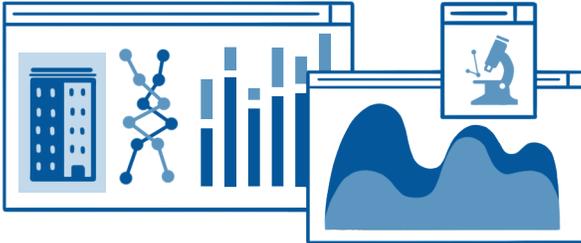


# Measuring Business Innovation and Research and Development in the United States



## The Annual Business Survey

Innovation and research and development (R&D) are valuable to businesses in the United States. Helping to advance knowledge and grow a competitive workforce, these activities and the businesses performing them can drive economic growth.

## What is the ABS?

The Annual Business Survey (ABS) collects data on innovation, the characteristics of U.S. businesses and owners, and R&D activities of microbusiness (businesses with one to nine employees) from a sample of nonfarm, for-profit businesses located and operating in the United States. The ABS is developed and cosponsored by the National Center for Science and Engineering Statistics (NCSES) within the U.S. National Science Foundation and by the U.S. Census Bureau.

## How can I use the ABS?

### Data from the ABS can answer questions like

- How much money did U.S. microbusinesses spend on R&D in a certain year?
- What types of innovation were introduced, and in which industry?
- How much did microbusinesses in a specific state spend on R&D?
- What is the prevalence of artificial intelligence and how does it impact employees?
- What factors interfered with innovation?



## Why is the ABS important?

The ABS collects a wide range of information from a sample of U.S. businesses. It is the primary source of information about R&D expenditures and the R&D workforce for companies in the United States with one to nine employees, and it is the only survey to collect innovation information from employer businesses. The depth and range of the unique data collected provide a valuable perspective of U.S. business practice and activity.

For more information, the **ABS homepage** (<https://ncses.nsf.gov/surveys/annual-business-survey>) features additional details about the survey, its questionnaires, and links to related publications and products.



## Data details

### Where can I find ABS data?

ABS data can be found in several places throughout the NCSES website. On the survey's [homepage](#), the Data tab offers data tables that can be downloaded by users, and the Analysis tab chronicles all NCSES publications that use the survey's data. Additionally, NCSES is working toward making selected microdata from the ABS publicly available while protecting the confidentiality of individual businesses and their information. Currently, it can be accessed via the [Federal Statistical Research Data Centers](https://census.gov/about/adrm/fsrdc.html) (<https://census.gov/about/adrm/fsrdc.html>).

### Businesses report information such as

#### For businesses with one to nine employees

- R&D performance
- Total and R&D employment
- Sources of R&D funding
- Type of R&D work
- Type of R&D cost

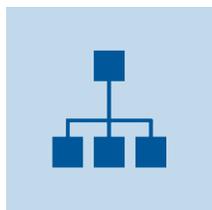
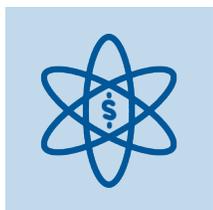
#### For businesses with one or more employees

- Characteristics of business owners
- Indicators of innovation
- Patents and intellectual property
- Technology usage
- Financing
- Management practices

R&D-specific questions are for businesses with fewer than 10 employees, but questions on innovation, financing, technology, management practices, and more are asked to these small businesses as well as companies of all sizes. Every year, updated content is incorporated into the survey to include additional topics of relevance that include nearly all aspects of the economy. (For R&D data on businesses with 10 or more employees, see the [Business Enterprise Research and Development Survey homepage](#) at <https://ncses.nsf.gov/surveys/business-enterprise-research-development>.)

## Products supported by ABS data

ABS data are used in NCSES publications, such as analytical reports and data tables.



### Survey specifics

**Frequency:** Annual

**Initial survey year:** 2017

**Reference period:** Calendar year (3-year period for innovation items)

**Response unit:** Nonfarm businesses in the United States

**Sample or census:** Sample

**Population size:** Approximately 4.6 million companies

**Sample size:** Approximately 300,000 companies



## National Center for Science and Engineering Statistics (NCSES)

For more information about NCSES's products and data collection process, visit <https://ncses.nsf.gov>. You can also explore our Surveys page at <https://ncses.nsf.gov/surveys> to learn more about NCSES surveys and the ABS, as well as its methodology, survey design, and questionnaires.