Overview

- Motivation
- Core Data: The Business Register
- How to build and maintain research files
- Public use products
- Current research
- Data gaps and extensions
Understanding a Dynamic Economy

• Firms are heterogeneous responding differently to different types of shocks
  – Need large datasets capturing more dynamic parts of the economy (small and young not just large)
  – If interest in changes then also need higher frequency data
  – We also need longitudinal data
• Economies experience underlying secular trends as well as business cycles
  – Need long time series to disentangle effects
• Significant variation across industries and geographies
  – Need detailed industry and geography
SOLUTION:

The Business Dynamics Statistics Program
Core Data: The Business Register (BR)
The Census Bureau’s Business Master Master List

- Universe coverage of employers in the U.S. with Internal Revenue Service (IRS) filings
  - Transaction list of administrative records (income, payroll)
  - Enhanced with Census Collections to provide detail
- Origin and Use
  - Enumeration list for census and frame for surveys
  - Central storage of admin data for statistical products
  - Source data for Census products
- Structure:
  - Annual snapshots back to 1974, Single/Multi unit files (not linked)
- Statistical Units:
  - Employer (the admin unit), establishments and firms
Core Data: The Business Register (BR)  
The Census Bureau’s Business Master List

- Data in the BR
  - Industry
  - Geography (down to latitude/longitude now)
  - Employment
  - Payroll
  - Legal form of organization (LFO)
  - Sales
  - Company Name and Address…
Core Data: The Business Register (BR)
The Census Bureau’s Business Master List

• **Data in the BR**
  – Industry
  – Geography (down to latitude/longitude now)
  – Employment
  – Payroll
  – Legal form of organization (LFO)
  – (Sales)
  – Company Name and Address…

***** BY ESTABLISHMENT AND FIRM
Building Research Files:
The Longitudinal Business Database (LBD)

• Data often require substantial value added to be utilized for research and product development.
  ▪ Very complex files (multiple statistical units)
  ▪ Changes in units/variables
  ▪ Longitudinal breaks in firm/establishment identifiers
  ▪ Mistimed births and deaths
  ▪ Inconsistent industry/geography codes
  ▪ Incomplete sales. Also outliers

• Solution: The LBD
  ▪ Constructed by economists at the Center for Economic Studies
  ▪ Strong ties and collaboration with outside academics
  ▪ Relatively low cost
Longitudinal Business Database (LBD)

- Universe database of US non-farm private sector employer businesses
  - Long time series 1976-2013
  - High quality longitudinal linkages
  - Complete sectoral coverage
  - Detailed geography and industry
- Basic backbone to which other business data can be linked
  - Other Census data
  - Administrative Data
- Firm and establishment characteristics
  - Firm size and firm age. Age is critical to understanding firm growth dynamics, entrepreneurial activity and job creation
- Confidential
  - Accessible through the Federal System of Research Data Centers (FSRDC)
- The LBD today is
  - One of the most requested datasets in the FSRDC
  - Primary tool for vibrant literature that guides development of public use products
  - FSRDC critical to this
LBD: Public Use Products

• **Business Dynamics Statistics (BDS)**
  - Basic data by firm size and age across sectors, states, MSAs and time.
    [http://www.census.gov/ces/dataproducts/bds](http://www.census.gov/ces/dataproducts/bds)
  - Data visualizations available
    [http://www.census.gov/ces/dataproducts/bds/visualizations.html](http://www.census.gov/ces/dataproducts/bds/visualizations.html)

• **Synthetic LBD (v2) – public use microdata**
  - Developed in collaboration with Duke University and the National Institute of Statistical Sciences (NISS)
  - Deployed via the Cornell Virtual RDC
    [http://www.census.gov/ces/dataproducts/synlbd/index.html](http://www.census.gov/ces/dataproducts/synlbd/index.html)
### Table 1: Number of Firms by Firm Size and Firm Age, U.S. Private Sector, 2013 (Panel A – CURRENT YEAR SIZE)

<table>
<thead>
<tr>
<th>Firm Age</th>
<th>2013</th>
<th>Firm Size</th>
<th>a) 1 to 4</th>
<th>b) 5 to 9</th>
<th>c) 10 to 19</th>
<th>d) 20 to 49</th>
<th>e) 50 to 99</th>
<th>f) 100 to 249</th>
<th>g) 250 to 499</th>
<th>h) 500 to 999</th>
<th>i) 1000 to 2499</th>
<th>j) 2500 to 4999</th>
<th>k) 5000 to 9999</th>
<th>l) 10000+</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) 0</td>
<td>355,011</td>
<td>31,080</td>
<td>13,010</td>
<td>5,638</td>
<td>1,027</td>
<td>429</td>
<td>107</td>
<td>36</td>
<td>14</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) 1</td>
<td>217,449</td>
<td>54,247</td>
<td>26,133</td>
<td>13,599</td>
<td>3,041</td>
<td>1,070</td>
<td>247</td>
<td>83</td>
<td>41</td>
<td>12</td>
<td>9</td>
<td>21</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) 2</td>
<td>173,496</td>
<td>51,306</td>
<td>26,086</td>
<td>13,921</td>
<td>3,370</td>
<td>1,340</td>
<td>271</td>
<td>112</td>
<td>43</td>
<td>19</td>
<td>10</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) 3</td>
<td>140,548</td>
<td>45,079</td>
<td>23,735</td>
<td>13,049</td>
<td>3,230</td>
<td>1,441</td>
<td>348</td>
<td>131</td>
<td>68</td>
<td>16</td>
<td>10</td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e) 4</td>
<td>130,793</td>
<td>43,260</td>
<td>23,662</td>
<td>13,120</td>
<td>3,191</td>
<td>1,241</td>
<td>274</td>
<td>108</td>
<td>65</td>
<td>19</td>
<td>7</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>f) 5</td>
<td>135,293</td>
<td>45,235</td>
<td>25,007</td>
<td>13,866</td>
<td>3,664</td>
<td>1,433</td>
<td>349</td>
<td>124</td>
<td>67</td>
<td>16</td>
<td>6</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>g) 6 to 10</td>
<td>546,116</td>
<td>199,064</td>
<td>110,005</td>
<td>61,245</td>
<td>16,174</td>
<td>7,266</td>
<td>1,782</td>
<td>733</td>
<td>351</td>
<td>92</td>
<td>51</td>
<td>72</td>
<td></td>
<td></td>
</tr>
<tr>
<td>h) 11 to 15</td>
<td>353,738</td>
<td>142,930</td>
<td>84,220</td>
<td>50,448</td>
<td>14,850</td>
<td>7,213</td>
<td>1,832</td>
<td>852</td>
<td>497</td>
<td>136</td>
<td>67</td>
<td>63</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) 16 to 20</td>
<td>251,419</td>
<td>108,143</td>
<td>64,028</td>
<td>37,752</td>
<td>10,372</td>
<td>4,838</td>
<td>1,211</td>
<td>587</td>
<td>371</td>
<td>107</td>
<td>52</td>
<td>64</td>
<td></td>
<td></td>
</tr>
<tr>
<td>j) 21 to 25</td>
<td>180,104</td>
<td>83,867</td>
<td>50,730</td>
<td>31,836</td>
<td>9,462</td>
<td>4,916</td>
<td>1,431</td>
<td>671</td>
<td>439</td>
<td>157</td>
<td>68</td>
<td>79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>k) 26+</td>
<td>246,885</td>
<td>132,359</td>
<td>84,321</td>
<td>59,284</td>
<td>21,004</td>
<td>13,151</td>
<td>4,507</td>
<td>2,177</td>
<td>1,381</td>
<td>540</td>
<td>256</td>
<td>213</td>
<td></td>
<td></td>
</tr>
<tr>
<td>l) Left Censored</td>
<td>115,564</td>
<td>84,202</td>
<td>67,216</td>
<td>59,587</td>
<td>26,031</td>
<td>19,513</td>
<td>7,030</td>
<td>3,974</td>
<td>2,752</td>
<td>1,172</td>
<td>714</td>
<td>796</td>
<td></td>
<td></td>
</tr>
<tr>
<td>m) ALL</td>
<td>2,846,416</td>
<td>1,020,772</td>
<td>598,153</td>
<td>373,345</td>
<td>115,544</td>
<td>63,851</td>
<td>19,389</td>
<td>9,588</td>
<td>6,089</td>
<td>2,287</td>
<td>1,250</td>
<td>1,357</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Business Dynamics Statistics at [http://www.census.gov/ces/dataproducts/bds](http://www.census.gov/ces/dataproducts/bds)
Table 1  Number of Firms by Firm Size and Firm Age, U.S. Private Sector, 2013 (Panel A – CURRENT YEAR SIZE)

<table>
<thead>
<tr>
<th>Firm Age</th>
<th>2013</th>
<th>a) 1 to 4</th>
<th>b) 5 to 9</th>
<th>c) 10 to 19</th>
<th>d) 20 to 49</th>
<th>e) 50 to 99</th>
<th>f) 100 to 249</th>
<th>g) 250 to 499</th>
<th>h) 500 to 999</th>
<th>i) 1000 to 2499</th>
<th>j) 2500 to 4999</th>
<th>k) 5000 to 9999</th>
<th>l) 10000+</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) 0</td>
<td>355,011</td>
<td>31,080</td>
<td>13,010</td>
<td>5,638</td>
<td>1,027</td>
<td>429</td>
<td>107</td>
<td>36</td>
<td>14</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) 1</td>
<td>217,449</td>
<td>54,247</td>
<td>26,133</td>
<td>13,599</td>
<td>3,041</td>
<td>1,070</td>
<td>247</td>
<td>83</td>
<td>41</td>
<td>12</td>
<td>9</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>c) 2</td>
<td>173,496</td>
<td>51,306</td>
<td>26,086</td>
<td>13,921</td>
<td>3,370</td>
<td>1,340</td>
<td>271</td>
<td>112</td>
<td>43</td>
<td>19</td>
<td>10</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>d) 3</td>
<td>140,548</td>
<td>45,079</td>
<td>23,735</td>
<td>13,049</td>
<td>3,230</td>
<td>1,441</td>
<td>348</td>
<td>131</td>
<td>68</td>
<td>16</td>
<td>10</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>e) 4</td>
<td>130,793</td>
<td>43,260</td>
<td>23,662</td>
<td>13,120</td>
<td>3,191</td>
<td>1,241</td>
<td>274</td>
<td>108</td>
<td>65</td>
<td>19</td>
<td>7</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>f) 5</td>
<td>135,293</td>
<td>45,235</td>
<td>25,007</td>
<td>13,866</td>
<td>3,664</td>
<td>1,433</td>
<td>349</td>
<td>124</td>
<td>67</td>
<td>16</td>
<td>6</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>g) 6 to 10</td>
<td>546,116</td>
<td>199,064</td>
<td>110,005</td>
<td>61,245</td>
<td>16,174</td>
<td>7,266</td>
<td>1,782</td>
<td>733</td>
<td>351</td>
<td>92</td>
<td>51</td>
<td>72</td>
<td></td>
</tr>
<tr>
<td>h) 11 to 15</td>
<td>353,738</td>
<td>142,930</td>
<td>84,220</td>
<td>50,448</td>
<td>14,850</td>
<td>7,213</td>
<td>1,832</td>
<td>852</td>
<td>497</td>
<td>136</td>
<td>67</td>
<td>63</td>
<td></td>
</tr>
<tr>
<td>i) 16 to 20</td>
<td>251,419</td>
<td>108,143</td>
<td>64,028</td>
<td>37,752</td>
<td>10,372</td>
<td>4,838</td>
<td>1,211</td>
<td>587</td>
<td>371</td>
<td>107</td>
<td>52</td>
<td>64</td>
<td></td>
</tr>
<tr>
<td>j) 21 to 25</td>
<td>180,104</td>
<td>83,867</td>
<td>50,730</td>
<td>31,836</td>
<td>9,462</td>
<td>4,916</td>
<td>1,431</td>
<td>671</td>
<td>439</td>
<td>157</td>
<td>68</td>
<td>79</td>
<td></td>
</tr>
<tr>
<td>k) 26+</td>
<td>246,885</td>
<td>132,359</td>
<td>84,321</td>
<td>59,284</td>
<td>21,004</td>
<td>13,151</td>
<td>4,507</td>
<td>2,177</td>
<td>1,381</td>
<td>540</td>
<td>256</td>
<td>213</td>
<td></td>
</tr>
<tr>
<td>l) Left Censored</td>
<td>115,564</td>
<td>84,202</td>
<td>67,216</td>
<td>59,587</td>
<td>26,031</td>
<td>19,513</td>
<td>7,030</td>
<td>3,974</td>
<td>2,752</td>
<td>1,172</td>
<td>714</td>
<td>796</td>
<td></td>
</tr>
<tr>
<td>m) ALL</td>
<td>2,846,416</td>
<td>1,020,772</td>
<td>598,153</td>
<td>373,345</td>
<td>115,544</td>
<td>63,851</td>
<td>19,389</td>
<td>9,588</td>
<td>6,089</td>
<td>2,287</td>
<td>1,250</td>
<td>1,357</td>
<td></td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Business Dynamics Statistics at [http://www.census.gov/ces/dataproducts/bds](http://www.census.gov/ces/dataproducts/bds)
Table 2  Employment by Firm Size and Firm Age, U.S. Private Sector, 2013 (Panel A – CURRENT YEAR SIZE)

<table>
<thead>
<tr>
<th>Firm Age</th>
<th>2013</th>
<th>Firm Size</th>
<th>a) 1 to 4</th>
<th>b) 5 to 9</th>
<th>c) 10 to 19</th>
<th>d) 20 to 49</th>
<th>e) 50 to 99</th>
<th>f) 100 to 249</th>
<th>g) 250 to 499</th>
<th>h) 500 to 999</th>
<th>i) 1000 to 2499</th>
<th>j) 2500 to 4999</th>
<th>k) 5000 to 9999</th>
<th>l) 10000+</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) 0</td>
<td>829,995</td>
<td>379,003</td>
<td>335,265</td>
<td>320,825</td>
<td>136,366</td>
<td>126,305</td>
<td>74,571</td>
<td>47,220</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>b) 1</td>
<td>433,349</td>
<td>361,965</td>
<td>366,996</td>
<td>424,149</td>
<td>211,656</td>
<td>160,675</td>
<td>83,748</td>
<td>47,219</td>
<td>46,581</td>
<td>22,187</td>
<td>194</td>
<td>2,212</td>
<td>194</td>
<td>2,212</td>
</tr>
<tr>
<td>c) 2</td>
<td>350,159</td>
<td>334,768</td>
<td>356,879</td>
<td>423,378</td>
<td>234,875</td>
<td>202,085</td>
<td>91,840</td>
<td>73,528</td>
<td>58,132</td>
<td>32,261</td>
<td>10,796</td>
<td>492</td>
<td>10,796</td>
<td>492</td>
</tr>
<tr>
<td>d) 3</td>
<td>283,086</td>
<td>291,584</td>
<td>321,268</td>
<td>397,755</td>
<td>224,475</td>
<td>220,685</td>
<td>115,190</td>
<td>85,568</td>
<td>80,633</td>
<td>32,633</td>
<td>20,504</td>
<td>39,156</td>
<td>20,504</td>
<td>39,156</td>
</tr>
<tr>
<td>e) 4</td>
<td>262,761</td>
<td>278,557</td>
<td>318,876</td>
<td>395,752</td>
<td>229,644</td>
<td>186,701</td>
<td>92,884</td>
<td>71,176</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>f) 5</td>
<td>271,735</td>
<td>291,324</td>
<td>335,414</td>
<td>418,420</td>
<td>252,607</td>
<td>214,312</td>
<td>116,327</td>
<td>81,374</td>
<td>63,702</td>
<td>23,580</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>g) 6 to 10</td>
<td>1,107,250</td>
<td>1,271,565</td>
<td>1,465,158</td>
<td>1,834,680</td>
<td>1,113,452</td>
<td>1,085,282</td>
<td>589,537</td>
<td>466,961</td>
<td>386,384</td>
<td>213,503</td>
<td>176,641</td>
<td>114,994</td>
<td>176,641</td>
<td>114,994</td>
</tr>
<tr>
<td>h) 11 to 15</td>
<td>731,798</td>
<td>909,307</td>
<td>1,117,169</td>
<td>1,513,340</td>
<td>1,022,186</td>
<td>1,092,557</td>
<td>616,177</td>
<td>534,177</td>
<td>633,548</td>
<td>374,007</td>
<td>209,665</td>
<td>352,101</td>
<td>209,665</td>
<td>352,101</td>
</tr>
<tr>
<td>i) 16 to 20</td>
<td>528,265</td>
<td>685,334</td>
<td>847,520</td>
<td>1,123,580</td>
<td>709,841</td>
<td>729,716</td>
<td>414,034</td>
<td>372,899</td>
<td>457,602</td>
<td>290,657</td>
<td>261,034</td>
<td>569,101</td>
<td>261,034</td>
<td>569,101</td>
</tr>
<tr>
<td>j) 21 to 25</td>
<td>385,283</td>
<td>532,286</td>
<td>670,636</td>
<td>951,505</td>
<td>650,022</td>
<td>744,825</td>
<td>488,236</td>
<td>431,566</td>
<td>580,982</td>
<td>428,118</td>
<td>339,652</td>
<td>1,343,539</td>
<td>339,652</td>
<td>1,343,539</td>
</tr>
<tr>
<td>k) 26+</td>
<td>546,959</td>
<td>838,787</td>
<td>1,117,431</td>
<td>1,789,877</td>
<td>1,452,904</td>
<td>2,018,917</td>
<td>1,527,167</td>
<td>1,456,594</td>
<td>1,929,580</td>
<td>1,672,649</td>
<td>1,475,484</td>
<td>4,508,156</td>
<td>1,475,484</td>
<td>4,508,156</td>
</tr>
<tr>
<td>l) Left Censored</td>
<td>268,272</td>
<td>540,444</td>
<td>899,279</td>
<td>1,832,284</td>
<td>1,817,895</td>
<td>3,006,281</td>
<td>2,402,023</td>
<td>2,672,493</td>
<td>3,973,055</td>
<td>3,590,850</td>
<td>4,046,669</td>
<td>25,624,456</td>
<td>4,046,669</td>
<td>25,624,456</td>
</tr>
<tr>
<td>m) ALL</td>
<td>5,998,912</td>
<td>6,714,924</td>
<td>8,151,891</td>
<td>11,425,545</td>
<td>8,055,535</td>
<td>9,788,341</td>
<td>6,611,734</td>
<td>6,340,775</td>
<td>8,321,486</td>
<td>6,738,218</td>
<td>6,559,020</td>
<td>32,556,671</td>
<td>6,559,020</td>
<td>32,556,671</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Business Dynamics Statistics at [http://www.census.gov/ces/dataproducts/bds](http://www.census.gov/ces/dataproducts/bds)
## Table 3  Net Job Creation by Firm Size and Firm Age, U.S. Private Sector, 2013 (Panel A – CURRENT YEAR SIZE)

<table>
<thead>
<tr>
<th>Firm Age</th>
<th>a) 1 to 4</th>
<th>b) 5 to 9</th>
<th>c) 10 to 19</th>
<th>d) 20 to 49</th>
<th>e) 50 to 99</th>
<th>f) 100 to 249</th>
<th>g) 250 to 499</th>
<th>h) 500 to 999</th>
<th>i) 1000 to 4999</th>
<th>j) 2500 to 4999</th>
<th>k) 5000 to 9999</th>
<th>l) 10000+</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) 0</td>
<td>829,995</td>
<td>379,003</td>
<td>335,265</td>
<td>320,825</td>
<td>136,366</td>
<td>126,305</td>
<td>74,571</td>
<td>47,220</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>b) 1</td>
<td>133,543</td>
<td>-3,534</td>
<td>6,167</td>
<td>3,107</td>
<td>-25,541</td>
<td>-31,240</td>
<td>10,015</td>
<td>-587</td>
<td>6,262</td>
<td>-114</td>
<td>698</td>
<td></td>
</tr>
<tr>
<td>c) 2</td>
<td>-64,038</td>
<td>-11,262</td>
<td>1,484</td>
<td>3,709</td>
<td>4,901</td>
<td>6,279</td>
<td>2,389</td>
<td>-3,323</td>
<td>4,276</td>
<td>-2,323</td>
<td>-157</td>
<td></td>
</tr>
<tr>
<td>d) 3</td>
<td>-46,455</td>
<td>-14,329</td>
<td>-1,566</td>
<td>1,502</td>
<td>6,285</td>
<td>5,499</td>
<td>2,176</td>
<td>4,880</td>
<td>7,602</td>
<td>2,883</td>
<td>286</td>
<td>3,055</td>
</tr>
<tr>
<td>e) 4</td>
<td>-40,013</td>
<td>-12,693</td>
<td>-5,320</td>
<td>1,747</td>
<td>7,408</td>
<td>6,959</td>
<td>5,630</td>
<td>2,796</td>
<td>7,907</td>
<td>D</td>
<td>D</td>
<td>1,179</td>
</tr>
<tr>
<td>f) 5</td>
<td>-36,421</td>
<td>-12,742</td>
<td>-6,558</td>
<td>1,713</td>
<td>4,740</td>
<td>3,154</td>
<td>1,651</td>
<td>8,469</td>
<td>D</td>
<td>-2,673</td>
<td>D</td>
<td>-381</td>
</tr>
<tr>
<td>g) 6 to 10</td>
<td>-131,557</td>
<td>-58,008</td>
<td>-31,015</td>
<td>-16,127</td>
<td>5,313</td>
<td>10,462</td>
<td>17,151</td>
<td>15,658</td>
<td>21,932</td>
<td>17,831</td>
<td>20,336</td>
<td>10,463</td>
</tr>
<tr>
<td>h) 11 to 15</td>
<td>-78,900</td>
<td>-42,166</td>
<td>-28,666</td>
<td>-26,332</td>
<td>1,081</td>
<td>9,606</td>
<td>18,002</td>
<td>5,217</td>
<td>15,341</td>
<td>1,794</td>
<td>3,839</td>
<td>3,057</td>
</tr>
<tr>
<td>j) 21 to 25</td>
<td>-42,741</td>
<td>-25,253</td>
<td>-14,207</td>
<td>-14,124</td>
<td>928</td>
<td>12,008</td>
<td>12,158</td>
<td>4,414</td>
<td>615</td>
<td>25,026</td>
<td>6,138</td>
<td>79,203</td>
</tr>
<tr>
<td>l) Left Censored</td>
<td>-36,892</td>
<td>-34,032</td>
<td>-37,966</td>
<td>-45,161</td>
<td>-9,256</td>
<td>41,533</td>
<td>49,335</td>
<td>44,069</td>
<td>100,452</td>
<td>96,784</td>
<td>119,118</td>
<td>486,066</td>
</tr>
<tr>
<td>m) ALL</td>
<td>95,781</td>
<td>84,023</td>
<td>153,223</td>
<td>182,211</td>
<td>136,334</td>
<td>240,698</td>
<td>257,245</td>
<td>187,139</td>
<td>228,340</td>
<td>210,386</td>
<td>185,661</td>
<td>785,942</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Business Dynamics Statistics at https://www.census.gov/ces/dataproducts/bds
Some Applications
Understanding Job Creation: Who Creates Job?
LBD: Large vs Small vs Young

Important to put job creation and destruction in context…
High Growth/Declining Firms

69% Of Creation Accounted For by Establishments With Annual Growth Rates > 30 percent

71% Of Destruction Accounted For by Establishments With Annual Growth Rates < -30 percent
Understanding Creative Destruction and Productivity Growth
Census Data: Productivity Growth

“Up or Out” dynamics play critical roles....
Understanding Trends and Cycles
Job Creation from Startups

Startups’ contribution to total number of jobs remains at a historic low in 2013. Startups were hit hard in the Great Recession (2008–2009) and have not yet recovered.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>3.8%</td>
</tr>
<tr>
<td>1998</td>
<td>3.2%</td>
</tr>
<tr>
<td>2006</td>
<td>3.0%</td>
</tr>
<tr>
<td>2013</td>
<td>2.0%</td>
</tr>
</tbody>
</table>
Recovery by the Oldest Firms Continued in 2013
Net Job Creation at Startups and Firms 26 Years and Older: 2006-2013

Net job creation by the oldest firms (those 26 years and older) increased in 2013 reaching prerecession levels with 1.0 million net new jobs created. In contrast, startups’ contribution to net job creation in 2013 was 2.3 million, well below its prerecession peak of 3.5 million jobs in 2006.
Understanding Entrepreneurial Activity Across States
In 2013 most states in the West experienced above average job creation rates from startups, exceeding the 2.0 percent U.S. average. Most states in the Midwest experienced below average job creation rates from startups.
Understanding Trading Firms
Exporters vs Non Exporters: Firms

Share of Firms by Exporting Status
Average 2001-2011, Excludes Canada Matches

[Bar chart showing the share of firms categorized as Exporters and NonExporters over the period 2001-2011, excluding Canada matches.]
Exporters vs Non Exporters: Employment
U.S. Manufacturing: Net Job Creation Exporters/Non Exporters

Net Job Creation Rate in the Manufacturing Sector
By Exporting Status (2001-2011)

- Exporter
- Non-Exporter

Own calculations from LFFTD
US Census Bureau
Understanding Innovation
U.S. Economy: Innovators/Non

Share of Firms by Innovating Status
Average 2005-2008

[Bar chart showing the share of firms by innovating status with a significant majority in the NonInnovator category]

United States Census Bureau
U.S. Department of Commerce
Economics and Statistics Administration
U.S. CENSUS BUREAU
census.gov
U.S. Economy: Innovators/Non

Share of Employment by Innovating Status
Average 2005-2008

Innovator  NonInnovator
Net Job Creation Rate: Innovators/Non

Net Job Creation Rate by Innovating Status

United States Census Bureau
U.S. Department of Commerce
Economics and Statistics Administration
U.S. CENSUS BUREAU
census.gov
Filling Data Gaps: The Business Dynamics Statistics Program

- Enhances the LBD to fill missing data gaps
  - Timeliness
  - Small area statistics
  - Imports/exports
  - Innovative activities of firms
    - Patents and Trademarks
  - Characteristics of business owners
  - Enterprise Demography Statistics
    - Examines firm demography events and impact on employment through: Firm births and deaths, establishment, acquisitions, divestitures, greenfield entry, exit.
Summary

• Very rich data by itself and when linked to other products
• A NAS study “Understanding Business Dynamics” discusses the importance of these data for accurate and timely measurement of critical economic and social concepts

U.S. Census Bureau:
Measuring America—People, Places, and Our Economy
Helping you make informed decisions!
More information about LBD and BDS can be found at

Center for Economic Studies
http://www.census.gov/ces

You can email me at Javier.miranda@census.gov