



# **EU Factoryless Goods Producers Task Force**

## **Information item**

**UNECE, Group of Experts on National Accounts  
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# EU Factoryless Goods Producers Task Force

- To analyse methodological aspects of identification of FGPs
- 8 countries, UNECE observer
- ISIC Technical Sub-Group works in parallel

## Definition of FGPs

### A Factoryless Goods Producer

- is a legal unit or combination of legal units operating without a factory;
- develops and owns (or acquires) the intellectual property;
- does not produce the goods itself but sub-contracts the production completely;
- may or may not own the raw material inputs;
- will own the goods produced, which the FGP may sell directly or via a contractor

# Methodology

Two-step approach for cost/burden reasons

- Identifying potential FGPs
- Confirming FGP status via additional questions in existing surveys

# Possible NACE classes

- Head offices
- Trade
- Computer programming
- Branding
- Manufacturing
- Engineering
- Design

## Relevant indicators (1/2)

- Low employment and high turnover
- Low employment and high production
- Low employment and high profits
- Low employment and high employment costs
- Low capital expenditures
- Low materials or fuels inventories
- Low work-in-progress inventory

## Relevant indicators (2/2)

- Low inventory of finished products
- High purchases of manufacturing services and high sales of goods
- High purchases of manufacturing services and low purchases of goods for resale
- Structure of employment in terms of ISCO and ISCED showing no occupations in production

# Thresholds

- Thresholds needed for 'low' and 'high'
- Proposal to base thresholds on distribution of variable within NACE Division/class
- Low: first decile
- High: last decile



# Sources

Possible sources suitable for the confirmation of the FGP status (with small adaptations):

- International Organisation and Sourcing of Business Activities Survey
- Community Innovation Survey
- Structural Business Statistics
- Profiling
- Patent register

The Task Force has worked/is working on additional questions for the surveys mentioned

## Next steps

- The Working Groups responsible for the different ESS sources mentioned will be consulted to discuss the proposed additional questions
- Final report by the end of June



European  
Commission

**Thank you for your attention**