

2007 ECONOMIC CENSUS OF PUERTO RICO Wholesale Trade

INFORMATION SHEET

The 2007 Economic Census covering the Wholesale Trade sector includes establishments primarily engaged in the selling or arranging the purchase or sale of goods, selling goods for resale, selling capital or durable nonconsumer goods, and selling raw and intermediate materials and supplies used in production.

Most wholesale establishments exhibit the following characteristics:

- Wholesalers usually operate from a warehouse or office. These warehouses and offices are characterized by having little or no display merchandise. In addition, neither the design nor the location of the premises is intended to solicit walk-in traffic.
- Wholesalers do not usually use advertising directed to the general public. Customers are generally reached initially via telephone, in-person marketing, or by specialized advertising.

If an establishment is **NOT** engaged in one of these kinds of businesses, **DESCRIBE** its business or activity in **ITEM 19A AND COMPLETE** the report form as accurately as possible.

DEFINITION OF ESTABLISHMENT

An **establishment** is generally a single physical location where business is conducted or where services or industrial operations are performed. This includes all selling and service locations and any other facilities, such as warehouses or administrative offices, that were in operation at any time during 2007. Locations with no employees (such as unmanned warehouses) are not considered separate establishments. Report separate data for each establishment.

GENERAL INSTRUCTIONS

- Complete a separate report form for each establishment owned or controlled by your company or organization. If you did not receive a separate report form for each establishment, visit our web site at www.census.gov/econhelp or call 1-800-233-6136, between 8:00 a.m. and 6:00 p.m., Eastern time, Monday through Friday, to request additional report forms.

- Each report form should cover calendar year 2007. If book figures are not available, **estimates are acceptable**. However, if the accounting fiscal year is different from the calendar year, fiscal year figures will be acceptable for all items except payroll (calendar year figures for payroll should be available from the Internal Revenue Service (IRS) Form 941-PR, Employer's Quarterly Federal Tax Return). Indicate in item **30** the exact dates covered.
- If an establishment stopped operating before January 1, 2007, indicate action and date in item **3**, mark (X) the box to indicate "none" in item **4**, and continue to item **30**.
- If an establishment was closed, sold, or leased to another company or organization during 2007, complete the report form for the portion of 2007 that the establishment was operating as part of your company or organization.
- Sales and payroll data should be rounded to the nearest thousand dollars as illustrated on the report form.
- If there are any questions or if any communication regarding this report form is necessary, reference the 11-digit Census File Number (CFN) shown in the mailing address.
- Please photocopy each completed report form for your records and return the original.
- Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: Paperwork Project 0607-0937, U.S. Census Bureau, 4600 Silver Hill Road, AMSD-3K138, Washington, DC 20233. You may e-mail comments to Paperwork@census.gov; use "Paperwork Project 0607-0937" as the subject.
- You are not required to respond to any information collection unless it displays a valid approval number from the Office of Management and Budget (OMB). The OMB eight-digit number appears in the upper right corner of the report form.

INSTRUCTIONS FOR SELECTED ITEMS

2. PHYSICAL LOCATION

Answer both sections (A and B) of item 2 even if the mailing address shown is correct.

3. OPERATIONAL STATUS

Mark (X) the **ONE** box that best describes the operational status of the establishment at the **end of 2007**.

- **In operation** - The establishment was open and actively conducting business on December 31, 2007.
- **Temporarily or seasonally inactive** - Although not conducting business at the end of 2007, the establishment will eventually reopen and conduct business under the same Employer Identification Number (EIN). Examples include businesses or establishments that temporarily close for remodeling. Complete all items on the form for the portion of 2007 during which the establishment was active.
- **Ceased operation** - The establishment has gone out of business or closed and does not plan to reopen. Provide the **month, day, and year** that the establishment ceased operation. Complete all items for the portion of 2007 during which the establishment was in operation.
- **Sold or leased to another operator** - The establishment was sold or leased to another company or organization. Provide the **month, day, and year** that the change occurred and indicate the name, address, and the EIN of the new owner or operator. Complete all items on the form for the portion of 2007 prior to the change in operator.
- **Other status** - The establishment's operational status at the end of 2007 is not accurately described above. Please describe the establishment's operational status in the space provided.

5. SALES, SHIPMENTS, RECEIPTS, OR REVENUE

A. Report total sales of merchandise and other operating receipts in thousands of dollars for the calendar year 2007.

Include:

- Cash and credit sales of merchandise sold in 2007, whether or not payment was received in 2007.
- Receipts for delivery, installation, maintenance, repair, alteration, storage, and other services provided in 2007, whether or not payment was received in 2007.

- The gross selling value of goods that the establishment sold or purchased on a commission, brokerage, consignment, or agency basis for others.
- The actual value of trade-ins taken as partial payment for other merchandise.
- Receipts from the rental and leasing of merchandise.
- Excise taxes (such as those on **gasoline, liquor, and tobacco**) which are paid by the manufacturer and included in the cost of goods purchased.
- Liquor and tobacco tax stamps, taxes, and licenses sold.
- Shipping and handling receipts collected from customers.

Exclude:

- Sales and other taxes collected directly from customers and paid directly to the commonwealth, or federal tax agency.
 - Receipts from carrying and other credit charges.
 - Nonoperating income from sources such as investments, rental or sale of real estate, and interest.
 - Commissions received for selling and buying goods.
 - Refund or allowances for returned merchandise.
 - Transfers (billings) to other establishments in the company.
- B.** Answer "Yes" if the establishment earned a commission or brokerage fee for transactions negotiated for others.
- C.** Report the market value of products bought or sold by others on which the establishment earned a commission or fee.

If actual sales are unavailable, estimate the value by dividing actual commissions received by the average percentage charged for sales activity.

For example, if commissions received totaled \$200,000 and the average commission is estimated as 5 percent, then the gross selling value is \$4,000,000 (\$200,000/.05).

D. Report the amount of commissions, brokerage, or agency fees received for transactions reported in item **5C**.

Note: Items **F** and **G** apply only to multi-establishment firms.

F. Report the percentage of total sales (as reported in item **5A**) accounted for by products which were mined or manufactured in the United States, Puerto Rico, U.S. territories, or its Foreign Trade Zones by **your** firm (including parent, subsidiaries, and corporate affiliates).

- G. Report the fair sales value of goods transferred to establishments owned by this firm.

6. E-COMMERCE SALES, SHIPMENTS, RECEIPTS, OR REVENUE

E-commerce transactions are transactions completed over an Internet, electronic mail, Extranet, Electronic Data Interchange (EDI) network, or other online system.

Include:

- The gross selling value of business conducted on a commission basis over the Internet, Extranet, EDI network, electronic mail, or other online system.
- Sales generated from agreements negotiated online between buyer and seller on price and terms of a transfer of ownership of, or rights to use, goods or services.
- Online sales of goods or services, regardless of whether payment is made online.
- Receipts generated from selling or from facilitating the sale of third party products (e.g., click-throughs on advertisements or referral fees) through the establishment's web site.
- Sales generated from telephone transactions using interactive voice response systems.
- Shipping and handling receipts for online orders.

Exclude:

- Online payments from customers where the order or contract was **not** negotiated online.
- Provisions of telecommunications and related infrastructure systems (e.g., data transfer, Web hosting, Internet access, etc.) where the order or contract was **not** negotiated online.
- Sales from orders for goods or services placed over facsimile machines or switched telephone networks.

7. EMPLOYMENT AND PAYROLL

A. Number of paid employees

Report number of paid employees for pay period including March 12, 2007.

If employees worked at more than one location, report employment and payroll for employees at the **ONE** location where they spent most of their working time.

Include:

- All full- and part-time employees working at this establishment whose payroll was reported on Internal Revenue Service Form 941-PR, Employer's Quarterly Federal Tax Return, and filed under the Employer Identification Number (EIN) shown in the mailing address or corrected in item 1.

- Salaried officers and executives of a corporation.
- Employees on paid sick leave, paid vacations, and paid holidays.

Exclude:

- Temporary staffing obtained from a staffing service.
- Employees of departments or concessions operated by other companies at this establishment.
- Proprietors or partners of an unincorporated business.
- Unpaid family members.

B. Payroll

Include:

- Wages, salaries, tips, vacation allowances, bonuses, commissions, and other compensation paid to employees during 2007, whether or not subject to income or FICA tax.
- Salaries of officers and executives of a corporation.
- Employee contributions to qualified pension plans.

Exclude:

- Payments to or withdrawals by proprietors or partners of an unincorporated business.
- Annuities or supplemental unemployment compensation benefits, even if income tax was withheld.
- Payrolls of departments or concessions operated by other companies at the establishment.

11. INVENTORIES

- A. If the establishment had inventories at the end of either 2006 or 2007, answer "Yes."
- B. Report the total value of merchandise inventories the establishment owned on December 31, 2007 and on December 31, 2006. Exclude the value of inventories held at the establishment but owned by others.

Report inventories at cost or market value using generally accepted accounting principles.

16. SELECTED EXPENSES

A. Operating Expenses

Report total operating expenses for 2007.

Include:

- Total annual payroll reported in item 7.
- Fringe benefits and supplements to wages and salaries.
- Liquor and tobacco tax stamps, taxes, and license fees.

- Equipment which was expensed (rather than capitalized) during 2007.
- Depreciation and amortization charged in 2007, including depreciation charges on equipment obtained through a capital or full payout lease, or on equipment rented to others through an operating lease.
- Lease and rental payments made in 2007 for equipment leased under an operating lease.
- Commissions paid to others.

Exclude:

- Purchase of goods for resale.
- Income taxes.
- Sales and other taxes collected directly from customers and paid directly to a federal or commonwealth tax agency.
- Interest expenses.
- Payments to or withdrawals by proprietors and partners of an unincorporated firm.
- Lease payments for merchandise obtained through capital, finance or full payout leases.

19A. KIND OF BUSINESS

Choose the **ONE** kind of business that best describes the establishment in 2007. If none of the provided selections seem appropriate, mark (X) the box next to "Other kind of business," at the end of item **19A** and provide a specific description of the primary business activity.

19B. TYPE OF OPERATION

Mark (X) only one principal type of operation for this establishment.

Merchant wholesaler - A company or establishment engaged in buying merchandise on its own account produced by other firms and selling them using the wholesale method.

- Importer - Purchasing and selling merchandise made outside of Puerto Rico and that does not bear the importer's own brand name.
- Exporter - Purchasing goods in Puerto Rico from unrelated firms and selling them for delivery outside Puerto Rico.
- Merchant wholesale distributor or jobber - Buying merchandise from unrelated domestic manufactures and selling the goods to customers in Puerto Rico.
- Own-brand importer and marketer - A company or establishment that deals primarily or exclusively in the parent company's own branded products manufactured outside Puerto Rico.

Manufacturers' sales branch or office - Establishments owned by firms or corporately affiliated with a manufacturer primarily engaged in selling goods mined or manufactured by the parent in the United States or Puerto Rico.

Agent, broker, or commission merchant - A company or establishment primarily engaged in buying and selling merchandise on a commission, brokerage, or agency basis for others rather than dealing primarily on its own account.

- Auction company - Selling merchandise for the account of others at wholesale from a permanent location by the auction method.
- Broker, representing buyers and sellers - Buying and selling merchandise on a brokerage basis for others in the Puerto Rico market, but not receiving goods on consignment.
- Commission merchant - Receiving goods on consignment and selling them on a commission basis in the Puerto Rico market.
- Import agent - Representing, on an agency basis, domestic firms selling foreign-made merchandise for delivery inside Puerto Rico and collecting a commission for the sale of goods.
- Export agent - Representing on an agency basis, domestic firms selling Puerto Rico merchandise for delivery outside Puerto Rico and collecting a commission for the sale of goods.
- Manufacturers' agent - Selling merchandise on a commission basis for a limited number of manufacturers on a continuing agency basis.

Electronic market - Business-to-business marketplace that facilitates the sale of goods via the Internet or other electronic means, and operates on a commission or fee basis.

Other broker or agent such as real estate, mortgage, or loan. Please specify type in space provided.

20. CLASS OF CUSTOMER

D. For each type of customer that this establishment serves, enter the percentage of the establishment's total sales and receipts reported in item **5A**.

- 1.** Household consumers and individual users – Include sales to individuals or employees buying for personal consumption.
- 2.** Export Sales – Include sales to buyers outside of Puerto Rico including to Foreign Sales Corporations (FSCs).
- 3.** Retailers for resale – Include sales to all types of retailers (that is, retail chain organizations, independent stores, or department stores) that normally buy for resale to household consumers.

4. Wholesale establishments for resale – In addition to sales to merchant wholesalers, include sales that were made through agents, brokers, and commission merchants.
5. Repair shops for use in repair work – Include sales to all types of repair facilities.
6. Manufacturing industrial users for use as input goods in production – Include sales to manufacturers located in Puerto Rico.
7. Restaurants, hotels, food services, and contract feeding– Include sales to caterers, contract feeders, and **all** eating and drinking establishments.
8. Businesses for end use in their own operation, not for resale or production – Include sales to laboratories, institutions, public utilities, service businesses, and other such users that are buying for business use rather than for resale.
9. Building contractors, heavy construction, and special trade contractors – Include only sales for construction purposes.
10. Farmers for use in farm production – Include only sales of products for use in agricultural production.
11. Federal government - Include sales to the federal government (including military post exchanges, General Services Administration, U.S. Postal Service, and other agencies).
12. Commonwealth of Puerto Rico Government - Include sales to the commonwealth government.
13. Municipal governments - Include sales to the municipal governments.
14. Other - *Specify*– Report the percentage of sales not elsewhere classified and describe the type of customer.

22. DETAIL OF SALES, SHIPMENTS, RECEIPTS, OR REVENUE

- Report either in thousands of dollars OR as a whole percent of total sales as illustrated on the report form. It is not necessary to report in both dollars and percentages. Percentages are preferable.
- **Estimates are acceptable**, but please **do not** combine data for two or more lines.
- If the establishment sold merchandise not covered in the prelisted categories, report the sales of such merchandise on the “Miscellaneous commodities” line and specify principal lines with their estimated sales or percent of sales.
- Receipts for rentals, storage, repair work, and service contracts should be reported on the line “Nonmerchandise receipts” at the end of the listing. **Do not include** such receipts with the commodity sales.

- The sum of commodity lines reported should equal 100 percent (or the amount reported in item **5A** if the lines are reported in dollars).

26. SPECIAL INQUIRIES

A. *Employment by Primary Function*

Indicate the number of employees, as reported in item **7A** by the employee’s primary function.

1. Selling – Include employees engaged in sales activities, traveling salespeople, truck salespeople, and selling employees working out of their homes.
2. Sales support – Include employees:
 - Engaged in sales support activities such as office and clerical, warehouse, customer service, maintenance, and delivery.
 - Engaged in sorting, grading, or packaging activities in conjunction with sales operations.
 - Who provide services to this establishment such as janitorial or repair.
3. General support of other establishments – Supporting functions of other establishments in the company such as headquarters employees, regional or district managers who control more than just this establishment, corporate accountants, researchers, and central warehouse employees.
4. Packaging – Report the number of employees engaged in packaging.
5. Production – Report the number of employees engaged in production work.
6. Assembly – Report the number of employees who combine parts into a finished product that can stand alone.
7. Other - *Specify* – Report the number of employees not elsewhere classified including employees engaged in agricultural, construction, or other activities.