

The Bureau of Labor Statistics (BLS) has begun research into identifying establishments that outsource transformational (i.e., manufacturing) activities. Establishments that do this are known as factoryless goods producers (FGPs). Currently, FGP establishments are not consistently classified in the North American Industry Classification System (NAICS) and can be found across different industry sectors. Further, difficulty in identifying the concepts and terminology associated with outsourcing is affected by inherent differences in terminology across industries. These differences combined with unit nonresponse can negatively impact the ability to properly classify establishments. Unit nonresponse is more problematic if larger units disproportionately respond at lower rates. In the context of classifying FGPs, nonresponse can also be a greater problem if differential rates are observed across different industries. Reasons for nonresponse are related to several key factors as summarized by Willimack and Nichols (2002) which include the willingness, ability and authority to complete the survey. Another factor, relevance, can also influence the decision to participate, especially if the establishment doesn't relate to the activity requested in a familiar manner, or they feel the form was mistakenly sent to the establishment. In this paper we examine the results of a two-phase field test conducted by mail to identify FGPs. We first look at compositions of responding establishments in the first phase then discuss how changes in addressing procedures affected compositions and response to the second phase. We discuss how questionnaire changes implemented after the first phase affected respondent interpretation of concepts in the second phase. Initial results suggest that survey forms targeted to a specific department in larger units may help response and that overall response was received from persons with authority within the establishment. Finally, industry differences in terminology and procedure affect how respondents understand survey concepts.