

## September 10, 2012 revisions

Since 1955, the Federal Reserve has surveyed the finance company industry at five-year intervals to provide a comprehensive and accurate statistical snapshot of finance company lending to U.S. consumers and businesses. In recent years, a two-stage survey has been undertaken. First, the Census of Finance Companies (CFC) is conducted to identify the universe of such companies and to obtain information on the general characteristics of those firms. Second, the Survey of Finance Companies (SFC) is conducted to obtain more detailed data on the balance sheets and outstanding receivables of eligible firms identified in the CFC. The most recent CFC and SFC were conducted in 2010 and 2011, respectively. These surveys also serve as the benchmark for the monthly finance company data that the Federal Reserve collects from a smaller set of companies (FR2248). This data collection is an integral input into the Federal Reserve's Consumer Credit (G.19), Finance Companies (G.20), and Flow of Funds (Z.1) statistical releases.

Because administrative data and comprehensive private data are not available to serve as a sample frame for finance companies, the Federal Reserve developed a procedure for identifying the industry universe of eligible firms within a list sample frame obtained primarily from a third-party private company and, to a lesser degree, from other sources. The CFC questionnaire (FR3033p) was mailed to each company on the list. A large-scale nonresponse follow-up study was designed and undertaken to assess the nature of nonresponse in the CFC as well as the effects of nonresponse on the universe estimate. With the information collected from the CFC and the nonresponse follow-up study, an estimate of the universe of U.S. finance companies with respect to company size and loan specialization was constructed. The subsequent SFC (FR3033s) was sent to all of the identified finance companies in the CFC, collecting detailed information on company balance sheets and receivable portfolios as of December 31, 2010. Analysis weights were constructed for companies in the SFC (after taking into account survey nonrespondents), and the finance company industry universe statistics of balance sheet and receivable portfolios (referred to as the benchmark estimates) were estimated and employed to benchmark the monthly and quarterly finance companies statistics.

Because of the benchmarking process, the G.19 data have been revised from December 2010 forward. Due to changes in the representativeness of the monthly sample since the earlier benchmark in 2005, there are considerable discrepancies in some categories between the pre-benchmarked and the benchmarked estimates. Such discrepancies are reflected in the statistical releases as series breaks in December 2010 (the benchmarking month).<sup>1</sup> Therefore, the level differences between November and December 2010 due to benchmarking discrepancies do not affect the published growth rates of the corresponding series over this period. Also, analysis weights of the monthly longitudinal sample were re-estimated using the benchmarked industry universe statistics, and the monthly estimates after December 2010 were revised accordingly using the new weights.