

APPENDIX F

PRIVATE BUSINESS DATA SOURCES

Prepared by KirkWorks
under contract to the Northeast Recycling Council

Report to the Northeast Recycling Council Recycling Economic Information Project Private Business Data Sources

A range of private information providers offer data on U. S. companies that may be of use in a national recycling industry study. Information service providers collect data for credit analysis and reports, marketing and sales leads, and investment analysis. Eight of the largest private information service providers are listed in Table 1. Contact information and sample information on their data products are attached in the notebook provided with this report.

Two providers appear to be most promising for this research: American Business Information (ABI) and Dun and Bradstreet (D&B, also called iMarket Inc.). Trial CD ROMs have been obtained from these two sources for evaluation by NERC. Each contains data on more than 10 million U. S. companies.

The other information service providers would not serve as comprehensive data sources for the study because they do not include the vast majority of companies

Table 1 - Information Service Providers

Information Service	Primary Sources	Total Cos.	Company Types
American Business Information	Yellow Pages / Multiple Sources	10 million	Public, Private, Small Business, Nonprofit
Experion (formerly TRW Information)	Credit Reports	N/A	Public, Private, Small Business, Nonprofit
Gale Research Co.	Public Record, IRS, Direct Contact	120,000	Public and Large Private
Dun and Bradstreet Information Service	Credit Reports / Multiple Sources	10 million	Public, Private, Small Business, Nonprofit
Manufacturers' News Inc.	N/A	370,000	Public and Private Manufacturers
Moody's Investors Service	Public Company Reports, SEC Records	10,000	Public Companies
Robert Morris Associates	Bank and Credit Provider Reports	SIC Aggregated Data	Public and Private Companies
Thomas Register	N/A	155,000	US and Canadian Manufacturers

in the country and would likely exclude many recycling companies. However, these sources could provide excellent supplemental data. For example, Thomas Register and Manufacturers' News provide a range of information on manufacturing firms which may assist in identifying those firms utilizing recovered feedstock. Gale Research, Moody's Investors Services and other sources such as Dow Jones, OneSource and Compact dSEC provide a range of very detailed financial and other information on publicly traded companies. *Robert Morris Associates' Annual Statement Studies* offer a host a financial ratio information on an aggregate level for designated SIC codes and industry areas.

However, of the information providers contacted, **ABI and D&B offered the best products for identifying nearly all recycling companies in the country and providing some basic data on them.** A comparison of their two products is provided below in Table 2. In summary, both databases have advantages. ABI lists more companies per SIC code (56% more for SIC 5063.) ABI breaks down each SIC code more completely, with better business line descriptions (38 subheadings for SIC 5093 as vs. 4 subheadings for D&B.) ABI's software is easier to use and its products are cheaper.

However, D&B's sales and employment data is more reliable and they are a more credible source for an economic study. They also offer a product called "Enhanced DMI" for \$860/1,000 records that has three year previous sales and employment data and other company specifics beyond what is available on their Marketplace CD-ROM. Both ABI and D&B provide sales, employment, branch, SIC code, business line, and company age information on their databases. ABI also provides some advertising volume and credit estimates (based on data factors, not credit reports.) D&B offers latitude and longitude coordinates for each company that could be interfaced with a GIS system. D&B also offers import/export information on a small proportion of the companies.

Both database providers offer proprietary software that allows for records to be sorted by:

- ◆ Geography
- ◆ Business Sales
- ◆ Business Employment
- ◆ SIC Code with subcategories
- ◆ Business Description
- ◆ Business Name
- ◆ Subsidiary, Branch or HQ
- ◆ Public or Private Company

Sophisticated series of "selects" among these different criteria can be developed to focus in on the target population of companies sought by the user. D&B

software allows for more sophisticated searches, but is not as user friendly as the interface provided by ABI.

If the study budget allows, **both ABI and D&B products should be purchased and utilized to generate a complete database of U. S. recycling businesses**, in combination with governmental and other databases. Sales and employment information should be compiled first from D&B, with ABI providing “fill in” data on companies not listed with D&B. ABI information could be adjusted downward based on a comparison of their sales and employment figures with a selected sample of companies for which actual figures are available. An approach similar to this was utilized for the *North Carolina Environmental Business Study* which KirkWorks and Self-Help produced for the North Carolina Environmental Technologies Consortium. The master database, including ABI and D&B records, survey data, and queries for assigning best sales and employment figures has been provided electronically with this report.

Identifying recycling companies in the SIC 5093 and 4952 categories will be straightforward using the above methodology. **Recycling-related companies in various manufacturing and service sectors will be more difficult to identify.** If company names are available from other sources, the commercial databases can be utilized to download further business data. The databases can also be used to assess business data on entire SIC codes which may include some proportion of recycling companies. However, this approach could be more costly than using aggregate RMA or government SIC data, since all database records would have to be purchased to average and evaluate sales, employment and other data.

Neither of the products evaluated above provide for some of the data being considered for the REI project. Those types of data, along with possible sources are as follows:

Category/Measures	Data Sources
Market Information production units, tonnages, volumes, price trends, shipments, operating capacity	Government reports Company surveys Trade association reports Recycling agency data
Societal Benefits wages, tax revenue, value-added	State employment security agencies Government reports Company surveys
Capitalization/Financial Performance debt/equity, total assets, other financial ratios and indicators	Commercial databases for public cos. Company surveys for private firms

Table 2: ABI and D&B Business Database Comparison

Company	Data Available Beyond Contact Info.	Data Reliability	Cost	Cost/ 22,000 Full Records	# Cos. in SIC 5093	# 5093 Sub-Headings	Updates	Historicals / Add'l Data
American Business Information	Sales, Emp., Branch, SIC, Business Lines, Age, Advert., Credit	Contact Info: Good Sales/Employ.: Poor Coverage: Excellent	\$495 with 1,000 records + \$0.18 per extra record	\$4,275.00	18,288	38	Semi-Annually / Within One Year Free	None
Dun and Bradstreet Information Service	Sales, Emp., Branch, SIC, Business Lines, Age, Lat/Lon, Imp/Exp	ContactInfo: Good Sales/Employ.: Good Coverage: Good	\$599 with 1,000 full records + \$0.35 per extra record	\$7,949.00	11,703	4	Quarterly / Additional Charges	Enhanced DMI @ \$0.86 per record

Conclusion

Private information providers offer a growing array of data for recycling industry researchers. Company specific data allows the researcher to spot trends and changes in the industry at the “ground level” long before they would be evidenced in aggregate government or industry reports. Database providers collect new information daily on entrepreneurial recycling companies that have started up and listed their firm in the local yellow pages under “Recycling Center” or been evaluated for a credit report. Since much of the growth in the recycling industry is with these entrepreneurial, private companies, a national study would be remiss not to take advantage of data that is increasingly available in inexpensive, easily accessible CD-ROM and electronic products.

However, these company-specific sources should not be the only source of data for such a study. Government and industrial reports can provide revealing aggregate data that is not available on a company specific basis. Information on publicly traded companies is much more detailed than is available on private firms and can allow for more detailed analysis.

A thorough national recycling industry study would utilize both company specific and aggregate economic data. This information could be supplemented by the extensive research on the state and regional level that has been conducted in recent years. Finally, company survey could also be conducted for certain target populations of firms not adequately profiled from secondary sources, or to obtain more in-depth information on industry barriers, opportunities and trends.