



SEC Advisory Committee on Small Business Capital Formation

August 13, 2019 Omaha, NE

Charles Crain

Director, Tax & Domestic Economic Policy, NAM



Manufacturing by the Numbers

- **250,000 manufacturers** nationwide in every industrial sector
- **98% of firms** have fewer than 500 employees; **75%** have fewer than 20 employees
- **13 million** men and women make things in America
- **\$2.38 trillion** contributed to U.S. economy in Q4 2018
- **64%** of all private sector R&D



SOX 404(b) Exemption Proposals

- **Current standard:** <\$75M public float
- **SEC Advisory Committee**
 - 2013: <\$250M public float
 - 2015: <\$250M public float
- **SEC Government Business Forum**
 - 2009 2012: <\$250M public float
 - 2013 2018: <\$250M public float OR <\$100M revenues & <\$700M public float



SEC Small Business Definitions

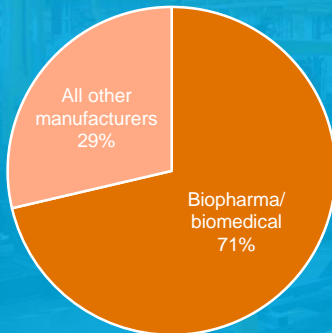
- **Prior to 2018**
 - SRC:* <\$75M public float
 - Non accelerated filer:* <\$75M public float
- **2018 Reforms**
 - SRC:* <\$250M public float OR <\$100M revenues & <\$700M public float
- **2019 Proposal**
 - Non accelerated filer:* <\$75M public float OR <\$100M revenues & <\$700M public float



Low Revenue Manufacturing SRCs

Revenue <\$100M; Market value >\$75M and <\$700M

- Median revenue: **\$18M**
- Median market value: **\$185M**
- Sub industry breakdown:



Low Public Float Manufacturing SRCs

Market value >\$75M and <\$250M

- Median revenue: **\$228M**
- Median market value: **\$167M**
- Sub industry breakdown:

