



National Small Business Poll

NFIB National

Volume 8, Issue 3
2008

Small Business Poll

Credit Cards

NFIB National Small Business Poll

The *National Small Business Poll* is a series of regularly published survey reports based on data collected from national samples of small business employers. Eight reports are produced annually with the initial volume published in 2001. The *Poll* is designed to address small business-oriented topics about which little is known but interest is high. Each survey report treats different subject matter.

The survey reports in this series generally contain three sections. The first section is a brief Executive Summary outlining a small number of themes or salient points from the survey. The second is a longer, generally descriptive, exposition of results. This section is not intended to be a thorough analysis of the data collected nor to explore a group of formal hypotheses. Rather, it is intended to textually describe that which appears subsequently in tabular form. The third section consists of a single series of tables. The tables display each question posed in the survey broken-out by employee size of firm.

Current individual reports are publicly accessible on the NFIB Web site (www.nfib.com/research) without charge. They are also available at www.411smallbusinessfacts.com. The 411 site also allows the user to search the entire data base. It searches all of the questions in all of the individual Polls with a user-friendly Google-type, key word, topic, or Poll sort facility.

Published (printed) reports can be obtained at \$15 per copy or by subscription (\$100 annually) by writing the *National Small Business Poll*, NFIB Research Foundation, 1201 "F" Street, NW, Suite 200, Washington, DC 20004. The micro-data and supporting documentation are also available for those wishing to conduct further analysis. Academic researchers using these data for public informational purposes, e.g., published articles or public presentations, and NFIB members can obtain them for \$20 per set. The charge for others is \$1,000 per set.

NFIB National
Small Business
Poll



Credit Cards

Volume 8, Issue 3
2008
ISSN - 1534-8326

William J. Dennis, Jr.
NFIB Research Foundation
Series Editor

NFIB | Research
The Voice of Small Business. | **Foundation**

1201 "F" Street, NW
Suite 200
Washington, DC 20004
nfib.com

National Small Business Poll



Credit Cards

Table of Contents

Executive Summary.....	1
Credit Cards.....	2
Tables.....	8
Data Collection Methods.....	24

Executive Summary

- Half (49%) of small businesses accept credit and/or debit cards as a form of payment and half (51%) do not. Credit cards pay for about five times as many small business goods and services as do debit cards.
- An average of one in every three (33%) dollars in sales is paid by card among those small businesses accepting cards.
- VISA is universally accepted by small businesses that take credit and/or debit cards and MasterCard is taken almost as frequently (98%). American Express is accepted by 60 percent and Discover by 59 percent.
- Small business owners accepting cards pay an average fee of 2.3 percent of card sales for the right to use VISA, 2.3 percent for MasterCard, 3.2 percent for American Express, and 2.5 percent for Discover. Small business owners shop frequently to minimize the fee they pay and often switch processors of their credit card receipts.
- Fourteen (14) percent of small businesses accepting cards give cash discounts; 29 percent would charge a fee to card-holders on transactions paid by credit card if their contract allowed them to do so; 13 percent have a minimum purchase on credit card sales.
- Disputes between small business owners and credit card companies or banks regarding some aspect of accepting cards as a form of payment are uncommon. Four percent experienced such a dispute in the last 12 months. Still, twice that number (8%) over the same time frame incurred a “hidden penalty” for violating a portion of their contract of which they were unaware.
- Virtually all small businesses (97%) have someone who reconciles their credit card receipts with the records of the bank or credit card receipt services provider. Owner/managers (35%) and employees (36%) are the individuals most likely to perform the reconciliation. Reconciliation is important as 14 percent found mistakes made by the bank or services provider in the last 12 months.
- Seventy-four (74) percent of small employers have a business credit card(s) and a non-mutually exclusive 39 percent use a personal credit card(s) for business purposes. These data indicate a rapid rise in the number possessing the former and a moderate decline in the number using the latter. Seventeen (17) percent do not use cards for business purposes.
- Sixty-two (62) percent of small employers have a line of credit, a source of credit sharply distinguished from credit available on credit cards. The use of lines has also risen rapidly over the last five years. There is no evidence that cards are substituting for lines.
- Small business owners, as credit card consumers, in the last 12 months often experienced abusive practices by the industry. For example, 14 percent did not receive credit for payments until well after the payment cleared and 11 percent were charged overdraft fees when the overdrafts were the exclusive result of bank holds.

Credit Cards

Credit cards have changed and continue to change the way small business does business. While cards remain primarily a means of administrative convenience, they also provide an important – if expensive – source of credit for many. They facilitate customer payment which in turn generates sales. And, while cards are invisible in many industries today, they may not be invisible in those industries tomorrow. Unfortunately, their proliferation has been accompanied by business practices that have been termed abusive. Such charges are currently topical as is the substitution of credit cards for credit lines. These issues deserve attention. So do less topical, but more enduring questions about small business and credit cards. Since most small business owners and managers have one or more cards that they use for business purposes and half accept them as a form of payment, this issue of the *National Small Business Poll* addresses Credit Cards.

Accepting Cards

Virtually half of the small business population (49%) accepts credit and/or debit cards as a form of payment (Q#1). The average percent of total dollar sales paid by card among those who accept cards is 33 percent with smaller, small firms having a somewhat higher percentage paid in this manner (35%) than larger, small firms (27%) (Q#2). Cards therefore pay approximately one of every six dollars of sales small businesses make, a staggering sum, demonstrating their importance to the operation of smaller firms.

Card sales vary enormously across the population. While 49 percent accept cards, a majority (51%) do not. Others accept cards, but find their acceptance marginally important. Almost one-third (32%) of those accepting cards maintain that cards pay 10 percent or less of their total dollar sales volume (Q#2). Yet, cards can be critical. Eleven (11) percent report that cards pay 76 to 100 percent of their total. That 11 percent translates into 5 – 6 percent of all small, employing businesses whose sales are substantially paid by either a credit or debit card.

The most common type of card transaction is face-to-face for the obvious reason that most sales are face-to-face. Eighty-

seven (87) percent accept cards under those circumstances (Q#3); 81 percent accept them for telephone sales (Q#4); and, 26 percent accept them for Internet sales (Q#5). It appears small businesses that accept cards, accept them in any milieu in which they do business.

Customers use credit cards more often to pay for small business originated goods and services than debit cards. The difference appears substantial. Despite the push by businesses to have consumers use debit rather than credit transactions due to the lower fees charged on them, small employers estimate that on average 69 percent of their dollar card sales are credit cards (Q#6) and 14 percent are debit cards (Q#7); 10 percent could not or refused to make an estimate for either. To underscore this distribution between credit and debit cards, 55 percent estimate more than three-quarters of their dollar card sales are credit while 61 percent estimate 10 percent or less of their dollar card sales are debit.

Brand Names and Fee Shopping

a. VISA

All small business owners who accept cards accept VISA (Q#8). Not a single respon-

dent who accepts any card, failed to accept VISA cards. The brand effectively has a 100 percent market share, omitting those who do not accept a card.

Businesses that accept credit cards pay a fee on credit transactions. There is a base fee though supplements are added to cards which carry unique customer benefits, such as airline miles. The average fee small employers pay for accepting VISA is about 2.3 percent of sales (Q#8a). The most common rate is 2.0 percent. However, there is variation with 3.0 percent also a common rate. Part of the variation is likely respondent adjustment for supplemental charges from special cards as the survey question implied they should do.

Thirty (30) percent could not or refused to provide an estimate of the fees paid. That is a very high proportion. One possible explanation is that this group has relatively few card sales, making them inattentive to what clearly is a minor cost. Yet, owners not making an estimate have about the same proportion of sales paid by cards as do those who offer one. A second explanation is that respondents who have someone else reconcile their credit card reports with the banks or service providers do not see the charge continuously and therefore are less likely to know it. The evidence does not support that explanation, either.

Still, small business owners appear sensitive to the cost of card fees. Sixty-five (65) percent shopped to find a better deal before settling on the rate that they now pay; 33 percent did not (Q#8b). Shopping proved fruitful for a large number. Over half (55%) of shoppers switched from a different vendor to the one they now use (Q#8c). And, a modest relationship exists between shoppers for better rates being more attentive to the rate than non-shoppers as a third possible explanation to the large number who cannot estimate the rate pay. Yet, it appears once a decision has been made and the service purchased, the rate is not important enough to remember for almost one-third who accept cards.

Most who shopped chose a vendor with a fixed fee. Fifty-three (53) percent accepted an established price (Q#8d). However, 40 percent negotiated the fee directly or through their industry trade association. Owners of larger, small firms negoti-

ated more frequently, though the difference between the smallest and the largest was only about 10 percentage points. Since the survey did not collect data on direct negotiations and trade association negotiations, it is not known if the 10-point gap is a function of business size, trade association power, neither or both.

Those who did not shop offered a variety of reasons for their decision. The most frequent (26%) reason was that they wanted to keep their banking business in one place (Q#8b1). Thirteen (13) percent offered the opinion that all vendors are the same, so why bother to look. Twelve (12) percent did not shop because they thought the fee was fair. Eleven (11) percent did not know that they might be able to get a better deal elsewhere. The remainder who gave a reason provided miscellaneous responses.

When the current contract expires, many small employers expect to shop for a new vendor (again) to process their credit card receipts or, at least, they plan to explore their options. Forty-four (44) percent of those who accept VISA plan to actively search for a different vendor (Q#8e). But 47 percent will remain on the sidelines; 2 percent claim not to have a current contract; and, the remainder are undecided.

Presently, the overwhelming majority (84%) of small employers who accept cards deal directly with a bank to process their credit card receipts (Q#8f). Just 14 percent deal with a credit card services provider.

b. MasterCard

Ninety-eight (98) percent of small businesses that accept any form of card for payment accept MasterCard (Q#9).

The fee structure for MasterCard credit transactions that small business owners pay is virtually identical to that of VISA. The average fee is 2.3 percent, and 2.0 percent and 3.0 percent are the two most common rates (Q#9a). Again, a significant portion (31%) could not or would not estimate the fee.

Fifty-five (55) percent shopped to find a better deal (lower fee) before settling on the fee that they are now charged (Q#9b). That is 10 percentage points lower than shopped for a better VISA deal. The reason for less shopping on MasterCard is likely that the two frequently are issued from the same bank and when the business owner shops for

one, he effectively shops for the other. Sixty-two (62) percent of those shopping switched from a different vendor to the one they currently use (Q#9c), suggesting that they are sensitive to the price charged. However, service quality, disputes, and other causes may also be important factors.

About as many negotiated their MasterCard fee as accepted the given rate (Q#9d). Forty-seven (47) percent report the fee negotiated compared to 46 percent who took the other fixed rate path (Q#9d). The data suggests that MasterCard is more willing to negotiate or have its agents negotiate fees with small business owners and/or their associations.

The overwhelming majority (85%) of small businesses accepting MasterCard use a bank to process their credit card receipts (Q#9f). Just 14 percent use a services provider. If a small business uses a bank to service credit card receipts for MasterCard, it almost always used a bank to process VISA receipts and vice-versa. The bank is highly likely to be the same for each. The same is true of a services provider. In only about 5 percent of cases is receipt processing divided between the two.

The reasons for not shopping for a better MasterCard fee parallel those for not shopping for a better VISA fee. Fourteen (14) percent did not shop because they thought the fee was fair; 9 percent because a franchisor negotiated one for them; 9 percent because all providers are the same; 8 percent because they did not realize that they could get a better deal elsewhere; and 5 percent saw no reason to change. The exception was that 35 percent did not shop for a MasterCard fee because they wanted to keep all of their banking in a single place; 26 percent offered the reason for not shopping for a VISA fee. The nine percentage point gap suggests that once a VISA deal is reached, a MasterCard deal often falls in line.

About half (44%) plan to shop when their current MasterCard contract expires (Q#9e).

c. American Express

Sixty (60) percent of small businesses that accept any card accept American Express (Q#10). The largest, small businesses were almost 10 percentage points more likely than the smallest to accept the card. No distinc-

tion was drawn between the company's charge card and its credit card.

The average cost to a small business for a customer to use an American Express card is higher to the small business than either VISA or MasterCard. At an average of 3.2 percent per transaction, it is almost a full percentage point more (Q#10a). The most common fee is 3 percent, though 14 percent claim theirs is 3.75 percent or higher. A substantial percentage (34%) again would not or could not make an estimate.

d. Discover

Fifty-nine (59) percent of small businesses that accept any card accept Discover (Q#11), putting the card's small business acceptance on a par with American Express but substantially less than VISA or MasterCard.

The average fee Discover charges small business is 2.5 percent (Q#11a), almost the same as that charged by VISA and MasterCard, but lower than that charged by American Express. The pattern of Discover fees also more closely resembles the former two cards than the latter as the most common rate is 2.0 percent followed by 3.0 percent.

e. Related Matters

Small business owners periodically drop a card; they will no longer accept a card they once did. Eight percent currently accepting cards dropped one or more in the last three years (Q#20). An insufficient number of cases means it is not possible to determine the principal reason for their action.

The Internet has given rise to a new form of electronic payment that substitutes for checks or money orders, PayPal. This method of financial transaction occurs between two parties, allowing consumers to make secure Internet transactions using a major credit card. Seventeen (17) percent accepting cards use PayPal (Q#16). Since 26 percent accept credit cards over the Internet, the remaining nine percentage points presumably use another technology to secure their transactions.

Customers and Contracts

Small businesses have contracts with credit card companies that among other things control terms of the transaction between customers using the card and businesses accepting it. One common term is that a

business cannot charge the customer a fee for using the card, though nothing prohibits the business from giving discounts to customers paying in cash.

Fourteen (14) percent of small businesses that accept credit cards give customers cash discounts (Q#12). The reason for the policy is not clear and the survey did not delve into it. The trade-off, however, is a policy that equalizes the margin regardless of payment method while increasing the transaction's complexity. Likely these policies are associated with volume purchases and/or transactions between businesses where discounts are commonly given for prompt payment. However, the smallest, small businesses are almost twice as likely to give cash discounts as the largest, small businesses.

Though theoretically equal, the "opt-in" or "opt-out" choice yields enormously different practical outcomes. The same general principle holds for charging customers to use credit cards and giving discounts for cash. While the number of owners who give cash discounts is relatively small, the number who would charge extra for card use, if they could, is relatively large. If given the opportunity, 29 percent of those accepting cards would charge extra for their use (Q#13). Those with the fewest dollar volume sales, particularly 15 percent or fewer, paid by credit card are the most attracted to such an opportunity.

Very small credit transactions cause businesses difficulty not only because of the time wasted on a very small sale, but because the fee typically has a flat minimum. That can leave the business with an absolute loss due exclusively to use of a credit card. Most contracts specify minimums cannot be imposed, but many small business owners do. Thirteen (13) percent report a minimum, the overwhelming majority of them in businesses employing fewer than 10 people (Q#14).

The business owner signs a contract to participate in a credit card program, granting the business an opportunity to accept the card and be reimbursed under terms of the contract. The survey questionnaire posed several questions designed to elicit small business problems with the contract and their relationship, problems that often were too infrequently encountered to elicit detail about them.

Eight percent report that they experienced a "hidden penalty" in the last 12 months (Q#17). In other words, the credit card issuer charged the small business violated a provision of the contract of which they were unaware and the issuer penalized them. The principal violators were owners of the smallest businesses, those employing fewer than 10 people, those least likely to have the advice of legal counsel. While the few cases available suggest the penalties imposed were not onerous, it was not possible to discern any pattern of contract violations or obtain the details involved.

Disputes will arise between a business owner and a bank or credit card services provider about some aspect of accepting cards as a form of payment. However, they do not appear common. Four percent report such a dispute in the last 12 months (Q#18). No detail emerged on those cases, however.

Reconciling Records

Someone in or on behalf of the business typically reconciles a firm's credit cards receipts with the payments and records of the credit card company, bank, etc., servicing their account. Typically, it is either an employee or the owner/manager who performs the task. The former reconciles credit card receipts in 36 percent of cases while the latter completes it in 35 percent of them (Q#19). An outside bookkeeper or accountant takes the responsibility for 15 percent and a non-employee spouse or family member does for 8 percent. Three percent admit that they usually do not reconcile those records; most who do not reconcile own/manage the smallest firms, presumably having the fewest receipts.

Reconciliation is good practice. Credit card companies, banks, etc., make mistakes. Fortunately, just 1 percent of small business owner/managers think that credit card companies, banks, etc., make mistakes frequently, but 8 percent found more than one mistake in the last year (Q#19a). Revealing are the businesses employing more than 20 people, the businesses most likely to have more receipts to reconcile. Those reconciling accounts for owners of nearly one in four (24%) of these larger, small businesses discovered bank/provider mistakes in the last year. Those performing the task for owners of smaller businesses found mistakes less often, but they still found them.

Using Credit Cards

Small business owners not only accept credit cards, they also use them. The survey alerted the respondent to the distinction between the business credit cards they use and the personal credit cards they use for business purposes as questions posed differentiated between the two.

Seventy-four (74) percent of small employers have a business credit card (Q#21) and 39 percent have a personal credit card they use for business purposes (Q#22). Thirty-one (31) percent use both cards and 17 percent use neither. The use of business cards has been expanding rapidly while the use of personal cards for business purposes is slowly declining when comparing current levels to levels established five years ago by the Federal Reserve's Survey of Small Business Finances (SSBF).

Many think financial institutions are replacing lines of credit with large limit credit cards. The shift would be important because cards typically carry a much higher interest rate than a line of credit. But evidence of that shift is difficult to find. Sixty-two (62) percent of small employers claim to have a line of credit with 85 percent of those employing 20 or more people having one (Q#25). Those levels are notably higher than the level measured by the SSBF five years ago.

Combined, 49 percent of small, employing businesses now have a line of credit and a business credit card. That mix suggests potential confusion between the two. To avoid that confusion, the question establishing the percent with a credit line purposefully informed respondents that credit cards were NOT lines of credit. Thus, it appears both are growing in frequency of possession rather than cards substituting for lines. The actual use of cards and lines by their possessors is another matter.

Seventy-six (76) percent of small business owners typically pay off their credit card balances every month; 90 percent of those owning the largest, small businesses also do (Q#24). Nearly three in four therefore primarily use cards for their convenience rather than for the credit that accompanies them.

Card Abuses

Credit card issuers have been charged with various abusive practices. Congress continues

to investigate and is in the throes of legislation while the Federal Reserve promises new consumer protection-type rules to address identified problems. These efforts focus on consumers. However, large numbers of small business owners have experienced one or more of abusive practices on their business and/or personal credit cards.

One type of alleged abuse in simplest terms is creating a float and pocketing it. When customers make payments on their credit cards, the payments are not credited to the customer until well after the bank has collected the money. The effect is a bank profiting from the float at the customer's expense. Fourteen (14) percent of small business owners with one or more credit cards used for business purposes claim to have experienced this practice within the last year (Q#23A). Two of three who experienced the practice maintain it happened on more than one occasion.

A second type of alleged abuse occurs when the card issuer unilaterally changes the interest rate on debts already incurred. In other words, the issuer adds a fee beyond that mutually agreed upon after the consumer borrowed the money. The exception is cases involving an introductory rate where the customer knows when he accepts the card that the rate changes on a specified date. Twenty-one (21) percent of small business owners using credit cards experienced such a rate change in the last 12 months (Q#23B).

A third type of alleged abuse is short notice of the due date for credit card payments. The "short" in short notice is arbitrary, but the questionnaire employed three weeks as short in accordance with legislative discussion. This practice apparently occurs frequently. Twenty-one (21) percent experienced the practice on more than one occasion in the last 12 months and another 4 percent experienced it once (Q#23C).

The fourth and final alleged abuse queried is charges on overdrafts that occur because the bank has put a hold on some portion of the account. In other words, the overdraft occurs exclusively because of bank attempts to protect itself from overdrafts rather than because the customer does not have money to cover charges he made. Eleven (11) percent experienced this problem in the last 12 months, 7 percent on more than a single occasion (Q#23D).

Final Comments

There are points of conflict between small business and the credit card industry, certainly nothing new. As credit cards users, they register many of the same complaints that led Congress and the Federal Reserve to move against certain industry practices. Further, their constant shopping for different banks and/or credit card service providers suggests they are not happy with the rates they are being charged or the conditions imposed. Their discomfort may rise further as interchange fees become more widely understood, separate and advantageous deals negotiated between card associations and individual large retailers publicized, and monopolistic control raising fees to Main Street firms accepting cards apparent. But at this time, the fees small businesses pay on average are about two and one-quarter percent of card-paid sales, a fee that leads one-third of those accepting cards unable or unwilling to even estimate the percentage they pay. In addition, the frequency of disputes does not seem unreasonably high, though a sensible point of comparison cannot be immediately identified and insufficient cases did not permit exploration of their severity.

Small business owners appear to have two ways to cut costs when accepting cards. They can negotiate the fee or have someone like a trade association representative negotiate it for them and they can encourage use of debit rather than credit cards. But even if successful in these endeavors, the newer augmented benefit cards will push average fees higher. So, the uneasy, but mutually-beneficial, business relationship will continue to be profitable and the principal sticking points will continue to be debated.

Credit Cards

(Please review notes at the table's end.)

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms
1. Does your business accept credit or debit cards as a form of payment?				
1. Yes	46.3%	60.9%	61.5%	49.4%
2. No	53.7	39.1	38.5	50.6
3. DK/Refuse	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750
2. Approximately what percent of your total dollar sales is paid by credit or debit card?				
1. 10 percent or less	29.6%	36.8%	40.0%	31.8%
2. 11 – 25 percent	22.7	16.3	14.0	20.8
3. 26 – 50 percent	13.5	26.5	22.0	16.1
4. 51 – 75 percent	16.1	8.1	8.0	14.1
5. 76 – 100 percent	12.2	6.1	6.0	10.7
6. DK/Refuse	5.9	6.1	10.0	6.5
<hr/>				
Average	35.0%	29.5%	27.0%	33.3%
Total	100.0%	100.0%	100.0%	100.0%
N	160	124	122	406
2a. Which is the closest to the percent of total dollar sales paid by credit or debit card? (If “Don’t Know” in Q#2.) (Results factored into answers in Q#2.)				
1. 100 percent of sales	—%	—%	—%	—%
2. 75 percent of sales	—	—	—	—
3. 50 percent of sales	—	—	—	—
4. 25 percent of sales	—	—	—	—
5. 0 percent of sales	—	—	—	—
6. DK/Refuse	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	7	6	9	22
3. Do you accept credit or debit card payments in face-to-face transactions?				
1. Yes	88.3%	88.5%	80.9%	87.4%
2. No	11.0	11.5	19.1	12.1
3. DK/Refuse	0.7	—	—	0.5
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

4. Do you accept credit or debit card payments over the telephone?

1. Yes	82.8%	75.5%	80.9%	81.6%
2. No	16.5	24.5	19.1	17.9
3. DK/Refuse	0.7	—	2.6	0.5
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

5. Do you accept credit or debit card payments over the Internet?

1. Yes	24.7%	30.2%	27.7%	25.8%
2. No	75.3	69.8	72.3	74.2
3. DK/Refuse	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

6. Approximately what percent of your card sales are credit card sales?

1. 10 percent or less	12.2%	2.1%	9.5%	10.6%
2. 11 – 25 percent	3.1	4.3	11.9	4.2
3. 26 – 50 percent	11.8	10.6	4.8	10.9
4. 51 – 75 percent	9.7	10.6	2.4	9.0
5. 76 – 99 percent	34.0	29.7	26.1	32.6
6. 100 percent	19.8	27.7	31.0	22.0
7. DK/Refuse	9.3	14.9	14.3	10.6
Average	68.8%	72.5%	69.0%	69.3%
Total	100.0%	100.0%	100.0%	100.0%
N	160	124	122	406

7. Approximately what percent of your total card sales are debit card sales?

1. Zero percent	30.5%	31.9%	39.5%	31.7%
2. 1 – 10 percent	30.5	23.4	23.3	28.8
3. 11 – 25 percent	15.4	14.9	11.6	14.9
4. 26 – 50 percent	13.4	12.8	9.3	12.8
5. 51 – 75 percent	2.1	—	—	1.6
6. 76 – 100 percent	0.7	—	—	0.5
7. DK/Refuse	7.5	17.0	16.3	9.7
Average	13.7%	14.2%	11.3%	13.5%
Total	100.0%	100.0%	100.0%	100.0%
N	160	124	122	406

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

8. Do you accept VISA?

1. Yes	100.0%	100.0%	100.0%	100.0%
2. No	—	—	—	—
3. DK/Refuse	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

8a. Every time a customer uses a VISA card to make a CREDIT transaction, approximately what percent of the sale on average are you charged? (If Yes in Q#8.)

1. < 1.25 percent	5.6%	4.7%	4.8%	5.4%
2. 1.25 – 1.74 percent	9.1	7.0	7.1	8.6
3. 1.75 – 2.24 percent	26.9	25.6	23.8	26.4
4. 2.25 – 2.74 percent	7.0	9.3	9.5	7.5
5. 2.75 – 3.24 percent	14.7	11.6	16.7	14.6
6. 3.25 percent or more	7.0	4.7	7.1	6.7
7. DK/Refuse	29.7	37.2	31.0	30.2
<hr/>				
Average	2.3%	2.4%	2.3%	2.3%
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

8b. Did you shop around to find a better deal before settling for the fee you now pay?

1. Yes	63.6%	71.2%	66.0%	64.9%
2. No	34.0	26.9	29.8	32.6
3. DK/Refuse	2.4	1.9	4.3	2.5
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

Employee Size of Firm
1-9 emp 10-19 emp 20-249 emp All Firms

8b1. Why didn't you shop? Was it because you?: (If "Yes" in Q#8b.)

1. Wanted to keep your banking business in one place	24.7%	—%	—%	26.2%
2. Thought the fee was fair	12.4	—	—	12.3
3. Didn't realize you might get a better deal elsewhere	13.4	—	—	10.7
4. They are all the same	12.4	—	—	13.1
5. No reason to change/ Convenience	6.2	—	—	5.7
6. Franchisee/ Franchisor decided	5.2	—	—	8.2
7. Too busy	6.2	—	—	4.9
8. Other	17.4	—	—	16.4
9. DK/Refuse	2.1	—	7.7	2.5
Total	100.0%	100.0%	100.0%	100.0%
N	52	31	35	118

8c. After shopping, did you switch from a different vendor to the one you have now?

1. Yes	52.8%	57.9%	60.6%	54.5%
2. No	45.6	36.8	30.3	42.4
3. DK/Refuse	1.5	5.3	9.1	3.2
Total	100.0%	100.0%	100.0%	100.0%
N	106	91	85	282

8d. Did you or your industry trade associate negotiate this fee or were you told the fee?

1. Negotiated fee	36.8%	47.4%	46.9%	39.5%
2. Told the fee	54.9	44.7	46.9	52.5
3. DK/Refuse	8.3	7.9	6.4	8.0
Total	100.0%	100.0%	100.0%	100.0%
N	106	91	85	282

8e. When the current contract expires, do you plan to shop for a new vendor to process your credit card receipts?

1. Yes	43.0%	41.2%	51.1%	43.7%
2. No	46.7	51.0	42.6	46.8
3. (No current contract)	1.7	—	2.1	1.5
4. DK/Refuse	8.5	7.8	4.3	1.5
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

8f. Do you NOW deal directly with a bank or a credit card services provider to process your VISA receipts

1. Bank	84.9%	82.7%	83.0%	84.4%
2. Services provider	13.4	15.4	12.6	13.6
3. DK/Refuse	1.7	1.9	4.3	2.1
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

9. Do you accept MasterCard?

1. Yes	97.9%	98.1%	97.8%	97.9%
2. No	2.1	1.9	2.2	2.1
3. DK/Refuse	—	—	—	—
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

9a. Every time a customer uses a MasterCard card to make a CREDIT transaction, approximately what percent of the sale on average are you charged? (If “Yes” in Q#9.)

1. < 1.25 percent	6.4%	4.7%	2.6%	5.3%
2. 1.25 – 1.74 percent	9.3	7.0	7.9	8.9
3. 1.75 – 2.24 percent	23.6	23.3	28.9	24.7
4. 2.25 – 2.74 percent	6.4	9.3	5.3	6.6
5. 2.75 – 3.24 percent	20.0	9.3	15.8	18.3
6. 3.25 percent or more	5.0	7.0	5.3	5.3
7. DK/Refuse	29.3	39.5	34.2	31.0
<hr/>				
Average	2.3%	2.3%	2.3%	2.3%
Total	100.0%	100.0%	100.0%	100.0%
N	155	121	117	393

Employee Size of Firm
 1-9 emp 10-19 emp 20-249 emp All Firms

9b. Did you shop around to find a better deal before settling for the fee you now pay?

1. Yes	52.8%	60.8%	65.2%	55.4%
2. No	44.7	37.3	32.6	42.3
3. DK/Refuse	2.5	2.0	2.2	2.3
Total	100.0%	100.0%	100.0%	100.0%
N	155	121	117	393

9b1. Why didn't you shop? Was it because you?:

1. Wanted to keep your banking business in one place	35.7%	—%	—%	34.6%
2. Thought the fee was fair	13.5	—	—	13.8
3. Didn't realize you might get a better deal elsewhere	9.5	—	—	8.2
4. They are all the same	7.9	—	—	9.4
5. No reason to change/ Convenience	4.8	—	—	5.0
6. Franchisee/ Franchisor Decided	7.1	—	—	9.4
7. Too busy	4.8	—	—	3.8
8. Other				
9. DK/Refuse	1.5	—	2.6	1.5
Total	100.0%	100.0%	100.0%	100.0%
N	68	43	38	149

9c. After shopping, did you switch from a different vendor to the one you have now?

1. Yes	59.9%	63.6%	71.0%	62.0%
2. No	36.9	30.3	29.0	34.8
3. DK/Refuse	3.2	6.1	—	3.2
Total	100.0%	100.0%	100.0%	100.0%
N	87	78	79	244

9d. Did you or your industry trade associate negotiate this fee or were you told the fee?

1. Negotiated fee	45.6%	48.5%	54.8%	47.3%
2. Told the fee	47.5	42.4	41.9	45.9
3. DK/Refuse	7.0	9.1	3.2	6.8
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	87	78	79	244

9e. When the current contract expires, do you plan to shop for a new vendor to process your credit card receipts?

1. Yes	43.0%	44.2%	51.1%	44.1%
2. No	47.9	50.0	42.2	47.5
3. (No current contract)	1.8	—	2.2	1.6
4. DK/Refuse	7.4	5.8	4.4	6.9
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	155	121	117	393

9f. Do you NOW deal directly with a bank or a credit card services provider to process your MasterCard receipts?

1. Bank	85.6%	84.6%	84.8%	85.4%
2. Services provider	14.0	13.5	10.9	13.6
3. DK/Refuse	0.4	1.9	4.3	1.0
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	158	121	117	393

10. Do you accept American Express?

1. Yes	58.1%	62.3%	66.0%	59.6%
2. No	41.9	37.7	31.9	40.2
3. DK/Refuse	—	—	2.1	0.3
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

Employee Size of Firm
 1-9 emp 10-19 emp 20-249 emp All Firms

10a. Every time a customer uses an American Express card, approximately what percent of the sale on average are YOU charged? (If “Yes” in Q#10.)

1. < 1.25 percent	4.8%	—%	—%	3.7%
2. 1.25 – 1.74 percent	2.4	—	11.5	2.3
3. 1.75 – 2.24 percent	4.8	7.4	7.7	6.0
4. 2.25 – 2.74 percent	3.6	3.7	8.7	4.1
5. 2.75 – 3.24 percent	27.3	18.5	23.1	25.7
6. 3.25 – 3.74 percent	9.7	11.1	11.5	10.1
7. 3.75 percent or more	15.8	7.4	11.5	14.2
8. DK/Refuse	31.5	51.8	30.8	34.0
Average	3.2%	3.3%	3.1%	3.2%
Total	100.0%	100.0%	100.0%	100.0%
N	91	77	80	248

11. Do you accept Discover?

1. Yes	59.1%	60.4%	54.3%	58.7%
2. No	39.5	39.6	41.3	39.7
3. DK/Refuse	1.4	—	4.3	1.5
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

11a. Every time a customer uses a Discover card, approximately what percent of the sale on average are you charged? (If “Yes” in Q#11.)

1. < 1.25 percent	3.6%	4.1%	4.8%	3.7%
2. 1.25 – 1.74 percent	5.9	4.1	4.8	5.6
3. 1.75 – 2.24 percent	22.5	20.9	19.0	22.0
4. 2.25 – 2.74 percent	7.1	12.5	9.5	7.9
5. 2.75 – 3.24 percent	11.8	8.3	14.3	11.7
6. 3.25 percent or more	10.1	4.1	—	8.4
7. DK/Refuse	39.1	45.9	47.6	40.7
Average	2.5%	2.4%	2.3%	2.5%
Total	100.0%	100.0%	100.0%	100.0%
N	93	76	65	234

12. Do you give discounts to customers who pay in cash rather than by credit card?

1. Yes	16.5%	7.5%	8.5%	14.3%
2. No	82.8	92.5	91.5	85.2
3. DK/Refuse	0.7	—	—	0.5
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

13. If your credit card contract allowed you to charge customers extra for using a credit card, would you institute such a policy in your business?

1. Yes	28.9%	25.0%	30.4%	28.5%
2. No	64.3	69.2	60.9	64.5
3. DK/Refuse	6.9	5.8	8.7	6.4
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

14. Do you require a minimum purchase for customers to use credit or debit cards?

1. Yes	15.5%	5.8%	6.5%	13.1%
2. No	84.5	94.2	93.5	86.9
3. DK/Refuse	0.7	—	—	0.5
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

15. Do you own your credit card equipment or do you lease it?

1. Own	60.3%	67.9%	61.7%	61.5%
2. Lease	25.7	18.9	23.4	24.5
3. DK/Refuse	14.1	13.2	14.9	14.0
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

16. Do you accept PayPal as a form of payment?

1. Yes	18.8%	11.5%	14.9%	17.4%
2. No	77.4	84.6	80.9	78.8
3. DK/Refuse	3.8	3.8	4.3	3.8
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

17. Within the last 12 months, have you experienced a “hidden penalty,” that is, a penalty for violating a provision of your credit card contract that you were unaware of?

1. Yes	8.9%	3.8%	4.3%	7.7%
2. No	84.9	92.3	85.1	85.9
3. DK/Refuse	6.2	3.8	10.6	6.4
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

Employee Size of Firm
1-9 emp 10-19 emp 20-249 emp All Firms

18. Within the last 12 months, have you had any disputes with a credit card company or a bank about any aspect of accepting credit cards as a form of payment?

1. Yes	4.1%	5.8%	4.3%	4.4%
2. No	95.2	94.2	95.7	95.1
3. DK/Refuse	0.7	—	—	0.5
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

19. On behalf of your business, who reconciles your records of credit card receipts with the records of the bank or the credit card company?

1. You	39.6%	26.9%	13.0%	34.8%
2. An employee	29.0	46.2	67.4	35.8
3. Spouse/Family member who is not an employee	8.5	5.8	6.5	7.9
4. An outside bookkeeper or accountant	15.0	17.3	10.9	14.8
5. Don't usually reconcile	3.1	1.9	—	2.6
6. DK/Refuse	4.8	1.9	2.2	4.1
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

19a. Within the last year, have you found a bank or credit company error in their records of your credit card receipts?

1. Frequently	0.7%	—%	2.2%	0.8%
2. More than once	6.5	5.9	15.2	7.5
3. Once	6.2	3.9	6.5	5.9
4. No errors	81.1	84.3	65.2	79.6
5. DK/Refuse	5.5	5.9	10.9	6.2
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	24	401

20. Within the last three years did you accept one or more credit cards that you now refuse to accept?

1. Yes	8.9%	5.7%	6.4%	8.2%
2. No	91.1	94.3	93.6	91.8
3. DK/Refuse	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	158	123	120	401

Some business owners use **BUSINESS** credit cards to pay business expenses; some use **PERSONAL** credit cards to pay business expenses; some use both and some use neither.

21. Do you use one or more business credit cards to pay business expenses?

1. Yes	73.6%	72.4%	80.8%	74.2%
2. No	26.1	26.4	19.2	25.5
3. DK/Refuse	0.3	1.1	—	0.3
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

22. Do you use one or more personal credit cards to pay business expenses?

1. Yes	38.4%	37.2%	45.5%	38.9%
2. No	61.3	62.8	54.5	60.8
3. DK/Refuse	0.3	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

23. Within the last year, have you experienced the following more than once, once, or never with any of the credit cards that you use for business purposes?

23A. You made a payment and the bank and/or the credit card company withdrew the money from your account, but you didn't get immediate credit for your payment?

1. More than once	10.4%	8.3%	8.5%	10.0%
2. Once	5.0	1.4	2.8	4.4
3. Never	78.7	86.1	81.7	79.8
4. DK/Refuse	5.8	4.2	7.0	5.8
Total	100.0%	100.0%	100.0%	100.0%
N	284	165	183	632

23B. Excluding case involving an introductory offer, the interest rate on your outstanding balances was increased?

1. More than once	13.3%	8.3%	6.9%	12.1%
2. Once	9.3	9.7	5.6	8.9
3. Never	66.3	73.6	66.2	67.5
4. DK/Refuse	11.0	8.3	14.1	11.5
Total	100.0%	100.0%	100.0%	100.0%
N	284	165	183	632

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

23C. You were given less than three weeks notice of the due date for a credit card payment?

1. More than once	21.7%	19.2%	16.9%	20.9%
2. Once	4.1	4.1	2.8	3.9
3. Never	66.3	67.1	66.2	66.4
4. DK/Refuse	7.9	9.6	14.1	8.8
Total	100.0%	100.0%	100.0%	100.0%
N	284	165	183	632

23D. You were charged overdraft fees on overdrafts due exclusively to bank holds on a portion of your account?

1. More than once	8.1%	5.6%	4.2%	7.4%
2. Once	3.5	4.2	2.8	3.5
3. Never	84.3	87.5	90.1	85.3
4. DK/Refuse	4.1	2.8	2.8	3.8
Total	100.0%	100.0%	100.0%	100.0%
N	284	165	183	632

24. Do you typically pay the balances on the credit card or cards you use for business purposes at the end of each month?

1. Yes	73.4%	81.7%	90.1%	76.1%
2. No	26.6	16.9	9.9	23.7
3. DK/Refuse	—	1.4	—	0.2
Total	100.0%	100.0%	100.0%	100.0%
N	284	165	183	632

25. Do you have a line of credit at a financial institution, not including credit cards?

1. Yes	59.1%	66.7%	84.6%	62.4%
2. No	40.3	31.0	15.4	36.8
3. DK/Refuse	0.7	2.2	—	0.7
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

Demographics

D1. Which best describes your position in the business?

1. Owner/Manager	88.7%	90.8%	83.1%	88.4%
2. Owner, but not manager	7.1	4.6	10.4	7.1
3. Manager, but not owner	4.2	4.6	6.5	4.5
4. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

D2. Is your primary business activity: (NAICs code)

1. Agriculture, forestry, fishing	3.3%	—%	4.0%	3.0%
2. Construction	9.6	12.0	10.7	10.0
3. Manufacturing, mining	9.0	10.8	13.3	9.7
4. Wholesale trade	6.6	6.0	12.0	7.1
5. Retail trade	17.8	21.7	20.0	17.6
6. Transportation and warehousing	2.4	2.4	2.7	2.4
7. Information	1.9	1.2	—	1.6
8. Finance and insurance	5.0	1.2	4.0	4.5
9. Real estate and rental/leasing	3.2	3.6	1.3	3.0
10. Professional/scientific/ technical services	16.6	7.2	13.3	15.3
11. Admin. support/waste management services	4.9	3.6	2.7	4.5
12. Educational services	—	1.2	1.3	0.3
13. Health care and social assistance	4.6	6.0	5.3	4.8
14. Arts, entertainment or recreation	1.1	—	—	0.9
15. Accommodations or food service	3.8	14.5	12.0	5.7
16. Other service, incl. repair, personal service	10.1	8.4	5.3	9.5
17. Other	0.2	—	—	0.1
18. (DK/Refuse)	—	—	—	—
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

D3. Over the last two years, have your real volume sales:?

1. Increased by 30 percent or more	11.5%	14.0%	17.9%	12.4%
2. Increased by 20 to 29 percent	13.8	10.5	16.7	13.7
3. Increased by 10 to 19 percent	20.9	24.4	21.8	21.3
4. Increased by < 10 percent	16.8	20.9	16.7	17.2
5. (No change)	4.2	1.2	2.6	3.7
6. Decreased by < 10 percent	7.4	7.0	7.7	7.4
7. Decreased by 10 percent or more	20.7	15.1	14.1	19.5
8. (DK/Refuse)	4.8	7.0	2.6	4.8
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

D4. Is this business operated primarily from the home, including any associated structures such as a garage or a barn?

1. Yes	27.5%	8.3%	3.9%	23.3%
2. No	71.4	89.3	93.5	75.4
3. (DK/Refuse)	1.1	2.4	2.6	1.4
Total	100.0%	100.0%	100.0%	100.0%
N	351	201	201	753

D5. How long have you operated this business?

1. < 6 years	25.6%	16.1%	14.3%	23.5%
2. 6 – 10 years	17.9	19.5	16.9	18.0
3. 11 – 20 years	22.9	28.7	26.0	23.8
4. 21 – 30 years	16.2	19.5	22.1	17.1
5. 31+ years	15.5	14.9	18.2	15.7
6. (DK/Refuse)	1.9	1.1	2.6	1.9
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

D6. What is your highest level of formal education?

1. < H.S.	1.9%	—%	2.6%	1.8%
2. H.S. diploma/GED	22.2	19.8	13.0	21.0
3. Some college or associate's degree	20.8	23.3	18.2	20.8
4. Vocational or technical school degree	2.4	2.3	2.6	2.4
5. College diploma	34.0	34.9	40.3	34.7
6. Advanced or professional degree	17.3	17.4	22.1	17.8
7. (DK/Refuse)	1.6	2.3	1.3	1.6
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

D7. Please tell me your age

1. < 25 years	0.2%	—%	—%	0.1%
2. 25 – 34 years	5.8	5.7	3.8	5.6
3. 35 – 44 years	18.1	17.2	14.1	17.6
4. 45 – 54 years	31.1	29.9	35.9	31.5
5. 55 – 64 years	25.3	32.2	28.2	26.3
6. 65+ years	17.3	10.3	14.1	16.2
7. (Refuse)	2.2	4.6	3.8	2.6
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

D8. What is the zip code of your business?

1. East (zips 010-219)	16.0%	19.5%	19.9%	16.8%
2. South (zips 220-427)	21.1	24.1	15.8	20.9
3. Mid-West (zips 430-567, 600-658)	19.7	25.3	18.4	20.2
4. Central (zips 570-599, 660-898)	23.4	17.2	23.7	22.8
5. West (zips 900-999)	17.3	11.5	21.1	17.0
6. (DK/Refuse)	2.5	2.3	1.3	2.4
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

	Employee Size of Firm			
	1-9 emp	10-19 emp	20-249 emp	All Firms

D9. Urbanization (Derived from zip code.)

1. Highly Urban	13.9%	14.0%	10.4%	13.5%
2. Urban	17.6	18.6	26.0	18.5
3. Fringe Urban	19.8	16.3	18.2	19.3
4. Small Cities/Towns	19.8	24.4	20.8	20.4
5. Rural	21.7	22.1	18.2	21.4
6. (Not Known)	7.1	4.7	6.5	6.8
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

D10. Compared to your competitors over the last three years, do you think the overall performance of your business in terms of sales and net profits makes it a?:

1. High performer	16.7%	20.9%	31.2%	18.5%
2. Somewhat high performer	20.2	25.6	27.3	21.4
3. Moderate performer	47.7	39.5	32.5	45.4
4. Somewhat low performer	3.1	2.3	2.6	3.0
5. Low performer	5.2	4.7	2.6	4.9
6. (Haven't been in business three years)	1.4	—	—	1.1
7. (DK/Refuse)	5.7	7.0	3.9	5.8
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

D11. Sex

1. Male	82.2%	84.9%	88.3%	83.1%
2. Female	17.8	15.1	11.7	16.9
<hr/>				
Total	100.0%	100.0%	100.0%	100.0%
N	350	200	200	750

Table Notes

1. All percentages appearing are based on **weighted** data.
2. All "Ns" appearing are based on **unweighted** data.
3. Data are not presented where there are fewer than 50 unweighted cases.
4. ()s around an answer indicate a volunteered response.

WARNING – When reviewing the table, care should be taken to distinguish between the percentage of the population and the percentage of those asked a particular question. Not every respondent was asked every question. All percentages appearing on the table use the number asked the question as the denominator.

Data Collection Methods

The data for this survey report were collected for the NFIB Research Foundation by the executive interviewing group of The Gallup Organization. The interviews for this edition of the *Poll* were conducted between July 21 to August 20 from a sample of small employers. “Small employer” was defined for purposes of this survey as a business owner employing no fewer than one individual in addition to the owner(s) and no more than 249.

The sampling frame used for the survey was drawn at the Foundation’s direction from the files of the Dun & Bradstreet Corporation, an imperfect file but the best currently available for public use. A random stratified sample design is typically employed to compensate

for the highly skewed distribution of small business owners by employee size of firm (Table A1). Almost 60 percent of employers in the United States employ just one to four people meaning that a random sample would yield comparatively few larger, small employers to interview. Since size within the small business population is often an important differentiating variable, it is important that an adequate number of interviews be conducted among those employing more than 10 people. The interview quotas established to achieve these added interviews from larger, small business owners are arbitrary but adequate to allow independent examination of the 10-19 and 20-249 employee size classes as well as the 1-9 employee size group.

Table A1

Sample Composition Under Varying Scenarios

Employee Size of Firm	Expected from Random Sample*		Obtained from Stratified Random Sample			
	Interviews Expected	Percent Distribution	Interview Quotas	Percent Distribution	Completed Interviews	Percent Distribution
1-9	593	79	350	47	350	46
10-19	82	11	200	27	200	27
20-249	75	10	200	27	200	27
All Firms	750	100	750	101	750	100

* Sample universe developed from the Bureau of the Census (2002 data) and published by the Office of Advocacy at the Small Business Administration.

The Sponsor

The **NFIB Research Foundation** is a small business-oriented research and information organization affiliated with the National Federation of Independent Business, the nation's largest small and independent business advocacy organization. Located in Washington, DC, the Foundation's primary purpose is to explore the policy-related problems small business owners encounter. Its periodic reports include *Small Business Economic Trends*, *Small Business Problems and Priorities*, and now the *National Small Business Poll*. The Foundation also publishes ad hoc reports on issues of concern to small business owners.



NFIB | Research
The Voice of Small Business. | **Foundation**

1201 "F" Street, NW
Suite 200
Washington, DC 20004
nfib.com