Business Questions in Survey of Consumer Finances 2009 Panel

June 4, 2010

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2009 SCF Panel

- SCF normally conducted every three years
- Due to extraordinary economic circumstances, Board authorized the re-interview of 2007 SCF respondents
- Interviews were attempted with all HHs between July and December 2009
- Briefer interview to encourage participation
- Data currently being processed

Actively managed businesses 2007 SCF (1)

—Separate information collected on up to 3 businesses—

- Industry
- How acquired
- Year started
- Number of employees
- Who works in the business
- Organizational form

Actively managed businesses 2007 SCF (2)

—Separate information collected on up to 3 businesses—

- Share owned by HH
- Current value
- Original investment (cost basis)
- Total sales in previous year
- Net income in previous year

Actively managed businesses 2007 SCF (3)

—Separate information collected on up to 3 businesses—

- Use of personal assets as guarantees or collateral
  - How much guaranteed or collateralized?
- Personal loans to the business
  - How much?
- Loans from business to the HH
  - How much?
- NOTE: Information on loans and assets of the business not related to the HH are NOT collected

2009 SCF Panel Actively-Managed Businesses Questions (1)

—Only HHs that reported actively managed business in 2007—

- If HH reports no actively managed business but reported one in 2007, ask:
- At the time of the last interview, you reported owning a business that was not publicly traded and that you actively managed. Did you sell the business, did it/they go out of business, did it go public, or something else?
  - SOLD
  - WENT OUT OF BUSINESS; CLOSED; DISCONTINUED; FIRM/PARTNERSHIP SHARE DISCONTINUED AT DEATH
  - WENT PUBLIC
  - STILL OWN THE BUSINESS, BUT NO LONGER MANAGE
  - OTHER

2009 SCF Panel Actively-Managed Businesses Questions (2)

— Jointly of all actively managed businesses —

- Number actively managed businesses owned
- Total number of people working for all such businesses
- Use of personal assets as guarantees or collateral
  - How much guaranteed or collateralized?
- Personal loans to the business
  - How much?
- Loans from business to the HH
  - How much?
- NOTE: Information on loans and assets of the business not related to the HH are NOT collected
- Net worth of the shares of the businesses owned by HH

2009 SCF Panel Actively-Managed Businesses Questions (3)*

— Jointly of all actively managed businesses —

A1 [Has the business/Have any of the businesses] applied for any type of credit or loan in the last two years?

A2 In the past two years, has a particular lender or creditor turned down any request [the business/any of your businesses] made for credit, or not given the business as much credit as requested?

A3 Did the business later obtain the full amount requested, either by reapplying to the same institution or by applying elsewhere?

*Only asked if at least one actively managed business with fewer than 500 employees

2009 SCF Panel Actively-Managed Businesses Questions (4)*

— Jointly of all actively managed businesses —

A4 On the most recent occasion, what reasons were given for [being turned down for credit?/being unable to get as much credit as the business applied for?]

A5 Was there any time in the past five years that [the business/any of your businesses] thought of applying for credit at a particular place, but decided not to because it was thought it might be turned down?

A6. On the most recent occasion, why did you expect to be turned down?

*Only asked if at least one actively managed business with fewer than 500 employees

Active Business Ownership: 2007 SCF

- 1,286 families reported actively managing at least one business (29 percent of unweighted sample, 12.5 percent of weighted sample)
- 1,218 of these households had at least one primary actively-managed business with fewer than 500 employees
- 404 families reported actively managing more than one business