



## DEPARTMENT OF COMMERCE

### Census Bureau

### **Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Manufacturers' Shipments, Inventories, and Orders Survey**

The Department of Commerce will submit the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. We invite the general public and other Federal agencies to comment on proposed, and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public's reporting burden. Public comments were previously requested via the Federal Register on September 3, 2020 during a 60-day comment period. This notice allows for an additional 30 days for public comments.

*Agency:* Census Bureau.

*Title:* Manufacturers' Shipments, Inventories, and Orders (M3) Survey.

*OMB Control Number:* 0607-0008.

*Form Number(s):* M-3(SD).

*Type of Request:* Regular submission, Request for a Revision of a Currently Approved Collection.

*Number of Respondents:* 5,000.

*Average Hours Per Response:* 20 minutes.

*Burden Hours:* 20,000.

*Needs and Uses:* The U.S. Census Bureau is requesting a revision of the currently approved collection for the Manufacturers' Shipments, Inventories, and Orders (M3) survey. This survey collects monthly data from domestic manufacturers on Form M-3 (SD), which is

mailed at the end of each month. Data requested are shipments, new orders, unfilled orders, and inventories by stage of fabrication. It is currently the only survey that provides broad-based monthly statistical data on the economic conditions in the domestic manufacturing sector. The survey is designed to measure current industrial activity and to provide an indication of future production commitments. The value of shipments measures the value of goods delivered during the month by domestic manufacturers. Estimates of new orders serve as an indicator of future production commitments and represent the current sales value of new orders received during the month, net of cancellations. Substantial accumulation or depletion of backlogs of unfilled orders measures excess (or deficient) demand for manufactured products. The level of inventories, especially in relation to shipments, is frequently used to monitor the business cycle.

The M3 survey has been conducted monthly by the U.S. Census Bureau since 1957. The Advance Report on Durable Goods, Manufacturers' Shipments, Inventories and Orders is an advance snapshot of the current value of manufacturing in the U.S. It is available about 18 working days after each month. The M3 survey also produces the Full Report on Manufacturers' Shipments, Inventories and Orders. This report details information on the durable goods industries, and also includes the non-durable goods industries. In addition, the Full Report captures late receipts, and is available about 23 working days after each month. Beginning in 2021, the U.S. Census Bureau will be accelerating the non-durable manufacturing data in the advance high-level total manufacturing estimates for shipments and inventories. This additional data release will provide data users with early access to total manufacturing estimates, giving an early snapshot of the direction of this critical indicator. Prior to releasing the advance total manufacturing data, the U.S. Census Bureau submitted a memo of exception to the Office of Management and Budget. The advance statistics for shipments and inventories will be released at the same time as the Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders.

The notice in the Federal Register on September 3, 2020 (Volume 85, No. 172, Pages

54981-54982) announcing our plans to submit this request included information on the possible upcoming collection of a new module of business expectation. At this time, research and testing for an uncertainty pilot collection is still underway; once any concrete timeline is determined, a request for this additional module will be submitted.

The M3 survey provides an essential component of the current economic indicators needed for assessing the evolving status of the economy and formulating economic policy. The Office of Information and Regulatory Affairs (OIRA), Office of Management and Budget (OMB) has designated this survey as a principal federal economic indicator. The shipments and inventories data are essential inputs to the gross domestic product (GDP), while the orders data are direct inputs to The Conference Board Leading Economic Index (LEI), which is a composite index of ten key elements designed to monitor the business cycle (<https://www.conference-board.org/data/bcicountry.cfm?cid=1>). The GDP and the LEI would be incomplete without these data. Orders for durable goods are an important leading economic indicator. Businesses and consumers generally place orders for durable goods when they are confident the economy is improving. A durable goods report showing an increase in orders is a sign that the economy is trending upwards. Durable goods orders tell investors what to expect from the manufacturing sector, a major component of the economy. The M3 survey also provides valuable and timely domestic manufacturing data for economic planning and analysis to business firms, trade associations, research and consulting agencies, and academia.

The data are used for analyzing short- and long-term trends, both in the manufacturing sector and as related to other sectors of the economy. The data on value of shipments, especially when adjusted for change in inventories, measure current levels of production. New orders figures serve as an indicator of future production commitments. Changes in the level of unfilled orders, because of excess or shortfall of new orders compared with shipments, are used to measure the excess (or deficiency) in the demand for manufactured products. Changes in the level of inventories and the relation of these to shipments are used to project future movements

in manufacturing activity. These statistics are valuable for analysts of business cycle conditions, including members of the Council of Economic Advisers (CEA), the Bureau of Economic Analysis (BEA), the Federal Reserve Board (FRB), the Department of the Treasury, The Conference Board, business firms, trade associations, private research and consulting agencies, and the academic community.

*Affected Public:* Business or other for-profit organizations.

*Frequency:* Monthly.

*Respondent's Obligation:* Voluntary.

*Legal Authority:* Title 13, United States Code, Sections 131, 182, and 193.

This information collection request may be viewed at [www.reginfo.gov](http://www.reginfo.gov). Follow the instructions to view the Department of Commerce collections currently under review by OMB.

Written comments and recommendations for the proposed information collection should be submitted within 30 days of the publication of this notice on the following website [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function and entering either the title of the collection or the OMB Control Number 0607-0008.

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