department of Health Resources, Texas Water Quality Board, Bureau of Economic Geology—University of Texas at Austin, Railroad Commission of Texas, Texas Department of Agriculture, State Department of Highways and Public Transportation, Texas Parks and Wildlife Department, Texas State Soil and Water Conservation Board,
Texas Water Rights Commission, and the Texas Coastal and Marine Council. The information contained in TNRIS computer files is a basic source and is available to state agencies at nominal fees.

The Texas Industrial Commission publishes a series of General Community Profiles for Texas communities with population greater than 5,000 people. The typical study runs to over 200 pages and income, employment, sales, local government data, transportation and other services are tabulated. The Commission has also published some local area labor surveys with results sometimes showing slightly higher employment than Federal estimates.

The Texas Employment Commission compiles employment and wage data, on a quarterly basis, in Covered Employment and Wages by Industry and County. The periodical is valuable for its comparison of weekly wages by county and county labor force.

For a small fee the State Department of Highways and Public Transportation will send traffic count maps showing the average vehicular traffic for 24-hour periods on state maintained roadways. Major roads within cities have been measured and special traffic surveys are available for some cities.

The Industrial Economics Research Division of Texas A&M University has made many studies of a regional nature, often related to the local resource base and to the oil industry specifically. Also housed at Texas A&M University is the Texas Real Estate Research Center providing information for appraisal and local development trends. Addresses for both of these sources are shown in the appendix to this paper.
The Division of Planning Coordination and the Office of Information Services, both housed in the Texas Governor's office, generate much regional data for the state. The Texas State and Region Newsletter, with special reports on specific topics, and a regional and statewide input-output model are representative of publications from the Governor's office. The input-output model has the title: The Structure of the Texas Economy and shows production coefficients for 1967, soon to be updated to 1972. An input-output model shows the sources of raw materials and consumers of finished product by industries.

The Comptroller of Public Accounts, Texas Water Development Board, and The Trinity River Authority have been added to the list of addresses and are representative of other information sources at the state level. Between state and local agencies are the Texas Municipal League and the various regional councils of governments. Addresses for some of these agencies are found in the appendix.

For many small and large cities, federal money from the Department of Housing and Urban Development has funded "Comprehensive City Plans." These studies are usually undertaken by private research corporations and are available from city governments. The studies contain information on historical background, economic structure, population, land use, neighborhoods, housing, utilities, and transportation.

There are other private studies which are not published and access depends on personal acquaintance with the owners of such studies. Most commercial banks have economic base studies to support their charter applications. Bond issues for public
hospital districts often require supporting information on the region. These studies may be difficult to obtain because they may contain proprietary information, but they may be some of the best studies of small regions and towns.

As stated above, the other states in Region VI, Arkansas, Louisiana, New Mexico, and Oklahoma, provide information similar to the examples from Texas. However, some additional information is in order for Louisiana.

In Louisiana, an important source of information concerning that state's business climate, taxation, and political issues related to business are the publications of the Public Affairs Research Council (PAR). PAR is a non-profit organization funded by subscriptions from its members, and its publications are of high quality. In the past, several PAR publications have offered information which evaluated the Louisiana small business climate. These PAR publications are listed in the appendix.

At present, some 40 libraries in Louisiana are classified as state document depositories in addition to the Library of Congress. The state libraries so designated are required by state to allow any person to examine its holding of Louisiana state publications.

The Office of the State Library publishes a bibliography of state documents for Louisiana every six months, entitled Public Documents. The bibliography is divided into the following topic areas: Banking, Business Enterprise and Manufacturing, Employment and Labor, State Government, and Reference Materials. Some data sources for Louisiana are shown according to this breakdown in the appendix to this paper.

A very important source of data and of other services to small business is the Bureaus of Business and Economic Research which are
often organized as part of the Colleges of Business Administration of state universities. Of all state agencies discussed here, these Bureaus are the only agencies organized specifically to assist the business community. In many instances the Bureaus participate in programs funded by the Small Business Administration to help with the problems of starting and operating a small business. A complete list of all Bureaus of Business and Economic Research in Region VI, with their publications is shown in the appendix.

IV. Trade and Industry Publications

As a service to the community, many commercial banks publish regular statements about economic and business conditions in the community. San Antonio Business Highlights from the National Bank of Commerce, Texas Facts and Figures from Texas Commerce Bancshares, and Financial Facts published by First City Bancorporation are a few examples from larger cities.

Brief but easily obtained economic profiles for many smaller cities come from utility companies and from local chambers of commerce.

Sales and Marketing Management, a national marketing periodical, has published county data for the United States for some time. The June or July issues each year contain population estimates, numbers of households, retail sales by product classification, and estimates of personal income. Beginning in 1977, the Sales Management Data Service combines the data which was published over several issues of the magazine with age breakdown, income classifications, and buying power estimates for regional areas and small communities.
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VI. Future Research Needs

At least two major problems exist in regard to the utilization of information for the purposes of small business managers. First, the data often are not broken down far enough for use in smaller geographic areas or they fail to be applicable to specific industries. Second, the interval of time between tabulation and publication of the data is too long, especially for federal data.

In the future, we need to gather data according to some standardized
geographic division, preferably as small as the postal "zip" code areas. Also, industrial data could use the Standard Industrial Classification (SIC) number.

The time lag between tabulation and publication could be reduced by the use of preliminary figures or by estimation techniques which would later be adjusted when all data were complete.
APPENDIX

DATA SOURCES FOR SMALL BUSINESS
IN REGION VI

Federal Data


Federal Mailing Addresses

U.S. Department of Commerce
Bureau of the Census
Population Division, Statistical Information
Washington, D.C. 20233
(301) 763-5002 or 763-5020

U.S. Department of Commerce
Bureau of Economic Analysis
Washington, D.C. 20230
(202) 523-0901

U.S. Small Business Administration
1414 L Street, N.W.
Washington, D.C. 20416

State Data

Arkansas

Contractors Licensing Board. Roster of Licensed Contractors 1978-79
Little Rock
Employment Security Division
Arkansas Industrial Progress
1970-77
Little Rock, 1978

Applicants and Job Openings
(Various SMSA's) 1978

Labor Force Statistics
Little Rock, August 1978

State Highway and Transportation Department
1977 Traffic Volumes Map
Little Rock, 1978

Louisiana

Banking, Finance and Insurance


Reports of the Homestead and Building and Loan Associations in the State of Louisiana...At the Close of Business December 31, 1977. 1978. 79 p. (Annual, 1899- )

Reports of the State Banks and Trust Companies in the State of Louisiana...at the Close of Business December 31, 1977. 1978. 223 p. (Annual, 1899- )

Department of Commerce. Real Estate Commission. Contact. (Newsletter issued quarterly, 1944- )


Business Enterprise and Manufacturing

Board of Commissioners of the Port of New Orleans. New Orleans Port Record. (Monthly, 1942- )


private investment companies, but their focus is on minority firms. The MESBICs can leverage up to $3 of long-term subordinated government funds for every private dollar raised.


Recent amendments to the Small Business Investment Act under Public Law 95-507 have been implemented to give MESBICs more opportunities for success. For example, now they can be formed by limited partners, can sell to SBA twice as much stock as previously allowed at only 3 percent discount and can distribute earnings to shareholders without paying differential costs to SBA.


