

U.S. Direct Investment Abroad: 1999 Benchmark Survey, Final Results

Preface

This volume presents the final results of the 1999 Benchmark Survey of U.S. Direct Investment Abroad conducted by the Bureau of Economic Analysis (BEA), U.S. Department of Commerce. Benchmark surveys are the Bureau's most comprehensive surveys--both in terms of companies covered and information gathered. The 1999 survey covered the universe of U.S. direct investment abroad, which consists of all foreign business enterprises owned 10 percent or more, directly or indirectly, by a U.S. person. The prior benchmark survey covered 1994. The survey collected detailed data on the financial structure and operations of U.S. parent companies and their foreign affiliates in 1999. The data include balance sheets, income statements, sales of goods and services, employment and compensation of employees, trade in goods, research and development expenditures, and external financial position. The survey also collected data on the U.S. direct investment position abroad and on balance of payments transactions between U.S. parents and their foreign affiliates in fiscal year 1999. The data for U.S. parent companies are disaggregated by industry of parent. The data for foreign affiliates are disaggregated by country and industry of affiliate or by industry of U.S. parent.

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Ralph Kozlow, Associate Director for International Economics, provided general guidance for the survey. R. David Belli, former Chief of the International Investment Division (IID), directed the design of the benchmark survey report forms, the conduct of the survey, and the analysis and publication of the results.

The 1999 benchmark survey was conducted under the direction of Patricia C. Walker, Chief of the Direct Investment Abroad Branch of IID. James Y. Shin supervised the editing and processing of the reports. The following current and former IID staff contributed to the processing and editing of the survey, or to related computer programming: Joan O. Adams, Damon Battaglia, Christina D. Briseno, Howard S. Chenkin, Margo R. Collier, Richard T. Edwards, David N. Hale, Carole J. Henry, Jeanne Hicks, Earl F. Holmes, Barbara C. Huang, Barbara K. Hubbard, Kristina A. Kaminski, Neeta B. Kapoor, Christine J. Lee, Sherry Lee, Stephanie A. Lewis, Marcia S. Miller, Juanita L. Mortimer, Monique M. Pickett, Pearl Rivers, Ronald L. Ross, Nancy F. Steffen, Rubena I. Thomas, and Diann L. Vann.

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Methodology

The 1999 Benchmark Survey of U.S. Direct Investment Abroad was conducted by the Bureau of Economic Analysis (BEA), U.S. Department of Commerce, to obtain complete and accurate data on U.S. direct investment abroad in 1999. Reporting in the survey was mandatory under the International Investment and Trade in Services Survey Act.¹

The publication presents 215 tables that summarize nearly all of the data collected in the benchmark survey. Three related types of data are presented: (1) Foreign-affiliate financial and operating data, (2) U.S.-parent financial and operating data, and (3) direct investment position and balance of payments data. The financial and operating data cover balance sheets and income statements; property, plant, and equipment; employment and compensation of employees; trade in goods; sales of goods and services; gross product; technology; taxes; and external financial position.

The direct investment position and balance of payments data cover positions and transactions between foreign affiliates and their U.S. parents. These data are the source of the official estimates of direct investment that enter the U.S. national income and product accounts (NIPA's) and the U.S. international

¹ Public Law 472, 94th Cong., 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended.

investment position and international transactions (or "balance of payments") accounts. Balance of payments data include data on capital flows between U.S. parents and their foreign affiliates that are recorded in the financial account of the balance of payments, receipts of income by U.S. parents from their foreign affiliates, and U.S. parents' receipts and payments of royalties and license fees and charges for other services from and to their foreign affiliates.² The direct investment income and position data collected in the benchmark survey and shown in this publication are on a historical-cost basis; prior to their inclusion in the international accounts and the NIPA's they are adjusted to reflect current-period prices.

The amount and type of data collected in the survey differed, depending on whether the U.S. parents or foreign affiliates were banks or nonbanks and, for nonbank affiliates, depending on whether they were majority or minority owned.³ In

² Benchmark survey data on U.S. trade in goods of parents and affiliates are grouped under financial and operating data rather than balance of payments data, because they are not the source of the official trade in goods statistics in the U.S. international transactions accounts.

³ In this publication, the term "bank" is used to describe parents and affiliates that are classified under the BEA international surveys industry category "depository credit

this publication, data for foreign affiliates and for their U.S. parents are presented separately for five affiliate groups: (1) All affiliates of all U.S. parents, (2) nonbank affiliates of nonbank U.S. parents, (3) majority-owned nonbank affiliates of nonbank U.S. parents, (4) nonbank affiliates of U.S. parents in banking, and (5) bank affiliates of all U.S. parents.

A variety of table formats are used: Some tables present data for several related items disaggregated by country or by industry; others present data for a single item disaggregated by country (or industry) and cross-classified by industry (or country).

The data in this publication supersede the preliminary estimates that appeared in U.S. Direct Investment Abroad: 1999 Benchmark Survey, Preliminary Results and that were summarized in "Operations of U.S. Multinational Companies: Preliminary Results from the 1999 Benchmark Survey" in the March 2002 issue of the Survey of Current Business.

The financial and operating data in this publication are part of an annual time series that begins with 1982 (table 1).⁴ Benchmark surveys were conducted for 4 years in the series--1982, 1989, 1994, and 1999--and they will continue to be

intermediation," which includes bank holding companies, credit unions, and savings institutions as well as commercial banks.

⁴Table 1, and the other text tables, follow the section

"Footnotes to the tables."

conducted every 5 years. In nonbenchmark survey years, a sample survey is conducted to derive universe estimates that are comparable with the benchmark survey data.⁵ The estimates for most years are available in publications, and the estimates for 1983 forward are also available in files that can be downloaded at no charge from BEA's Web site. For information on how to order the printed publications or to obtain the data by download, go to <www.bea.gov/bea/ai/iidguide.htm>. Some data items--such as employment of U.S. parents by industry of sales, U.S. trade in goods of parents and affiliates by product and by destination or origin, compensation of and hours worked by production workers of manufacturing affiliates, sales by affiliates by country of destination--were collected in the 1994 benchmark survey, but not in the annual surveys subsequent to them.

The numbering scheme for the tables that appears after the methodology lists the tables in this publication and gives the comparable tables--where available--separately for the publications for 1977, and for 1982-98. Many of the tables that appear in this publication do not have counterparts in the

⁵ The sample of affiliates for nonbenchmark surveys is determined by size. The sample for the nonbenchmark survey covering 1998, for example, consisted of affiliates that had total assets, sales, or net income (or loss) greater than \$50 million.

publications for annual survey years, primarily because the 1999 benchmark survey collected data for some items that were not collected in the annual surveys.

In some instances, data items collected separately in the benchmark survey may have been combined with other items in the annual survey. Thus, two or more items that were combined in a table in the annual survey publications may be shown separately in a table in this publication.

Coverage

The benchmark survey covered every U.S. person (as defined below) having a foreign affiliate--that is, having direct or indirect ownership or control of 10 percent or more of the voting securities of an incorporated foreign business enterprise or an equivalent interest in an unincorporated foreign business enterprise--at any time during its 1999 fiscal year.

The financial and operating data cover every U.S. or foreign business enterprise that was a U.S. parent or a foreign affiliate at the end of its 1999 fiscal year. In addition, the direct investment position and balance of payments data cover foreign businesses that were foreign affiliates at any time during their 1999 fiscal year but that were not affiliates at the end of the year, because the U.S. parents' interest in them had been liquidated or sold. The foreign affiliates that were liquidated or sold during the year are covered so that the coverage of the direct investment position and balance of

payments data in this publication is consistent with that of the U.S. international investment position and international transactions accounts.⁶

As a result of this difference in coverage, some balance of payments data items may not be fully comparable with their counterparts in the financial and operating data. For example, the total for net income shown in the financial and operating data excludes the net income of these former affiliates, but the U.S. parents' share of this income is included in the balance of payments measure of income on U.S. direct investment abroad.

Each benchmark survey report consisted of (1) Form BE-10A, which requested the data for the U.S. parent company, and (2) one or more Form BE-10B's, which requested the data for each of the parent's foreign affiliates that had total assets, sales, or net income (or loss) greater than \$7 million or that owned another foreign affiliate for which a Form BE-10B had to be filed. (Copies of the BE-10 forms appear in the appendix.)

Based on the above criteria, complete BE-10A forms were filed by 2,125 U.S. parents; 481 U.S. parents filed partial BE-10A forms. BE-10B forms were received for 23,980 foreign

⁶Because these affiliates were sold or liquidated during 1999, they are excluded from the investment position at yearend 1999. However, some tables present data on the position at yearend 1998, when these affiliates were still included in the foreign direct investment universe and, hence, in the estimates.

affiliates; 16,125 foreign affiliates were listed by their U.S. parents as exempt from being reported on Form BE-10B.

In table 2, foreign affiliates for which BE-10B forms were filed are compared with all foreign affiliates in the 1999 direct investment universe. Affiliates for which BE-10B forms were filed accounted for 59.8 percent of the universe in terms of numbers. However, because of the relatively low exemption level on the form, they accounted for almost the entire universe in terms of value--99.6 percent of total assets, 99.0 percent of sales, 100.2 percent of net income, and 99.2 percent of the historical-cost U.S. direct investment position abroad.

Beginning with the revised 1999 benchmark survey data presented in this volume, BEA broadened its coverage of the direct investment universe. In the past, BEA did not produce estimates for foreign affiliates that were exempt, due to their small size, from reporting on the benchmark survey and for parents that had only exempt foreign affiliates. Estimates for these affiliates and parents are now included in the multinational company data in order to eliminate the small downward bias attributable to these exclusions.⁷

⁷ The number of affiliates shown in the tables of this publication exclude affiliates that were exempt from reporting, even though estimates for exempt affiliates are now included in the data for other items. Similarly, the number of U.S. parents shown in the tables of this publication exclude those parents

For exempt affiliates, a few data items were required to be reported on a supplement to the 1999 benchmark survey forms. In the final 1999 benchmark data presented here, these data items were included in the published totals and were also used as the basis to estimate other items covered by the survey.

The impact of the inclusion of the new estimates for exempt affiliates on the published aggregate estimates is generally negligible, although it may be significant for a few data items or for a few individual host countries (particularly those that are less developed). For example, exempt affiliates accounted for 0.6 percent of the assets, 1.1 percent of the gross product, 3.4 percent of the employment, and less than 0.1 percent of the capital expenditures of all majority-owned nonbank foreign affiliates (MOFAs). In India, the employment of exempt affiliates accounted for a substantially larger share--10.9 percent--of the employment of all MOFAs in 1999.

The values for parents of only exempt affiliates, however, are more significant. Parents of only exempt affiliates accounted for 1.6 percent of the assets, 3.8 percent of the gross product, 6.1 percent of the employment, and 2.7 percent of the capital expenditures of all nonbank U.S. parent companies in 1999. Thus, the addition of data for parents of only exempt affiliates does affect the comparability of the 1999 data with

that owned only exempt affiliates, even though estimates for such parents are included in the data for other items.

data for earlier years for some data items for U.S. parents and for U.S. MNCs overall.

Concepts and Definitions

This section describes the basic concepts and definitions used in the 1999 benchmark survey. Major differences between these concepts and definitions and those used in BEA's prior benchmark survey, which covered 1994, and in other BEA surveys of U.S. direct investment abroad since 1994 are noted.

Direct investment

Direct investment implies that a person in one country has a lasting interest in, and a degree of influence over the management of, a business enterprise in another country. For the United States, in accordance with international guidelines, ownership or control by a single "person" of 10 percent or more of an enterprise's voting securities or the equivalent is considered evidence of such a lasting interest or degree of influence over management.⁸ Thus, U.S. direct investment abroad is the ownership or control, directly or indirectly, by one U.S. person of 10 percent or more of the voting securities of an

⁸ See International Monetary Fund (IMF), Balance of Payments Manual, 5th ed. (Washington, DC: IMF, 1993); and Organisation for Economic Co-Operation and Development (OECD), OECD Benchmark Definition of Foreign Direct Investment, 3rd ed. (Paris: OECD, 1996).

incorporated foreign business enterprise or an equivalent interest in an unincorporated foreign business enterprise. Only U.S. investment abroad that is direct investment was covered by the 1999 benchmark survey.

Direct investment refers to ownership by a single person, not to the combined ownership of all persons in a country. A "person" is broadly defined to include any individual, branch, partnership, associated group, association, estate, trust, corporation or other organization (whether organized or not under the laws of any State), and any government (including a foreign government, the U.S. Government, a State or local government, and any agency, corporation or financial institution, or other entity or instrumentality thereof, including a government-sponsored agency).

An associated group consists of two or more persons who exercise their voting privileges in a concerted manner by the appearance of their actions, by agreement, or by understanding in order to influence the management of a business enterprise. The following are deemed to be associated groups: (1) Members of the same family, (2) a business enterprise and one or more of its officers and directors, (3) members of a syndicate or joint venture, and (4) a corporation and its domestic subsidiaries. Thus, direct investment is considered to exist as long as the combined ownership interests of all members of the group is at least 10 percent, even if no member owns 10 percent or more. The definition assumes, in effect, that the members' influence

over management is comparable to that of a single person with the same ownership interest.

Direct investment in a foreign business enterprise can result from direct or indirect ownership by a U.S. person. In direct ownership, the U.S. person holds the ownership interest in the foreign business enterprise. In indirect ownership, one or more tiers of ownership exist between the foreign business enterprise and the U.S. person. A U.S. person's percentage of indirect voting ownership in a given foreign business enterprise is equal to the direct-voting-ownership percentage of the U.S. person in the first foreign business enterprise in the ownership chain multiplied by that first enterprise's direct-voting-ownership percentage in the second foreign business enterprise in the chain multiplied by the corresponding percentages for all other intervening enterprises in the chain multiplied by the last intervening enterprise's direct-voting-ownership percentage in the given foreign business enterprise. If more than one ownership chain exists, the percentages of direct and indirect ownership in all chains are summed to determine the U.S. person's ownership percentage.

Investment by a U.S. person of less than 10 percent in a foreign business enterprise is not considered direct investment, even if another U.S. person has an interest of at least 10 percent in the enterprise. Thus, if one U.S. person owns 11 percent and another owns 9 percent, the 11-percent interest is included in direct investment, but the 9-percent interest is

excluded. However, if two or more U.S. persons each hold an interest of at least 10 percent, each such interest is included.

Determination of residency

For purposes of the benchmark survey (and BEA's other direct investment surveys), the "United States" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and all U.S. territories and possessions. Oil and gas sites that are within U.S. territorial waters are also considered to be in the United States.

"Foreign" means that which is situated outside the United States or that belongs to, or is characteristic of, a country other than the United States.

The country of residence, rather than the country of citizenship, of a person is used to determine whether a direct investor or the business enterprise owned by a direct investor is U.S. or foreign. A U.S. person is any person who resides in, or is subject to the jurisdiction of, the United States, and a foreign person is any person who resides outside the United States or who is subject to the jurisdiction of a country other than the United States.

A person is considered a resident of, or is subject to the jurisdiction of, the country in which the person is located if the person resides or expects to reside in that country for 1 year or more. Under this rule, persons who reside or expect to reside outside their country of citizenship for less than 1 year

are considered residents of their country of citizenship, whereas persons who reside or expect to reside outside their country of citizenship for 1 year or more are considered residents of the country in which they are residing.

There are two exceptions to this rule. First, individuals (and their immediate families) who either own or are employed by a business in their country of citizenship and who are residing outside of that country for 1 year or more in order to conduct business for the enterprise are considered residents of their country of citizenship if they intend to return within a reasonable period of time. Second, individuals who reside outside their country of citizenship because they are government employees (such as diplomats, consular officials, members of the armed forces, and their immediate families) are considered residents of their country of citizenship regardless of their length of stay.

The U.S. parent

A U.S. parent is a U.S. person who has direct investment--that is, a 10-percent-or-more direct or indirect ownership interest--in a foreign business enterprise. Because a U.S. parent is a "person" in the broad sense defined above, it may be a business enterprise; a religious, charitable, or other nonprofit organization; an individual; a government; an estate or trust; and so forth. Almost all U.S. parents are business enterprises. A business enterprise is any organization,

association, branch, venture, or the ownership of any real estate that exists to make a profit or to otherwise secure economic advantage.⁹

Each U.S. parent that was an incorporated business enterprise was required to report on a fully consolidated domestic (U.S.) basis. The full consolidation consists of (1) the U.S. corporation with the direct investment ownership interest in a foreign business enterprise, (2) any U.S. corporation, proceeding up that U.S. corporation's ownership chain, that owns more than 50 percent of the U.S. corporation below it, and (3) any U.S. corporation, proceeding down the ownership chains of each of these corporations, that is owned more than 50 percent by the U.S. person above it. The consolidation excludes all other U.S. business enterprises and all foreign branches and subsidiaries owned by any of these U.S. corporations.

Where a U.S. individual or other nonbusiness person (such as a nonprofit organization or a government) owns more than 50 percent of a U.S. business enterprise that, in turn, owns a foreign business enterprise, the U.S. business enterprise, not

⁹ Ownership of real estate for profit-making purposes is defined to be a business enterprise, but ownership of real estate exclusively for personal use is not. A residence that is leased to others by an owner who intends to reoccupy it is considered real estate held for personal use and not a business enterprise.

the individual or other nonbusiness person, is considered the parent. This treatment ensures that financial and operating data of the U.S. business enterprise are included in the U.S.-parent data and that data on the transactions and positions of the U.S. business enterprise with the foreign business enterprise are included in the foreign-affiliate data reported to BEA. Any direct transactions or positions of the individual or other nonbusiness person with the foreign business enterprise must be reported by the U.S. business enterprise and are, therefore, also included in the direct investment accounts.

The U.S. Government may have equity investment in a foreign business enterprise, but such investment is not covered by BEA's direct investment surveys. Data on such investment are reported to other agencies and are included by BEA in the U.S. Government accounts, rather than in the direct investment accounts, of the U.S. international transactions accounts.

In the case of a U.S. estate, the estate itself, not its beneficiary, is considered the U.S. parent. For a U.S. trust, however, either the beneficiary or the creator of the trust may be considered the U.S. parent with respect to any investments of the trust, depending on the circumstances. A U.S. creator is considered the parent if there is a reversionary interest--that is, if the interest in the trust may be returned to the creator after a period of time--or if the creator is a U.S. corporation or other organization that designates its own shareholders or members as beneficiaries. In all other cases, the U.S.

beneficiary is considered the parent.

The foreign affiliate

A foreign affiliate is a foreign business enterprise in which there is U.S. direct investment; that is, it is a foreign business enterprise that is directly or indirectly owned or controlled by one U.S. person to the extent of 10 percent or more of the voting securities for an incorporated business enterprise or an equivalent interest for an unincorporated business enterprise. The affiliate is called a foreign affiliate to denote that it is located outside the United States.

A business enterprise, and therefore an affiliate, may be either incorporated or unincorporated. Unincorporated business enterprises primarily take the form of branches and partnerships.

A foreign affiliate that is a branch consists of operations or activities in a foreign country that a U.S. person conducts in its own name rather than through an entity separately incorporated abroad. By definition, a branch is wholly owned. If a company is incorporated in the United States but carries out substantially all of its operations abroad, its foreign operations are treated by BEA as a branch (and, therefore, as a foreign affiliate) even though the U.S. company itself may consider the operations to be an integral part of, and would normally consolidate them with, its own operations and accounts.

In general, the foreign operations or activities of a U.S. person are considered to be a foreign affiliate if they are legally or functionally separable from the domestic operations or activities of the U.S. person. In most cases, it is clear whether the foreign operations or activities constitute a foreign affiliate. If an operation or activity is incorporated abroad--as most are--it is always considered a foreign affiliate. The situation is not always so clear with unincorporated foreign operations or activities. Most are legally or functionally separable from those of the U.S. person, but some are not clearly separable, and the determination of whether they constitute a foreign affiliate is made on a case-by-case basis, depending on the weight of the evidence.

The following characteristics would indicate that the unincorporated operation or activity is probably a foreign affiliate:

- o It pays foreign income taxes.
- o It has a substantial physical presence abroad, as evidenced by plant and equipment or by employees that are permanently located abroad.
- o It has separate financial records that would allow the preparation of financial statements, including a balance sheet and income statement. (A mere record of disbursements to, or receipts from, the foreign operation or activity would not constitute a "financial statement" for this purpose.)

- o It takes title to the goods it sells and receives revenues from the sale, or it receives funds from customers for its own account for services it performs.

The following characteristics would indicate that the unincorporated operation or activity is probably not a foreign affiliate:

- o It conducts business abroad only for the U.S. person's account, not for its own account (for example, it engages only in sales promotion or public relations activities on behalf of the U.S. person).
- o It has no separate financial records that allow the preparation of financial statements.
- o Its expenses are paid by the U.S. parent.
- o It pays no foreign income taxes.
- o It has limited physical assets or few employees permanently located abroad.

In general, each foreign affiliate was required to be reported separately. However, consolidation of affiliates in the same country was permitted if the affiliates were in the same four-digit industry or were integral parts of the same business operation.¹⁰ (As an example of the latter, if Mexican affiliate A manufactured automobile engines and a majority of

¹⁰For a description of the industry codes used, see BEA's Guide to Industry and Foreign Trade Classifications for International Surveys in the appendix.

its sales were to Mexican affiliate B, which assembled automobiles, then affiliates A and B could have been consolidated.) Under no circumstances were operating affiliates in different countries permitted to be consolidated.

A majority-owned foreign affiliate (MOFA) is a foreign affiliate in which the combined direct and indirect ownership interest of all U.S. parents exceeds 50 percent. Data for MOFAs rather than for all foreign affiliates are required in order to examine the foreign investments over which U.S. parents exhibit unambiguous control.¹¹ Additionally, some aspects of affiliate operations can only be analyzed from the perspective of MOFA operations, because the necessary data items are not collected for other affiliates.

A small percentage of MOFAs are majority owned by a group of U.S. parents in which no one of the parents has a majority stake.¹² The group usually influences or controls the management

¹¹ However, the U.S. parent(s) may be under the control of a foreign parent company. In 1999, for example, nonbank U.S. parents that were ultimately controlled by foreign parents accounted for 18 percent of all nonbank U.S. parents, and they accounted for 16 percent of the assets and for 15 percent of the sales of all nonbank U.S. parents.

¹² In 1999, for example, MOFAs in which none of the U.S. parents had a majority stake accounted for 0.8 percent of all nonbank MOFAs, and they accounted for 0.7 percent of the assets and for

of the affiliate as a single parent that has the same total ownership interest would. Most of these jointly owned MOFAs are in the petroleum industry, where parents sometimes pool their resources in order to raise capital or to mitigate risk.

Accounting Principles

Use of generally accepted accounting principles

Data in the 1999 benchmark survey were required to be reported as they would have been for stockholders' reports rather than for tax or other purposes. Thus, U.S. generally accepted accounting principles (GAAP) were followed unless otherwise indicated by the survey instructions. The survey instructions departed from GAAP only in cases where the departure would result in data that were conceptually or analytically more useful or more appropriate for direct investment purposes. One major departure from GAAP was the use of the unique consolidation rules (see the preceding discussions of consolidated reporting in "The U.S. Parent" and in "The Foreign Affiliate" in the section "Concepts and Definitions").

Currency translation

Monetary amounts were reported to BEA in thousands of U.S. dollars. The report forms specified that when a foreign affiliate's assets, liabilities, revenues, and expenses were

0.8 percent of the sales of all nonbank MOFAs.

denominated or measured in the affiliate's financial statements in a foreign currency, they must be translated into dollars in accordance with GAAP, specifically Financial Accounting Standards Board Statement No. 52 (FAS 52).

Under FAS 52, all assets, liabilities, revenues, and expenses are translated at current exchange rates. For assets and liabilities, the exchange rate as of the balance sheet date is used. For revenues and expenses, weighted-average exchange rates for the period are used.

Under FAS 52, exchange gains and losses resulting from remeasuring the foreign affiliates' assets and liabilities that are denominated in foreign currencies other than the affiliate's principal, or functional, currency into the functional currency at exchange rates that differ from those used in the prior period are included in affiliates' net income. However, exchange gains and losses that result from translating opening balances for foreign affiliates' assets and liabilities from the functional currency into U.S. dollars at exchange rates different from those for closing balances are taken directly to a separate component of owners' equity, entitled "cumulative translation adjustments," rather than being included in net income. The effects of translating foreign affiliates' revenues and expenses from their functional currency into U.S. dollars at exchange rates different from those in the prior period are reflected in net income, but they are not separately identified, and because they do not represent changes in the values of

assets or liabilities, they are not regarded as capital gains or losses.

Valuation

The 1999 benchmark survey data are, for the most part, valued in the prices and exchange rates of 1999. Because 1999 prices and exchange rates may differ from those of other years, changes in U.S.-parent and foreign-affiliate data over time may reflect changes in prices and exchange rates rather than real changes. In addition, the validity of comparisons of foreign affiliate data across countries may be affected if the market exchange rates used to translate foreign-affiliate data to U.S. dollars do not reflect the relative purchasing power of different currencies.¹³

¹³For further discussion of valuation issues and for the results of an initial BEA attempt to remove valuation effects from its measures of the activities of U.S. multinational companies, see "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," Survey of Current Business 77 (April 1997): 8-17.

Since the initial publication of the real gross product estimates in 1997, BEA has updated the series annually. The initial series covered the years 1982-94, was valued in chained 1993 dollars, and provided country detail for 19 selected member countries of the Organisation for Economic Co-Operation and

In general, asset and liability items from the benchmark survey items--such as property, plant and equipment, and the direct investment position--are valued at historical cost rather than in 1999 prices. For these items, the values shown largely reflect prices at the time the asset was acquired or the investment was made rather than prices of 1999.¹⁴

Fiscal Year Reporting

Data for foreign affiliates and U.S. parents were required to be reported on a fiscal year basis. The 1999 fiscal year was defined to be the affiliate's or parent's financial reporting year that ended in calendar year 1999.

The data for fiscal year 1999 from the benchmark survey that are presented in this publication differ from the 1999 calendar year estimates of transactions between foreign

Development (OECD). The most recent series covers the years 1994-2000, is valued in chained 1996 dollars, and provides country detail for 24 selected OECD countries. For the most recent estimates, see Raymond J. Mataloni Jr., "U.S. Multinational Companies: Operations in 2000," Survey of Current Business 82 (December 2002): 111-131.

¹⁴For further discussion of historical-cost valuation of the direct investment position see the section "U.S. direct investment position abroad."

affiliates and their U.S. parents that appear in the U.S. international transactions accounts or with the 1999 calendar year estimates of the U.S. direct investment position abroad. The benchmark survey data must be adjusted to a calendar year basis before they are entered into the U.S. direct investment position abroad and the international transactions accounts.

The size of the differences between the fiscal year data presented here and the calendar year estimates that are presented in the U.S. direct investment position and international transactions accounts depends on the number and size of foreign affiliates and U.S. parents whose fiscal years do not correspond to the calendar year. Figures on the number of foreign affiliates and U.S. parents that have fiscal years that do not correspond to the calendar year and on the portion of the benchmark survey data accounted for by these foreign affiliates and U.S. parents are shown in table 3.

Confidentiality

Under the International Investment and Trade in Services Survey Act, the direct investment data collected by BEA are confidential; they cannot be published in such a manner "that the person to whom the information relates can be specifically identified" without the prior written permission of the respondent. For this publication, each cell in a table was tested to determine whether the data it contained should be suppressed (that is, not shown) for confidentiality reasons. A

"(D)" in a cell indicates that the data were suppressed to avoid the disclosure of information on an individual company. For employment data, a letter representing a size range was entered in place of a "(D)."

The act further stipulates that the data must be used for statistical and analytical purposes only; the use of an individual company's data for tax, investigative, or regulatory purposes is prohibited. Access to the data is limited to officials and employees (including consultants and contractors and their employees) of Government agencies who, under the terms of the act, are granted access for specified statistical and analytical purposes.

Private individuals may obtain access to the data only in the capacity of experts, consultants, or contractors whose services are procured by BEA, usually on a temporary or intermittent basis, for purposes of carrying out projects under the act--for example, to perform research on U.S. direct investment abroad. These people are subject to the same confidentiality requirements as regular employees of BEA or other government agencies performing functions under the act.

Classification of Data

Classification by country

Each foreign affiliate is classified by its country of location--that is, the country in which the affiliate's physical

assets are located or in which its primary activity is carried out. In most cases, the country of location of a business enterprise is the same as its country of organization or incorporation. However, in some cases, a business enterprise is incorporated in one country, but part or all of its physical assets are located, or its activities are carried out, in a second country. If all its physical assets or operations are located in a single foreign country outside its country of incorporation, the enterprise is treated as an incorporated foreign affiliate in the country where its physical assets and operations are located. If, however, an enterprise has some physical assets or operations in each country, it is considered two separate affiliates--an incorporated affiliate located in the country of incorporation and an unincorporated affiliate (a branch) located in the other country.

There are three exceptions to these general rules. First, if a business enterprise incorporated in one foreign country has physical assets or operations in more than one other foreign country, an incorporated foreign affiliate is deemed to exist in the country of incorporation, even though the enterprise may have no physical assets or operations in that country.

Unincorporated foreign affiliates (branches) are deemed to exist in the other foreign countries. In effect, the affiliate in the country of incorporation is considered a holding company whose assets are the equity it holds in the unincorporated affiliates in the other countries. Second, if a business enterprise

incorporated abroad by a U.S. person conducts its operations from, and has all of its physical assets in, the United States, it is treated as an incorporated foreign affiliate in the country of incorporation, even though it has no operations or physical assets there. This treatment ensures that the foreign entity is reported to BEA. Third, affiliates that have operations spanning more than one country and that are engaged in petroleum shipping, other water transportation, or offshore oil and gas drilling are classified in the country of residence of the operator of the ship or the equipment. In most cases the country of the operator is the same as the country of incorporation. In the previous benchmark and annual survey publications, these affiliates were classified in a separate geographic category "international."

Balance of payments transactions between parents and affiliates are recorded against the country of the affiliate with which the U.S. parent had a direct transaction, even if the transaction may reflect indirect claims on, liabilities to, or income from indirectly held affiliates in third countries. For example, suppose that a U.S. parent company acquires all of the equity of a German manufacturer for \$100 million, channeling the purchase through its holding-company affiliate in the Netherlands. Both the direct investment capital flow and the direct investment position would be recorded against the Netherlands, because that is the country of the affiliate with which the U.S. parent had a direct transaction. (By contrast,

the financial and operating data--such as employment and sales data--of the newly acquired affiliate would be shown in Germany because that is where the operations are located.)

Transactions with third-country transactors involving a given affiliate are classified in the affiliate's country of location. For example, suppose a U.S. parent purchases a Japanese affiliate's capital stock from a French resident; the resulting direct investment capital flow would be classified in Japan because such flows change the U.S. direct investment position in that country. (However, the associated settlement flows, which would be included in other financial accounts of the U.S. international transactions accounts, would likely be classified in France.)

Unless otherwise specified, the designation "by country" in a table title in this publication indicates that the data in the table are disaggregated by country of foreign affiliate. If a different method of country disaggregation is used, it is specified in the table title; for example, trade data could be disaggregated either by country of affiliate or by country of origin or destination.

In table II.A1, selected data for all nonbank foreign affiliates of nonbank U.S. parents are classified by country of affiliate; each individual country in which U.S. direct investment in 1999 was reported is shown separately and is grouped by geographic area. Table III.A1 presents similar information for majority-owned foreign affiliates. Primarily

because of confidentiality requirements, many countries could not be shown separately in the other tables in this publication. However, the individual countries included in a country group shown in the other tables may be determined, and their relative sizes assessed, by referring to table II.A1 or table III.A1.

Classification by industry

The 1999 benchmark survey marks the first year that annual or benchmark survey data on U.S. direct investment abroad have been classified by industry using BEA's International Survey Industry (ISI) classification system that is based on the 1997 North American Industry Classification System (NAICS).¹⁵ NAICS is the new industry classification system of the United States,

¹⁵ The new industry classification system was introduced to BEA data on foreign direct investment in the United States with the 1997 benchmark survey. See Foreign Direct Investment in the United States: Final Results from the 1997 Benchmark Survey (Washington, DC: U.S. Government Printing Office, June 2001).

Canada, and Mexico.¹⁶ In the United States, NAICS supplants the 1987 Standard Industrial Classification (SIC), which was the basis for the old ISI classification system.¹⁷ Among other improvements, NAICS better reflects new and emerging industries, industries involved in the production of advanced technologies, and service industries.

Many of the NAICS industries correspond directly to SIC industries; similarly, many of the NAICS-based ISI industries correspond directly to SIC-based ISI industries.

However, many of these industries have been rearranged among the higher level groups in which they appear. In addition, the NAICS includes several new, higher level groups. At the highest level of aggregation, the 20 industry groups--

¹⁶ Office of Management and Budget, North American Industry Classification System: United States, 1997 (Lanham, MD: Bernan Press, 1998). The latest NAICS manual, which was prepared after the collection of BEA's 1999 benchmark survey data, is Office of Management and Budget, North American Industry Classification System: United States, 2002 (Lanham, MD: Bernan Press, 2002).

Information on NAICS can be accessed on the Internet at www.census.gov/epcd/www/naics.html.

¹⁷ Office of Management and Budget, Standard Industrial Classification Manual, 1987 (Washington, DC: U.S. Government Printing Office, 1987).

termed "sectors"--in the NAICS replace the 10 industry divisions in the SIC. Several of the NAICS (and NAICS-based ISI) sectors do not correspond directly to these SIC (and SIC-based ISI) industry divisions. For example, the new "information" sector consists of industry groups from several SIC industry divisions.¹⁸ In addition, the new "finance and insurance" sector excludes holding companies, unlike the "finance, insurance, and real estate" division of the 1987 SIC.

Under NAICS, the finance and insurance sector includes data for depository institutions. However, in the tables in this volume (and for other BEA data on direct investment) that show data for depository institutions, these firms are not grouped with other finance and insurance firms but are instead shown in a separate category titled "depository credit intermediation (banking)." Reflecting this treatment, all other data for the finance and insurance sector are shown in a category titled

¹⁸Specifically, the information sector includes the following industries: Publishing, which is included in the SIC manufacturing industry division; "motion picture and sound recording industries" and "information and data processing services," which are included in the SIC services division; and broadcasting and communications, which are included in the SIC transportation, communication, and public utilities division.

"finance (except depository institutions) and insurance." The coverage of this category differs from that of the old SIC-based category "finance (except depository institutions), insurance, and real estate" in that the new NAICS-based category excludes real estate firms and nonfinancial holding companies, whereas the old SIC-based category included them.¹⁹ Under the NAICS-based classifications, data for non-financial holding companies appear in the "management of nonbank companies and enterprises" industry (included in "other industries" in the tables).

In the NAICS-based ISI classification system, there are 197 industries, compared with 137 industries in the old SIC-based ISI system. For the most part, the new ISI classifications are equivalent to NAICS four-digit industries; at its most detailed level, NAICS classifies industries at a six-digit level. The ISI classification system is less detailed than either NAICS or the SIC because it is designed for classifying enterprises rather than establishments (or plants). Because many direct investment enterprises are active in several industries, it is not meaningful to classify all their data in a single industry if that industry is defined too narrowly. A list and descriptions of the NAICS-based ISI codes (and their relationship to NAICS) are presented in the Guide

¹⁹Bank holding companies are grouped with depository institutions in both the NAICS- and SIC-based classifications.

to Industry and Foreign Trade Classifications for International Surveys (see the appendix to this publication).

Each U.S. parent or foreign affiliate was classified by industry on the basis of its sales (or of its total income, for holding companies) in a three-stage procedure. First, a given U.S. parent or foreign affiliate was classified in the sector that accounted for the largest percentage of its sales.²⁰

Second, within the sector, the U.S. parent or foreign affiliate was classified in the three-digit subsector in which its sales were largest; a three-digit subsector consists of all four-digit industries that have the same first three digits in their four-digit ISI code. Third, within its three-digit subsector, the U.S. parent or foreign affiliate was classified in the four-digit industry in which its sales were largest. This procedure ensured that the U.S. parent or foreign affiliate

²⁰ The sectors used for this purpose were agriculture, forestry, fishing, and hunting; mining; utilities; construction; manufacturing; wholesale trade; retail trade; transportation and warehousing; information; finance and insurance; real estate and rental and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and support, waste management, and remediation services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodations and food services; and all other services.

was not assigned to a four-digit industry outside either its sector or its three-digit sub-sector.

The following example illustrates the three-stage classification procedure. Suppose a parent's or an affiliate's sales were distributed as follows:

Percentage of total sales

Code		
	All industries	100
	Manufacturing	55
333	Machinery	30
3331	Agriculture, construction, and mining	
	machinery	10
3332	Industrial machinery	15
3336	Engines, turbines, and power	
	transmission equipment	5
334	Computers and electronic products	25
3344	Semiconductors and other electronic	
	products	25
	Wholesale trade	45
421	Durable goods.....	45
4218	Machinery, equipment, and supplies.....	45

Because 55 percent of the parent's or affiliate's sales were classified in manufacturing and only 45 percent were classified in wholesale trade, the parent's or affiliate's major industry

is manufacturing. Within manufacturing, 30 percent of its sales were accounted for by sales in three-digit industry 333 (machinery)(the sum of the percentages in 3331, 3332, and 3336), and 25 percent were in three-digit industry 334 (computers and electronic products); therefore, the parent's or affiliate's three-digit industry is 333. Finally, because its sales within industry 333 were largest in subindustry 3332, the parent's or affiliate's four-digit subindustry is 3332. Thus, because of the three-stage classification procedure, the parent or affiliate was assigned to subindustry 3332, even though its sales in that subindustry were smaller than its sales in either subindustries 4218 or 3344.

Table II.A2 presents selected data for nonbank foreign affiliates and nonbank U.S. parents classified by industry; each four-digit industry except depository credit intermediation is shown separately and is grouped by the major industry to which it belongs. Table III.A2 presents similar data for majority-owned nonbank affiliates. Primarily because of confidentiality requirements, many of these four-digit industries are not shown in the other tables in this publication. However, each industry that is included, but not separately identified, in an industry group in the other tables may be ascertained by referring to table II.A2 or III.A2.

In contrast to publications on U.S. direct investment abroad for earlier years, the various petroleum-related industries are no longer grouped in the industry group

"petroleum." Instead, these industries are spread among the NAICS-based ISI sectors; for example, oil and gas extraction is now included in mining, petroleum refining is in manufacturing, and gasoline service stations are in retail trade. This change was made to bring the industry presentation of the data for U.S. direct investment abroad into conformity with that used for most other data on the U.S. economy.

To help assess the impact of the changes both in industry classification and in the treatment of petroleum-related industries, table groups L and W in this publication present selected data for 1999 classified by industry using 1987 SIC-based industries, the basis used for the benchmark survey and annual publications covering 1989-98.

Unless otherwise specified, the designation "by industry" in the title of a table in this publication indicates that the data in the table are disaggregated by primary industry of the U.S. parent or foreign affiliate. Exceptions to this rule are specified in the table title; for example, in some tables, affiliate data are disaggregated by industry of their U.S. parent.

U.S. parents that are individuals, estates, or trusts were classified in the industry "nonbusiness entities, except government" which, in this publication, is treated as part of the ISI major industry 81 "other services." This industry is included in tables that disaggregate affiliate data by industry

of U.S. parent.²¹ However, it is not included in tables containing U.S.-parent data, because U.S. parents that were individuals, estates, or trusts were not required to report financial and operating data.

Each U.S. parent and foreign affiliate was classified in a single industry, even though many parents and affiliates had activities in more than one industry. As a result, the distribution of data by industry of U.S. parent or foreign affiliate differs from the distribution that would result if each individual activity of a parent or an affiliate was distributed by detailed industry. In the benchmark survey, sales by U.S. parents and foreign affiliates and employment by U.S. parents were classified by industry. Specifically, each U.S. parent was required to distribute its sales and employment among the ten four-digit industries in which its sales were largest and to distribute the sales of each foreign affiliate among the seven four-digit industries in which the affiliate's sales were largest. Unspecified sales and employment are shown in the "not specified by industry" row or column in the tables that display data by industry of sales. Because a parent or affiliate that has an establishment in an industry usually also has sales in that industry, the distribution by industry of

²¹ Tables II.A2 and III.A2 show selected data for affiliates whose parents are classified in "nonbusiness entities, except government."

sales roughly approximates the distribution that would result if the data were reported and classified by industry of establishment.

In table 4, U.S. parents' sales and employment disaggregated by industry of sales are compared with their sales and employment disaggregated by industry of parent, and foreign affiliates' sales disaggregated by industry of sales are compared with their sales disaggregated by industry of affiliate. (For nonbank parents of nonbank affiliates, data by industry of sales cross-classified by industry of parent are shown in table II.Q2 for sales and table II.S2 for employment; for nonbank affiliates of nonbank parents and for majority-owned nonbank affiliates of nonbank parents, sales by industry of sales cross-classified by industry of affiliate are shown in tables II.F22 and III.F22, respectively.)

For sales, differences between the distribution by industry of enterprise and the distribution by industry of sales were much larger for U.S. parents than for foreign affiliates, primarily because U.S. parents are more diversified than their affiliates. The greater diversification of U.S. parents partly reflects the much greater degree of consolidation of their operations in the benchmark survey data.

Estimation and General Validity of the Data

A completed benchmark survey form was required for affiliates that had total assets, sales, or net income (or

losses) greater than \$7 million. Either a long form or a short form was required, depending on the size of the affiliate. In addition, a few key data items were collected for affiliates that were too small to meet these criteria (that is, exempt affiliates) so that some data were collected for virtually all foreign affiliates. To present direct investment data in the same detail for all affiliates, BEA estimated the items that appeared only on the long form for the affiliates that were reported on the short form and for affiliates that were exempt. Estimates were also made for some affiliates that failed to report on the benchmark survey but for which data could be obtained from other direct investment surveys.

The long form (BE-10B(LF)) collected the most detailed data; it was filed by U.S. parents for their majority-owned nonbank foreign affiliates with total assets, sales, or net income (or loss) greater than \$100 million. A total of 5,341 nonbank affiliates of nonbank parents filed long forms. Although these affiliates accounted for only 23 percent of all nonbank affiliates of nonbank parents for which survey forms were filed, they accounted for a much larger portion of the data for nonbank affiliates of nonbank parents in terms of value--75 percent of total assets, 68 percent of sales, and 52 percent of employment.

The short form (BE-10B(SF)) collected most balance of payments items but only selected financial and operating data items; it was filed by nonbank U.S. parents for their nonbank

foreign affiliates with total assets, sales, or net income (or losses) greater than \$7 million but not more than \$100 million; by nonbank U.S. parents for their minority-owned nonbank foreign affiliates with total assets, sales, or net income (or losses) greater than \$7 million; and by bank parents for their nonbank affiliates with total assets, sales, or net income (or losses) greater than \$7 million. For a given short-form affiliate or exempt affiliate, long-form items were generally estimated on the basis of relationships among data items for long-form affiliates that were in the same industry group as the affiliate whose data were being estimated.

Short forms were files for 16,629 nonbank affiliates of nonbank parents. Although these affiliates accounted for 69 percent of all nonbank affiliates of nonbank parents for which survey forms were filed, they accounted for a smaller portion of the data for nonbank affiliates of nonbank parents in terms of value--20 percent of total assets, 28 percent of sales, and 40 percent of employment.

As noted earlier, estimates of data (excluding number counts) were made for exempt affiliates and for parents that had only exempt affiliates. These estimates accounted for a very small portion of the universe data for affiliates but for a somewhat larger share for parents (see the Coverage section).

BEA also made estimates of the data for some nonbank affiliates for which a benchmark survey report was not filed, even though they met the criteria for filing. For the 1,257

affiliates covered by these estimates, BEA had a report in another direct investment survey that served as a basis for estimation. These affiliates, most of which were small, accounted for only a minor portion of the nonbank universe in terms of value--4 percent of total assets, 3 percent of sales, and 4 percent of employment. The estimation of data for these affiliates ensured that the 1999 data were as complete as possible.

All data reported for U.S. parents and foreign affiliates were required to pass a number of computerized edit checks. Where possible, the data for a parent or an affiliate were reviewed for their consistency with related data for the parent or affiliate from other parts of the report form, with data provided in related report forms, with comparable data reported by other parents or affiliates, and with comparable data from outside sources. As a result of this edit and review process, a number of changes to the reported data were made, often after consultation with survey respondents. In some cases, usually involving small parents and affiliates, estimates based on industry averages or on other information were substituted for missing or erroneously reported data.

For some data items--such as those pertaining to trade by product and by country of destination and origin--survey respondents had difficulty in supplying the required information because the data were not easily accessible or were unavailable from their books. In these cases, respondents often made

estimates, the quality of which is difficult to assess.

Number of U.S. Parents and Foreign Affiliates

Table 7 shows the number of parents and affiliates for which the 1999 benchmark survey forms were filed. Table II.A1 shows the number of nonbank foreign affiliates by country, and table II.A2 shows the number of nonbank U.S. parents and nonbank foreign affiliates by industry.

The counts of nonbank parents and affiliates are not strictly comparable with the counts shown in previous benchmark and annual survey publications because of differences in criteria for reporting. The counts in this publication cover affiliates that met the 1999 benchmark survey's \$7 million reporting criterion and cover parents that had at least one reportable affiliate.²² The counts in earlier benchmark survey publications are based the reporting criteria in those surveys, which differed from that in 1999. For example, the criterion was \$3 million in the 1989 and 1994 benchmark surveys and \$1 million in the 1982 benchmark survey. In the annual survey publications, counts of affiliates and parents are based on the criterion used in the preceding benchmark survey. Thus, the

²² For items other than number counts, estimates are included in the totals for affiliates below the reporting threshold and for parents that only had affiliates below the threshold (see the Coverage section).

counts in the 1995-98 annual survey publications are based on a \$3 million criterion.

The counts of parents and affiliates should be used cautiously because, as just noted, with the exception of those shown in table 2, they exclude the numerous very small affiliates (and parents of only very small affiliates) for which a complete benchmark survey report was not required. In addition, survey forms were not filed for some parents and affiliates that met the reporting criteria. Because of limited resources, BEA's efforts to ensure compliance with reporting requirements focused mainly on large parents and affiliates. As a result, some of the parents of small affiliates that were not aware of the reporting requirements and that were not on BEA's mailing list may not have filed reports. The omission of these parents and their affiliates from the benchmark survey results probably has not significantly affected the aggregate value of the various data items collected, but it could have caused an unknown, but possibly significant, understatement of the number of parents or affiliates.

Even an exact count of parents or affiliates would be difficult to interpret because each report covers a consolidated business enterprise. The number of consolidated business enterprises varies according to the degree of consolidation used and the differences in the organizational structure of the companies.

Financial and Operating Data for Foreign Affiliates and U.S. Parents

Financial and operating data focus on the overall operations of U.S. parents and their affiliates. Among the items covered by these data are the following: Balance sheets and income statements; gross product; sales of goods and services; external financial position; taxes; property, plant, and equipment; employment and compensation of employees; U.S. trade in goods; and research and development expenditures. Only a few of these items were obtained for bank parents and affiliates; consequently, most of the tables that present financial and operating data cover only nonbank parents and affiliates.

The financial and operating data for foreign affiliates are not adjusted for the ownership share of the U.S. parents. Thus, for example, the employment data include all employees of each affiliate, including affiliates in which the U.S. parent's ownership share is less than 100 percent. To help address issues for which control is relevant, many tables cover only majority-owned foreign affiliates.

Most of the concepts and definitions used in reporting the financial and operating data can be found on the survey forms or in the Instruction Booklet to the forms, all of which are reproduced in the appendix. The following discussion focuses on

the concepts, definitions, and statistical issues that require further explanation or that are not covered in either the forms or the Instruction Booklet.

Balance sheets and income statements

Balance sheets and income statements for U.S. parents and foreign affiliates are required to be filed according to U.S. generally accepted accounting principles (GAAP), and any major changes in GAAP will affect the data. For most affiliates, the income statement includes all types of income, both ordinary and extraordinary. However, for some parents and affiliates, such as those in insurance, GAAP requires certain unrealized gains and losses to be carried directly to owners' equity in the balance sheet rather than to be carried through the income statement.

Under GAAP, depreciation and depletion charges are used to distribute the cost of an asset over that asset's estimated useful life. For example, parents and affiliates engaged in extracting natural resources report net income after the deduction of book depletion—that is, those expenses representing the periodic charge-off of the actual cost of natural resources. Tax or percentage depletion is not deducted.

External financial position

The external financial position of foreign affiliates

measures the extent to which affiliates rely on external sources of funds rather than internal sources of funds. The primary internal sources of funds are the affiliate's own reinvested earnings and depreciation allowances. External sources of funds are all sources of financing of affiliate operations other than internal sources. The external sources of funds for foreign affiliates can be disaggregated by type of financing (debt or equity) and by affiliation and location of the investor (U.S. parents, other U.S. persons, persons in the affiliate's country of location, or other foreign persons). For some analytical purposes, it is preferable to consider funds received from U.S. parents as an internal source of funds (in the sense that the funds are internal to the multinational company). The detail provided on the external financial position can support this type of analysis.

Gross product

Gross product is an economic accounting measure of the production of goods and services. Gross product measures the value added by U.S. parents and foreign affiliates; thus, foreign-affiliate gross product measures the contributions of foreign affiliates to the gross domestic product (GDP) of foreign countries and U.S.-parent gross product measures the contribution of U.S. parents to U.S. GDP.

For a U.S. parent or a foreign affiliate, as for any firm, gross product can be measured as gross output (sales or receipts

and other operating income plus changes in inventories and work in progress) minus intermediate inputs (purchased goods and services). Alternatively, it can be measured as the sum of the costs incurred (except for intermediate inputs) and the profits earned in production. The costs fall into four major categories: Compensation of employees, net interest paid,

indirect business taxes, and capital consumption allowance.²³

The estimates presented in this publication were calculated as

²³In the U.S. national income and product accounts (NIPA's), two measures of depreciation, or capital consumption, are used—the capital consumption allowance and the consumption of fixed capital. The capital consumption allowance (CCA) consists of depreciation charges, which are based largely on tax returns, and allowances for accidental damage to fixed capital.

Consumption of fixed capital consists of CCA plus an adjustment to place depreciation on an economic basis that uses economic service lives, depreciation that follows a geometric pattern, and replacement-cost valuation.

For U.S. parents and foreign affiliates, the only measure of capital consumption available from BEA's survey data is the book value of depreciation, reported on a basis consistent with GAAP. Because this measure does not provide for replacement-cost valuation, it is termed the "capital consumption allowance" in this publication (see tables II.R1 and III.G1, for example).

The basis used to measure depreciation has no effect on the value of total gross product; any differences between the measures of depreciation, which is a cost of production, have equal and offsetting effects on the profit-type return component.

the sum of costs and profits.

Estimates of gross product rather than sales or other measures are generally preferred in assessing the economic impact of parents or affiliates on the entire host economy as well as on individual industries. Gross product permits a more focused analysis of the impact of firms because it measures only the firm's own value added, whereas sales do not distinguish between the firm's own value added and the value embodied in inputs purchased from other companies. In addition, gross product measures the value added to the economy during a specific period. In contrast, some sales in a given period may represent production from earlier periods.

The measure of profits from current production included in gross product is called "profit-type return." Unlike the net income item in the income statement, profit-type return measures profits before income taxes, and it excludes nonoperating items (such as special charges and capital gains and losses) and income from equity investments. Tables included in this publication show profit-type return of majority-owned foreign affiliates by detailed country and industry.

Sales of goods and services

For U.S. parents and majority-owned foreign affiliates, the 1999 benchmark survey collected data on sales (or gross operating revenues) disaggregated into goods, services, and investment income. Sales were further disaggregated into sales

by type of customer--to affiliated and unaffiliated parties--and by destination--sales to the United States, local sales, and sales to other foreign countries.

For purposes of disaggregating sales into goods, services, and investment income, sales of goods are defined as sales that are typical of establishments in any of the following six NAICS sectors: Agriculture, forestry, fishing and hunting (except support activities for agriculture and forestry); mining (except support activities); construction; manufacturing; wholesale trade; and retail trade. (A parent or affiliate need not be classified in one of these sectors to have sales of goods.) Sales of services are defined as sales that are typical of establishments in the 14 other NAICS sectors and the support activities for agriculture, forestry, fishing and hunting and for mining. (A parent or affiliate need not be

classified in one of these sectors to have sales of services.)²⁴
In previous benchmark and annual surveys, sales of goods and services were defined as the sales that were characteristic of establishments in specified groups of SIC-based industries.²⁵

²⁴The 14 NAICS sectors are utilities; transportation and warehousing; information; finance and insurance; real estate and rental and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and support and waste management and remediation services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; other services (except public administration); and public administration.

²⁵ The distinction between sales of goods and sales of services under the NAICS-based classifications introduced in the 1997 benchmark survey is similar to that under the SIC-based classifications used in previous surveys. However, some sales under the NAICS-based classifications-- particularly, sales characteristic of newspaper, periodical, book, and record publishers and of restaurants--are treated as sales of services, but under the SIC-based classifications, these sales are treated as sales of goods. In addition, some sales under the NAICS-based classifications--most notably,

Information on investment income was collected primarily to ensure that, if investment income was included in total sales (or gross operating revenues), it would not be included in sales of services. In finance and insurance, parents and affiliates include investment income in sales because it is generated by a primary activity of the firm. In other industries, most parents and affiliates consider investment income an incidental revenue source and include it in the income statement in an "other income" category rather than in sales.

Employment and compensation of employees

In the benchmark survey, data on employment and compensation of employees were collected for U.S. parents and foreign affiliates. For U.S. parents and majority-owned foreign affiliates, data were also collected on the number of employees

sales characteristic of land subdividers, of firms that reproduce software and video, and of dental laboratories—are treated as sales of goods, but under the SIC-based classifications, they are treated as sales of services. The net effect of these differences in classification is that sales of services is slightly higher, and sales of goods slightly lower, on the new basis than on the old basis.

engaged in research and development activities and on the components of compensation of employees--wages and salaries and employee benefits. For majority-owned foreign affiliates, data were also collected on the number of production workers engaged in manufacturing activities and on the compensation of, and hours worked by, those workers.

Survey respondents were asked to report employment as the number of full-time and part-time employees on the payroll at the end of fiscal year 1999. However, a count taken during the year was accepted if it was a reasonable proxy for the end-of-year number. In addition, if employment at the end of the year was unusually high or low because of temporary factors, such as seasonal variations or a strike, a number reflecting normal operations was requested.

Employment by U.S. parents is classified both by industry of parent and by industry of sales. The classification by industry of sales is based on information supplied by each U.S. parent on employment in the individual four-digit industries in which it had sales.

Employment by foreign affiliates is classified both by industry of affiliate and by industry of U.S. parent. It is not classified by industry of sales because the necessary data were not collected. (Earlier surveys had indicated that most

affiliates had employment in only one four-digit industry.)

Worker compensation rates were not directly collected in the benchmark survey, but, for majority-owned foreign affiliates, the data needed to derive hourly compensation of production workers engaged in manufacturing activities were collected. Such data were collected only for production workers because data on hours worked by nonproduction workers are generally not maintained by survey respondents and because data on aggregate hourly compensation and wage rates for the United States and foreign countries that might be comparable with the benchmark survey data are limited to data for production workers.

Although the data on employment and compensation of employees from the benchmark survey can be used to compute rates of compensation per employee and wages and salaries per employee, these rates may not accurately reflect the compensation rates normally paid by parents and affiliates (and, thus, are not shown in this publication). The computed rates may be distorted by the inclusion of part-time employees, because part-time employees are counted the same as full-time employees, or by data that cover only part of the year--for example, data for a parent or affiliate that was newly established during the year.

U.S. trade in goods

The concepts and definitions underlying the data collected in the benchmark survey on U.S. trade in goods of U.S. parents and foreign affiliates are nearly identical to those used for the data on total U.S. trade in goods compiled by the Census Bureau. The trade data are particularly difficult for survey respondents to report, but BEA's review of the reported data indicates that most of the data conforms well to Census Bureau concepts and definitions. However, because of certain reporting problems, the U.S. multinational company trade data are not completely comparable with the Census Bureau trade data. In the benchmark survey, data on U.S. trade in goods had to be reported on a "shipped" basis--that is, on the basis of when, where, and to (or by) whom the goods were shipped--in order for them to be comparable with official U.S. trade data. However, most survey respondents keep their books on a "charged" basis--that is, on the basis of when, where, and to (or by) whom the goods were charged. The two bases are usually the same, but they can differ substantially. For example, if a U.S. parent buys goods from country A and sells them to country B and if the goods are shipped directly from country A to country B, the parent's books would show a purchase from country A and a sale to country B. Because the goods never entered or left the United States, on a shipped basis, they would not be recorded as either U.S. imports or U.S. exports. However, if the parent's trade data were

reported on a charged basis, the purchase would appear as a U.S. import and the sale would appear as a U.S. export.

On the basis of its review, BEA believes most data were reported on a shipped, rather than on a charged, basis. However, some survey respondents had difficulty obtaining data on a shipped basis, which usually required using shipping department invoices rather than accounting records. If BEA determined that the data were reported on a charged basis and that these data were likely to differ materially from data reported on a shipped basis, it required revised reports to be filed. However, some cases of erroneous reporting were probably not identified.

In addition, the data on trade by U.S. parents and foreign affiliates that are collected by BEA are on a fiscal year basis, whereas the data on total U.S. trade in goods that are collected by the Census Bureau are on a calendar year basis. In the 1999 benchmark survey, foreign affiliates whose fiscal year exactly corresponded to the calendar year 1999 accounted for 72 percent of the total exports of goods reported for all foreign affiliates and for 78 percent of total imports (table 3). U.S. parents whose fiscal year exactly corresponded to the calendar year 1999 accounted for 72 percent of the total exports of goods reported for all U.S. parents and for 74 percent of total imports.

Additional differences between the BEA trade data and the Census Bureau trade data may have resulted simply because the

data come from two different sources: The BEA data are based on company records, whereas those of the Census Bureau are compiled from export and import documents filed by the shipper with the U.S. Customs Service on individual transactions. The timing, valuation, origin or destination, shipper, and product involved in a given export or import transaction may be recorded differently on company records than on customs export and import documents.

In the 1999 benchmark survey, exports and imports of U.S. parents and majority-owned foreign affiliates are disaggregated into 10 product categories on the basis of the Standard International Trade Classification, Revision 3 (United Nations Statistical Papers, Series M, No. 34/Rev. 3). (See pages 50-53 in the Guide to Industry and Foreign Trade Classifications for International Surveys in the appendix for a description of the categories used.) U.S. exports of goods shipped to majority-owned foreign affiliates were also disaggregated by intended use into three categories: Capital equipment, goods for further processing, assembly, or manufacture by the affiliate, and goods for resale without further processing, assembly, or manufacture.

Total trade of a given U.S. parent with all of its foreign affiliates combined was reported on the parent survey form (BE-10A), and trade of a foreign affiliate with its U.S. parent was reported on the affiliate survey form (BE-10B). However, the total trade of a U.S. parent with all of its affiliates

combined may not equal the sum of the trade with the U.S. parent that was reported for the affiliates, because of differences in timing and valuation and because the parent's survey form may include data for affiliates that are exempt from being reported on the affiliates' survey forms.

Research and development

The 1999 benchmark survey collected data on two technology-related items--research and development (R&D) expenditures and the number of employees engaged in R&D-related activities.

The data on R&D expenditures were collected on two bases: R&D that was performed by the parent or affiliate (whether the R&D was for its own use or for use by others) and R&D that was funded by the parent or affiliate (whether the R&D was performed internally or by others). R&D on the performance basis can be used to gauge the technological capabilities of parents and affiliates, and it is the primary basis on which National Science Foundation surveys collect information on R&D from U.S. businesses. R&D on the funding basis views R&D from the perspective of the costs of production and can be used as an indicator of a parent or affiliate's use of technology; this basis is consistent with guidelines of the Financial Accounting Standards Board for accounting for the costs of R&D.

Direct Investment Position and Balance of Payments Data

Direct investment position and direct investment balance of payments data measure the value of U.S. parents' investment positions in, and the value of their transactions with, their foreign affiliates. In contrast, the financial and operating data of parents and affiliates provide measures of the overall operations of parents and affiliates, including their transactions and investment positions with persons outside of the U.S. multinational company. For example, the U.S. direct investment position in a foreign affiliate is equal to its U.S. parents' equity in, and net outstanding loans to, the affiliate; in contrast, a foreign affiliate's total assets are equal to the sum of (1) the total owners' equity in the affiliate that is held by its U.S. parents and by all other persons and (2) the total liabilities owed by the affiliate to its U.S. parents and to all other persons.²⁶

²⁶ To illustrate, suppose that an affiliate is owned 80 percent by its U.S. parent and that the affiliate has total owners' equity of \$50 million and total liabilities of \$100 million, of which \$20 million is owed to the parent. In this case, the affiliate's total assets would be \$150 million (total owners' equity of \$50 million plus total liabilities of \$100 million), and the parents' position in the affiliate would be \$60 million (80 percent of the \$50 million of owners' equity plus the \$20 million of intercompany debt).

For U.S. direct investment abroad, the following major items appear in the U.S. international transactions (balance of payments) accounts:

- o Direct investment capital outflows which appear in the financial accounts,
- o Direct investment income,
- o Direct investment royalties and license fees, and
- o Other direct investment services.

Two adjustments are made to the balance of payments data before they are entered into the U.S. international accounts and the national income and product accounts, but these adjustments are made only at the global level; the data required to make them for countries and industries are not available. First, two of these items--income and capital flows--are adjusted to

reflect current-period prices.²⁷ Second, the data from the benchmark survey are adjusted from a fiscal year basis to a calendar year basis. As discussed in the section on fiscal year reporting, the direct investment position and balance of payments data collected in the 1999 benchmark survey are on a fiscal year basis. Thus, before the data are incorporated into the U.S. balance of payments accounts and the annual series on the position, which are on a calendar year basis, they must be adjusted from a fiscal year basis to a calendar year basis. The adjusted data for 1999 will be extrapolated forward to derive universe estimates for calendar years after 1999 on the basis of sample data collected in BEA's quarterly surveys

²⁷The adjustments are made only at the global level; the data required to make them for countries and industries are not available. The adjustments are accomplished in three steps. First, a capital consumption adjustment is made to convert depreciation charges from a historical-cost basis to a current- (or replacement-) cost basis. Second, earnings are raised by the amount of charges for the depletion of natural resources, because these charges are not treated as production costs in the NIPA's. Third, expenses for mineral exploration and development are reallocated across periods to ensure that they are written off over their economic lives rather than all at once.

for those years.

U.S. direct investment position abroad

The U.S. direct investment position abroad at historical cost is equal to the net book value of U.S. parents' equity in, and net outstanding loans to, their foreign affiliates. The position may be viewed as the U.S. parents' contributions to the total assets of their foreign affiliates or as the financing provided in the form of equity or debt by U.S. parents to their foreign affiliates.

The direct investment position data presented in this publication are valued at historical cost and are not adjusted to current value. Thus, they largely reflect prices at the time of investment rather than prices of the current period. Because historical cost is the basis used for valuation in company accounting records in the United States, it is the only basis on which companies can report data in BEA's direct investment surveys. It is also the only basis on which detailed estimates of the position are available by country, by industry, and by account. However, BEA does provide aggregate estimates of the position valued on two current-period-price bases--current cost

and market value.²⁸ The direct investment position at current cost revalues that portion of the position that represents U.S. parents' claims on the tangible assets of foreign affiliates (such as plant, equipment, and inventories), using price indexes appropriate to each of a few broad asset classes. The direct investment position at market value revalues both the tangible assets and the intangible assets on which U.S. parents have claims, using aggregate stock price indexes for foreign countries. Investments in countries where country-specific stock market data are not available are revalued using the Morgan Stanley World Index for stocks.

U.S. parents' equity in incorporated foreign affiliates can be broken down into U.S. parents' holdings of capital stock in, and other capital contributions to, their affiliates and U.S. parents' equity in the retained earnings of their affiliates. Capital stock consists of all stock of affiliates--both common

²⁸ Position estimates measured at current cost and at market value for U.S. direct investment abroad (and for foreign direct investment in the United States) are published each July in an article on the U.S. international investment position in the SURVEY OF CURRENT BUSINESS. For a discussion of concepts and estimating procedures, see J. Steven Landefeld and Ann M. Lawson, "Valuation of the U.S. Net International Investment Position," SURVEY 71 (May 1991): 40-49.

and preferred and both voting and nonvoting. Other capital contributions by U.S. parents, also referred to as the "U.S. parents' equity in additional paid-in capital," consist of invested and contributed capital that is not included in capital stock, such as cash contributions, the amount paid for stock in excess of its par or stated value, and the capitalization of intercompany accounts (conversions of debt to equity) that do not result in the issuance of capital stock. U.S. parents' equity in retained earnings is the U.S. parents' shares of the cumulative undistributed earnings of their incorporated foreign affiliates.

Although some unincorporated affiliates could not disaggregate owners' equity by type, the data on U.S. parents' equity in affiliates by type cover both incorporated and unincorporated affiliates. For unincorporated affiliates for which no breakdown of owners' equity by type was available, the parents' total equity was included in capital stock. The U.S. parents' share in total owners' equity (not broken down by type) is shown for incorporated affiliates and for unincorporated affiliates in addenda to the tables presenting the U.S. direct investment position abroad.

U.S. parents' net outstanding loans to their foreign affiliates, also referred to as "foreign affiliates' net intercompany debt payables to U.S. parents," consist of trade accounts and trade notes payable, other current liabilities, and long-term debt that is owed by the affiliates to their U.S.

parents and that is net of similar items due to the affiliates from their U.S. parents.

Intercompany debt includes the value of capital leases and of operating leases of more than 1 year between U.S. parents and their foreign affiliates. The value of property leased to a foreign affiliate by its U.S. parent is included in affiliates' payables, and the value of property leased by a foreign affiliate to its U.S. parent is included in affiliates' receivables. Under a capital lease, it is assumed that the title to the leased property will be transferred to the lessee at the termination of the lease, similar to an installment sale. Operating leases have a term that is significantly shorter than the expected useful life of the tangible property being leased, and the leased property is usually returned to the lessor at the termination of the lease. For capital leases, the value of the leased property is calculated according to GAAP; under GAAP, the lessee records either the present value of the future lease payments or the fair market value of the leased property, whichever is lower, and the lessor records the sum of all future lease receipts. For operating leases of more than 1 year, the value recorded is the original cost of the leased property less the accumulated depreciation.

For affiliates that are depository institutions, the direct investment position is defined to include only their U.S. parent's equity and permanent debt investment in them; similarly, the direct investment flows that enter the U.S.

international transactions accounts for these affiliates include only transactions related to such investment. All other transactions and positions--mainly claims and liabilities arising from the parents' and affiliates' normal banking business--are excluded from the direct investment accounts and included along with other banking claims and liabilities in the portfolio or other investment accounts.

For nonbank foreign affiliates that are primarily engaged in financial intermediation, the direct investment position and associated direct investment capital flows exclude intercompany debt transactions.²⁹ This treatment, which was introduced in the U.S. international transactions accounts in 1998 and affected the estimates for 1994 and beyond, is similar to the treatment of nonpermanent debt investment for affiliates that are depository institutions.

A U.S. parent and its foreign affiliate may have a two-way relationship--that is, each may have debt and equity investment in the other. Thus, a U.S. parent may have investment in a foreign affiliate that, in turn, has investment in the U.S. parent as a result of the affiliate's lending funds to, or

²⁹ A nonbank affiliate that is primarily engaged in financial intermediation is defined to be a finance affiliate whose U.S. parent company is a bank or securities broker-dealer. Finance affiliates located in the Netherlands Antilles are also included in this category.

acquiring voting securities or other equity interest in, the U.S. parent. In the intercompany debt portion of the position, affiliates' receivables from their U.S. parents (reverse debt investment) are netted against affiliates' payables to their U.S. parents.³⁰ Equity investment by foreign affiliates in their U.S. parents is included in foreign portfolio investment in the United States if the affiliate's ownership is less than 10 percent or in the foreign direct investment position in the United States if the affiliate's ownership of its U.S. parent is 10 percent or more.

The direct investment position at the end of the year is equal to the position at the end of the previous year plus the change in the position during the year (table 5).

³⁰In the extremely rare case in which a foreign affiliate and its U.S. parent own 10 percent or more of each other, a foreign affiliate's debt investment in its U.S. parent is not netted against the parents' debt investment in it. In order to avoid double-counting, the U.S. parents' debt investment in the foreign affiliate is included in the U.S. direct investment position abroad, and the foreign affiliate's debt investment in the U.S. parent is included in the foreign direct investment position in the United States.

Table 5.--The U.S. Direct Investment Position Abroad on a Historical Cost Basis: Change from Yearend 1998 to Yearend 1999

[Millions of dollars]

Position at yearend 1998	981,961
Change in position	204,920
Capital outflows	204,046
Equity capital	95,998
Increases	132,030
Decreases	36,032
Reinvested earnings	41,947
Intercompany debt	66,101
Increases in U.S. parents' receivables ..	89,656
Increases in U.S. parents' payables	23,555
Valuation adjustments	874
Position at yearend 1999	1,186,882

The change in position during the year is the sum of direct investment capital flows (defined below) and valuation adjustments. Valuation adjustments are broadly defined to include all changes in the position other than those arising from capital flows. They primarily reflect differences between transactions values, which are used to record direct investment capital flows, and the book values on foreign affiliates' books, which are used to record the position and, hence, changes in the position. For example, valuation adjustments include

differences between the transactions value and book value of foreign affiliates that are sold by U.S. parents.³¹ They also include currency-translation adjustments—that is, the gains and losses that arise because of changes in the exchange rates used in translating affiliates' foreign-currency-denominated assets and liabilities into U.S. dollars—and other capital gains and losses, such as revaluations of assets that may result from mergers and acquisitions.

Direct investment capital outflows

Direct investment capital outflows (which are recorded in the financial account of the U.S. international transactions accounts) consist of equity capital outflows, reinvested earnings, and intercompany debt outflows. This section first defines these components and then discusses the coverage, measurement, and presentation of direct investment capital outflows.

Equity capital outflows. Equity capital outflows are net increases in U.S. parents' equity in their foreign affiliates; equity capital inflows (decreases in equity) are netted against

³¹For the current-price estimates of the foreign direct investment position entered in the U.S. international investment position, the corresponding valuation adjustments would reflect differences between the transactions values and the estimated current values of the affiliates.

equity capital outflows (increases in equity) to derive the net outflow. Equity capital outflows exclude changes in equity that result from the reinvestment of earnings, which are recorded as a separate component of direct investment capital outflows.

Equity capital outflows to foreign affiliates result from U.S. parents' establishment of new foreign affiliates, from their initial acquisitions of 10-percent-or-more ownership interests in existing foreign business enterprises, from their acquisitions of additional ownership interests in existing foreign affiliates, and from their capital contributions to foreign affiliates.

Equity capital inflows result from liquidations of foreign affiliates, from partial or total sales of ownership interests in foreign affiliates, and from the return of capital contributions. Equity capital inflows also include liquidating dividends, which are a return of capital to U.S. parents.

Equity capital outflows are recorded at transactions values on the basis of the books of the U.S. parents rather than on the basis of the books of the affiliates. The data are based on the books of the parents partly because some transactions--such as when a U.S. parent purchases or sells stock in an affiliate from or to an unaffiliated third party--are not recorded in the books of the foreign affiliates.

Data from the books of the U.S. parent are also sometimes needed to obtain the transactions values that are required for balance of payments accounting. For example, equity capital

inflows related to the sale of a foreign affiliate should include any premium or discount between the present transactions value and the historical value of the parent's investment. These values are sometimes available only from the parent's books; the equity capital of a foreign affiliate that is newly acquired or sold by its U.S. parent is carried at book value in the books of the foreign affiliate, but it is carried at transaction value in the books of the U.S. parent.

Reinvested earnings. Reinvested earnings of foreign affiliates are earnings less distributed earnings. Earnings are U.S. parents' shares in the net income of their foreign affiliates after the provision for foreign income taxes. A U.S. parent's share in earnings is based on its directly held equity interest in the foreign affiliate. The earnings and reinvested earnings estimates in this publication are not adjusted to reflect current-period prices, because the source data needed to adjust the estimates by detailed country and industry are not available.

Earnings are entered into direct investment income because they are income to the U.S. parent, whether they are reinvested in the affiliate or remitted to the parent. However, because reinvested earnings are not actually transferred to the U.S. parent but increase the parent's investment in its affiliate, an entry that is equal to that made in the direct investment income account but that has the opposite sign is made in the direct investment capital account.

For incorporated foreign affiliates, distributed earnings are dividends on common and preferred stock of the affiliates that are held by their U.S. parents. Distributions can be paid out of current or past earnings. Dividends exclude stock and liquidating dividends. Stock dividends are excluded because they are a capitalization of retained earnings--a substitution of one type of equity (capital stock) for another (retained earnings); they reduce the amount of retained earnings available for distribution but leave total owners' equity unchanged. Thus, stock dividends do not give rise to entries in the international transactions accounts.³² Liquidating dividends are excluded because they are a return of capital rather than a remittance of earnings (liquidating dividends are included instead as inflows in the direct investment equity capital account). For unincorporated affiliates, distributed earnings are earnings distributed to U.S. parents out of current or past earnings.

Distributed earnings, like total earnings, are based on the books of U.S. parents. Because they are on an accrual basis, they are reported as of the date that they are either received

³² "Stock dividends" are used here to refer to essentially the same concept that is discussed in the International Monetary Fund Balance of Payments Manual under the heading of "bonus shares." BEA has retained its terminology because it conforms to what U.S. firms understand by the term "stock dividends."

from foreign affiliates or entered into intercompany accounts with foreign affiliates. Distributed earnings are included whether they are paid in cash, through debt creation, or in kind.

Intercompany debt outflows. Intercompany debt outflows consist of the increase in U.S. parents' net intercompany debt receivables from their foreign affiliates during the year. The increase for a given period is derived by subtracting the net outstanding intercompany debt balance (that is, U.S.-parent receivables less U.S.-parent payables) at the end of the previous period from the net outstanding balance at the end of the current period.

When a U.S. parent lends funds to its foreign affiliate, the balance of the U.S. parents' receivables (amounts due) from the affiliate increase; subsequently, when the affiliate repays the principal owed to its U.S. parent, the balance of the U.S. parent's receivables from the affiliate is reduced. Similarly, when a U.S. parent borrows funds from its foreign affiliate, the balance of the U.S. parent's payables (amounts owed) to the affiliate increase; subsequently, when the U.S. parent repays the principal owed to its affiliate, the balance of the U.S. parent's payables to the affiliate are reduced.

Increases in U.S. parents' receivables from, or reductions in parents' payables to, their foreign affiliates give rise to outflows on intercompany debt accounts. Reductions in U.S. parents' receivables from, or increases in U.S. parents'

payables to, their affiliates give rise to inflows.

Not all intercompany debt transactions reflect actual flows of funds. For example, when distributed earnings, interest, or royalties and license fees from a foreign affiliate accrue to its U.S. parent, the full amount is included as an income or royalty and license fee receipt (an inflow) on U.S. direct investment abroad. If part of that amount is not actually transferred to the U.S. parent, the amount not transferred is entered into intercompany debt as an increase in the U.S. parent's receivables from its affiliate (an outflow).

The net change in intercompany debt includes changes in the value of capital leases and operating leases of more than 1 year between U.S. parents and their foreign affiliates. When property is leased by a foreign affiliate from its U.S. parent under a capital lease or a long term operating lease, the value of the leased property is recorded as an intercompany debt outflow because it increases the U.S. parent's receivables. The subsequent payment of principal on a capital lease or the component of rent on an operating lease that reflects depreciation is a return of capital and is recorded as an intercompany debt inflow because it reduces the U.S. parent's receivables. Similarly, when property is leased to a U.S. parent by its foreign affiliate, the value of the leased property is recorded as an intercompany debt inflow because it increases the U.S. parent's payables. The subsequent payment of principal on a capital lease or the component of rent on an

operating lease that reflects depreciation is a return of capital and is recorded as an intercompany debt outflow because it reduces the U.S. parent's payables.

Coverage, measurement, and presentation. Most intercompany debt and equity capital flows result from transactions between U.S. parents and their foreign affiliates. However, some of these flows may result from transactions between U.S. parents and unaffiliated foreign persons; for example, a direct investment equity capital flow results from a transaction between a U.S. parent and an unaffiliated foreign person when the parent purchases an affiliate's capital stock from the unaffiliated person.

In general, direct investment capital outflows exclude transactions among U.S. persons because U.S.-to-U.S. transactions are not international transactions of the United States. Thus, if one U.S. person purchases a direct investment interest in a foreign affiliate from another U.S. person, the new owner will establish or increase its ownership interest in the foreign affiliate, but no equity capital outflow is recorded, because the transaction occurs entirely within the United States. In addition, there may be no net increase in U.S. claims on foreign countries; instead, one U.S. person's claims have merely been substituted for those of another.³³

³³Any revaluation of the investment by the new U.S. parent is treated as a valuation adjustment to the U.S. direct investment

If the U.S. purchaser's original interest represented only a portfolio (less-than-10-percent) investment interest and if the combined interests qualify as a direct investment as a result of the purchase of an additional interest, a direct investment capital outflow equal to the value of the additional interest is recorded. In addition, a valuation adjustment is made to the direct investment position to bring into the position the original investment. If a U.S. parent's interest in an affiliate falls below 10 percent, a direct investment capital inflow is recorded, and a valuation adjustment is made to extinguish the remaining direct investment interest.

Equity capital and intercompany debt outflows can be disaggregated into several subaccounts. Equity capital outflows, which are recorded as a net amount, can be disaggregated to show increases and decreases in equity capital. Intercompany debt outflows can be disaggregated to show both the flows resulting from changes in U.S. parents' receivables and the flows resulting from changes in U.S. parents' payables. Certain transactions may affect two of these subaccounts simultaneously and by exactly offsetting amounts. Such transactions are "grossed up"; that is, the outflows and the offsetting inflows are recorded in the affected subaccounts rather than being netted to zero and not recorded in any subaccount. However, because such gross flows are offsetting,

position abroad.

they have no effect on net capital outflows. For example, the capitalization of intercompany debt, which gives rise to an intercompany debt inflow and an offsetting equity capital outflow, results in gross, but not net, flows.

Direct investment income

Direct investment income is the return on the U.S. direct investment position abroad; that is, it is the U.S. parents' return on their debt and equity investment in foreign affiliates. Direct investment income consists of earnings (that is, U.S. parents' shares in the net income of their foreign affiliates) plus interest on intercompany debt accounts of U.S. parents with their foreign affiliates (interest is defined as interest received by U.S. parents from their foreign affiliates net of interest paid by U.S. parents to their foreign affiliates). Earnings are the U.S. parents' return on their equity investment, and interest is the U.S. parents' return on their debt investment, in their foreign affiliates. Table 6 shows direct investment income and the relationships among its components from the 1999 benchmark survey.

Table 6.--Direct Investment Income and Its Components

[Millions of dollars]

Income	109,268
Earnings	105,102
Distributed earnings	63,154
Reinvested earnings	41,947
Interest	4,166
U.S. parents' receipts	7,095
U.S. parents' payments	2,929

Direct investment income is recorded as accrued. Direct investment income and earnings exclude currency-translation adjustments and other capital gains and losses, whether or not such gains and losses are included in net income for income statement purposes. This treatment is intended to make income and earnings correspond more closely to the current operating performance of foreign affiliates, as recommended by international guidelines for the compilation of balance of payments accounts.

Direct investment income is measured before deduction (that is, gross) of withholding taxes. This treatment views taxes as being levied on the recipient of the distributed earnings or interest to which the taxes are applied, and thus as being paid across borders even though, as an administrative convenience, the tax payments are actually made by the firm whose

disbursement gave rise to them. Thus, foreign withholding taxes on distributed earnings and on interest received by the U.S. parent are recorded as if they were paid by the parent, not by the foreign affiliate. Similarly, U.S. withholding taxes on interest payments by the U.S. parent are recorded as if they were paid by the foreign affiliate, not by the U.S. parent. Counterentries for these taxes are made in the U.S. international transactions accounts under current unilateral transfers.

BEA collects data on withholding taxes on distributed earnings on its quarterly survey of U.S. direct investment abroad, but withholding taxes on interest, royalties and license fees, and other private services are collected only in benchmark surveys. Withholding taxes on these items must be estimated for nonbenchmark years.

The interest component of direct investment income is measured as interest paid or credited to U.S. parents on debt owed to them by their foreign affiliates less interest paid, or credited by, U.S. parents on debt owed by them to their foreign affiliates.³⁴ Interest payments are netted against interest

³⁴ For foreign affiliates that are depository institutions (commercial banks, savings institutions, and credit unions), interest includes only payments on permanently invested debt capital in the affiliate. For nonbank affiliates that are primarily engaged in financial intermediation, all

receipts because in the intercompany debt component of the U.S. direct investment position abroad, debt owed by U.S. parents to foreign affiliates is netted against debt owed by foreign affiliates to U.S. parents. Like other components of direct investment income, interest is reported as accrued. It includes interest paid through debt creation or in kind as well as interest paid in cash.

Interest includes net interest payments on capital leases between U.S. parents and foreign affiliates because the outstanding capitalized value of such leases is included in the intercompany-debt component of the direct investment position.³⁵

interest on intercompany debt is excluded from direct investment income payments. The treatment of interest for these two types of affiliates parallels the treatment of their debt transactions with their U.S. parents, as described in the section "U.S. direct investment position abroad."

³⁵Although the value of operating leases of more than 1 year is also included in the intercompany debt position, payments of net rent (which covers interest, administrative expenses, and profit) on such leases are recorded as charges for the use of tangible property (part of the "other direct investment services" account) rather than as interest.

Direct investment royalties and license fees

Direct investment royalties and license fees consist of receipts by U.S. parents from, and payments by U.S. parents to, their foreign affiliates of fees for the use or sale of intangible property or rights, such as patents, industrial processes, trademarks, copyrights, franchises, techniques, manufacturing rights, and other intangible assets or proprietary rights.

In the U.S. international transactions accounts, U.S. parents' receipts of royalties and license fees are recorded as U.S. exports of services, and U.S. parents' payments are recorded as U.S. imports of services. Both receipts and payments are measured before deduction, or gross, of (foreign or U.S.) withholding taxes.

Receipts and payments of royalties and license fees are based on the books of the U.S. parents and are reported as accrued. When funds are not actually transferred, offsetting entries are made in the intercompany debt account.

Other direct investment services

Transactions in other direct investment services consist of receipts by U.S. parents from, and payments by U.S. parents to, their foreign affiliates of service charges, of charges for the use of tangible property, and for film and television tape rentals. Receipts and payments are reported as accrued and are based on the books of U.S. parents.

In the U.S. international transactions accounts, U.S. parents' receipts are recorded as U.S. exports of services, and U.S. parents' payments are recorded as U.S. imports of services. Both receipts and payments are measured before deduction, or gross, of (foreign or U.S.) withholding taxes.

Service charges. Service charges consist of fees for services--such as management, professional, or technical services--rendered between U.S. parents and their foreign affiliates. The service charges may represent sales of services or reimbursements. Sales of services are receipts for services rendered that are included in sales or gross operating revenues in the income statement of the seller. Normally, such receipts are included in sales if the performance of the service is a primary activity of the enterprise. (For example, if a U.S. management consulting firm provides management-consulting services to its foreign affiliates, the resulting revenues are included in its sales.)

Reimbursements are receipts for services rendered that are normally included in "other income" rather than in sales in the income statement of the provider of the service. Typically, the performance of the service is not a primary activity of the enterprise; however, the service may facilitate or support the conduct of the enterprise's primary activities. (For example, if a U.S. manufacturer provides management services to its foreign manufacturing affiliate, the associated charges typically would be recorded in its income statement under "other

income" and reported to BEA as a reimbursement.)

Reimbursements may be allocated expenses or direct charges for the services rendered. Allocated expenses are overhead expenses that are apportioned among the various divisions or parts of an enterprise. An example would be R&D assessments on foreign affiliates by a U.S. parent for R&D the parent performs and shares with its affiliates.

Intercompany service charges are disaggregated into six types of services, using categories that are based on the detail recommended in the International Monetary Fund's Balance of Payments Manual. The data on intercompany service charges by category indicate that 83 percent of U.S. parents' receipts and 75 percent of U.S. parents' payments were for "other" services (table II.AA6). These high percentages may have resulted because survey respondents did not have the necessary information in their books to provide a breakdown of their allocated expenses or of other services transactions with their foreign affiliates by type of service. The share for "other" services may also be large because many services (such as advertising, management, research and development, and accounting services) are not covered by the other five categories.³⁶

³⁶After the 1994 benchmark survey, BEA's quarterly survey of U.S. direct investment abroad was amended to collect, once each year, detail on service charges by type of service. Beginning with the

Charges for the use of tangible property. Charges for the use of tangible property include total lease payments under operating leases of 1 year or less and net rent on operating leases of more than 1 year. From the lessors' viewpoint, total lease payments for operating leases consist of two components: (1) Net rent, which covers interest, administrative expenses, and profit, and (2) depreciation, which is a return of capital.

For operating leases of more than 1 year, net rent is included in "other direct investment services," and depreciation is included as an intercompany debt flow in the direct investment capital account. For operating leases of 1 year or less, total lease payments--both net rent and depreciation--are included in "other direct investment services."

Film and television tape rentals. Film and television tape rentals are rentals received by U.S. parents from, and rentals paid by U.S. parents to, their foreign affiliates for the sale or use of film and television tapes. Except for mass-produced media, such as prerecorded video cassettes or disks (which are recorded in U.S. trade-in-goods), such film and television tapes are treated as if they were being rented rather than sold, and

quarterly surveys for 2001, two categories--management and consulting services and research, development, and testing services--were added, and the category for communication services was dropped.

payments for the tapes are considered payments for services rather than payments for goods. This treatment is used because the value of the tapes is derived mostly from the services, such as entertainment and education, that they provide, not from the value of the media on which they are recorded. Thus, the cost of the film and television tapes is excluded from the U.S. trade-in-goods account and is included in "other direct investment services."

Presentation of the Data

The amount and type of data available from the benchmark survey varies according to whether the foreign affiliates or U.S. parents are banks or nonbanks, and for nonbank affiliates, according to whether they are majority or minority owned. The 15 possible groups of affiliates and parents are shown in table 7. Selected data for the affiliates in each group are shown in panel A, and selected data for each group's U.S. parents are shown in panel B. Primarily because of space and resource limitations, the tables in this publication cover only 5 of the 15 groups: Group I, all affiliates of all U.S. parents (column 1 of table 7); group II, nonbank affiliates of nonbank U.S. parents (column 7); group III, majority-owned nonbank affiliates of nonbank U.S. parents (column 8); group IV, nonbank affiliates of U.S. parents in banking (column 10); and group V, bank affiliates of all U.S. parents (column 13). In total, 14 tables are presented for group I; 65 tables, for group II; 134 tables, for group III; 1 table, for group IV; and 1 table, for group V.

The tables on the following pages show the data that are presented in this publication for each of the five affiliate groups. The columns represent the five affiliate groups and the rows list the different tables. An "X" in the column for a given affiliate group means that the listed table is published for the affiliates in that group or for their U.S. parents.

In the title of each table is an alphanumeric code that consists of (1) a Roman numeral (I, II, III, IV, or V) to indicate the affiliate group covered, (2) a capital letter to indicate the general subject matter, and (3) an Arabic numeral to indicate the specific subject matter of the table.³⁷ For example, table I.B5 covers all affiliates of all U.S. parents (group I), is part of the group of tables that covers affiliates' balance sheets, and provides data specifically on total assets disaggregated by country and cross-classified by major industry. If a given table is published for more than one affiliate group, it will have the same letter and Arabic numeral designation (to indicate that the general and specific subject matters of the tables are the same), but it will have different Roman numerals (to indicate that different affiliate groups are being covered). For example, table III.B5 has the same format and the same general and specific subject matters as table I.B5, but it covers majority-owned nonbank affiliates of nonbank U.S. parents (group III) rather than all affiliates of all U.S. parents (group I).

All tables for group I are presented first, followed by tables for groups II, III, IV, and V, in that order. The group

³⁷The letters A to L indicate that the table contains foreign-affiliate financial and operating data; M to W, U.S.-parent financial and operating data; and X to AA, direct investment position and balance of payments data.

covered is indicated in the "running head" at the top of each page.

In a group, the numbering of tables are often not consecutive, because some tables are not shown for some groups. For example, in group I, table I.A3 is the first table because tables I.A1 and I.A2 are not presented.

General Notes to the Tables

- o The estimates are on a fiscal year (FY) basis; an affiliate's fiscal year is defined as the financial reporting year that ended in that calendar year. Unless otherwise specified, all balances are as of the close of FY 1999.
- o Detail may not add to totals because of rounding.
- o An asterisk "*" indicates a value between -\$500,000 and \$500,000.
- o A "(D)" indicates that the data in the cell have been suppressed to avoid disclosure of data of individual companies. For employment data, a letter representing a size range is entered in place of a "(D)".
- o A "..." indicates that data for the cell are not available.
- o The designation "by country" in a table title indicates that data are disaggregated by country of foreign affiliate.
- o Unless otherwise specified, the designation "by industry" in a table title indicates that the data are disaggregated by industry of foreign affiliate.
- o For tables that do not show every individual country, see table II.A1 or III.A1 to find the individual countries that compose each country group shown in the heading or stub. For tables that do not show every individual industry, see

table II.A2 or III.A2 to find the individual industries that compose each industry group shown in the heading or stub. The industries listed in table II.A2 and III.A2 are described in BEA's Guide to Industry and Foreign Trade Classifications for International Surveys (see the appendix).

- o "Eastern Europe" comprises Albania, Armenia, Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Poland, Romania, Russia, Slovakia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.
- o The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom.
- o OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.
- o All footnotes follow the last table.

Footnotes to the Tables

Table I.L2

1. A U.S. parent that had affiliates in more than one country or industry is counted once in each country or industry in which it had affiliates. Thus, the numbers appearing in individual country/industry cells do not add to the subtotals and totals.

Table I.X1

1. Includes common and preferred stock of affiliates owned by U.S. parents and U.S. parents' equity in affiliates' additional paid-in capital. Also includes U.S. parents' total equity in those unincorporated affiliates for which detail on equity by type could not be provided, less translation adjustments.

2. U.S. parents' equity in retained earnings and other reserves.

3. Consists of the U.S. parents' share in the cumulative amount of capital gains and losses associated with currency-translation adjustments--that is, gains and losses that arise because of changes in the exchange rates that are applied in translating affiliates' assets and liabilities from their functional currencies into U.S. dollars from the end of one accounting period to the next.

Table I.Y1

1. A net increase in U.S. parents' equity in affiliates is a

capital outflow; a net decrease is a capital inflow.

2. Equals earnings (that is, the U.S. parents' share in the earnings of their foreign affiliates) less distributed earnings (that is, earnings distributed to U.S. parents before deduction of foreign withholding taxes).

3. An increase in U.S. parents' payables is a decrease in net intercompany accounts and, therefore, a capital inflow.

4. Consists of the U.S. parents' share in the amount of capital gains and losses associated with currency-translation adjustments--that is, gains and losses that arise because of changes in the exchange rates that are applied in translating affiliates' assets and liabilities from their functional currencies into U.S. dollars from the end of one accounting period to the next.

Table I.Z1

1. Excludes capital gains and losses. As presented here, is not adjusted to reflect current-period prices. Prior to being entered into the international transactions accounts, adjustments to reflect current-period prices are made to direct investment income on a global basis only. These adjustments do not appear in the direct investment income tables that are disaggregated by country or by industry.

2. U.S. parents' shares in the net income of their affiliates, before deduction of foreign withholding taxes on distributed earnings.

3. Earnings distributed to U.S. parents before deduction of foreign withholding taxes.

4. Interest received by or credited to U.S. parents on debt owed to them by their affiliates, less interest paid or credited by U.S. parents on debt owed by them to their affiliates, both before deduction of (foreign or U.S.) withholding taxes.

Table I.AA1

1. Receipts are before deduction of foreign withholding taxes.

2. Payments are before deduction of U.S. withholding taxes.

Table I.AA3

1. Receipts are before deduction of foreign withholding taxes.

2. Consists of receipts for services--such as management, professional, or technical services--rendered between U.S. parents and their foreign affiliates, whether in the form of sales of services or reimbursements. Sales of services are receipts for services rendered that are normally included in sales in the income statement of the seller; reimbursements are receipts for services rendered that are normally included in "other income" in the income statement of the provider of the service. See the methodology for further explanation. Negative numbers may appear in this column because, for insurance services, receipts of claims are netted against payments of premiums.

3. Payments are before deduction of U.S. withholding taxes.

Table II.B2

1. Includes common and preferred stock and additional paid-in-capital, less treasury stock. Also includes total equity in unincorporated affiliates for which detail on equity by type could not be provided.

2. Includes retained earnings and other reserves.

3. Consists of the cumulative amount of capital gains and losses associated with currency-translation adjustments--that is, gains and losses that arise because of changes in the exchange rates that are applied in translating affiliates' assets and liabilities from their functional currencies into U.S. dollars from the end of one accounting period to the next.

Tables II.D6 and II.D7

1. Includes the net book value of "transfers in" of property, plant, and equipment to majority-owned affiliates only. Data on "transfers in" of minority-owned affiliates were not collected; however, they are probably insignificant. For a given affiliate, "transfers in" are from its U.S. parent or from other foreign affiliates of its U.S. parent.

Table II.E1

1. Consists of gains (losses), net of income tax effects, resulting from (1) the sale, disposition, or revaluation of assets; (2) the remeasurement of the foreign affiliates' assets

and liabilities denominated in foreign currencies other than the affiliate's functional currency, to reflect changes in foreign exchange rates during the period; (3) transaction gains (losses) taken to income in accordance with Financial Accounting Standards Board Statement No. 52; and (4) all other realized and unrealized gains (losses), net of income tax effects, that under generally accepted U.S. accounting principles are to be included in income.

2. Consists of unrealized gains (losses), net of income tax effects, that under generally accepted U.S. accounting principles are not included in the determination of net income.

Table II.M1

1. Includes capitalized expenditures for land, timber, mineral and like rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and capitalized and expensed tangible and intangible exploration and development costs (but not the costs of other types of intangible assets) and land held for resale.

2. Expenditures for research and development performed by the parents, whether for themselves or for others under contract. Excludes expenditures for research and development performed by others for parents under contract.

Table II.N3

1. For all industries combined and for each of the selected

industries shown, data in this line, which represents the position with all transactors combined, are related to the data in tables II.N1 and II.N2 as follows: Column 1 of this table is equal to column 4 of table II.N1 plus that part of column 11 of table II.N1 that are noncurrent receivables; and column 2 in this table equals column 3 of table II.N2.

Table II.01

1. Includes "transfers in" of property, plant, and equipment from foreign affiliates of the U.S. parent.
2. Includes restatement due to a change in the entity.

Table II.02

1. Expenditures include the net book value of "transfers in" of property, plant, and equipment from foreign affiliates of the U.S. parent.
2. Equals column 3 of table II.01.
3. Includes expensed costs for petroleum and mining exploration and development.

Table II.P1

1. Consists of gains (losses), net of income tax effects, resulting from (1) the sale, disposition, or revaluation of assets; (2) the remeasurement of the U.S. parents' foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the period; (3)

transaction gains (losses) taken to income in accordance with Financial Accounting Standards Board Statement No. 52; and (4) all other realized and unrealized gains (losses), net of income tax effects, that under generally accepted U.S. accounting principles are to be included in income.

Table II.Q1

1. Sales of goods are defined as sales generated by activities that are characteristic of the following group of industries: Agriculture and forestry, except support activities; construction; manufacturing; and wholesale and retail trade. Because of the change in the industry classification system for affiliates (from an SIC-based system to a NAICS-based system) introduced in the 1999 benchmark survey, the definition of sales of goods in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

2. Sales of services are defined as sales generated by activities that are characteristic of the following group of industries: Information; finance and insurance; real estate and rental and leasing; professional, technical, and scientific services; support activities for agriculture and forestry; support activities for mining; utilities; transportation and warehousing; management of companies and enterprises; administrative and support services; waste management and remediation services; health care and social assistance;

accommodation and food services; and miscellaneous services. Because of the change in the industry classification system for affiliates (from an SIC-based system to a NAICS-based system) introduced in the 1999 benchmark survey, the definition of sales of services in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

3. Consists of investment income that is included in "sales or gross operating revenues" in the income statement. In finance and insurance, parents include investment income in sales because it is generated by a primary activity of the company. In other industries, most parents consider investment income to be an incidental revenue source; this income is included in the income statement in a separate "other income" category, but it is not included in the parent's sales or in these columns.

Table II.Q2

1. For industry classification, each U.S. parent was required to disaggregate its sales by four-digit International Surveys Industry code; the parent was classified in the industry in which its sales were largest (for details, see the methodology).

When sales are disaggregated by industry of U.S. parent, total sales of a given U.S. parent are shown in the single industry in which the parent was classified. When sales are disaggregated by industry of sales, they are distributed among all the industries in which the parent reported sales; that is, sales

associated with each industry of sales are shown in that industry regardless of the parent's industry of classification.

2. Includes sales in all unspecified industries.

Table II.R1

1. Profit-type return is an economic accounting measure of profits from current production. Unlike net income (column 10 in table II.P1), it is gross of U.S. income taxes, excludes capital gains and losses and income from equity investments, and reflects certain other adjustments needed to convert profits from a financial accounting basis to an economic accounting basis.

2. Equals interest payments (column 2 in table II.V1), plus imputed interest paid, minus interest receipts (column 1 in table II.V1), minus imputed interest received. Imputed interest paid and received, which correspond to measures of the value of services provided by life insurance carriers and financial intermediaries without explicit charge, are estimated.

3. Equals taxes other than income and payroll taxes plus production royalty payments to governments.

Table II.S2

1. For industry classification, each U.S. parent was required to disaggregate its sales by four-digit International Surveys Industry code; the parent was classified in the industry in which its sales were largest (for details, see the methodology).

When employment disaggregated by industry of U.S. parent, total employment of a given U.S. parent are shown in the single industry in which the parent was classified. When employment is disaggregated by industry of sales, it is distributed among all the industries in which the parent reported sales; that is, the number of employees associated with each industry of sales are shown in that industry regardless of the U.S. parent's industry of classification.

2. Includes employment in all unspecified industries.

Table II.T1

1. Covers only U.S. parents in which there is direct investment by a foreign person--that is, U.S. parents that are owned 10 percent or more by a single foreign person. The foreign parent is the foreign person that holds a direct investment interest in the U.S. parent. The foreign parent group consists of (1) the foreign parent of a U.S. parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the person below it, and (3) any foreign person, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the person above it.

2. Does not equal the total in column 3, which is derived from data reported on affiliates' forms, because of differences in timing and valuation and the inclusion of data for affiliates covered on U.S. parents' forms but exempt from being reported on

affiliates' forms.

Table II.T2

1. Covers only U.S. parents in which there is direct investment by a foreign person--that is, U.S. parents that are owned 10 percent or more by a single foreign person. The foreign parent is the foreign person that holds a direct investment interest in the U.S. parent. The foreign parent group consists of (1) the foreign parent of a U.S. parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the person below it, and (3) any foreign person, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the person above it.

2. Does not equal the total in column 3, which is derived from data reported on affiliates' forms, because of differences in timing and valuation and the inclusion of data for affiliates covered on U.S. parents' forms but exempt from being reported on affiliates' forms.

Tables II.T4 and II.T5

1. Covers only U.S. parents in which there is direct investment by a foreign person--that is, U.S. parents that are owned 10 percent or more by a single foreign person. The foreign parent is the foreign person that holds a direct investment interest in the U.S. parent. The foreign parent

group consists of (1) the foreign parent of a U.S. parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the person below it, and (3) any foreign person, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the person above it.

2. Does not equal the total in column 3, which is derived from data reported on affiliates' forms, because of differences in timing and valuation and the inclusion of data for affiliates covered on U.S. parents' forms but exempt from being reported on affiliates' forms.

Table II.V1

1. Includes interest received from affiliates.

2. Includes interest paid to affiliates, plus withholding taxes on such interest.

3. Includes sales, consumption, and excise taxes; property and other taxes on the value of assets and capital; and any remaining taxes (other than income and payroll taxes). Also includes all payments of nontax liabilities (other than production royalty payments), such as import and export duties, license fees, fines, penalties, and similar items.

Table II.W1

1. Includes capitalized expenditures for land, timber, mineral and like rights owned, structures, machinery, equipment, special

tools, and other depreciable property; construction in progress; and capitalized and expensed tangible and intangible exploration and development costs (but not the costs of other types of intangible assets) and land held for resale.

2. Expenditures for research and development performed by the parents, whether for themselves or for others under contract. Excludes expenditures for research and development performed by others for parents under contract.

Tables II.X1 and II.X3

1. Includes common and preferred stock of affiliates owned by U.S. parents and U.S. parents' equity in affiliates' additional paid-in capital. Also includes U.S. parents' total equity in those unincorporated affiliates for which detail on equity by type could not be provided, less translation adjustments.

2. U.S. parents' equity in retained earnings and other reserves.

3. Consists of the U.S. parents' share in the cumulative amount of capital gains and losses associated with currency-translation adjustments--that is, gains and losses that arise because of changes in the exchange rates that are applied in translating affiliates' assets and liabilities from their functional currencies into U.S. dollars from the end of one accounting period to the next.

Table II.Y1

1. A net increase in U.S. parents' equity in affiliates is a capital outflow; a net decrease is a capital inflow.

2. Equals earnings (that is, the U.S. parents' share in the earnings of their foreign affiliates) less distributed earnings (that is, earnings distributed to U.S. parents before deduction of foreign withholding taxes).

3. An increase in U.S. parents' payables is a decrease in net intercompany accounts and, therefore, a capital inflow.

4. Consists of the U.S. parents' share in the amount of capital gains and losses associated with currency-translation adjustments--that is, gains and losses that arise because of changes in the exchange rates that are applied in translating affiliates' assets and liabilities from their functional currencies into U.S. dollars from the end of one accounting period to the next.

Tables II.Z1 and II.Z3

1. Excludes capital gains and losses. As presented here, is not adjusted to reflect current-period prices. Prior to being entered into the international transactions accounts, adjustments to reflect current-period prices are made to direct investment income on a global basis only. These adjustments do not appear in the direct investment income tables that are disaggregated by country or by industry.

2. U.S. parents' shares in the net income of their affiliates,

before deduction of foreign withholding taxes on distributed earnings.

3. Earnings distributed to U.S. parents before deduction of foreign withholding taxes.

4. Interest received by or credited to U.S. parents on debt owed to them by their affiliates, less interest paid or credited by U.S. parents on debt owed by them to their affiliates, both before deduction of (foreign or U.S.) withholding taxes.

Table II.AA1

1. Receipts are before deduction of foreign withholding taxes.

2. Payments are before deduction of U.S. withholding taxes.

Table II.AA3

1. Receipts are before deduction of foreign withholding taxes.

2. Consists of receipts for services--such as management, professional, or technical services--rendered between U.S. parents and their foreign affiliates, whether in the form of sales of services or reimbursements. Sales of services are receipts for services rendered that are normally included in sales in the income statement of the seller; reimbursements are receipts for services rendered that are normally included in "other income" in the income statement of the provider of the service. See the methodology for further explanation.

3. Payments are before deduction of U.S. withholding taxes.

Tables II.AA6

1. Consists of receipts for services--such as management, professional, or technical services--rendered between U.S. parents and their foreign affiliates, whether in the form of sales of services or reimbursements. Sales of services are receipts for services rendered that are normally included in sales in the income statement of the seller; reimbursements are receipts for services rendered that are normally included in "other income" in the income statement of the provider of the service. See the methodology for further explanation.

2. Receipts are before deduction of foreign withholding taxes.

3. Payments are before deduction of U.S. withholding taxes.

4. Consists of fees and commissions for financial services.

Includes brokerage commissions on transactions executed for the U.S. parent's (or foreign affiliate's) own account, or for the account of customers, and includes selling concessions received from a U.S. reporter (or foreign affiliate) who is a lead underwriter.

5. Consists of fees for carrying freight from the United States to foreign destinations and for carrying freight between foreign destinations.

6. Consists of fees for: Computer and data processing services, including data entry, processing, and tabulation; computer systems analysis, design, engineering, and custom programming; and other computer services, including timesharing, maintenance, and repair, and database and other information

services, including business, financial, or technical databases; reservation systems; and credit reporting and authorization systems.

7. The data in this column represent premiums paid by U.S. parents to their foreign affiliates, net of claims paid by foreign affiliates to their U.S. parents, on primary insurance that is sold by foreign affiliates to their U.S. parents. The intercompany insurance transactions covered by the 1999 benchmark survey exclude all insurance that is sold by U.S. parents to their foreign affiliates and reinsurance that is sold by foreign affiliates to their U.S. parents.

The measure of insurance services in this column differs from that recently adopted in the U.S. International Transactions Accounts. In the accounts, insurance services are measured as premiums less "normal" losses, where normal losses are inferred from the relationship between actual losses and premiums averaged over several years. See "Annual Revisions of the U.S. International Transactions Accounts, 1999-2002," Survey of Current Business 85 (July 2003): 35.

8. Consists of fees for carrying freight from foreign countries to U.S. destinations or between foreign destinations.

Tables III.B2, III.B4, and III.B12

1. Includes common and preferred stock and additional paid-in-capital, less treasury stock. Also includes total equity in those unincorporated affiliates for which detail on

equity by type could not be provided.

2. Includes retained earnings and other reserves.

3. Consists of the cumulative amount of capital gains and losses associated with currency-translation adjustments--that is, gains and losses that arise because of changes in exchange rates applied in translating affiliates' assets and liabilities from their functional currencies into U.S. dollars from the end of one accounting period to the next.

Tables III.C1, III.C2, and III.C3

1. For unincorporated affiliates for which detail on equity by type could not be provided, this item includes total owners' equity. Because these affiliates' cumulative retained earnings--which are an internal, not an external, source of funds--and translation adjustments were not reported separately, they could not be excluded.

Table III.D1

1. Includes the net book value of "transfers in" of property, plant, and equipment. For a given affiliate, "transfers in" are from its U.S. parent or from other foreign affiliates of its U.S. parent.

2. Consists of the following: (1) Restatements resulting from a change in the entity, and revaluations of property, plant, and equipment to a fair market or appraised value; and (2) the property, plant, and equipment balance on the date of

acquisition of affiliates that were acquired during the year, less the closing FY 1998 balance of affiliates that left the universe in 1999 because they were sold or liquidated or because the U.S. parent's interest was otherwise reduced below 10 percent.

Tables III.D2 and III.D3

1. The estimate in this column is based on data from the 1998 Annual Survey of U.S. Direct Investment Abroad. Because the data for affiliate operations in 1998 were collected by SIC-based industry only, the industry-level estimates for this column are not shown. The 1998 closing balance estimate of \$514,257 million shown in this table is similar to the 1999 opening balance estimate of \$522,245 million which is based on data from the 1999 benchmark survey.

2. Industry-level amounts are not shown for this column because industry-level amounts for column 7 are not available (see footnote 4).

3. Includes the net book value of transfers in of property, plant, and equipment. For a given affiliate, transfers in are from its U.S. parent or from other foreign affiliates of its U.S. parent.

4. Consists of the following: (1) Restatements resulting from a change in entity, and revaluations of property, plant, and

equipment to a fair market or appraised value; and (2) the property, plant, and equipment balance on the date of acquisition of affiliates that were acquired during the year, less the closing FY 1998 balance of affiliates that left the universe in 1999 because they were sold or liquidated or because the U.S. parent's interest was otherwise reduced below 10 percent. Because industry-level data for column 2 are not shown, industry-level data for column 7 are not computed.

Tables III.D4 and III.D5

1. Includes the net book value of "transfers in" of property, plant, and equipment. For a given affiliate, "transfers in" are from its U.S. parent or from other foreign affiliates of its U.S. parent.

2. For table III.D4, column 2 equals column 3 of table III.D1; for table III.D5, column 2 equals column 3 of table III.D2.

Tables III.D6, III.D7, and III.D8

1. Includes the net book value of "transfers in" of property, plant, and equipment. For a given affiliate, "transfers in" are from its U.S. parent or from other foreign affiliates of its U.S. parent.

Tables III.E1, III.E2, and III.E8

1. Consists of gains (losses), net of income tax effects, resulting from (1) the sale, disposition, or revaluation of

assets; (2) the remeasurement of the foreign affiliates' assets and liabilities denominated in foreign currencies other than the affiliate's functional currency, to reflect changes in foreign exchange rates during the period; (3) transaction gains (losses) taken to income in accordance with Financial Accounting Standards Board Statement No. 52; (4) and all other realized and unrealized gains (losses), net of income tax effects, that under generally accepted U.S. accounting principles are to be included in income.

2. Consists of unrealized gains (losses), net of income tax effects, that under generally accepted U.S. accounting principles are not included in the determination of net income.

Table III.F1

1. Includes sales to the U.S. parent and its foreign affiliates; equals the sum of columns 5 and 8.

2. Sales charged by an affiliate to persons in the country where the affiliate is located.

3. Sales charged by an affiliate to persons in foreign countries other than the country where the affiliate is located.

4. Sales of goods are defined as sales generated by activities that are characteristic of the following group of industries: Agriculture and forestry, except support activities; construction; manufacturing; and wholesale and retail trade. Because of the change in the industry classification system for affiliates (from an SIC-based system to a NAICS-based system)

introduced in the 1999 benchmark survey, the definition of sales of goods in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

5. Sales of services are defined as sales generated by activities that are characteristic of the following group of industries: Information; finance and insurance; real estate and rental and leasing; professional, technical, and scientific services; support activities for agriculture and forestry; support activities for mining; utilities; transportation and warehousing; management of companies and enterprises; administrative and support services; waste management and remediation services; health care and social assistance; accommodation and food services; and miscellaneous services. Because of the change in the industry classification system for affiliates (from an SIC-based system to a NAICS-based system) introduced in the 1999 benchmark survey, the definition of sales of services in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

6. Consists of investment income that is included in "sales or gross operating revenues" in the income statement. In finance and insurance, parents include investment income in sales because it is generated by a primary activity of the company. In other industries, most parents consider investment income to be an incidental revenue source; this income is included in the

income statement in a separate "other income" category, but it is not included in the parent's sales or in these columns.

Tables III.F2 and III.F3

1. Includes sales to the U.S. parent and its foreign affiliates; equals the sum of columns 5 and 8.
2. Sales charged by an affiliate to persons in the country where the affiliate is located.
3. Sales charged by an affiliate to persons in foreign countries other than the country where the affiliate is located.

Table III.F7

1. Sales charged by an affiliate to persons in the country where the affiliate is located.

Table III.F9

1. Includes sales to the U.S. parent and its foreign affiliates; equals the sum of columns 5 and 8.
2. Sales charged by an affiliate to persons in the country where the affiliate is located.
3. Sales charged by an affiliate to persons in foreign countries other than the country where the affiliate is located.

Tables III.F13 and III.F14

1. Sales of goods are defined as sales generated by activities

that are characteristic of the following group of industries: Agriculture and forestry, except support activities; construction; manufacturing; and wholesale and retail trade. Because of the change in the industry classification system for affiliates (from an SIC-based system to a NAICS-based system) introduced in the 1999 benchmark survey, the definition of sales of goods in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

2. Includes sales to the U.S. parent and its foreign affiliates; equals the sum of columns 5 and 8.

3. Sales charged by an affiliate to persons in the country where the affiliate is located.

4. Sales charged by an affiliate to persons in foreign countries other than the country where the affiliate is located.

Tables III.F15 and III.F16

1. Sales of services are defined as sales generated by activities that are characteristic of the following group of industries: Information; finance and insurance; real estate and rental and leasing; professional, technical, and scientific services; support activities for agriculture and forestry; support activities for mining; utilities; transportation and warehousing; management of companies and enterprises; administrative and support services; waste management and remediation services; health care and social assistance;

accommodation and food services; and miscellaneous services. Because of the change in the industry classification system for affiliates (from an SIC-based system to a NAICS-based system) introduced in the 1999 benchmark survey, the definition of sales of services in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

2. Includes sales to the U.S. parent and its foreign affiliates; equals the sum of columns 5 and 8.

3. Sales charged by an affiliate to persons in the country where the affiliate is located.

4. Sales charged by an affiliate to persons in foreign countries other than the country where the affiliate is located.

Tables III.F17-III.F20

1. Sales of services are defined as sales generated by activities that are characteristic of the following group of industries: Information; finance and insurance; real estate and rental and leasing; professional, technical, and scientific services; support activities for agriculture and forestry; support activities for mining; utilities; transportation and warehousing; management of companies and enterprises; administrative and support services; waste management and remediation services; health care and social assistance; accommodation and food services; and miscellaneous services. Because of the change in the industry classification system for

affiliates (from an SIC-based system to a NAICS-based system) introduced in the 1999 benchmark survey, the definition of sales of services in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

Table III.F21

1. Sales of goods are defined as sales generated by activities that are characteristic of the following group of industries: Agriculture and forestry, except support activities; construction; manufacturing; and wholesale and retail trade. Because of the change in the industry classification system for affiliates (from an SIC-based system to a NAICS-based system) introduced in the 1999 benchmark survey, the definition of sales of goods in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

2. Sales of services are defined as sales generated by activities that are characteristic of the following group of industries: Information; finance and insurance; real estate and rental and leasing; professional, technical, and scientific services; support activities for agriculture and forestry; support activities for mining; utilities; transportation and warehousing; management of companies and enterprises; administrative and support services; waste management and remediation services; health care and social assistance;

accommodation and food services; and miscellaneous services. Because of the change in the industry classification system for affiliates (from an SIC-based system to a NAICS-based system) introduced in the 1999 benchmark survey, the definition of sales of services in this publication differs somewhat from that in earlier publications (see the section "Sales of goods and services," in the methodology).

3. Consists of investment income that is included in "sales or gross operating revenues" in the income statement. In finance and insurance, parents include investment income in sales because it is generated by a primary activity of the company. In other industries, most parents consider investment income to be an incidental revenue source; this income is included in the income statement in a separate "other income" category, but it is not included in the parent's sales or in these columns.

Table III.F22

1. For industry classification, each foreign affiliate was required to disaggregate its sales by four-digit International Surveys Industry code; the affiliate was then classified in the industry in which its sales were the largest (for details, see the methodology).

When sales are disaggregated by industry of affiliate, total sales of a given affiliate are shown in the single industry in which the affiliate was classified. When sales are disaggregated by industry of sales, they are distributed among

all the industries in which the affiliate reported sales; that is, sales associated with each industry of sales are shown in that industry regardless of the affiliate's industry of classification.

Table III.G1, III.G2, and III.G5

1. Profit-type return is an economic accounting measure of profits from current production. Unlike net income (column 11 in table III.E1), it is gross of foreign income taxes, excludes capital gains and losses and income from equity investments, and reflects certain other adjustments needed to convert profits from a financial accounting basis to an economic accounting basis.

2. Equals interest payments (column 2 in table III.K1), plus imputed interest paid, minus interest receipts (column 1 in table III.K1), minus imputed interest received. Imputed interest paid and received, which correspond to measures of the value of services provided by life insurance carriers and financial intermediaries without explicit charge, are estimated.

3. Equals taxes other than income and payroll taxes plus production royalty payments to governments less subsidies received.

Table III.G7, III.G8, and III.G9

1. Profit-type return is an economic accounting measure of profits from current production. Unlike net income (column 11

in table III.E1), it is gross of foreign income taxes, excludes capital gains and losses and income from equity investments, and reflects certain other adjustments needed to convert profits from a financial accounting basis to an economic accounting basis.

Tables III.I12, III.I13, and III.I16

1. Consists of imports of capital equipment and other goods that are intended for use by the affiliate itself and that are charged to the affiliate's property, plant, and equipment account (rather than expensed or added to inventories).

Tables III.J1, III.J2, and III.J5

1. Amounts shown in this column are on the same basis as research and development expenditures totals for all U.S. businesses shown in National Science Foundation publications. They are also comparable with data in tables III.J3 and III.J12 in the annual survey publications for 1995-98.

2. Amounts shown in this column are consistent with guidelines of the Financial Accounting Standards Board for accounting for the costs of research and development.

Tables III.J7, III.J8, and III.J10

1. Receipts are before deduction of foreign withholding taxes.
2. Payments are before deduction of U.S. withholding taxes.

Tables III.K1, III.K2, and III.K3

1. Includes sales, consumption, and excise taxes; property and other taxes on the value of assets and capital; and any remaining taxes (other than income and payroll taxes). Also includes all payments of nontax liabilities (other than production royalty payments), such as import and export duties, license fees, fines, penalties, and similar items.

Table III.X1

1. Includes common and preferred stock of affiliates owned by U.S. parents and U.S. parents' equity in affiliates' additional paid-in capital. Also includes U.S. parents' total equity in those unincorporated affiliates for which detail on equity by type could not be provided, less translation adjustments.

2. U.S. parents' equity in retained earnings and other reserves.

3. Consists of the U.S. parents' share in the cumulative amount of capital gains and losses associated with currency-translation adjustments--that is, gains and losses that arise because of changes in the exchange rates that are applied in translating affiliates' assets and liabilities from their functional currencies into U.S. dollars from the end of one accounting period to the next.

Table III.Y1

1. A net increase in U.S. parents' equity in affiliates is a

capital outflow; a net decrease is a capital inflow.

2. Equals earnings (that is, the U.S. parents' share in the earnings of their foreign affiliates) less distributed earnings (that is, earnings distributed to U.S. parents before deduction of foreign withholding taxes).

3. An increase in U.S. parents' payables is a decrease in net intercompany accounts and, therefore, a capital inflow.

4. Consists of the U.S. parents' share in the amount of capital gains and losses associated with currency-translation adjustments--that is, gains and losses that arise because of changes in the exchange rates that are applied in translating affiliates' assets and liabilities from their functional currencies into U.S. dollars from the end of one accounting period to the next.

Table III.Z1

1. Excludes capital gains and losses. As presented here, is not adjusted to reflect current-period prices. Prior to being entered into the international transactions accounts, adjustments to reflect current-period prices are made to direct investment income on a global basis only. These adjustments do not appear in the direct investment income tables that are disaggregated by country or by industry.

2. U.S. parents' shares in the net income of their affiliates, before deduction of foreign withholding taxes on distributed earnings.

3. Earnings distributed to U.S. parents before deduction of foreign withholding taxes.

4. Interest received by or credited to U.S. parents on debt owed to them by their affiliates, less interest paid or credited by U.S. parents on debt owed by them to their affiliates, both before deduction of (foreign or U.S.) withholding taxes.

Table III.AA1

1. Equals column 3 in table III.J7.
2. Equals column 10 in table III.J7.

Table III.AA3

1. Receipts are before deduction of foreign withholding taxes.
2. Consists of receipts for services--such as management, professional, or technical services--rendered between U.S. parents and their foreign affiliates, whether in the form of sales of services or reimbursements. Sales of services are receipts for services rendered that are normally included in sales in the income statement of the seller; reimbursements are receipts for services rendered that are normally included in "other income" in the income statement of the provider of the service. See the methodology for further explanation.
3. Payments are before deduction of U.S. withholding taxes.

The Numbering Scheme for the Financial and Operating Data Tables for Nonbank U.S. Parents and Their Nonbank Foreign Affiliates in 1977 and in 1982-99

1999	1995-98	1994	1990-93	1989	1983-88	1982	1977
Nonbank Foreign Affiliates of Nonbank U.S. Parents							
Group A. Selected Data							
II.A 1	II.A 1	II.A 1	II.A 1	II.A 1	1	n.a.	n.a.
II.A 2	II.A 2	II.A 2	II.A 2	II.A 2	2	n.a.	n.a.
Group B. Balance Sheet							
II.B 1 - II.B 2	n.a.	II.B 1 - II.B 2	n.a.	II.B 1 - II.B 2	n.a.	II.A 1 - II.A 2	II.A 1 - II.A 2
II.B 5	II.B 5	II.B 5	II.B 5	II.B 5	3	II.A 5	II.A 5
II.B 6	II.B 6	II.B 6	II.B 6	II.B 6	4	II.A 6	II.A 6
II.B 7 - II.B 8	n.a.	II.B 7 - II.B 8	n.a.	II.B 7 - II.B 8	n.a.	II.A 7 - II.A 8	II.A 11 - II.A 12
II.B 13	II.B 13	II.B 13	II.B 15	II.B 15	5	II.A 15	II.A 22
Group D. Property, Plant, and Equipment							
II.D 6 - II.D 7	n.a.	II.D 6 - II.D 7	n.a.	II.D 6 - II.D 7	n.a.	II.C 6 - II.C 7	II.D 3 - II.D 4
Group E. Income Statement							
II.E 1	n.a.	II.E 1	n.a.	II.E 1	n.a.	II.D 1	II.F 1
II.E 3	II.E 3	II.E 3	II.E 3	II.E 3	6	II.D 3	II.F 5
II.E 4	II.E 4	II.E 4	II.E 4	II.E 4	7	II.D 4	II.F 6
II.E 6	II.E 6	II.E 6	II.E 6	II.E 6	8	II.D 6	II.F 10
II.E 7	II.E 7	II.E 7	II.E 7	II.E 7	9	II.D 7	II.F 11
II.E 9	II.E 9	II.E 9	II.E 9	II.E 9	10	II.D 9	II.F 13
Group H. Employment and Compensation of Employees							
II.H 3	II.H 3	II.H 3	II.G 3	II.G 3	11	II.F 3	II.G 3
II.H 4	II.H 4	II.H 4	II.G 4	II.G 4	12	II.F 4	II.G 4
II.H 5	II.H 6	II.H 6	II.G 6	II.G 6	13	II.F 6	II.G 6
II.H 6	II.H 7	II.H 7	II.G 7	II.G 7	14	II.F 7	II.G 7
II.H 10	II.H 11	II.H 11	II.G 11	II.G 11	15	II.F 11	II.G 11
Group I. U.S. Trade in Goods							
II.I 1 - II.I 2	n.a.	II.I 1 - II.I 2	n.a.	II.H 1 - II.H 2	n.a.	n.a.	n.a.
II.I 5	II.I 5	II.I 5	II.H 5	II.H 5	16	II.G 3	II.I 3
II.I 6	II.I 6	II.I 6	II.H 6	II.H 6	17	II.G 4	II.I 4
II.I 19	II.I 19	II.I 19	II.H 22	II.H 22	18	II.G 20	II.I 19
II.I 20	II.I 20	II.I 20	II.H 23	II.H 23	19	II.G 21	II.I 20
Group L. Selected Data Classified by SIC-Based Industry							
II.L 1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Nonbank U.S. Parents							
Group M. Selected Data							
II.M 1	II.L 1	II.L 1	II.K 1	II.K 1	54	n.a.	n.a.
Group N. Balance Sheet							
II.N 1 - II.N 2	n.a.	II.M 1 - II.M 2	n.a.	II.L 1 - II.L 2	n.a.	II.K1 - II.K 2	II.N1 - II.N 2
II.N 3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Group O. Property, Plant, and Equipment							
II.O 1 - II.O 2	n.a.	II.O 1 - II.O 2	n.a.	II.M 1 - II.M 2	n.a.	II.L1 - II.L 2	II.P 1
Group P. Income Statement							
II.P 1	n.a.	II.P 1	n.a.	II.N 1	n.a.	II.M1	II.R 1

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1999	1995-98	1994	1990-93	1989	1983-88	1982	1977
Group Q. Sales							
II.Q 1	II.Q 1	II.Q 1	II.O 1	II.O 1	55	II.N 1	n.a.
II.Q 2	II.Q 2	II.Q 2	II.O 2	II.O 2	56	II.N 2	n.a.
Group R. Gross Product							
II.R 1	II.R 1	II.R 1	n.a.	/1/	n.a.	/1/	/1/
Group S. Employment and Compensation of Employees							
II.S 1	n.a.	II.S 1	n.a.	II.P 1	n.a.	II.O 1	II.S 1
II.S 2	n.a.	II.S 2	n.a.	II.P 2	n.a.	II.O 2	n.a.
Group T. U.S. Trade in Goods							
II.T 1	II.T 1	II.T 1	II.Q 1	II.Q 1	57	II.P 1	II.T 1
II.T 2 - II.T 3	n.a.	II.T 2 - II.T 3	n.a.	II.Q 2 - II.Q 3	n.a.	II.P 2 - II.P 3	II.T 2 - II.T 3
II.T 4	II.T 4	II.T 4	II.Q 4	II.Q 4	58	II.P 4	II.T 4
II.T 5 - II.T 6	n.a.	II.T 5 - II.T 6	n.a.	II.Q 5 - II.Q 6	n.a.	II.P 5 - II.P 6	II.T 5 - II.T 6
Group U. Technology							
II.U 1 - II.U 2	n.a.	II.U 1 - II.U 2	n.a.	II.R 1 - II. R 2	n.a.	II.R 1 - II. R 2	II.U 1
Group V. Other Financial and Operating Data							
II.V 1	n.a.	II.V 1	n.a.	II.S 1	n.a.		
Group W. Other Data Classified by SIC-Based Industry							
II.W 1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Majority-Owned Nonbank Affiliates of Nonbank U.S. Parents							
Group A. Selected Data							
III.A 1	III.A 1	III.A 1	III.A 1	III.A 1	n.a.	n.a.	n.a.
III.A 2	III.A 2	III.A 2	III.A 2	III.A 2	n.a.	n.a.	n.a.
Group B. Balance Sheet							
III.B 1 - III.B 2	III.B 1 - III.B 2	III.B 1 - III.B 2	III.B 1 - III.B 2	III.B 1 - III.B 2	20	III.A1 - III.A2	III.A 1 - III.A 2
III.B 3 - III.B 4	III.B 3 - III.B 4	III.B 3 - III.B 4	III.B 3 - III.B 4	III.B 3 - III.B 4	21	III.A3- III.A4	III.A 3- III.A 4
III.B 5	III.B 5	III.B 5	III.B 5	III.B 5	22	III.A 5	III.A 5
III.B 6	III.B 6	III.B 6	III.B 6	III.B 6	23	III.A 6	III.A 6
III.B 7	III.B 7	III.B 7	III.B 7	III.B 7	24	III.A 7	III.A 11
III.B 8	n.a.	III.B 8	n.a.	III.B 8	n.a.	III.A 8	III.A 12
III. B 9 - III.B 10	n.a.	III. B 9 - III.B 10	n.a.	III.B 11- III.B 12	n.a.	III.A 11 - III.A 12	III.A 18 - III.A 19
III.B 11- III.B 12	III.B 11- III.B 12	III.B 11- III.B 12	III.B 13- III.B 14	III.B 13- III.B 14	25	III.A 13 - III.A 14	III.A 20 - III.A 21
III.B 13	III.B 13	III.B 13	III.B 15	III.B 15	n.a.	III.A 15	III.A 22
Group C. External Financial Position							
III.C 1	III.C 1	III.C 1 - III.C 9	III.C 1	III.C 1	26	III.B 1	III.B 1 - III.B 7
III.C 2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
III.C 3	n.a.	III.C 10	n.a.	III.C 2	n.a.	III.B 2	III.B 8
III.C 4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Group D. Property, Plant, and Equipment							
III.D 1 - III.D 3	n.a.	III.D 1- III.D 3	n.a.	III.D 1- III.D 3	n.a.	n.a.	n.a.
III.D 4 - III.D 5	n.a.	III.D 4- III.D 5	n.a.	III.D 4- III.D 5	n.a.	III.C 4 - III.C 5	n.a.
III.D 6- III.D 7	III.D 6- III.D 7	III.D 6- III.D 7	n.a.	III.D 6- III.D 7	n.a.	III.C 6 - III.C 7	III.D 3 - III.D 4
III.D 8	III.D 8	III.D 8	n.a.	n.a.	n.a.	n.a.	n.a.

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1999	1995-98	1994	1990-93	1989	1983-88	1982	1977
Group E. Income Statement							
III.E 1	III.E 1	III.E 1	III.E 1	III.E 1	27	III.D 1	III.F 1
III.E 2	III.E 2	III.E 2	III.E 2	III.E 2	28	III.D 2	III.F 2
III.E 3	III.E 3	III.E 3	III.E 3	III.E 3	29	III.D 3	III.F 5
III.E 4	III.E 4	III.E 4	III.E 4	III.E 4	30	III.D 4	III.F 6
III.E 5	III.E 5	III.E 5	III.E 5	III.E 5	n.a.	III.D 5	III.F 9
III.E 6	III.E 6	III.E 6	III.E 6	III.E 6	31	III.D 6	III.F 10
III.E 7	III.E 7	III.E 7	III.E 7	III.E 7	32	III.D 7	III.F 11
III.E 8	III.E 8	III.E 8	III.E 8	III.E 8	33	III.D 8	III.F12
III.E 9	III.E 9	III.E 9	III.E 9	III.E 9	n.a.	III.D 9	III.F 13
Group F. Sales							
III.F 1	III.F 1	III.F 1	III.F 1	III.F 1	n.a.	n.a.	n.a.
III.F 2	III.F 2	III.F 2	III.F 2	III.F 2	34	III.E 1	n.a.
III.F 3	III.F 3	III.F 3	III.F 3	III.F 3	35	III.E 2	n.a.
III.F 4	III.F 4	III.F 4	III.F 4	III.F 4	37	III.E 4	n.a.
III.F 5 - III.F 6	n.a.	III.F 5 - III.F 6	n.a.	III.F 5 - III.F 6	n.a.	n.a.	n.a.
III.F 7	III.F 7	III.F 7	III.F 7	III.F 7	36	III.E 3	n.a.
III.F 8	III.F 8	III.F 8	III.F 8	III.F 8	38	III.E 5	n.a.
III.F 9	III.F 9	III.F 9	III.F 9	III.F 9	n.a.	III.E 6	n.a.
III.F 10 - III.F 12	n.a.	III.F 10 - III.F 12	n.a.	III.F 10 - III.F 12	n.a.	III.E 7 - III.F 9	n.a.
III.F 13	III.F 13	III.F 13	III.F 13	III.F 13	39	n.a.	n.a.
III.F 14	III.F 14	III.F 14	III.F 14	III.F 14	40	n.a.	n.a.
III.F 15	III.F 17	III.F 17	III.F 17	III.F 17	41	n.a.	n.a.
III.F 16	III.F 18	III.F 18	III.F 18	III.F 18	42	n.a.	n.a.
III.F 17	n.a.	III.F 19	n.a.	III.F 19	n.a.	III.E 14	n.a.
III.F 18	III.F 20	III.F 20	III.F 20	III.F 20	44	III.E 15	n.a.
III.F 19	n.a.	III.F 21	n.a.	III.F 21	n.a.	n.a.	n.a.
III.F 20	III.F 22	III.F 22	III.F 22	III.F 22	n.a.	n.a.	n.a.
III.F 21	n.a.	III.F 23	n.a.	III.F 23	n.a.	n.a.	n.a.
III.F 22	III.F 24	III.F 24	III.F 24	III.F 24	45	III.E 17	n.a.
Group G. Gross Product							
III.G 1 - III.G 9	III.G 1 - III.G 9	III.G 1 - III.G 9	/2/	/2/	/2/	/2/	/2/
Group H. Employment and Compensation of Employees							
III.H 1 - III.H 2	n.a.	III.H 1 - III.H 2	n.a.	III.G 1 - III.G 2	n.a.	III.F 1 - III.F 2	III.G 1 - III.G 2
III.H 3	III.H 3	III.H 3	III.G 3	III.G 3	46	III.F 3	III.G 3
III.H 4	III.H 4	III.H 4	III.G 4	III.G 4	47	III.F 4	III.G 4
III.H 5	III.H 6	III.H 6	III.G 6	III.G 6	48	III.F 6	III.G 6
III.H 6	III.H 7	III.H 7	III.G 7	III.G 7	49	III.F 7	III.G 7
III.H 7 - III.H 9	n.a.	III.H 8 - III.H 10	n.a.	III.G 8 - III.G 10	n.a.	III.F 8 - III.F 10	III.G 8 - III.G 10
III.H 10	III.H 11	III.H 11	III.G 11	III.G 11	n.a.	III.F 11	III.G 11
III.H 11 - III.H 18	n.a.	III.H 13 - III.H 20	n.a.	III.G 13 - III.G 16	n.a.	III.F 13 - III.F 17	III.G 15, III.G 21
Group I. U.S. Trade in Goods							
III.I 1	III.I 1	III.I 1	III.H 1	III.H 1	50	n.a.	n.a.

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1999	1995-98	1994	1990-93	1989	1983-88	1982	1977
III.I 2	III.I 2	III.I 2	III.H 2	III.H 2	51	n.a.	n.a.
III.I 3 - III.I 4	n.a.	III.I 3 - III.I 4	n.a.	III.H 3 - III.H 4	n.a.	III.G 1 - III.G 2	III.I 1 - III.I 2
III.I 5	III.I 5	III.I 5	III.H 5	III.H 5	52	III.G 3	III.I 3
III.I 6-III.I 8	n.a.	III.I 6-III.I 8	n.a.	III.H 6 - III.H 8	n.a.	III.G 4 - III.G 6	III.I 4 - III.I 6
III.I 9	III.I 9	III.I 9	III.H 9	III.H 9	n.a.	III.G 7	III.I 7
III.I 10 - III.I 11	n.a.	III.I 10 - III.I 11	n.a.	III.H 10- III.H 11	n.a.	III.G 8 - III.G 9	III.I 8 - III.I 9
III.I 12 - III.I 13	n.a.	III.I 12 - III.I 13	n.a.	III.H 14 - III.H 15	n.a.	III.G 12 - III.G 13	III.I 12 - III.I 13
III.I 14	n.a.	III.I 14	n.a.	III.H 17	n.a.	III.G 15	III.I 15
III.I 15	n.a.	III.I 15	n.a.	III.H 18	n.a.	III.G 16	n.a.
III.I 16	n.a.	III.I 16	n.a.	III.H 19	n.a.	III.G 17	III.I 16
III.I 17 - III.I 18	n.a.	III.I 17 - III.I 18	n.a.	III.H 20 - III.H 21	n.a.	III.G 18 - III.G 19	III.I 17 - III.I 18
III.I 19	III.I 19	III.I 19	III.H 22	III.H 22	53	III.G 20	III.I 19
III.I 20 - III.I 22	n.a.	III.I 20 - III.I 22	n.a.	III.H 23 - III.H 25	n.a.	III.G 21 - III.G 23	III.I 20 - III.I 22
III.I 23	III.I 23	III.I 23	III.H 26	III.H 26	n.a.	III.G 24	III.I 23
III.I 24 - III.I 25	n.a.	III.I 24 - III.I 25	n.a.	III.H 27 - III.H 28	n.a.	III.G 25 - III.G 26	III.I 24 - III.I 25
Group J. Technology							
III.J 1 - III.J 2	III.J 12	III.J 1 - III.J 2	III.I 2 - III.I 5	III.I 1 - III.I 2	n.a.	III.H 1 - III.H 2	n.a.
III.J 3	III.J 3	III.J 3	III.I 3	III.I 3	n.a.	III.H 3	III.J 7
III.J 4	n.a.	III.J 4	n.a.	III.I 4	n.a.	III.H 4	III.J 8
III.J 5	III.J 12	III.J 5	III.I 2 - III.I 5	III.I 5	n.a.	n.a.	n.a.
III.J 6 - III.J 9	n.a.	III.J 6 - III.J 9	n.a.	III.I 6 - III.I 9	n.a.	III.H 6 - III.H 9	III.J 9 - III.J 12
III.J 10	n.a.	III.J 11	n.a.	III.I 11	n.a.	III.H 15	III.J 18
Group K. Other Financial and Operating Data							
III.K 1 - III.K 3	n.a.	III.K 1 - III.K 3	n.a.	III.J 1 - III.J 3	n.a.	III.J 1 - III.J 3	III.M 3 - III.M 5
Group L. Selected Data Classified by SIC-Based Industry							
III.L. 1 - III.L 6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

n.a. Not available.

1. Final gross product estimates for 1977, 1982, and 1989 are available in Raymond J. Mataloni, Jr. and Lee Goldberg, "Gross Product of U.S. Multinational Companies, 1977-91," Survey of Current Business (February 1994): 42-63.

2. The final gross product estimates for 1977, 1982, 1989, and 1990 are available in Raymond J. Mataloni, Jr. and Lee Goldberg, "Gross Product of U.S. Multinational Companies, 1977-91," Survey (February 1994): 42-63. The final 1991 estimates appeared in Raymond J. Mataloni, Jr., "U.S. Multinational Companies: Operations in 1992," Survey 74 (June 1994): 42-62. The final 1992 and preliminary 1993 estimates appeared in Raymond J. Mataloni, Jr., "U.S. Multinational Companies: Operations in 1993," Survey 75 (June 1995): 50-51. The final gross product estimates for other years are available on request.

Table 1. Selected Financial and Operating Data of Nonbank U.S. Parents and Nonbank Foreign Affiliates, 1982-99

	U.S. Parents							Foreign affiliates						
	Millions of dollars							Millions of dollars						
	Total assets	Sales	Net income	Compensation of employees	U.S. exports of goods shipped by parents	U.S. imports of goods shipped to parents	Thousands of employees	Total assets	Sales	Net income	Compensation of employees	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Thousands of employees
1982	2,741,619	2,348,388	102,044	520,383	153,792	108,651	18,704.6	751,486	935,780	31,309	111,709	56,718	51,406	6,640.2
1983	2,902,793	2,377,488	102,007	522,645	146,212	118,135	18,399.5	750,823	886,314	36,624	102,770	57,545	53,237	6,383.1
1984	3,060,031	2,508,779	117,022	533,666	159,600	135,734	18,130.9	759,994	898,558	43,022	100,700	66,343	62,975	6,417.5
1985	3,462,398	2,586,695	107,163	554,033	164,138	139,416	18,112.6	834,636	895,460	43,291	102,367	69,618	68,181	6,419.3
1986	3,792,001	2,544,439	108,219	563,627	161,160	136,829	17,831.8	931,293	928,915	48,570	117,604	71,065	65,468	6,250.2
1987	4,175,308	2,689,227	125,374	579,715	166,425	150,865	17,985.8	1,110,654	1,052,795	62,108	136,104	78,887	75,937	6,269.6
1988	4,363,441	2,828,209	156,083	591,434	199,704	163,117	17,737.6	1,206,326	1,194,733	76,787	151,461	94,881	87,291	6,403.5
1989	4,852,373	3,136,837	170,663	666,196	223,251	178,526	18,765.4	1,330,028	1,284,894	85,342	165,804	102,558	97,394	6,622.1
1990	4,951,048	3,243,721	134,229	688,545	224,944	191,507	18,429.7	1,559,038	1,493,426	84,558	184,809	106,426	102,150	6,833.9
1991	5,183,286	3,252,534	91,959	706,859	239,674	193,343	17,958.9	1,678,345	1,541,566	77,076	196,134	115,311	102,783	6,878.2
1992	5,579,798	3,330,886	39,305	724,931	249,890	205,212	17,529.6	1,761,998	1,574,069	73,723	201,537	122,024	108,357	6,660.1
1993	6,053,306	3,480,778	102,734	754,230	256,715	206,380	17,536.9	2,047,307	1,570,563	77,825	201,126	131,713	114,633	6,684.6
1994	6,718,003	3,990,013	191,154	805,372	323,331	237,519	18,565.4	2,376,902	1,757,388	93,986	224,275	159,454	134,182	7,104.6
1995	7,190,686	4,235,578	234,524	817,375	348,831	263,649	18,576.2	2,825,558	2,040,739	127,050	240,794	177,827	148,564	7,344.9
1996	7,821,047	4,478,970	304,191	846,847	373,443	298,587	18,790.0	3,091,927	2,233,698	138,962	252,601	194,029	164,773	7,544.1
1997	8,811,175	4,886,330	328,065	899,352	407,256	321,601	19,877.7	3,416,071	2,350,939	159,738	261,373	220,543	176,673	7,972.5
1998	9,614,209	4,970,138	347,718	919,532	395,834	321,325	19,819.8	3,921,467	2,369,990	148,357	263,584	206,404	183,200	8,183.8
1999	11,688,359	5,975,478	394,515	1,103,919	407,602	360,959	23,006.8	4,631,810	2,611,764	181,915	295,311	196,499	194,511	9,220.2

Table 2.--Foreign Affiliates for Which BE-10B Forms Were Filed in the 1999 Benchmark Survey and the Universe of Foreign Affiliates

	Number of affiliates	Millions of dollars			U.S. direct investment position abroad on a historical cost basis
		Total assets	Sales	Net income	
Universe of foreign affiliates:					
Total	40,105	6,575,709	2,656,356	192,021	1,186,882
Nonbanks	39,154	4,657,573	2,637,900	181,514	1,154,908
Banks	951	1,918,136	18,456	10,507	31,973
Foreign affiliates for which BE-10B forms were filed:					
Total	23,980	6,549,776	2,630,165	192,429	1,177,615
Nonbanks	23,121	4,631,810	2,611,764	181,915	1,145,644
Banks	859	1,917,966	18,401	10,514	31,971
Foreign affiliates exempt from being reported on the BE-10B form:					
Total	16,125	25,933	26,191	-408	9,267
Nonbanks	16,033	25,763	26,136	-401	9,265
Banks	92	170	55	-7	2
Addenda--Affiliates for which BE-10B forms were filed as a percentage of the universe:					
Total	59.8	99.6	99.0	100.2	99.2
Nonbanks	59.1	99.4	99.0	100.2	99.2
Banks	90.3	100.0	99.7	100.1	100.0

Table 3. Selected Data for All Foreign Affiliates and All U.S. Parents by Fiscal Year Ending Date

[Millions of dollars, unless otherwise noted]

	Total	Fiscal year ending date				
		January 1 to March 31	April 1 to June 30	July 1 to September 30	October 1 to December 31	Addendum: December 31
Foreign affiliate data						
Number of foreign affiliates	40,105	1,966	3,271	3,384	31,484	28,492
Total assets	6,544,293	124,220	205,920	177,083	6,037,070	5,134,776
Sales	2,630,165	121,405	163,135	153,272	2,192,353	1,912,946
Net income	192,429	4,045	8,874	9,699	169,811	138,115
Compensation of employees	305,959	14,241	18,092	19,849	253,777	224,387
Thousands of employees	9,412.3	554.6	530.1	733.3	7,594.3	6,720.3
U.S. exports of goods shipped to affiliates	196,499	5,428	10,105	16,260	164,706	145,439
U.S. imports of goods shipped by affiliates	194,511	8,003	8,140	13,525	164,843	151,648
U.S. direct investment position abroad on a historical-cost basis	1,186,882	29,751	52,243	50,469	1,054,418	939,903
Direct investment income	109,268	2,405	5,226	6,361	95,276	80,866
U.S. parent data						
Number of U.S. parents	3,915	193	416	384	2,922	2,470
Total assets	11,686,512	138,189	497,398	381,314	10,669,611	9,651,142
Sales	5,973,727	255,511	396,502	329,513	4,992,201	4,403,278
Net income	394,512	5,982	21,138	26,321	341,071	301,810
Compensation of employees	1,103,923	38,577	77,823	73,115	914,408	809,909
Thousands of employees	23,048.2	1,660.7	1,751.9	1,477.5	18,158.1	15,850.3
U.S. exports of goods shipped by parents	407,602	4,979	33,867	35,040	333,716	293,964
U.S. imports of goods shipped to parents	360,959	10,048	15,325	16,695	318,891	265,622

Table 4.--Sales by All Foreign Affiliates and Sales by, and Employment of, All U.S. Parents, by Industry of Enterprise and by Industry of Sales

	Affiliate data		U.S. parent data			
	Sales (millions of dollars)		Sales (millions of dollars)		Number of employees (thousands)	
	By industry of affiliate	By industry of sales	By industry of U.S. parent	By industry of sales	By industry of U.S. parent	By industry of sales/1/
All industries	2,705,066	2,705,066	6,271,525	6,271,525	23,985.3	23,985.3
Mining	73,657	73,339	39,679	47,860	111.5	147.8
Oil and gas extraction	53,258	52,678	20,256	19,495	19.6	17.7
Other	20,399	20,661	19,423	28,366	91.9	130.1
Coal mining	(D)	1,465	(D)	7,374	I	29.5
Nonmetallic mineral mining and quarrying	(D)	1,064	(D)	5,936	J	30.5
Metal ore mining	8,243	8,247	5,873	5,081	23.4	23.7
Iron ores	491	491	(D)	(D)	G	H
Gold and silver ores	(D)	1,680	1,098	1,429	4.5	6.1
Copper, nickel, lead, and zinc ores	5,031	4,983	(D)	(D)	J	J
Other metal ores	(D)	1,094	0	339	0.0	1.8
Support activities for mining	9,612	9,885	7,329	9,974	44.1	46.3
Support activities for oil and gas extraction	9,333	9,626	7,329	9,748	44.1	44.7
Support activities for mining, except for oil and gas extraction	279	259	1	226	(*)	1.6
Utilities	54,953	52,875	237,403	232,923	367.8	316.0
Electric power generation, transmission, and distribution	40,509	37,778	211,141	176,730	338.9	267.0
Natural gas distribution	(D)	(D)	25,666	55,456	24.8	45.0
Water, sewage, and other systems	(D)	(D)	596	736	4.2	4.0
Manufacturing	1,284,231	1,238,102	2,731,101	2,527,532	9,020.9	7,937.2
Food	94,614	91,236	178,353	187,753	629.3	597.8
Animal foods	6,043	5,614	(D)	7,592	I	17.6
Grain and oilseed milling	26,772	25,014	30,690	37,277	47.8	66.0
Sugar and confectionery products	(D)	11,550	10,429	11,262	26.5	31.8
Fruit and vegetable preserving and specialty foods	11,428	9,172	15,019	21,400	66.9	75.5
Dairy products	1,545	2,425	15,349	19,254	38.6	48.7
Animal slaughtering and processing	9,179	7,100	61,581	46,178	252.1	170.0
Seafood product preparation and packaging	123	(D)	(D)	1,716	H	8.5
Bakeries and tortillas	4,105	4,706	21,144	13,307	95.6	58.2
Other food products	(D)	(D)	20,047	29,767	89.1	121.4
Beverages and tobacco products	66,358	66,781	106,055	109,886	255.1	243.5
Beverages	46,886	(D)	89,539	92,461	216.9	214.7
Tobacco products	19,471	(D)	16,515	17,425	38.2	28.9
Textiles, apparel, and leather products	12,805	13,321	44,564	47,586	371.3	371.6
Textile mills	2,981	3,347	13,198	14,543	99.5	108.9
Textile product mills	(D)	1,898	9,627	9,669	71.3	70.2
Apparel	7,128	7,244	20,126	20,644	190.7	176.6
Leather and allied products	(D)	833	1,613	2,731	9.8	16.0
Wood products	4,129	3,484	8,824	26,455	45.3	122.2
Paper	35,531	34,941	120,251	91,896	430.9	321.1
Pulp, paper, and paperboard mills	8,321	9,062	66,830	32,216	220.6	119.7
Converted paper products	27,211	25,878	53,421	59,680	210.3	201.4
Printing and related support activities	3,314	3,120	23,317	22,234	150.8	131.5
Petroleum and coal products	141,101	136,531	239,963	181,555	281.9	148.2
Integrated petroleum refining and extraction	(D)	(D)	210,312	155,821	227.6	124.4
Petroleum refining excluding oil and gas extraction	101,028	97,479	(D)	20,657	K	11.7
Asphalt and other petroleum and coal products	(D)	(D)	(D)	5,078	I	12.1
Chemicals	214,097	206,340	351,565	349,115	984.1	829.7
Basic chemicals	44,953	44,035	56,974	71,876	145.9	154.5
Resins and synthetic rubber, fibers, and filaments	24,314	22,367	45,681	47,448	126.8	116.7
Pharmaceuticals and medicines	69,550	68,005	133,080	121,353	345.2	256.7
Soap, cleaning compounds, and toilet preparations	31,334	29,769	52,968	38,385	145.1	90.5
Other	43,946	42,165	62,862	70,053	221.1	211.2
Pesticides, fertilizers, and other agricultural chemicals	7,541	7,741	11,086	17,886	27.9	37.2
Paints, coatings, and adhesives	7,246	8,331	18,555	18,558	70.0	63.0
Other chemical products and preparations	29,159	26,092	33,221	33,609	123.3	111.0
Plastics and rubber products	27,302	28,570	59,144	60,297	307.5	300.3
Plastics products	14,427	16,223	31,020	39,896	154.4	188.6
Rubber products	12,875	12,347	28,124	20,401	153.1	111.8
Nonmetallic mineral products	13,793	14,408	34,150	36,852	151.6	155.9
Clay products and refractories	1,562	1,474	4,138	6,183	18.3	32.2
Glass and glass products	8,541	8,644	14,699	13,013	84.3	67.2
Cement and concrete products	(D)	1,734	7,311	5,808	24.9	15.8
Lime and gypsum products	(D)	424	0	1,289	0.0	3.1
Other nonmetallic mineral products	1,459	2,133	8,003	10,559	24.2	37.6
Primary and fabricated metals	47,228	44,399	133,821	129,857	616.2	579.2
Primary metals	18,110	17,944	73,468	70,351	287.2	258.1
Iron and steel mills and ferroalloys	1,487	1,527	27,098	30,439	98.6	103.7
Steel products from purchased steel	911	984	4,668	8,937	21.0	36.9
Alumina and aluminum production and processing	11,605	11,316	18,932	13,438	66.6	41.6
Nonferrous metal (except aluminum) production and processing	3,085	3,069	17,341	13,120	65.4	45.9
Foundries	1,022	1,048	5,429	4,417	35.5	30.0
Fabricated metal products	29,118	26,455	60,353	59,505	329.1	321.1
Forging and stamping	5,094	4,527	6,512	6,258	23.9	23.1
Cutlery and handtools	7,365	5,573	9,023	9,438	60.6	53.6
Architectural and structural metals	1,531	1,374	8,700	9,744	54.7	60.1
Boilers, tanks, and shipping containers	4,333	4,101	16,210	9,054	59.2	29.3
Hardware	1,531	1,007	524	1,790	3.4	11.7
Spring and wire products	(D)	879	989	1,447	3.8	7.5

Table 4.--Sales by All Foreign Affiliates and Sales by, and Employment of, All U.S. Parents, by Industry of Enterprise and by Industry of Sales

	Affiliate data		U.S. parent data			
	Sales (millions of dollars)		Sales (millions of dollars)		Number of employees (thousands)	
	By industry of affiliate	By industry of sales	By industry of U.S. parent	By industry of sales	By industry of U.S. parent	By industry of sales/1/
Machine shops, turned products, and screws, nuts, and bolts	(D)	1,085	1,733	3,089	10.8	18.4
Coating, engraving, heat treating and allied activities	(D)	229	489	1,629	3.2	10.9
Other fabricated metal products	6,962	7,681	16,175	17,057	109.4	106.5
Machinery	77,109	76,213	146,480	167,480	674.3	700.7
Agriculture, construction, and mining machinery	18,956	18,752	47,492	39,007	153.9	124.2
Industrial machinery	7,397	8,042	16,832	20,133	77.4	88.8
Other	50,755	49,419	82,157	108,341	443.0	487.7
Commercial and service industry machinery	(D)	12,358	20,228	14,557	110.9	78.4
Ventilation, heating, air-conditioning, and commercial refrigeration equipment ...	11,832	10,912	19,491	25,278	116.1	131.7
Metalworking machinery	2,777	2,855	7,890	7,508	41.3	36.2
Engines, turbines, and power transmission equipment	9,270	10,572	13,161	36,861	57.5	114.1
Other general purpose machinery	(D)	12,722	21,387	24,137	117.2	127.4
Computers and electronic products	197,465	187,785	340,150	365,609	1,007.5	1,110.1
Computers and peripheral equipment	(D)	81,273	95,773	125,994	190.4	267.5
Communications equipment	35,281	35,420	102,158	81,130	330.8	282.9
Audio and video equipment	5,072	4,590	25,927	16,727	57.9	34.8
Semiconductors and other electronic components	46,514	48,542	96,922	99,455	330.0	338.2
Navigational, measuring, and other instruments	10,869	12,753	16,985	39,411	88.3	174.3
Magnetic and optical media	(D)	5,206	2,384	2,892	10.2	12.3
Electrical equipment, appliances, and components	28,737	29,748	87,822	79,381	451.2	360.7
Electric lighting equipment	(D)	2,856	6,607	6,877	43.0	31.0
Household appliances	11,655	11,634	20,117	21,926	85.9	88.0
Electrical equipment	(D)	7,873	46,098	32,964	259.4	164.4
Other electrical equipment and components	7,179	7,385	15,000	17,614	62.8	77.3
Transportation equipment	286,369	266,930	784,171	584,735	2,219.6	1,496.5
Motor vehicles, bodies and trailers, and parts	278,604	258,054	518,456	443,312	1,152.7	932.9
Motor vehicles	216,556	189,355	416,014	336,051	668.8	502.0
Motor vehicle bodies and trailers	(D)	655	6,532	6,150	37.8	31.4
Motor vehicle parts	(D)	68,043	95,910	101,111	446.1	399.6
Other	7,765	8,876	265,716	141,423	1,067.0	563.6
Aerospace products and parts	4,438	4,503	256,896	124,168	1,017.7	483.6
Railroad rolling stock	718	750	2,062	6,083	8.8	14.9
Ship and boat building	46	105	(D)	6,007	K	45.2
Other transportation equipment	2,563	3,517	(D)	5,165	I	19.9
Furniture and related products	3,780	3,832	18,768	18,462	136.4	130.0
Miscellaneous manufacturing	30,500	30,463	53,704	68,379	307.7	338.3
Medical equipment and supplies	21,191	20,435	36,769	41,923	210.4	190.2
Other miscellaneous manufacturing	9,309	10,028	16,935	26,455	97.3	148.1
Wholesale trade	613,256	634,460	584,596	602,677	908.1	848.0
Professional and commercial equipment and supplies	190,577	189,931	115,948	100,120	232.7	147.1
Other durable goods	127,478	145,996	142,116	212,440	230.6	336.1
Motor vehicles and motor vehicle parts and supplies	32,021	46,972	27,337	50,005	44.1	82.9
Furniture and home furnishings	715	756	262	2,003	0.8	7.4
Lumber and other construction materials	(D)	1,569	6,070	14,444	6.6	17.9
Metals and minerals (except petroleum)	3,774	4,405	22,195	29,505	17.7	24.5
Electrical goods	44,768	47,058	49,028	63,544	74.6	85.4
Hardware, and plumbing and heating equipment and supplies	(D)	4,293	8,210	11,200	14.2	29.9
Machinery, equipment, and supplies	24,966	24,996	12,978	21,907	42.2	49.6
Miscellaneous durable goods	15,626	15,946	16,035	19,833	30.3	38.6
Petroleum and petroleum products	135,377	135,293	104,127	85,622	37.0	24.5
Other nondurable goods	159,823	163,239	222,405	204,495	407.8	340.3
Paper and paper products	11,454	10,156	13,156	13,945	35.0	39.6
Drugs and druggists' sundries	40,317	42,806	57,792	54,163	59.0	37.8
Apparel, piece goods, and notions	(D)	10,856	18,236	17,283	59.7	42.8
Grocery and related products	18,573	19,547	37,933	47,607	141.7	147.9
Farm product raw materials	(D)	35,791	51,028	27,923	57.7	13.8
Chemical and allied products	22,423	23,218	25,562	20,403	12.0	8.2
Beer, wine, and distilled alcoholic beverages	436	448	(D)	2,772	H	1.6
Miscellaneous nondurable goods	19,135	20,418	(D)	20,399	K	48.6
Information	139,538	140,681	465,240	460,219	1,931.3	1,769.9
Publishing industries	20,681	22,169	74,889	85,939	325.9	334.4
Newspaper, periodical, book, and database publishers	6,210	6,289	46,391	53,601	247.0	240.1
Software publishers	14,472	15,880	28,498	32,338	78.9	94.3
Motion picture and sound recording industries	11,201	10,955	18,211	34,027	162.4	164.5
Motion picture and video industries	8,910	(D)	(D)	29,172	M	155.5
Sound recording industries	2,291	(D)	(D)	4,856	I	9.0
Broadcasting and telecommunications	90,724	90,443	330,352	295,503	1,188.9	1,013.8
Broadcasting, cable networks, and program distribution	5,388	5,489	80,453	58,217	337.3	202.7
Radio and television broadcasting	1,534	1,709	38,396	28,473	149.8	88.1
Cable networks and program distribution	3,854	3,780	42,057	29,744	187.5	114.6
Telecommunications	85,336	84,954	249,899	237,285	851.5	811.1
Information services and data processing services	16,932	17,114	41,787	44,750	254.1	257.1
Information services	(D)	5,338	14,392	20,329	52.1	83.5
Data processing services	(D)	11,776	27,395	24,421	202.1	173.6
Depository credit intermediation (banking)	74,956	74,956	296,047	286,082	978.5	943.8
Banks	74,235	74,226	296,047	286,082	978.5	943.8
Branches and agencies	721	731	0	0	0.0	0.0

Table 4.--Sales by All Foreign Affiliates and Sales by, and Employment of, All U.S. Parents, by Industry of Enterprise and by Industry of Sales

	Affiliate data		U.S. parent data			
	Sales (millions of dollars)		Sales (millions of dollars)		Number of employees (thousands)	
	By industry of affiliate	By industry of sales	By industry of U.S. parent	By industry of sales	By industry of U.S. parent	By industry of sales/1/
Finance (except depository institutions) and insurance	178,034	181,006	712,779	782,431	1,366.5	1,433.5
Finance, except depository institutions	104,287	109,475	238,124	352,662	489.5	679.1
Securities, commodity contracts, and other intermediation and related activities ...	66,358	72,617	196,791	260,377	370.9	480.9
Securities and commodity contracts intermediation and brokerage	33,234	36,615	168,734	139,787	274.3	217.4
Other financial investment activities and exchanges	33,124	36,002	28,058	120,590	96.6	263.5
Other finance, except depository institutions	37,929	36,858	41,333	92,285	118.7	198.2
Non-depository credit intermediation and related services	35,933	34,831	(D)	79,362	M	181.1
Non-depository credit intermediation	32,904	31,272	37,212	59,083	105.6	135.8
Activities related to credit intermediation	3,029	3,558	(D)	20,279	J	45.3
Funds, trusts, and other financial vehicles	1,995	2,028	(D)	12,923	G	17.1
Insurance carriers and related activities	73,747	71,531	474,655	429,769	877.0	754.3
Insurance carriers, except life insurance carriers	45,433	41,809	280,849	259,911	585.6	494.2
Life insurance carriers	24,988	26,432	182,082	153,296	226.2	202.5
Agencies, brokerages, and other insurance related activities	3,327	3,291	11,724	16,562	65.1	57.6
Professional, scientific, and technical services	84,501	89,795	190,379	213,703	1,014.7	1,092.1
Architectural, engineering, and related services	13,527	14,090	22,419	26,372	111.6	142.6
Computer systems design and related services	45,390	45,924	88,811	93,253	393.7	373.7
Management, scientific, and technical consulting	9,857	9,841	21,142	33,403	105.2	154.2
Advertising and related services	8,331	8,354	13,502	15,370	90.7	102.2
Other	7,396	11,585	44,504	45,304	313.5	319.5
Legal services	830	837	9,088	9,335	40.0	36.0
Accounting, tax preparation, bookkeeping, and payroll services	640	754	23,130	17,557	171.0	133.4
Specialized design services	198	204	(D)	335	2.7	1.7
Scientific research and development services	2,782	2,916	2,765	8,104	28.2	68.5
Other professional, scientific, and technical services	2,945	6,875	(D)	9,973	71.6	79.9
Other industries	201,941	219,015	1,014,302	1,096,993	8,286.0	8,628.9
Agriculture, forestry, fishing, and hunting	2,887	4,369	3,364	10,991	31.1	53.1
Crop production	1,806	3,050	1,753	3,630	15.7	22.8
Animal production	757	816	(D)	5,494	J	24.7
Forestry and logging	(D)	218	(*)	(D)	0.0	3.7
Fishing, hunting, and trapping	(D)	68	(D)	(D)	G	G
Support activities for agriculture and forestry	153	217	0	229	0.0	F
Construction	17,797	17,425	47,803	41,697	200.8	144.5
Building, developing, and general contracting	8,854	8,874	36,079	27,589	139.7	72.7
Heavy construction	(D)	(D)	9,612	10,209	41.4	39.6
Special trade contractors	(D)	(D)	2,113	3,900	19.8	32.1
Retail trade	66,796	69,636	571,934	584,087	3,855.8	3,866.0
Motor vehicle and parts dealers	332	831	(D)	25,300	44.8	63.5
Furniture and home furnishings stores	202	196	(D)	2,437	J	21.2
Electronics and appliance stores	1,548	(D)	(D)	14,440	L	93.9
Building material and garden equipment and supplies dealers	(D)	(D)	(D)	(D)	M	M
Food and beverage stores	7,139	7,430	76,196	68,780	476.1	432.6
Health and personal care stores	(D)	745	6,014	7,746	75.1	91.4
Gasoline stations	13,163	15,126	0	16,400	0.0	44.7
Clothing and clothing accessories stores	5,318	5,228	43,662	44,448	408.2	404.2
Sporting goods, hobby, book, and music stores	3,551	3,841	(D)	(D)	L	L
General merchandise stores	(D)	21,897	293,881	288,944	2,253.3	2,190.1
Miscellaneous store retailers	3,590	3,518	25,574	29,199	152.9	182.1
Nonstore retailers	7,710	7,651	38,803	38,225	76.8	90.2
Transportation and warehousing	40,940	42,387	177,555	191,110	1,139.8	1,161.5
Air transportation	(D)	3,478	50,574	49,929	291.0	270.4
Rail transportation	2,617	2,601	31,275	26,850	136.7	106.3
Water transportation	8,340	8,770	5,095	10,058	31.7	56.1
Petroleum tanker operations	2,707	3,200	(D)	1,142	G	3.7
Other water transportation	5,633	5,570	(D)	8,917	K	52.4
Truck transportation	1,500	1,533	16,295	19,963	89.0	121.7
Transit and ground passenger transportation	92	175	(D)	(D)	I	H
Pipeline transportation	13,087	(D)	(D)	23,948	19.0	25.8
Pipeline transportation of crude oil, refined petroleum products, and natural gas	13,084	(D)	(D)	(D)	18.9	25.7
Other pipeline transportation	3	5	(D)	(D)	0.1	0.1
Scenic and sightseeing transportation	(D)	(D)	(D)	(D)	0.1	0.2
Support activities for transportation	5,283	5,536	16,103	15,506	100.9	102.4
Couriers and messengers	(D)	(D)	41,913	41,971	M	M
Warehousing and storage	1,341	1,503	(D)	1,985	H	10.2
Petroleum storage for hire	293	378	(D)	1,123	0.2	1.4
Other warehousing and storage	1,048	1,125	(D)	862	H	8.8
Real estate and rental and leasing	15,420	18,868	25,011	47,468	139.7	209.8
Real estate	3,365	3,564	7,547	12,774	31.5	50.4
Rental and leasing (except real estate)	12,055	15,304	17,464	34,694	108.3	159.4
Automotive equipment rental and leasing	4,921	5,103	12,187	18,519	78.1	83.0
Other rental and leasing services	4,555	6,260	(D)	12,644	J	66.2
Lessors of nonfinancial intangible assets (except copyrighted works)	2,579	3,941	(D)	3,531	I	10.2
Management of nonbank companies and enterprises	1,263	1,173	134	599	1.4	3.9
Holding companies, except bank holding companies	395	0	4	0	0.6	0.5
Corporate, subsidiary, and regional management offices	868	1,173	131	599	0.9	3.4
Administration, support, and waste management	24,053	29,102	52,384	66,892	1,197.2	1,288.2
Administrative and support services	(D)	(D)	36,722	49,682	1,100.7	1,184.0
Office administrative services	(D)	(D)	(D)	609	H	5.8
Facilities support services	1,141	1,192	(D)	4,643	I	52.6
Employment services	11,060	11,020	16,841	14,878	750.0	682.7
Business support services	1,665	5,421	5,795	12,796	81.9	121.1
Travel arrangement and reservation services	(D)	3,698	2,261	3,620	I	12.7

Table 4.--Sales by All Foreign Affiliates and Sales by, and Employment of, All U.S. Parents, by Industry of Enterprise and by Industry of Sales

	Affiliate data		U.S. parent data			
	Sales (millions of dollars)		Sales (millions of dollars)		Number of employees (thousands)	
	By industry of affiliate	By industry of sales	By industry of U.S. parent	By industry of sales	By industry of U.S. parent	By industry of sales/1/
Investigation and security services	1,541	1,725	(D)	5,372	L	167.9
Services to buildings and dwellings	1,482	1,461	7,537	5,796	126.4	98.9
Other support services	896	(D)	782	1,969	K	42.3
Waste management and remediation services	(D)	(D)	15,662	17,210	96.4	104.2
Health care and social assistance	394	412	61,484	64,685	440.4	460.8
Ambulatory health care services	204	180	16,342	18,321	165.1	179.4
Hospitals	153	148	(D)	(D)	M	198.9
Nursing and residential care facilities	(D)	83	(D)	2,701	L	L
Social assistance	(D)	1	(D)	(D)	K	K
Accommodation and food services	22,559	21,706	58,915	56,612	1,094.5	1,117.0
Accommodation	5,319	5,819	23,902	25,177	371.8	383.0
Food services and drinking places	17,240	15,887	35,013	31,435	722.7	734.0
Miscellaneous services	9,832	13,936	15,718	32,852	185.2	324.3
Educational services	(D)	899	2,108	2,519	21.9	35.7
Arts, entertainment, and recreation	(D)	2,371	5,170	10,660	57.5	116.2
Performing arts, spectator sports, and related industries	(D)	1,073	2,616	(D)	11.3	24.6
Museums, historical sites, and similar institutions	0	0	0	(D)	0.0	0.2
Amusement, gambling, and recreation industries	(D)	1,298	2,554	7,043	46.2	91.3
Other services (except public administration and private households)	6,085	10,666	8,440	19,673	105.8	172.4
Repair and maintenance	3,138	7,438	1,622	10,231	14.0	66.3
Personal and laundry services	2,947	3,228	6,819	9,442	91.8	106.1
Nonbusiness entities, except Government	0	0	0	0	0.0	0.0

Table 7.--Selected Data for Foreign Affiliates and Their U.S. Parents, by Group of Affiliate or Parent
(Millions of dollars, unless otherwise noted)

Panel A.--Affiliate Data

	All affiliates			Nonbank affiliates									Bank affiliates		
	Of all parents	Of nonbank parents	Of bank parents	Of all parents			Of nonbank parents			Of bank parents			Of all parents	Of nonbank parents	Of bank parents
				Total	Majority-owned nonbank affiliates	Other nonbank affiliates	Total	Majority-owned nonbank affiliates	Other nonbank affiliates	Total	Majority-owned nonbank affiliates	Other nonbank affiliates			
Number of affiliates	23,980	23,414	672	23,552	21,425	2,127	23,121	21,042	2,079	431	383	48	428	293	241
Total assets	6,549,776	5,167,979	1,381,797	5,050,909	4,467,106	583,802	4,631,810	4,056,424	575,386	419,099	410,682	8,416	1,498,867	536,169	962,698
Sales	2,705,066	2,647,315	57,751	2,630,110	2,235,555	394,555	2,611,764	2,218,945	392,819	18,346	16,611	1,736	74,956	35,551	39,405
Net income	192,429	184,983	7,446	189,450	170,174	19,276	181,915	162,759	19,156	7,535	7,415	120	2,979	3,068	-89
Compensation of employees	305,959	299,894	6,065	297,045	256,310	40,735	295,311	254,923	40,388	1,734	1,387	347	8,914	4,583	4,330
Thousands of employees	9,412.3	9,294.1	118.2	9,266.0	7,790.8	1,475.2	9,220.2	7,765.8	1,454	45.8	25.0	20.8	146.3	73.9	72.4
U.S. direct investment position abroad on a historical-cost basis	1,186,882	1,157,397	29,484	1,154,908	1,114,366	40,542	1,132,687	1,092,419	40,269	22,221	21,947	274	31,973	24,710	7,264
Direct investment income	109,268	107,595	1,673	108,916	106,658	2,259	106,150	103,906	2,244	2,766	2,751	15	352	1,444	-1,093

Panel B.--U.S. Parent Data

	Parents of all affiliates			Parents of nonbank affiliates									Parents of bank affiliates		
	All parents	Nonbank parents	Bank parents	All parents			Nonbank parents			Bank parents			All parents	Nonbank parents	Bank parents
				Total	Of majority-owned nonbank affiliates	Of other nonbank affiliates	Total	Of majority-owned nonbank affiliates	Of other nonbank affiliates	Total	Of majority-owned nonbank affiliates	Of other nonbank affiliates			
Number of U.S. parents	2,606	2,555	51	2,599	2,495	722	2,554	2,471	712	25	24	10	72	22	50
Total assets	15,077,669	11,688,359	3,389,310	14,412,521	14,185,454	8,543,941	11,675,871	11,453,826	7,113,489	2,736,650	2,731,627	1,430,452	5,719,996	2,331,542	3,388,454
Sales	6,271,525	5,975,478	296,047	6,203,278	6,108,036	3,442,555	5,961,616	5,866,916	3,317,252	241,662	241,120	125,304	767,842	471,854	295,988
Net income	441,489	394,515	46,974	433,150	428,061	282,425	394,161	389,150	258,843	38,988	38,911	23,583	109,771	62,806	46,965
Compensation of employees	1,164,391	1,103,919	60,472	1,152,628	1,131,528	614,467	1,101,917	1,081,079	589,815	50,712	50,449	24,652	141,278	80,818	60,460
Thousands of employees	23,985.3	23,006.8	978.5	23,759.5	23,330.9	10,836.8	22,968.6	22,541.9	10,439.1	790.9	789.0	397.7	1,937.1	958.9	978.1

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An "X" in the column for a given affiliate group means that the listed table format is published for the affiliates in that group or for their U.S. parents.	I	II	III	IV	V
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U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS**BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD – 1999
INSTRUCTION BOOKLET FOR FORMS BE-10A, BE-10A BANK,
BE-10B(LF), BE-10B(SF), BE-10B BANK**

The Bureau of Economic Analysis (BEA) is conducting the Benchmark Survey of U.S. Direct Investment Abroad - 1999. BEA will use the data collected for compiling the nation's economic accounts and for providing a factual framework through which policy makers and the general public may address issues pertaining to U.S. direct investment abroad. Reporting on the survey is mandatory under the International Investment and Trade in Services Survey Act (22 U.S.C. 3101-3108). By the same law, BEA may use the information reported only for analytical and statistical purposes and, without your written permission, cannot present the data in a manner that allows it to be individually identified.

The benchmark survey obtains universe data on the financial and operating characteristics of, and on positions and transactions between, U.S. parent companies and their foreign affiliates. The data will provide benchmarks for deriving current universe estimates of direct investment from sample data BEA collects in surveys in nonbenchmark years. In particular, the data will serve as benchmarks for the quarterly direct investment estimates included in the U.S. international transactions and national income and product accounts, and for annual estimates of the U.S. direct investment position abroad and of the operations of U.S. parent companies and their foreign affiliates.

Each U.S. business enterprise that, at any time during its 1999 fiscal year, owned or controlled a direct or indirect interest of 10 percent or more in a foreign business enterprise must file this survey. See this **Instruction Booklet** for reporting requirements and general instructions and 15 CFR, Part 806 for regulations. You must return the completed survey by May 31, 2000 if you have fewer than 50 forms to file and by June 30, 2000 if you have 50 or more forms to file. If you received this survey but are not required to report, you must complete a "Claim for Not Filing a BE-10" and return it to BEA within 30 days.

The survey introduces the North American Industry Classification System (NAICS) as the basis for classifying enterprises reported in BEA's surveys of U.S. direct investment abroad; in the past, classification was based on the U.S. Standard Industrial Classification system. Details of the NAICS-based system are provided in the accompanying booklet, **Guide to Industry and Foreign Trade Classification for International Surveys**.

The Bureau is aware of the reporting burden that surveys such as this impose on respondents, and it has endeavored to keep this burden to the minimum consistent with achieving the objectives of the survey. The business community and the U.S. Government have a common interest in the availability of timely and reliable statistical information on the activities of U.S. multinational companies. If you need assistance, please do not hesitate to contact my staff at (202) 606-5566.

Thank you for your cooperation.

Sincerely,



J. Steven Landefeld
Director
Bureau of Economic Analysis

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I. REPORTING REQUIREMENTS

Section 806.4 of 15 CFR, Chapter VIII, requires all persons subject to the reporting requirements of the BE-10 survey to respond, whether or not they are contacted by BEA. It also requires that a person, or their agent, who is contacted by BEA about reporting in this survey, either by sending them report forms or by written inquiry, must respond in writing. They may respond by: **1.** certifying in writing, within 30 days of being contacted by BEA, that the person had no direct investment within the purview of the reporting requirements of the BE-10 survey; **2.** completing and returning the "BE-10 Claim for Not Filing" within 30 days of receipt of the BE-10 survey report forms; or **3.** filing the properly completed BE-10 report by May 31, 2000, or June 30, 2000, as required.

Forms comprising a BE-10 report are:

- 1. Form BE-10A** – Report for U.S. Reporters that are not banks;
- 2. Form BE-10A BANK** – Report for U.S. Reporters that are banks;
- 3. Form BE-10B(LF) (Long Form)** – Report for "large" majority-owned nonbank foreign affiliates of nonbank parents;
- 4. Form BE-10B(SF) (Short Form)** – Report for "small" majority-owned nonbank foreign affiliates of nonbank parents, nonbank foreign affiliates of bank parents, and nonbank minority-owned foreign affiliates of nonbank parents;
- 5. Form BE-10B BANK** – Report for foreign affiliates that are banks; and
- 6. BE-10 Claim for Not Filing.**

For definitions of terms, see Section II of these instructions.

A. Who must report

- 1. Basic requirement** – A BE-10 report is required of any U.S. person that had a foreign affiliate – that is, that had direct or indirect ownership or control of at least 10 percent of the voting stock of an incorporated foreign business enterprise, or an equivalent interest in an unincorporated foreign business enterprise – at **any** time during the U.S. person's 1999 fiscal year.

If the U.S. person had no foreign affiliates during its 1999 fiscal year, **it must file a "BE-10 Claim for Not Filing" within 30 days of receipt of this package;** no other forms in the survey are required. If the U.S. person had any foreign affiliates during its 1999 fiscal year, a BE-10 report is required and the U.S. person is a U.S. Reporter in this survey. To determine which forms must be filed, nonbank U.S. Reporters should see *I.B.* and U.S. Reporters that are banks or bank holding companies should see *I.C.*

- 2. Calculation of ownership percentage** – A U.S. Reporter's ownership interest in a foreign business enterprise may be directly held, indirectly held, or both. It is directly held if the U.S. Reporter itself holds the ownership interest in a foreign business enterprise. It is indirectly held if, for example, the U.S. Reporter holds an ownership interest in another foreign business enterprise that, in turn, owns the given foreign business enterprise. The Reporter must sum all direct and indirect lines of ownership interest in the foreign business enterprise to determine whether it holds a foreign business enterprise to the extent of 10 percent or more, directly or indirectly.
Note – An associated group is deemed to be one U.S. Reporter. See *II.C* for a definition of an associated group.

A U.S. Reporter's percentage of indirect ownership interest in a given foreign business enterprise is the product of the direct ownership percentage that the U.S. Reporter has in the first foreign business enterprise in the ownership chain, multiplied by that first enterprise's direct ownership percentage in the second enterprise in the chain, multiplied by the direct ownership percentages for all other intervening enterprises in the ownership chain, multiplied by the last intervening enterprise's direct ownership percentage in the given foreign business enterprise. To illustrate, assume the U.S. Reporter owned 50 percent of

foreign business enterprise A directly, and that A owned 75 percent of foreign business enterprise B that, in turn, owned 80 percent of foreign business enterprise C. Then the U.S. Reporter's percentage of indirect ownership of B would be 37.5 percent (the product of the first two percentages), its indirect ownership of C would be 30 percent (the product of all three percentages), and B and C (as well as A) would be considered foreign affiliates of the U.S. Reporter.

- 3. Reporting when the foreign affiliate is owned only part of the year** – Reports are required even though the foreign business enterprise was established, acquired, seized, liquidated, sold, expropriated, or inactivated during the U.S. Reporter's 1999 fiscal year. See *III.G.* for how to file for these foreign business enterprises.

B. Forms for nonbank U.S. Reporters and nonbank foreign affiliates

- 1. Form BE-10A** – Report for nonbank U.S. Reporter

a. Basic requirements – Each U.S. Reporter that is not a bank must complete a BE-10A report. If the U.S. Reporter is a corporation, Form BE-10A must cover the fully consolidated U.S. domestic business enterprise. See *I.B.1.b.* for the definition of "fully consolidated U.S. domestic business enterprise."

The nonbank U.S. Reporter must file a **complete** Form BE-10A if **any one** of the following three items of the fully consolidated U.S. **domestic** business enterprise was greater than \$100 million (positive or negative) at any time during the Reporter's 1999 fiscal year:

- (1)** total assets,
- (2)** sales or gross operating revenues excluding sales taxes, or
- (3)** net income after provision for foreign income taxes

The nonbank U.S. Reporter must file a **partial** Form BE-10A if **no one** of the three items listed above for the fully consolidated U.S. **domestic** business enterprise was greater than \$100 million (positive or negative) at any time during the Reporter's 1999 fiscal year.

The nonbank U.S. Reporter, whether filing a complete or partial BE-10A report, must also complete, as applicable, the BE-10A SUPPLEMENT A listing each, if any, foreign affiliate exempt from being reported on Form BE-10B(LF), BE-10B(SF), or BE-10B BANK. It also must file a Form BE-10B(LF), BE-10B(SF), or BE-10B BANK, as appropriate, for **each** nonexempt foreign affiliate. See *I.B.2* and *I.C.2.*

- b. Definition of "fully consolidated U.S. domestic business enterprise"** – The fully consolidated U.S. domestic business enterprise is defined as: **1.** the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and **2.** proceeding down each ownership chain from that U.S. corporation, any U.S. corporation (including Foreign Sales Corporations located in the United States) whose voting securities are more than 50 percent owned by the U.S. corporation above it. **This consolidation excludes foreign branches and all other foreign affiliates.**

In rare instances, conditions may exist that cause a U.S. parent company to exclude a domestic subsidiary from its consolidation. If a U.S. Reporter cannot consolidate all of its domestic subsidiaries in its Form BE-10A, it **must request and be granted** permission from BEA to file on an unconsolidated basis **prior** to filing the report. The U.S. parent is responsible for ensuring that the required Forms BE-10A and related Forms BE-10B, for itself and any unconsolidated domestic subsidiaries, are filed with BEA. The filing deadline for an unconsolidated domestic subsidiary is the same as that for its U.S. parent.

I. REPORTING REQUIREMENTS

c. Other requirements for filing Form BE-10A –

- (1) Foreign affiliate owned by only part of the fully consolidated U.S. domestic business enterprise** – The U.S. Reporter is deemed to be the fully consolidated U.S. domestic business enterprise even if only one entity in the consolidated U.S. enterprise directly owns the foreign affiliate.
- (2) U.S. Reporter that is an individual, estate, trust, or nonprofit organization** – A U.S. Reporter that is an individual, estate, trust, or religious, charitable, or other nonprofit organization, and that owns a nonexempt foreign affiliate directly, rather than through a U.S. business enterprise, should complete **only** items 1, 2, and 5 of Form BE-10A and, as applicable, the BE-10A SUPPLEMENT A listing each, if any, foreign affiliate exempt from reporting on Form BE-10B(LF), BE-10B(SF), or BE-10B BANK.
- (3) U.S. business enterprise owned by an individual, estate, trust, or nonprofit organization** – If a U.S. individual, estate, trust, or nonprofit organization owns more than 50 percent of a U.S. business enterprise that, in turn, owns a foreign affiliate, then the U.S. Reporter is deemed to be the U.S. business enterprise, not the individual, etc. The BE-10 report must be filed by, and Form BE-10A must be for, the U.S. business enterprise not the individual, etc. However, direct financial transactions or positions, if any, by the individual, etc., with the foreign affiliate must be included in the business enterprise’s report.
- (4) U.S. Reporter owned by a foreign person** – A U.S. Reporter that is a U.S. affiliate of a foreign person **and** that is filing a BE-15(LF), Annual Survey of Foreign Direct Investment in the United States – 1999 (Long Form), should only complete items 1 through 11, 47 through 53, 57 through 73, 85 through 91, 93 through 187 and the Supplement A of Form BE-10A. If the U.S. Report is filing a BE-15(SF) (Short Form), in lieu of the BE-15(LF), it should complete only items 1 through 12 and the Supplement A of Form BE-10A. See also *III.B*.
- (5) Joint ownership of foreign affiliate** – If two or more U.S. Reporters jointly own, directly or indirectly, a foreign affiliate, each U.S. Reporter must file a Form BE-10A.

2. Form BE-10B(LF) or (SF) – Report for nonbank foreign affiliate

Ownership U.S. \$ amount	MAJORITY-OWNED FOREIGN AFFILIATE	MINORITY-OWNED FOREIGN AFFILIATE
At least one of the three items* is greater than \$100 mil. (+ or -).	BE-10B(LF)	BE-10B(SF) except Part V
At least one of the three items* is greater than \$50 mil. (+ or -), but no one is greater than \$100 mil. (+ or -),	BE-10B(SF)	
At least one of the three items* is greater than \$7 mil. (+ or -), but no one is greater than \$50 mil. (+ or -),	BE-10B(SF) except Part V	
All three items* are less than or equal to \$7 mil. (+ or -).	Record on BE-10A Supplement A	

* Total assets, sales or gross operating revenues excluding sales taxes, net income

a. Basic requirements for BE-10B(LF) (Long Form) – A BE-10B(LF) must be filed for each nonbank foreign affiliate of a nonbank U.S. Reporter, whether held directly or indirectly, for which **any one of the following three items was greater than \$100 million (positive or negative) at **any time** during the affiliate’s 1999 fiscal year:**

- (1)** total assets,
- (2)** sales or gross operating revenues excluding sales taxes, or
- (3)** net income after provision for foreign income taxes.

Note – Unless otherwise stated, whenever reference is made to the financial or operating data of a foreign affiliate, such as assets, sales, or net income, the data are to represent 100 percent of the foreign affiliate and not just the portion, if less than 100 percent, owned by the U.S. Reporter(s). Also, do not eliminate an affiliate’s receivables due from its parent or from other affiliated persons from the affiliate’s total assets when applying the exemption criteria for this report.

b. Basic requirements for BE-10B(SF) (Short Form) – A BE-10B(SF) must be filed for:

- (1)** each majority-owned nonbank foreign affiliate of a nonbank U.S. Reporter, whether held directly or indirectly, for which **any one** of the three items listed in I.2.a. was greater than \$7 million, but for which **no one** of these items was greater than \$100 million (positive or negative) at **any time** during the affiliate’s 1999 fiscal year, and
- (2)** each minority-owned nonbank foreign affiliate of a U.S. Reporter for which **any one** of the three items listed in I.2.a. was greater than \$7 million (positive or negative) at **any time** during the affiliate’s 1999 fiscal year, and
- (3)** each nonbank foreign affiliate of a U.S. bank Reporter for which **any one** of the three items listed in I.2.a. was greater than \$7 million (positive or negative) at **any time** during the affiliate’s 1999 fiscal year.

c. Other requirements for filing Forms BE-10B(LF) and BE-10B(SF) –

- (1) Rules for consolidation of foreign affiliate** – Use the following rules to determine which foreign business enterprises may be consolidated into one foreign affiliate report:
 - (a) FOREIGN BUSINESS ENTERPRISES LOCATED IN DIFFERENT COUNTRIES MAY NOT, UNDER ANY CIRCUMSTANCES, BE CONSOLIDATED;**
 - (b)** Foreign business enterprises located in the same country that are integral parts of the same business operation **may** be consolidated into one affiliate report (example: German enterprise A manufactures automobile engines and a majority of its sales are to German enterprise B which produces complete automobiles); and
 - (c)** Foreign business enterprises located in the same country and in the same BEA 4-digit industry, as defined in the **Guide to Industry and Foreign Trade Classifications for International Surveys**, Part I, may be consolidated.

Note – A U.S. Reporter who participates in BEA’s BE-577 quarterly survey of U.S. direct investment abroad, Direct Transactions of a U.S. Reporter with Foreign Affiliate, must consolidate foreign business enterprises on Form BE- 10B(LF) or (SF) in the same manner as on Form BE-577.

I. REPORTING REQUIREMENTS – Continued

(2) Reporting of foreign affiliates owned by more than one U.S. Reporter – If the foreign affiliate is owned directly and/or indirectly by more than one U.S. Reporter, the U.S. Reporter with the highest percentage of ownership in the foreign affiliate (direct and indirect combined) must file a **complete** Form BE-10B(LF) or (SF) on which all Parts have been completed. The other U.S. Reporter(s) with total direct and indirect ownership of 10 percent or more must file a **partial** Form BE-10B(LF) or (SF) on which only Part I, items 1-23, and Part III, if there is direct ownership **or** direct financial positions or transactions between the U.S. Reporter and the foreign affiliate, have been completed. If no one of the U.S. Reporters owns a greater share of the foreign affiliate than the other U.S. Reporter(s), then the U.S. Reporters must decide which one will file the complete Form BE-10B(LF) or (SF) and which one(s) will file a partial Form BE-10B(LF) or (SF).

Note – The U.S. Reporter filing a **complete** BE-10B(LF) for a foreign affiliate owned by more than one U.S. Reporter should note that, in Part II, Sections B, E, and I, and in Part IV data must be reported by transactor. For example, in Part II, Section E, Composition of External Finances of Foreign Affiliate, one transactor category is "with U.S. Reporter(s) of this affiliate." If the U.S. Reporter filing the complete BE-10B(LF) cannot, or prefers not to, obtain from the affiliate data about the other U.S. Reporter(s) of the affiliate, then each U.S. Reporter is required to report its own data by completing these sections in Parts II and IV. The U.S. Reporter filing the complete BE-10B(LF) must attach a note to the form stating it is not reporting data in Part II, Sections B, E, and I, and in Part IV for the other U.S. Reporter(s). The U.S. Reporter must inform the other U.S. Reporter(s) of this fact.

(3) Reporting when there is more than one foreign affiliate in a chain of ownership – A Form BE-10B(LF) or (SF) must be filed for a foreign affiliate of the U.S. Reporter that owns another **nonexempt** foreign affiliate of that U.S. Reporter, even if the foreign affiliate parent is otherwise exempt, i.e., a Form BE-10B(LF), (SF), or BANK must be filed for all affiliates upward in a chain of ownership.

(4) Relationship between Forms BE-10A and BE-10B(LF) or (SF) – The term "U.S. Reporter" is defined to mean the fully consolidated U.S. domestic business enterprise; therefore, on Form BE-10B(LF) or (SF), when data on trade and financial relationships between the U.S. Reporter and the foreign affiliate are requested, the data must reflect the foreign affiliate's relationship with the entire U.S. enterprise, not merely with one division, operating unit, or part.

(5) Reporting for majority- or minority-owned, and for directly or indirectly owned, foreign affiliates – The specific items required to be reported on Form BE-10B(LF) or (SF) depend on whether the foreign affiliate was majority- or minority-owned, and on whether it was directly or indirectly owned, by the U.S. Reporter. For example, on the BE-10B(SF), Part V must be completed only if the affiliate is majority-owned. Similarly, more information is required for directly owned than for indirectly owned foreign affiliates in Part III of Form BE-10B(LF) and (SF). Specifically, for an indirectly owned foreign affiliate, only direct transactions and positions between the affiliate and the U.S. Reporter are to be reported in Part III of Form BE-10B(LF) or (SF).

Unless otherwise specified in the instructions on Forms BE-10B(LF) or (SF), all other items in each Part must be completed.

C. Forms for U.S. Reporters and foreign affiliates that are banks or bank holding companies

Banks are defined as business enterprises classified in International Surveys Industry (ISI) codes 5221 and 5229.

Specialized report forms, Forms BE-10A BANK and BE-10B BANK, have been adopted for banks because much of the information on foreign activities requested on the standard BE-10 report forms is, for banks, already being reported to other agencies of the Federal Government. The specialized report forms are designed to yield only the additional information deemed necessary. Use of specialized forms is at the discretion of BEA. In situations where their possible use is not clear-cut, obtain permission from BEA before filing on the specialized forms.

If the bank or bank holding company is part of a consolidated business enterprise and the gross operating revenues from nonbanking activities of this consolidated entity are more than 50 percent of its total revenues, then the consolidated entity is deemed not to be a bank even if banking revenues make up the largest single source of all revenues. (Activities of subsidiaries of a bank or bank holding company that may not be banks but that provide support to the bank parent company, such as real estate subsidiaries set up to hold the office buildings occupied by the bank parent company, are considered bank activities.)

1. Form BE-10A BANK – Report for U.S. Reporter that is a bank

a. Basic requirements – Each U.S. Reporter that is a bank must complete a BE-10A BANK report. The U.S. bank Reporter must also complete, as applicable, the BE-10A BANK SUPPLEMENT A listing each, if any, foreign affiliate exempt from being reported on form BE-10B BANK or BE-10B(SF). It must also file a Form BE-10B BANK or BE-10B(SF), as appropriate, for each nonexempt foreign affiliate.

Note – For purposes of filing Form BE-10A BANK, the U.S. Reporter is deemed to be the fully consolidated U.S. domestic business enterprise, and all required data on this form shall be for the fully consolidated domestic entity. See *I.B.1.b*.

b. Other requirements for filing Form BE-10A BANK

(1) Foreign affiliate owned by only part of the fully consolidated U.S. domestic business enterprise – The U.S. Reporter is deemed to be the fully consolidated U.S. domestic business enterprise even if only one entity in the consolidated U.S. enterprise directly owns the foreign affiliate.

(2) Joint ownership of foreign affiliate – If two or more U.S. Reporters jointly own, directly or indirectly, a foreign affiliate, each U.S. Reporter must file a Form BE-10A BANK.

2. Form BE-10B BANK – Report for a foreign affiliate that is a bank

a. Basic requirements – A BE-10B BANK report must be filed for each foreign bank affiliate of a bank or nonbank U.S. Reporter, whether held directly or indirectly, for which **any one** of the following three items was greater than \$7 million (positive or negative) at **any time** during the foreign affiliate's 1999 fiscal year:

(1) total assets,

(2) sales or gross operating revenues excluding sales taxes, or

(3) net income after provision for foreign income taxes.

See *Note in I.B.2.a*.

I. REPORTING REQUIREMENTS – Continued

II. DEFINITIONS

b. Other requirements for filing Form BE-10B BANK

- (1) **Rules for consolidation of foreign bank affiliate** – Use the following rules to determine which foreign business enterprises may be consolidated into one foreign bank affiliate:
- (a) FOREIGN BUSINESS ENTERPRISES LOCATED IN DIFFERENT COUNTRIES MAY NOT, UNDER ANY CIRCUMSTANCES, BE CONSOLIDATED.
 - (b) Foreign bank branches of the U.S. Reporter that are located in the same country **must** be consolidated on one Form BE-10B BANK, even if the U.S. Reporter's practice is to report data for these branches separately to the Federal Reserve (on Form FFIEC 030) or to the Comptroller of the Currency. Incorporated foreign bank affiliates of the U.S. Reporter located in the same country **may** be consolidated.
 - (c) Bank and nonbank enterprises located in the same country may **not** be consolidated.
- (2) **Reporting of foreign bank affiliates owned by more than one U.S. Reporter** – If the foreign bank affiliate is owned directly and/or indirectly by more than one U.S. Reporter, the U.S. Reporter with the highest percentage of ownership in the foreign affiliate (direct and indirect combined) must file a **complete** Form BE-10B BANK on which all Parts have been completed. The other U.S. Reporter(s) with total direct and indirect ownership of 10 percent or more must file a **partial** Form BE-10B BANK on which Part I, items 1-23, and Part III, if there is direct ownership or direct financial positions or transactions between the U.S. Reporter and foreign affiliate, have been completed. If no one U.S. Reporter owns a greater share of the foreign affiliate than the other U.S. Reporters, then the U.S. Reporters must decide which one will file the complete Form BE-10B BANK and which one(s) will file a partial Form BE-10B BANK.
- (3) **Reporting when there is more than one foreign affiliate in a chain of ownership** – Form BE-10B BANK must be filed for a foreign bank affiliate of the U.S. Reporter that owns another **nonexempt** foreign affiliate of that U.S. Reporter, even if the foreign affiliate parent is otherwise exempt, i.e., a Form BE-10B(LF), (SF), or BANK must be filed for all affiliates upward in a chain of ownership. A Form BE-10B BANK is not required for a foreign bank affiliate in which the U.S. Reporter holds only an indirect ownership interest of 50 percent or less and the foreign bank affiliate does not own a reportable nonbank foreign affiliate. However, the indirectly owned bank affiliate must be listed on the BE-10A SUPPLEMENT A or a BE-10A BANK SUPPLEMENT A.
- (4) **Relationship between Forms BE-10A BANK and BE-10B BANK** – The term "U.S. Reporter" is defined to mean the fully consolidated U.S. domestic business enterprise; therefore, on Form BE-10B BANK, when data on financial relationships between the U.S. Reporter and the foreign affiliate are requested, the data must reflect the foreign affiliate's relationship with the entire U.S. enterprise, not merely with one division, operating unit, or part.
- (5) **Banks on U.S. military bases abroad** – Banks located on U.S. military bases abroad servicing base personnel are not considered "foreign" and a Form BE-10B BANK should not be filed.

- A. 1999 fiscal year** is the U.S. Reporter's or the foreign affiliate's financial reporting year that ended in calendar year 1999. Reporters or affiliates having a "52/53 week" fiscal year that ended within the first week of January 2000 are considered to have a 1999 fiscal year for purposes of filing this survey, and should report December 31, 1999 as their 1999 fiscal year end. A business enterprise that does not have a financial reporting year, or does not have a financial reporting year ending in calendar year 1999, is deemed to have a fiscal year identical to calendar year 1999. (If a U.S. Reporter or foreign affiliate changed the ending date of its financial reporting year in 1999, contact BEA to determine what reporting period to use.)
- B. Affiliate** means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 percent or more of its voting securities for an incorporated business enterprise or an equivalent interest for an unincorporated business enterprise, including a branch.
- C. Associated group** means two or more persons who, by the appearance of their actions, by agreement, or by an understanding, exercise or appear to exercise, their voting privileges in a concerted manner to influence the management of a business enterprise. The following are *deemed* to be associated groups:
1. members of the same family,
 2. a business enterprise and one or more of its officers or directors,
 3. members of a syndicate or joint venture, or
 4. a corporation and its domestic subsidiaries.
- D. Banking** covers business enterprises engaged in deposit banking or closely related functions, including commercial banks, Edge Act corporations engaged in international or foreign banking, foreign branches and agencies of U.S. banks whether or not they accept deposits abroad, savings and loans, savings banks, and bank holding companies, i.e., holding companies for which over 50 percent of their total income is from banks that they hold.
- E. Branch** means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.
- F. Business enterprise** means any organization, association, branch, or venture which exists for profit making purposes or to otherwise secure economic advantage, and any ownership of any real estate.
- G. Foreign**, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.
- H. Foreign affiliate** means an affiliate located outside the United States in which a U.S. person has direct investment.
- I. Foreign affiliate parent** means a U.S. Reporter's foreign affiliate which has an ownership interest in another foreign affiliate of the U.S. Reporter.
- J. Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States. *See III.D.*
- K. Fully consolidated U.S. domestic business enterprise means:** 1. the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and 2. proceeding down each ownership chain from that U.S. corporation, any U.S. corporation (including Foreign Sales Corporations located in the United States) whose voting securities are more than 50 percent owned by the U.S. corporation above it. This consolidation excludes foreign branches and all other foreign affiliates.
- L. Intercompany** means between a U.S. Reporter and its foreign affiliates.

II. DEFINITIONS – Continued

- M. Intermediary** means an agent, nominee, manager, custodian, trust, or any person acting in a similar capacity.
- N. Lease** is an arrangement conveying the right to use property, plant, or equipment (i.e., land and/or depreciable assets), usually for a stated period of time.
- 1. Capital lease** – A long-term lease under which a sale of the asset is recognized at the inception of the lease. These may be shown as lease contracts or accounts receivable on the lessor's books. The assets would not be considered to be owned by the lessor.
 - 2. Operating lease** – Generally, a lease with a term which is less than the useful life of the asset and in which a transfer of ownership is not contemplated.
- O. Majority-owned foreign affiliate** means a foreign affiliate in which the combined direct and indirect ownership interest of ALL U.S. REPORTERS of the affiliate exceeds 50 percent.
- P. Person** means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government-sponsored agency).
- Q. U.S. direct investment abroad** means the ownership or control, directly or indirectly, by one U.S. person of 10 percent or more of the voting securities of an incorporated foreign business enterprise or an equivalent interest in an unincorporated foreign business enterprise, including a branch.
- R. U.S. Reporter** means the U.S. person which has direct investment in a foreign business enterprise, including a branch. If the U.S. person is an incorporated business enterprise, the U.S. Reporter is the fully consolidated U.S. domestic business enterprise. *See II.K.*
- S. U.S. person** means any person resident in the United States or subject to the jurisdiction of the United States. *See III.D. of these instructions.*
- T. United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

III. CLARIFICATION OF COVERAGE

- A. Determining existence of a foreign affiliate** – In general, a U.S. person's foreign operation or activity is considered a foreign affiliate if it is legally or functionally separable from the domestic operations or activities of the U.S. person. In most cases, it is clear whether the foreign operation or activity constitutes an affiliate. If an operation or activity is incorporated abroad – as most are – it is always considered a foreign affiliate. Even if it is unincorporated, the foreign operation or activity is usually legally or functionally separable from the U.S. person's domestic operations or activities. In cases where it is not clearly separable, the determination of whether the operations or activity constitutes a foreign affiliate is made on a case-by-case basis, depending on the weight of the evidence.

The following characteristics would indicate that an operation or activity is a foreign affiliate:

- 1.** It pays foreign income taxes.
- 2.** It has a substantial physical presence abroad, as evidenced by plant and equipment, or employees, permanently located abroad.

- 3.** It has separate financial records that would allow the preparation of financial statements, including a balance sheet and income statement. (A mere record of disbursements to, or receipts from, the foreign operation or activity does not constitute a "financial statement" for this purpose.)

- 4.** It takes title to the goods it sells and receives revenues from the sale, or it receives funds from customers for its own account for services it performs.

The following characteristics would indicate that the operation or activity is probably not a foreign affiliate:

- 1.** It engages only in sales promotion or public relations activities on behalf of the U.S. person.
- 2.** It conducts business abroad only for the U.S. person's account, not for its own account.
- 3.** It has no separate financial records that allow the preparation of financial statements.
- 4.** Its expenses are paid by the U.S. parent.
- 5.** It pays no foreign income taxes.
- 6.** It has limited physical assets or few employees permanently located abroad.

- B. U.S. Reporter owned by a foreign person** – A U.S. business enterprise that is a U.S. Reporter in this BE-10 survey may also be a U.S. affiliate of a foreign person that must report in the BE-15, Annual Survey of Foreign Direct Investment in the United States - 1999. This could be the case if the U.S. business enterprise owns foreign affiliates and is also owned 10 percent or more, directly or indirectly, by a foreign person. In such cases, the U.S. business enterprise should report in this survey for any foreign business enterprise it owns or controls, directly or indirectly, at least 10 percent or more, but should not report other property of its foreign owner. (A foreign business enterprise that is jointly owned by the U.S. Reporter and the foreign owner of the U.S. Reporter should be considered a foreign affiliate of the U.S. Reporter if U.S. Reporter has a 10 percent or more ownership interest in it.) For purposes of the BE-10 survey, consider the foreign owner of the U.S. Reporter and the directly and indirectly owned foreign affiliates (other than those held through the U.S. Reporter) of the foreign owner, as unaffiliated foreign persons.

- C. Partnerships** – Limited partners do not have control in a partnership and therefore cannot have direct investment in a partnership; their investment is considered to be portfolio investment and is not reportable in this survey. The existence of direct investment in a partnership is based on the country of residence of the general partner(s) and the percentage control exercised by (which may differ from the financial interest of) the general partner(s).

- D. Determining country of residence or jurisdiction of individuals** – An individual is considered a resident of, and subject to the jurisdiction of, the country in which physically located, subject to the following qualifications:

- 1.** Individuals who reside, or expect to reside, outside their country of citizenship for less than one year are considered to be residents of their country of citizenship.
- 2.** Individuals who reside, or expect to reside, outside their country of citizenship for one year or more are considered to be residents of the country in which they are residing. There are two exceptions to this rule:
 - a.** Individuals (and their immediate families) who either own or are employed by a business in their country of citizenship and who are residing outside of that country for one year or more in order to conduct business for the enterprise are considered residents of their country of citizenship if they intend to return within a reasonable period of time.
 - b.** Individuals who reside outside their country of citizenship because they are government employees (such as diplomats, consular officials, members of the armed forces, and their immediate families) are considered residents of their country of citizenship regardless of their length of stay.

III. CLARIFICATION OF COVERAGE – Continued

E. Foreign affiliate operating completely outside its country of incorporation – If a foreign affiliate conducts all its operations from, and is located in, a single foreign country that is different from its country of incorporation, it is deemed to be operating totally outside its country of incorporation. File a single BE-10B report for the entity in the country of operation treating it as an incorporated foreign affiliate; do not file a separate BE-10B report for the entity in the country of incorporation. If, however, the foreign affiliate has any of the following in the foreign country of incorporation:

1. bank account,
2. employees,
3. property, plant, or equipment, or
4. sales,

it is considered to have operations in its foreign country of incorporation and, therefore, a separate BE-10B report must be filed for the entity in that country.

If a foreign affiliate incorporated abroad conducts its operations from, and has locations in, more than one foreign country, a separate Form BE-10B must be filed for each foreign country in which it has operations, and a separate Form BE-10B must be filed for the entity in the foreign country of incorporation, treating the entity as an incorporated foreign affiliate in that country.

If a foreign affiliate incorporated abroad conducts its operations from, and is located in, the United States, a Form BE-10B must be filed for the entity in the country of incorporation, treating it as an incorporated foreign affiliate in that country.

F. Agencies and representative offices — Foreign representative offices, agents and employees of a U.S. person are not considered to be foreign affiliates, and therefore, they should not be reported on Form BE-10B(LF) and BE-10B(SF). However, a U.S. Reporter's disbursements to maintain foreign sales and representative offices must be reported on Form BE-22, Annual Survey of Selected Services Transactions With Unaffiliated Foreign Persons. Copies of Form BE-22 are available by writing to BEA at: U.S. Department of Commerce, Bureau of Economic Analysis, BE-50(SSB), Washington, DC 20230, by telephoning (202) 606-5588 or by accessing the BEA web site at www.bea.doc.gov. A foreign presence of a U.S. person is considered a foreign sales promotion or representative office if: **1.** it has no assets (other than office furniture) held either in its own name or in the name of the U.S. person, **2.** to the extent that its employees are compensated by commissions, the commissions arise only from sales or business that the employees generate for the U.S. person, **3.** it does not produce revenue (other than funds from the U.S. person to cover its expenses), and **4.** it is engaged only in sales promotion, representational activities, public relations activities, or the gathering of market information, on behalf of the U.S. person. A foreign presence that produces revenue for its own account (instead of, or in addition to, producing revenue for the account of its U.S. parent) from goods or services it provides to unaffiliated persons is considered a foreign affiliate and is subject to the reporting requirements.

G. Foreign affiliate owned for only part of FY 1999

The table below indicates how certain parts of Forms BE-10B(LF), (SF) and BANK must be completed for foreign affiliates held by the U.S. Reporter for only part of FY 1999. **All** remaining items of the report forms including the remainder of Part III which are not addressed in the table below must be completed as applicable. **Note** – All data for year-end 1998 must be before restatement.

A "0" indicates that the entries should be zero. An "X" indicates that the entries should be the value at the end of FY 1998 or FY 1999, as appropriate.

Data on Forms BE-10B(LF), (SF) or BANK					
During FY 1999, the foreign affiliate was:	Investment between U.S. Reporter and foreign affiliate (Part III, Section B of each form) (a)		Balance Sheet Data (b)		Income statement data (c)
	Close FY 98	Close FY 99	Close FY 98	Close FY 99	Income Statement
1. Established	0	X	0	X	part ² year
2. Acquired from:					
(a) Another U.S. Reporter	0	X	X ¹	X ¹	full ¹ year
(b) Foreign person	0	X	0	X	part ² year
3. Sold to:					
(a) Another U.S. Reporter	X	0	0 ¹	0	0 ¹
(b) Foreign person	X	0	X	0	part ¹ year
4. Liquidated	X	0	X	0	part ² year

¹ A foreign affiliate that was acquired from (sold to) another U.S. Reporter during FY 1999 should be treated by the acquiring U.S. Reporter as a foreign affiliate for all of FY 1999. The foreign affiliate's financial and operating data reported by the U.S. Reporter acquiring the affiliate should cover 12 months of FY 1999. The U.S. Reporter selling the foreign affiliate should provide the U.S. Reporter acquiring the affiliate with balance sheet and income statement data for the affiliate for the period from year end 1998 to the time of the sale. The data should be combined with the data for the period of time from the sale to year-end 1999.

² A foreign affiliate that was established, liquidated, or acquired from (sold to) a foreign person during FY 1999 should be treated as a foreign affiliate for only the part of the year that the U.S. Reporter owned the affiliate. The foreign affiliate's financial and operating data should cover the period from establishment or acquisition to year-end 1999, or the period from year-end 1998 to the time of the liquidation or sale, as appropriate.

Note – For Form BE-10B(SF), the foreign affiliate was liquidated, or sold to a foreign person, during FY 1999, complete Part IV.

III. CLARIFICATION OF COVERAGE – Continued

H. Real estate – The ownership of foreign real estate is defined to be a business enterprise and, if foreign real estate is owned by a U.S. person, it is a foreign affiliate of a U.S. Reporter. A Form BE-10B is required unless the enterprise is otherwise exempt.

Real estate that is normally included in the property, plant, and equipment account of a foreign affiliate is not to be reported as a separate affiliate.

Residential real estate held exclusively by a U.S. person for personal use and not for profit making purposes is not subject to the reporting requirements. A primary residence abroad leased to others while the owner is a U.S. resident, but which the owner intends to reoccupy, is considered real estate held for personal use.

Ownership of foreign residential real estate by a business enterprise, the sole purpose of which is to hold the real estate for the personal use of the owner(s) of the business enterprise, is considered to be real estate held for personal use and therefore not subject to the reporting requirements.

If a U.S. person has a direct or indirect voting ownership interest of 10 percent or more in a joint venture, partnership, etc., that is formed to own and hold, develop, or operate real estate, the joint venture, partnership, etc., in its entirety, not just the U.S. person's share, is a foreign affiliate and must be reported unless otherwise exempt.

I. Airlines and ship operators – U.S. airlines' and ship operators' foreign stations, ticket offices, and terminal and port facilities that provide services **only** to their own operations are not foreign affiliates and are not subject to the reporting requirements. Reports are required when such facilities produce significant revenues from services provided to unaffiliated persons.

J. Estates, trusts, and intermediaries

1. A U.S. estate is a person and, therefore, may have direct investment; the estate, not the beneficiary, is considered to be the U.S. Reporter. Thus, ownership of a foreign affiliate by a U.S. estate shall be reported by the administrator, executor, etc., of the estate and not by the beneficiary.

2. A trust, either U.S. or foreign, is a person, but is not a business enterprise. A trust is considered the same as an intermediary thus report as outlined in III.J.3. below. For reporting purposes, the beneficiary(ies) of a trust, or the creator(s) of a trust (as detailed in the next sentence), or, if there is, or may be, a reversionary interest, are considered to be the owner(s) of the investments of the trust for determining the existence of direct investment. When a corporation or other organization creates a trust designating its shareholders or members as beneficiaries, the creating corporation or organization is deemed to be the owner of the investments of the trust, or succeeding trusts where the presently existing trust has evolved out of a prior trust, for purposes of determining the existence and reporting of direct investment.

This procedure is adopted to fulfill statistical purposes of this survey and does not imply that control over an enterprise owned or controlled by a trust is, or can be, exercised by the beneficiary(ies) or creator(s).

3. Intermediary

a. If a particular U.S. direct investment abroad is held, exercised, administered, or managed by a U.S. intermediary, such intermediary is responsible for reporting the required information for, and in the name of, its principal or shall instruct the principal to submit the required information. Upon instructing the principal, the intermediary shall be released from further liability to report provided it has informed BEA of the date such instructions were given and the name and address of the principal, and has supplied the principal with any information in the possession of, or

which can be secured by, the intermediary that is necessary to permit the principal to complete the required reports. When acting in the capacity of an intermediary, the accounts or transactions of the U.S. intermediary with the foreign affiliate are considered as accounts or transactions of the U.S. principal with the foreign affiliate. To the extent such transactions or accounts are unavailable to the principal, they may be required to be reported by the intermediary.

b. If a U.S. person holds a foreign affiliate through a foreign intermediary, the U.S. person is considered to own the foreign affiliate directly and all accounts or transactions of the U.S. person with the intermediary are considered to be with the foreign affiliate.

IV. GENERAL INSTRUCTIONS

A. Accounting methods and records – Follow generally accepted U.S. accounting principles unless otherwise specified in the instructions. Corporations should generally use the same methods and records used to generate reports to stockholders, except where otherwise instructed. Generate reports for unincorporated persons on an equivalent basis.

Financial Accounting Standards Board statements are referred to as "FASB" statements in the instructions.

B. Translation of foreign currency financial and operating data into U.S. dollars

1. Financial statements – Translate foreign affiliate financial statements, i.e., balance sheets and income statements, not maintained in U.S. dollars from the host country currency to U.S. dollars using FASB 52, as would be required to incorporate foreign statements into the U.S. Reporter's financial statements for reports to shareholders.

2. Other financial and operating data of foreign affiliate – According to FASB 52, "Revenue and expense transactions shall be translated in a manner that produces approximately the same dollar amounts that would have resulted had the underlying transactions been translated into dollars on the dates they occurred." Since separate translation of each transaction is usually impracticable, the specific results can be achieved by using an average rate for the period.

On Forms BE-10B(LF), (SF), and BANK certain revenue and expense transactions which may not be translated separately for the financial statements, such as employee compensation and exports and imports must be reported. Translate these transactions in a manner consistent with that used to translate the financial statements into U.S. dollars.

C. Method of accounting for equity investments

1. Form BE-10A or 10A BANK – Report the U.S. Reporter's equity investments of 20 percent or more in foreign affiliates, including all majority-owned foreign affiliates, using the equity method of accounting. Report equity investments of less than 20 percent, and immaterial investments, using the cost method.

2. Form BE-10B(LF), (SF), or BANK – Report a foreign affiliate parent's equity investments of 20 percent or more in unconsolidated foreign affiliates, including all unconsolidated majority-owned foreign affiliates, using the equity method of accounting. Report equity investments of less than 20 percent, and immaterial investments, using the cost method. See important note on foreign affiliate consolidation rules under instruction I.B.2.c. for nonbank affiliates, and see instruction I.C.2.b. for bank affiliates.

Note – If it is determined that there is a material difference between the "equity" and the "cost" methods and the data should have been filed using the "equity" method, BEA will require that the data be refiled.

IV. GENERAL INSTRUCTIONS – Continued

D. Industry and export and import trade classifications – A list and explanation of the industry classifications and export and import trade classifications used are given in the **Guide to Industry and Foreign Trade Classifications for International Surveys**, BE-799, which is included as part of the BE-10 report package.

E. Estimates – If actual data are not available, or only partial data are available, provide estimates and label as such. When data items cannot be fully subdivided as required, provide totals and an estimated breakdown of the totals.

Certain sections of Forms BE-10A and BE-10B require data that may not normally be maintained in a company's customary accounting records. Providing precise data in these areas may require substantial burden beyond what is intended by BEA. This may be especially true for:

- **BE-10A, Part I, items 15 through 26** – Number of employees in each industry of sales;
- **BE-10A, Part III, Section B, items 47 through 50** – Distribution of sales or gross operating revenues, by transactor and by whether the sales were goods, services, or investment income;
- **BE-10A, Part IV**, – Exports and imports of the U.S. Reporter on a shipped basis, by product;
- **BE-10B(LF), Part II, Section B** – Distribution of sales or gross operating revenues, by transactor, by country of destination, and by whether the sales were goods, services or investment income;
- **BE-10B(LF), Part II, Section E** – Composition of external financing by transactor; and
- **BE-10B(LF), Part IV** – Exports and imports of the foreign affiliate on a shipped basis, by product.

Data provided in these areas may be reasonable estimates based upon the informed judgement of persons in the responding organization, sampling techniques, prorations based on related data, etc. Consistently apply any estimating procedures used on all BEA surveys.

F. Specify – When asked to "specify" amounts reported for certain data items, give the type and dollar amount of the major items included in the data item for at least the items mentioned in the line instruction.

G. Space on form insufficient – When space on the form is insufficient to permit a full answer to any item, submit the required information on supplementary sheets, appropriately labeled **and** referenced to the item number and the form.

V. FILING THE BE-10

A. Due date – A fully completed and certified BE-10 report comprising Form BE-10A or 10A BANK, BE-10A SUPPLEMENT A or BE-10A BANK SUPPLEMENT A (as required), and Form(s) BE-10B(LF), (SF), or BANK (as required), is due to BEA no later than May 31, 2000 for U.S. Reporters required to file fewer than fifty, and June 30, 2000 for U.S. Reporters required to file fifty or more, Forms BE-10B(LF), (SF), or BANK.

B. Extensions – BEA hopes that by providing an extra month to file for U.S. Reporters submitting more than fifty forms, requests for extensions will not be necessary. Delays in filing affect BEA's tight schedule for processing the benchmark survey. Nevertheless, reasonable requests for an extension of the filing deadline will be considered. Extension requests must be received by BEA at least 15 days before the due date of the report.

C. Assistance – For assistance, telephone (202) 606-5566 between 8:00 a.m. and 4:30 p.m., eastern time or E-mail BEA at be10/11@bea.doc.gov.

D. Number of copies – File a single original copy of each required form or supplement with BEA. For Form BE-10A and 10A BANK, this should be the copy with the preprinted address if the address has been provided (make any necessary corrections to the address on the form). Each U.S. Reporter must retain a copy of each form for five years to facilitate resolution of any questions that BEA may have concerning the report. (Both copies are protected by law; see the statement of confidentiality in V.G. below and on each form.)

E. Additional copies of forms – Requests for more than two copies of the forms and instructions will be filled upon demonstration of need (e.g., law and accounting firms must furnish names and addresses of U.S. Reporters for whom they will be filing reports). The forms and instructions can also be found on the Internet at www.bea.doc.gov. From there click on "survey forms" under the heading "International." From there click on "U.S. Direct Investment Abroad."

F. Where to send the report – Send reports filed by mail through the U.S. Postal Service to:

U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Washington, DC 20230

Send reports filed by direct private delivery to:

U.S. Department of Commerce
Bureau of Economic Analysis, BE-69(A)
Shipping and Receiving Section M-100
1441 L Street, NW
Washington, DC 20005

G. Confidentiality – The information filed in this report may be used only for analytical and statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act. The President may authorize the exchange of the information between agencies or officials designated to perform functions under the Act, but only for analytical and statistical purposes. No official or employee (including consultants and contractors and their employees) shall publish or make available any information collected under the Act in such a manner that the person to whom the information relates can be specifically identified. Reports and copies of reports prepared pursuant to the Act are confidential and their submission or disclosure shall not be compelled by any person without the prior written permission of the person filing the report and the customer of such person where the information supplied is identifiable as being derived from the records of such customer (22 U.S.C. 3104).

H. Annual stockholders' report and Form 10K – Business enterprises issuing annual reports to stockholders and completing Securities and Exchange Commission's Form 10K should furnish copies of these reports for FY 1999 when filing the BE-10 report.

1999 BE-10 ORDER FORM

To obtain additional copies of BE-10 Forms and Instructions, complete this order form or contact us.

Enter the quantity of each item you require:

Item	Quantity	Item	Quantity
Form BE-10A		Instruction Booklet	
Form BE-10A BANK		Guide to Industry and Foreign Trade Classification for International Surveys	
Form BE-10B(LF)		Claim for Not Filing	
Form BE-10B(SF)			
Form BE-10B BANK			

PLEASE COMPLETE BELOW

Name of U.S. Reporter

Attention:

Street Address

City, State, ZIP Code

RETURN TO

U.S. Department of Commerce
Bureau of Economic Analysis, BE-69(A)
Washington, DC 20230

Telephone: 202-606-5566
FAX: 202-606-5312/7
E-mail: be10/11@bea.doc.gov

Visit our website: www.bea.doc.gov
Click International — Survey Forms to download
and print our survey forms.

Cut along this line.

FORM **BE-10A (Report for Nonbank U.S. Reporter)**
(REV. 6/99)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

MANDATORY — CONFIDENTIAL

BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 1999

MAIL REPORTS TO:
U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Washington, DC 20230

OR

DELIVER REPORTS TO:
U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Shipping and Receiving,
Section M-100
1441 L Street, NW
Washington, DC 20005

1. Name and address of U.S. Reporter

IMPORTANT

Read the **Instruction Booklet**, which contains definitions and reporting requirements, before completing this form. **"Additional" Instructions** specific to line items and **"Special" Instructions** for dealers in financial instruments and finance, insurance, and real estate companies are provided at the back of this form. For banks and bank holding companies, see the report forms for banks and the **Instruction Booklet**, Part I.C.

- **Who must report** — Form BE-10A must be filed by each nonbank U.S. person that has a foreign affiliate reportable in this survey. Data on Form BE-10A pertain to the fully consolidated U.S. domestic business enterprise. **DO NOT FULLY CONSOLIDATE OPERATIONS OF FOREIGN AFFILIATES ON FORM BE-10A.** Report data pertaining to the operations of foreign affiliates on Forms BE-10B(LF), BE-10B(SF), or BE-10B BANK. See **Instruction Booklet**, Part I, for detailed reporting requirements.
- **U.S. Reporter's 1999 fiscal year** — The U.S. Reporter's financial reporting year that has an ending date in calendar year 1999. See **Instruction Booklet**, Part II.A.
- **Due date** — A completed BE-10 report is due on the following dates:
 - May 31, 2000** for a U.S. Reporter required to file fewer than 50 Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK;
 - June 30, 2000** for a U.S. Reporter required to file 50 or more Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK.

Bil.	Mil.	Thous.	Dols.
	1	335	

- **Currency amounts** — Report in U.S. dollars rounded to thousands (omitting 000). Do not enter amounts in the shaded portions of each line. **EXAMPLE** — If amount is \$1,334,891.00, report as
 If an item is between + or - \$500.00, enter "0." Use parenthesis () to indicate negative numbers.

- **Contact us for help** — Telephone: 202-606-5566; FAX: 202-606-5312 or 5317; E-mail: be10/11@bea.doc.gov.

Public reporting burden for this BE-10 report (**comprising Form BE-10A or BE-10A BANK and Form(s) BE-10B(LF), BE-10B(SF) and/or BE-10B BANK**) is estimated to vary from 14 to 8,500 hours per response, with an average of 130 hours per response. This burden includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0049, Washington, DC 20503.

MANDATORY ▶ This survey is being conducted under the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended - hereinafter "the Act"), and the filing of reports is mandatory under Section 5(b)(2) of the Act (22 U.S.C. 3104).

CONFIDENTIALITY ▶ The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

PENALTIES ▶ Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more that \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violations, upon conviction, may be punished by a like fine, imprisonment or both. (22 U.S.C. 3105)

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number.

PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT				CERTIFICATION - The undersigned official certifies that this report (consisting of Form BE-10A and Form(s) BE-10B(LF), BE-10B(SF), and/or BE-10B BANK) has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with Part IV.E. of the Instruction Booklet , estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.			
Name				Authorized official's signature		Date	
Address							
				Print or type name and title			
Telephone		Area code	Number	Extension			
FAX Number				Telephone		Area code	Number
E-mail address				FAX Number			

Part I - IDENTIFICATION OF U.S. REPORTER - Continued

13. Major activity of fully consolidated domestic U.S. Reporter - Mark (X) one

A list, and explanation, of the International Surveys Industry (ISI) codes used below are given in the **Guide to Industry and Foreign Trade Classifications for International Surveys**. For an inactive U.S. Reporter, base the activity on its last active period.

- 1013 ¹ 1 **Production of goods** - The U.S. Reporter is primarily engaged in construction, mining or extracting (including exploration and development), manufacturing, fabricating, assembling, processing, or growing a good. These activities are coded in 1110 through 1140, 2111 through 2127, 2330 through 2350, and 3111 through 3399 of the list of ISI codes.
- ¹ 2 **Sales of goods** - The U.S. Reporter is primarily engaged in selling (at wholesale or retail) goods that it does not produce. These activities are coded in 4211 through 4540 of the list of ISI codes.
- ¹ 3 **Services** - The U.S. Reporter is primarily engaged in providing a service such as utilities, transportation and warehousing; information (including newspaper, periodical, book, and database publishers, and software publishers), finance and insurance; professional, scientific, and technical services; holding companies; administrative and support, waste management and remediation; accommodations and food services (including restaurants, and eating places), etc. These activities are coded in 1150, 2132, 2133, 2211 through 2213, and 4810 through 8130 of the list of ISI codes.

14. What is the MAJOR product or service involved in this activity? If a product, briefly state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, packaged, transported, etc. (For example, "Manufacture widgets to sell at wholesale.") -Please print.

1014

Sales or gross operating revenues and employment of fully consolidated domestic U.S. Reporter, by industry of sales or gross operating revenues. Enter in columns (1) and (2) respectively, the 4-digit ISI code(s) and the amount of sales or gross operating revenues associated with each code. For an inactive U.S. Reporter, enter an ISI code based on its last active period. See the **Guide to Industry and Foreign Trade Classifications for International Surveys** for a full explanation of each code. (Holding companies (ISI code 5512) should show total income as reported in item 41.) Enter in column (3), the number of employees on the payroll at the end of FY 1999, including part-time employees, but excluding temporary and contract employees not included on your payroll records. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of employees on the payroll at the end of FY 1999. If employment is subject to unusual variations, see instructions for "NUMBER OF EMPLOYEES" under Section C, page 6. For most companies the employment distribution in column (3) is not proportional to the sales distribution in column (2). Therefore, do not distribute employment in column (3) in proportion to sales in column (2). See **Additional Instructions for Part I, page 17, at the back of this form.**

	ISI code (1)	Sales or gross operating revenues (2)			Number of employees engaged in activities for the ISI codes in column (1) (3) Number
		Bil.	Mil.	Thous.	
15. Largest sales or gross operating revenues	1015	2			3
16. 2nd largest sales or gross operating revenues	1016	2			3
17. 3rd largest sales or gross operating revenues	1017	2			3
18. 4th largest sales or gross operating revenues	1018	2			3
19. 5th largest sales or gross operating revenues	1019	2			3
20. 6th largest sales or gross operating revenues	1020	2			3
21. 7th largest sales or gross operating revenues	1021	2			3
22. 8th largest sales or gross operating revenues	1022	2			3
23. 9th largest sales or gross operating revenues	1023	2			3
24. 10th largest sales or gross operating revenues	1024	2			3
25. Number of employees of administrative offices and other auxiliary units - Include all employees on the payrolls of administrative offices and other auxiliary units. Include administrative or auxiliary employees located at an operating unit who serve more than one operating unit. Exclude administrative or auxiliary employees located at an operating unit who serve only that one operating unit. (Report those employees with the industry of the operating unit in lines 15 through 24 above.)	1025				3
26. Sales or gross operating revenues and employees not accounted for above	1026	2			3
27. TOTAL SALES OR GROSS OPERATING REVENUES AND EMPLOYEES - Sum of items 15 through 26 (Column (2) must equal item 37 and also item 47 column (1). Column (3) must equal item 53.)	1027	2			3

28. Are (1) total assets, (2) sales or gross operating revenues, excluding sales taxes and (3) net income (loss), all less than \$100 million at the end of, or for, the U.S. Reporter's 1999 fiscal year?

- 1028 ¹ 1 Yes - Complete Part II and the BE-10A Supplement A on the remainder of this Form BE-10A.
- ¹ 2 No - Complete Part III, Part IV, and the BE-10A Supplement A on the remainder of this Form BE-10A.

29. BEA USE ONLY	1029	1	2	3	4	5
	1129	1	2	3	4	5
30. BEA USE ONLY	1030	1	2	3	4	5
	1130	1	2	3	4	5

Part II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. REPORTER
 Complete **ONLY** if the answer to item 28 is "Yes."

		Amount							
		Bil.	Mil.	Thous.	Dols.				
31.	Net income (loss) 2031	1							
		\$							
32.	Total assets 2032	1							
33.	Total liabilities 2033	1							
		Exports from the U.S.				Imports to the U.S.			
		(1)				(2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
34.	Merchandise trade of the U.S. Reporter with its foreign affiliates 2034	1				2			
		\$				\$			
35.	Merchandise trade of the U.S. Reporter with foreigners other than the U.S. Reporter's foreign affiliates 2035	1				2			
36.	BEA USE ONLY 2036	1	2	3	4	5			

IMPORTANT ► If you completed Part II, complete Supplement A on the remainder of this form; do not complete Part III and Part IV of this form.

Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER
 Complete **ONLY** if the answer to item 28 is "No."

Section A — Income Statement of U.S. Reporter — See <i>Additional Instructions</i> for Part III, Section A, on page 17 at the back of this form.	Amount			
	Bil.	Mil.	Thous.	Dols.
• INCOME				
37. Sales or gross operating revenues, excluding sales taxes — Must equal item 27 column (2) and also item 47 column (1). (<i>Dealers in financial instruments see Special Instructions, A.1., page 18; insurance companies see Special Instructions, B.2.c., page 18.</i>)	1			
3037	\$			
38. Income from equity investments in unconsolidated business enterprises (domestic and foreign) — For those owned 20 percent or more (including majority-owned foreign affiliates), report equity in earnings during the reporting period; for those owned less than 20 percent, report dividends. <i>Do not include interest income.</i>	1			
3038				
39. Certain realized and unrealized gains (losses) — Include gains (losses) net of income tax effects resulting from: a. Sale, disposition, or revaluation of investment securities (<i>Dealers in financial instruments and finance and insurance companies see Special Instructions, A.1., page 18.</i>); b. Sale, disposition, or revaluation of land, other property, plant and equipment, or other assets. (<i>Real estate companies see Special Instructions, A.2., page 18.</i>); c. Remeasurement of the U.S. Reporter's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the period and transaction gains (losses) taken to income in accordance with FASB 52; d. Extraordinary items (except those resulting from legal judgments and accidental damage to fixed assets) and other unusual or infrequently occurring items.	1			
3039				
40. Other income — <i>Specify</i> _____ _____ _____	1			
3040				
41. TOTAL INCOME — <i>Sum of items 37 through 40</i> →	1			
3041	\$			
• COSTS AND EXPENSES				
42. Cost of goods sold or services rendered and selling, general, and administrative expenses — <i>Insurance companies see Special Instructions, B.2.e., page 18.</i>	1			
3042				
43. U.S. income taxes — Provision for U.S. Federal, State, and local income taxes. Exclude production royalty payments.	1			
3043				
44. Other costs and expenses not included above, including minority interests in income (loss) that arise out of consolidation — <i>Specify</i> _____ _____ _____	1			
3044				
45. TOTAL COSTS AND EXPENSES — <i>Sum of items 42 through 44</i> →	1			
3045	\$			
• NET INCOME				
46. NET INCOME (LOSS) — <i>Item 41 minus item 45</i> →	1			
3046	\$			

Section B — Distribution of Sales or Gross Operating Revenues — See *Additional Instructions* for Part III, Section B, on page 17 at the back of this form.

Distribute sales or gross operating revenues among three categories – sales of goods, sales of services, and investment income. For the purpose of this distribution, "goods" are economic outputs that are tangible and "services" are outputs that are intangible. Sales of goods are usually associated with industry codes 1110 through 1140, 2111 through 2127, and 2330 through 4540. Report sales of structures as goods when sold by a real estate firm (code 5310). Sales of services are usually associated with industry codes 1150, 2132 through 2213, and 4810 through 8130. Some companies such as finance and insurance companies (industry codes 5223, 5224, 5231 through 5252, and 5331) include services (e.g., commissions and premiums) and investment income (e.g., interest and dividends) in gross operating revenues. Allocate sales for such companies between their services and investment income components on lines 49 and 50. The disaggregation of sales by industry in this section should be consistent with that used in items 15 through 24. (*Insurance companies also see Special Instructions, B.2.h. and l., page 18.*)

47. Sales or gross operating revenues, excluding sales taxes	TOTAL Column (1) equals the sum of columns (2) through (4)				Sales to U.S. persons				Sales to foreign affiliates of this U.S. Reporter				Sales to other foreign persons			
	(1)				(2)				(3)				(4)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1					2				3				4			
3147	\$				\$				\$				\$			
• BY TYPE																
48. Sales of goods	1				2				3				4			
3148																
49. Sales of services	1				2				3				4			
3149																
50. Investment income	1				2				3				4			
3150																

Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER — Continued

Section C — Number of Employees and Employee Compensation — See *Additional Instructions* for Part III, Section C, on page 17 at the back of this form.

NUMBER OF EMPLOYEES — Employees on the payroll at the end of FY 1999, including part-time employees, but excluding temporary and contract employees not included on your payroll records. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of employees on the payroll at the end of FY 1999. If the number of employees at the end of FY 1999 (or when the count was taken) was unusually high or low due to temporary factors (e.g., a strike), enter the number of employees that reflects normal operations. If the number of employees fluctuates widely during the year due to seasonal business variations, report the average number of employees on the payroll during FY 1999. Base such an average on the number of employees on the payroll at the end of each pay period, month or quarter. If precise figures are not available, give your best estimate.

EMPLOYEE COMPENSATION — Expenditures made by an employer in connection with the employment of workers, including cash payments, payments-in-kind, and employer expenditures for employee benefit plans including those mandated by government statute, such as the employer's share of Social Security taxes. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods.

• NUMBER OF EMPLOYEES		Number of employees			
51. Research and development employees — Employees engaged in R&D, including managers, scientists, engineers, and other professional and technical employees	3251	1			
52. All other employees	3252	1			
53. TOTAL NUMBER OF EMPLOYEES — Sum of items 51 and 52 (Must equal item 27, column (3).) →	3253	1			
• EMPLOYEE COMPENSATION		Amount			
		Bil.	Mil.	Thous.	Dols.
54. Wages and salaries — Employee's gross earnings (before payroll deductions), and direct and in-kind payments by the employer to employees	3254	\$			
55. Employee benefit plans — Employer expenditures for all employee benefit plans	3255	\$			
56. TOTAL EMPLOYEE COMPENSATION — Sum of items 54 and 55 →	3256	\$			

Section D — Balance Sheet of U.S. Reporter — See *Additional Instructions* for Part III, Section D, on page 17 at the back of this form.

NOTE — Disaggregate all asset and liability items in the detail shown. Show accounts receivable and payable between the U.S. Reporter and its foreign affiliates in the proper asset and liability accounts of the U.S. Reporter. Do not report them as a net amount.

		Balance at close of FY 1999			
		Bil.	Mil.	Thous.	Dols.
• ASSETS					
57. Cash items	3357	\$			
58. Current receivables — Net of allowances for doubtful items. (Insurance companies see <i>Special Instructions, B.2.a., page 18.</i>)	3358				
59. Inventories — Land development companies exclude land held for resale (include in item 60); finance and insurance companies exclude inventories of marketable securities (include in item 60 or 65 as appropriate). The primary basis of inventory valuation is: 3459 <input type="checkbox"/> 1 <input type="checkbox"/> LIFO <input type="checkbox"/> 3 <input type="checkbox"/> Other — Specify ↙ <input type="checkbox"/> 2 <input type="checkbox"/> FIFO	3359				
60. Other current assets, including land held for resale and current marketable securities	3360				
61. Property, plant, and equipment, net	3361				
62. Equity investments in unconsolidated U.S. domestic business enterprises — Report on the equity basis enterprises owned 20 to 50 percent. Report at cost enterprises owned less than 20 percent.	3362				
63. Equity investments in foreign affiliates — Report on the equity basis enterprises owned 20 to 100 percent. Report at cost enterprises owned less than 20 percent.	3363				
64. Noncurrent receivables — Net of allowances for doubtful items.	3364				
65. Other noncurrent assets	3365				
66. TOTAL ASSETS — Sum of items 57 through 65 →	3366	\$			
• LIABILITIES (Insurance companies see <i>Special instructions, B.2.b., page 18.</i>)					
67. Trade accounts and trade notes payable, current	3367				
68. Other current liabilities and long-term debt	3368				
69. Other noncurrent liabilities	3369				
70. TOTAL LIABILITIES — Sum of items 67 through 69 →	3370	\$			
• OWNERS' EQUITY					
71. TOTAL OWNERS' EQUITY — Item 66 minus 70 →	3371	\$			

Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER — Continued

Section E — Composition of External Finances of U.S. Reporter	TOTAL		With U.S. persons		With foreign persons				
	Equals sum of columns (2) through (4)				With foreign affiliates of this U.S. Reporter		With other foreign persons		
	(1)		(2)		(3)		(4)		
	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.
• CLOSE FY 1999									
72. Current and noncurrent receivables — Column (1) must equal sum of items 58 and 64. 3472	\$			\$			\$		
73. Current liabilities and long-term debt — Column (1) must equal sum of items 67 and 68. 3473	\$								

Section F — Property, Plant and Equipment (PP&E) — See Additional Instructions for Part III, Section F, on page 17 at the back of this form.		Amount			
PP&E includes land, timber, mineral and like rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and capitalized tangible and intangible exploration and development costs, but excludes other types of intangible assets, and land held for resale.		Bil.	Mil. Thous.	Dols.	
• BALANCE, CLOSE FY 1998 (Insurance companies see Special Instructions , B.2.g., page 18.)					1
74. Net book value of PP&E at close FY 1998 — The closing FY 1998 value, before restatement due to change in the entity or accounting principles. 3574	\$				
• CHANGES DURING FY 1999					1
75. Restatement due to change in entity or accounting principles — If the answer to item 7 was "Yes," give amount by which the net book value of item 74 would be restated due to a change in the entity or accounting principles. If a decrease, put amount in parentheses. Include gains (losses) resulting from the sale or disposition of domestic subsidiaries of the U.S. Reporter, and from revaluation of assets (whether or not realized) in items 39 and/or 71. 3575					
Expenditure by the U.S. Reporter for, or transfers into the U.S. Reporter of (Insurance companies see Special Instruction B.2.f., on page 18.)					1
76. Land and mineral rights, including timber — Include expenditures for land and capitalized expenditures for mineral and timber rights. Exclude other capitalized expenditures for the exploration and development of natural resources and expenditures for land held for resale. 3576					
77. PP&E other than land, mineral, and timber rights. (Include changes due to mergers and acquisitions in item 75.)					1
77. New 3577					
78. If it is burdensome to exclude all used plant, equipment, etc., from new, then include minor used items in item 77, and include only major used items in item 78.					1
78. Used 3578					
79. Depreciation 3579				()	
80. Depletion 3580				()	
81. Other increases (decreases) — Specify 3581					
• BALANCE, CLOSE FY 1999 (Insurance companies see Special Instructions , B.2.g., page 18.)					1
82. Net book value of PP&E at close FY 1999 — Equals sum of items 74 through 81; must also equal item 61. 3582					
• ADDENDUM					1
83. Petroleum and mining exploration and development expenditures charged against income including expenditures charged against income to acquire or lease mineral rights — Do not include expenditures capitalized in prior years that are reclassified as expensed in the current year; such expenditures are considered to be expenditures only in the year when initially expensed. 3583					
84. BEA USE ONLY 3584					

Section G — Interest, production royalty payments, and taxes		Amount			
		Bil.	Mil. Thous.	Dols.	
85. Interest received — Interest received by the U.S. Reporter from, or credited to U.S. Reporter by, all payors (including foreign affiliates), net of tax withheld at the source. Include all interest receipts included in items 37 and 40. Do not net against interest paid, item 86. 3685					1
86. Interest paid — Interest paid, or credited, to all payees (including foreign affiliates) by the U.S. Reporter, gross of tax withheld. Include all interest payments included in items 42, 43, and 44. Do not net against interest received, item 85. 3686					1
87. Production royalty payments for natural resources, total — Include amounts paid or accrued for the year. Include payments in kind at market value. Sum of items 88, 89, and 90. 3687					1
88. To the Federal Government 3688					1
89. To State and local governments 3689					1
90. To all others 3690					1
91. Taxes (except income and payroll taxes) and nontax payments (other than production royalty payments) — Report all such taxes and nontax payments whether or not included in revenues or expenses in the income statement. Include amounts paid or accrued for the year, net of refunds or credits, to Federal, State, and local governments, their subdivisions and agencies for — a. Sales, consumption, and excise taxes; b. Property taxes and other taxes on the value of assets or capital; c. Any remaining taxes (other than income or payroll taxes); and d. Import and export duties, license fees, fines, penalties, and all other payments or accruals of nontax liabilities (except production royalty payments). 3691					1
92. BEA USE ONLY 3692					1

Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER — Continued

Section H — Technology — See *Additional Instructions* for Part III, Section H, on page 17 at the back of this form.

- **RESEARCH AND DEVELOPMENT (R&D) EXPENDITURES** — Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, allocated overhead, and indirect costs.

NOTE — Items 93 through 96 pertain to R&D performed by the U.S. Reporter, including R&D performed by the U.S. Reporter for others under contract. This is the basis on which National Science Foundation surveys request information on R&D. The FASB 2 measure of R&D (i.e., R&D from which the firm **benefits**) is the sum of items 94 and 97.

		Amount		
		Bil.	Mil. Thous.	Dols.
		1		
93. R&D performed BY the U.S. Reporter, total — Sum of items 94, 95, and 96.	3793	\$		
94. For U.S. Reporter's own account	3794			
95. For Federal Government (i.e., federally financed R&D)	3795			
96. For others (including foreign affiliates) under contract	3796			
97. R&D performed FOR the U.S. Reporter by others (including foreign affiliates) on a contractual basis	3797			
• ROYALTIES, LICENSE FEES, AND OTHER FEES FOR THE USE, SALE, OR PURCHASE OF INTANGIBLE PROPERTY				
98. Receipts of royalties and license fees from foreign persons other than U.S. Reporter's foreign affiliates — Include royalties, license fees, and other amounts received by the U.S. Reporter from, or credited to the U.S. Reporter by, unaffiliated foreigners for the use or sale of intangible property. Exclude receipts from the granting to others of the right to exploit natural resources you own or control.	3798			
99. Payments to foreign persons other than U.S. Reporter's foreign affiliates — Include royalties, license fees, and other amounts paid, or credited, to unaffiliated foreigners by the U.S. Reporter for use or purchase of intangible property. Exclude payments to others for the right to exploit natural resources they own or control.	3799			
100. BEA USE ONLY	3800			

Part IV — U.S. MERCHANDISE TRADE OF U.S. REPORTER

Goods only (valued f.a.s. at the port of exportation); do not include services — See *Additional Instructions* for Part IV, on page 18 at the back of this form.

IMPORTANT NOTES

This section requires the reporting of data on U.S. merchandise trade of the U.S. Reporter in FY 1999. Report data on a "shipped" basis, i.e., on the basis of when and to (or by) whom the goods were shipped. This is the same basis as official U.S. trade statistics to which these data will be compared. Do **not** record a U.S. import or export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the U.S. Reporter by, or charged by the U.S. Reporter to, a foreign person.

U.S. Reporters normally keep their accounting records on a "charged" basis, i.e., on the basis of when and to (or by) whom the goods were charged. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. If there is a material difference, the "shipped" basis must be used or adjustments made to data on a "charged" basis to approximate a "shipped" basis.

101. On what basis were the trade data in the section prepared? — Mark (X) one.

- 4101 1 "Shipped" basis
 2 "Charged" basis without adjustments, because there is no material difference between the "charged" and "shipped" bases.
 3 "Charged" basis with adjustments to correct for material differences between the "charged" and "shipped" bases.

Remarks

Part IV — U.S. MERCHANDISE TRADE OF U.S. REPORTER — Continued

Goods only (valued f.a.s. at the port of exportation); do not include services — See Additional Instructions for Part IV, on page 18 at the back of this form.	Exports from the U.S.				Imports to the U.S.			
	(1)				(2)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
102. MERCHANDISE TRADE OF THE U.S. REPORTER WITH ITS FOREIGN AFFILIATES IN FY 1999 4102	\$				\$			
103. MERCHANDISE TRADE OF THE U.S. REPORTER WITH FOREIGNERS OTHER THAN THE U.S. REPORTER'S FOREIGN AFFILIATES IN FY 1999 4103								
a. For columns (1) and (2), equals sum of items 104 through 113, and b. For column (1) equals sum of item 187 and all countries with entries								
BY PRODUCT — See the "Foreign Trade Classifications" starting on page 50 of the Guide to Industry and Foreign Trade Classifications for International Surveys , which are to be used in classifying U.S. merchandise exports and imports.								
104. Food, live animals, beverages, and tobacco (SITC 0 AND 1) 4104								
105. Crude materials, inedible, except fuels (SITC 2) 4105								
106. Mineral fuels, lubricants and related materials (SITC 3) 4106								
107. Chemicals and related products (SITC 5) 4107								
108. Industrial machinery and equipment (SITC 71-74) 4108								
109. Office machines and automatic data processing machines (SITC 75) 4109								
110. Telecommunications, sound equipment, and other electrical machinery and parts (SITC 76 and 77) 4110								
111. Road vehicles (including air-cushion vehicles) and parts (SITC 78) — Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.* 4111								
112. Other transport equipment (SITC 79) — Include all parts that are shipped with the equipment. Parts that are shipped separately may be in this or another classification.* 4112								
113. Other products (SITC 4, 6, 8, and 9) — Specify all entries greater than \$10 million. 4113								

* Some parts that are shipped separately are included in items 111 and 112; however, others are included in product categories appropriate to the type of part based, not on the part's end-use, but rather on the main type of material from which it is made or its general function. Major examples of such parts are gasoline and diesel engines (include in item 108); air conditioners for motor vehicles (item 108); lamps, batteries, and electrical parts for engines (item 110); and tires and tubes (item 113). For more complete information, see the **Guide to Industry and Foreign Trade Classifications for International Surveys**.

EXPORTS BY COUNTRY OF ULTIMATE DESTINATION — The country of ultimate destination is the country where the goods are to be consumed, further processed, or manufactured, as known to the shipper at the time of exportation. If the shipper does not know the country of ultimate destination, the shipment should be credited to the last country to which the shipper knows that the merchandise will be shipped in the same form as when exported. Sum of all countries with entries and item 187 must equal item 103, column (1). Enter amounts for all individual countries to which exports were \$500,000.00 or more.	BEA USE ONLY	Exports from the U.S.			
		(1)	(2)		
		Bil.	Mil.	Thous.	Dols.
114. Argentina 4114	200	\$			
115. Australia 4115	601				
116. Belgium 4116	302				
117. Brazil 4117	202				
118. Canada 4118	100				
119. Chile 4119	203				
120. China 4120	650				
121. Colombia 4121	204				
122. Egypt 4122	410				
123. France 4123	307				
124. Germany 4124	308				
125. Hong Kong 4125	611				
126. India 4126	612				

Part IV — U.S. MERCHANDISE TRADE OF U.S. REPORTER — Continued

Goods only (valued f.a.s. at the port of exportation); do not include services — See **Additional Instructions** for Part IV, on page 18 at the back of this form.

EXPOS BY COUNTRY OF ULTIMATE DESTINATION — The country of ultimate destination is the country where the goods are to be consumed, further processed, or manufactured, as known to the shipper at the time of exportation. If the shipper does not know the country of ultimate destination, the shipment should be credited to the last country to which the shipper knows that the merchandise will be shipped in the same form as when exported. Sum of all countries with entries and item 187 must equal item 103, column (1). Enter amounts for all individual countries to which exports were \$500,000.00 or more.	BEA USE ONLY (1)	Exports from the U.S. (2)			
		Bil.	Mil.	Thous.	Dols.
127. Indonesia 4127	613	\$			
128. Israel 4128	504				
129. Italy 4129	314				
130. Japan 4130	614				
131. Korea (South) 4131	626				
132. Malaysia 4132	617				
133. Mexico 4133	213				
134. Netherlands 4134	319				
135. Phillipines 4135	623				
136. Saudi Arabia 4136	511				
137. Singapore 4137	625				
138. Spain 4138	323				
139. Sweden 4139	324				
140. Switzerland 4140	325				
141. Taiwan 4141	628				
142. United Kingdom 4142	327				
143. Venezuela 4143	219				
144. Other individual countries to which exports were \$500,000.00 or more — Specify country. Use supplemental sheets, if necessary, to account for all such countries. 4144					
145. 4145					
146. 4146					
147. 4147					
148. 4148					
149. 4149					
150. 4150					
151. 4151					
152. 4152					
153. 4153					
154. 4154					
155. 4155					
156. 4156					
157. 4157					
158. 4158					
159. 4159					

Part IV — U.S. MERCHANDISE TRADE OF U.S. REPORTER — Continued

Goods only (valued f.a.s. at the port of exportation); do not include services — See **Additional Instructions** for Part IV, on page 18 at the back of this form.

EXPORTS BY COUNTRY OF ULTIMATE DESTINATION — The country of ultimate destination is the country where the goods are to be consumed, further processed, or manufactured, as known to the shipper at the time of exportation. If the shipper does not know the country of ultimate destination, the shipment should be credited to the last country to which the shipper knows that the merchandise will be shipped in the same form as when exported. Sum of all countries with entries and item 187 must equal item 103, column (1). Enter amounts for all individual countries to which exports were \$500,000.00 or more.		BEA USE ONLY (1)	Exports from the U.S. (2)			
			Bil.	Mil.	Thous.	Dols.
160.	4160	1	2			
161.	4161	1	2			
162.	4162	1	2			
163.	4163	1	2			
164.	4164	1	2			
165.	4165	1	2			
166.	4166	1	2			
167.	4167	1	2			
168.	4168	1	2			
169.	4169	1	2			
170.	4170	1	2			
171.	4171	1	2			
172.	4172	1	2			
173.	4173	1	2			
174.	4174	1	2			
175.	4175	1	2			
176.	4176	1	2			
177.	4177	1	2			
178.	4178	1	2			
179.	4179	1	2			
180.	4180	1	2			
181.	4181	1	2			
182.	4182	1	2			
183.	4183	1	2			
184.	4184	1	2			
185.	4185	1	2			
186.	4186	1	2			
187. Exports to all countries for which exports were less than \$500,000.00 — The sum of this item and all countries with entries must equal item 103, column (1).	4187	1	2			
			709	\$		

188. BEA USE ONLY

4188	1	2	3	4	5

REMARKS

Use this page for any explanation that may be essential in understanding your reported data.

Name of foreign affiliate (1)	Country of location (2)	Primary industry code ¹ (3)	Total assets (4)		Total liabilities (5)		Sales or gross operating revenues (6)		Net income after foreign income tax (7)		Number of employees (8)	Debt and intercompany balances between U.S. Reporter and foreign affiliate (9)		Owed to foreign affiliate by U.S. Reporter (10)
			Mil.	Thous.	Dols.	Mil.	Thous.	Dols.	Mil.	Thous.		Dols.	Mil.	
5002		3	4	\$	5	\$	6	\$	7	\$	8	9	\$	
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%
5003		3	4		5		6		7		8	9		
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%
5004		3	4		5		6		7		8	9		
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%
5005		3	4		5		6		7		8	9		
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%
5006		3	4		5		6		7		8	9		
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%
5007		3	4		5		6		7		8	9		
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%
5008		3	4		5		6		7		8	9		
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%
5009		3	4		5		6		7		8	9		
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%
5010		3	4		5		6		7		8	9		
	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	Direct (11) →		Direct (11) →		Direct (11) →		Indirect (12) →		11	Indirect (12) →		%

LISTING OF FOREIGN AFFILIATES — Continued

Name of foreign affiliate (1)	Country of location (2)	Primary industry code ¹ (3)	Total assets (4)		Total liabilities (5)		Sales or gross operating revenues (6)		Net income after foreign income tax (7)		Number of employees (8)	Debt and intercompany balances between U.S. Reporter and foreign affiliate	
			Mil.	Thous.	Mil.	Thous.	Mil.	Thous.	Mil.	Thous.		Owed to U.S. Reporter by foreign affiliate (9)	Owed to foreign affiliate by U.S. Reporter (10)
1		3	4	\$	5	\$	6	\$	7	\$	8	9	10
5011	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5012	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5013	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5014	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5015	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5016	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5017	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5018	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5019	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12

¹ See Form BE-10B(LF), pages 20 and 21 or Guide to Industry and Foreign Trade Classifications for International Surveys, Part 1, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.

² To calculate indirect ownership percentages — See **Instruction Booklet**, Part I.A.2.

LISTING OF FOREIGN AFFILIATES — Continued												BEA USE ONLY		Reporter ID Number		A	
Name of U.S. Reporter																	
Name of foreign affiliate (1)	Country of location (2)	Primary industry code ¹ (3)	Total assets (4)		Total liabilities (5)		Sales or gross operating revenues (6)		Net income after foreign income tax (7)		Number of employees (8)	Debt and intercompany balances between U.S. Reporter and foreign affiliate		Dols.			
			Mil.	Dols.	Mil.	Dols.	Mil.	Dols.	Mil.	Dols.		Mil.	Dols.		Mil.	Dols.	
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5020	2 BEA USE ONLY																
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5021	2 BEA USE ONLY																
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5022	2 BEA USE ONLY																
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5023	2 BEA USE ONLY																
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5024	2 BEA USE ONLY																
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5025	2 BEA USE ONLY																
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5026	2 BEA USE ONLY																
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5027	2 BEA USE ONLY																
1		3	4	5	6	7	8	9	10	11	12	13	14	15	16		
5028	2 BEA USE ONLY																

¹ See Form BE-10B(LF), pages 20 and 21 or Guide to Industry and Foreign Trade Classifications for International Surveys, Part 1, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.

² To calculate indirect ownership percentages — See **Instruction Booklet, Part I.A.2.**

LISTING OF FOREIGN AFFILIATES — Continued

Name of foreign affiliate (1)	Country of location (2)	Primary industry code ¹ (3)	Total assets (4)		Total liabilities (5)		Sales or gross operating revenues (6)		Net income after foreign income tax (7)		Number of employees (8)	Debt and intercompany balances between U.S. Reporter and foreign affiliate	
			Mil.	Thous.	Mil.	Thous.	Mil.	Thous.	Mil.	Thous.		Owed to U.S. Reporter by foreign affiliate (9)	Owed to foreign affiliate by U.S. Reporter (10)
1		3	4	\$	5	\$	6	\$	7	\$	8	9	10
5029	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5030	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5031	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5032	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5033	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5034	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5035	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5036	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12
1		3	4		5		6		7		8	9	10
5037	² BEA USE ONLY	U.S. Reporter's percentage of ownership ²	4		5		6		Direct (11)		11	Indirect (12)	12

¹ See Form BE-10B(LF), pages 20 and 21 or Guide to Industry and Foreign Trade Classifications for International Surveys, Part 1, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.

² To calculate indirect ownership percentages — See **Instruction Booklet**, Part I.A.2.

Use additional sheets, if necessary, to account for all affiliates.

BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 1999
FORM BE-10A
ADDITIONAL INSTRUCTIONS BY LINE ITEM

Part I — IDENTIFICATION OF U.S. REPORTER**15.—27.**

Sales or gross operating revenues and employment of fully consolidated domestic U.S. Reporter by industry of sales or gross operating revenues. (Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 18. Also see *Additional Instructions for Part III, Section A, item 37.*)

If fewer than ten ISI codes are used, account for total sales or gross operating revenues in items 15 through 23.

Holding companies — Holding companies (ISI code 5512) must show total income (item 41). A conglomerate must determine its 4-digit ISI code(s) based on the activities of the fully consolidated U.S. domestic business enterprise. The "holding company" classification is often an invalid classification for a conglomerate. Please call BEA for further assistance before using code 5512.

- 25. Employees of administrative offices and auxiliary units** — Auxiliary units and administrative offices are primarily engaged in performing management and support services for the fully consolidated U.S. domestic business enterprise. These services can include accounting, data processing, legal services, research and development, testing, warehousing, etc. Administrative offices and auxiliary units are typically located separately from the operating units of the company.

Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER

- **Section A — Income Statement of U.S. Reporter**

- 37. Sales or gross operating revenues, excluding sales taxes** — Report gross operating revenues or gross sales minus returns, allowances, and discounts. Exclude sales or consumption taxes levied directly on the consumer. Exclude net value-added taxes and excise taxes levied on manufacturers, wholesalers, and retailers. Companies with ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 should include interest income on this line. Insurance companies with ISI codes 5243 and 5249 should include gross investment income on this line. (Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 18.)

- 40. Other income** — Report non-operating and other income not reported on lines 37, 38, and/or 39.

- 42. Costs of goods sold or services rendered and selling, general, and administrative expenses** — Report operating expenses that relate to sales or gross operating revenues (item 37) and selling, general, and administrative expenses. Include production royalty payments to governments, their subdivisions and agencies, and to other persons. Include depletion charges representing the amortization of the actual cost of capital assets but exclude all other depletion charges. Do not include tax or percentage depletion charges. Companies with ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 should include interest expense.

- **Section B — Distribution of Sales or Gross Operating Revenues (Items 47—50)**

Distribute sales consistent with the industry codes reported in column (1) of items 15 through 24. When a sale consists of both goods and services and cannot be unbundled (i.e., the goods and services are not separately billed), classify it as a good or service based on whichever accounts for a majority of the value. If actual figures are not available, give best estimates.

- 49. Sales of services** — Report the source of real estate rental income in columns (2) through (4) based on the location of the property.

- 50. Investment income** — Companies, such as finance or insurance companies, that include investment income in gross operating revenues should report the source of such investment income in columns (2) through (4) based on the location of the issuer of the financial instrument whether publicly issued or privately placed. If the location of the issuer of the financial instrument is unknown, then substitute the nationality of the issuer. If both the location and nationality of the issuer are unknown, and an intermediary (e.g. trustee, custodian, or nominee) is used to manage the investment (financial instrument or real estate), use the country of location of the intermediary.

- **Section C — Number of Employees and Employee Compensation**

- 51. Research and development employees** — Research and development employees are scientists, engineers, and other professional and technical employees, including managers, who spend all or a majority of their time engaged in scientific or engineering R&D work, at a level that requires knowledge of physical or life sciences, engineering, or mathematics at least equivalent to that acquired through completion of a four-year college course with a major in one of these fields. Training may be either formal or by experience.

- 54. Wages and salaries** — Report gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to independent personnel who are not employees.

Include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer. (Include employer contributions to benefit funds in "employee benefit plans" as discussed in item 55 below.)

Include in-kind payments, valued at their cost, that are clearly and primarily of benefit to the employees as consumers. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement of business expenses.

- 55. Employee benefit plans** — Report employer expenditures for all employee benefit plans, including those mandated by government statute, resulting from collective bargaining contracts, and those that are voluntary. Include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. Also, include deferred postemployment and post retirement expenses per FASB 106. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

- **Section D — Balance Sheet of U.S. Reporter**

- 57. Cash items** — Include deposits in financial institutions and other cash items. Do NOT include overdrafts as negative cash. Instead, report overdrafts in item 68 (other current liabilities and long-term debt). Exclude certificates of deposits (CDs) and other deposits of the U.S. Reporter held by its foreign affiliates or other foreign persons. Instead, report CDs in item 58 (current receivables) or item 64 (noncurrent receivables) as appropriate.

- 58. Current receivables** — Include the current portion of CDs and other deposits of the U.S. Reporter held by its foreign affiliates or other foreign persons.

- 61. Property, plant, and equipment, net** — Report net of accumulated depreciation and depletion. Include land, timber, mineral rights and similar rights owned. Also include structures, machinery, equipment, special tools, deposit containers, construction in progress, and capitalized tangible and intangible exploration and development costs of the U.S. Reporter. Include items on capital leases from others, per FASB 13. Exclude all other types of intangible assets, and land held for resale.

- 64. Noncurrent receivables** — Include the noncurrent portion of CDs and other deposits of the U.S. Reporter held by its foreign affiliates or other foreign persons.

- 68. Other current liabilities and long-term debt** — Include overdrafts, commercial paper issued and other current liabilities not included in item 67. Include long-term debt securities owed such as bonds or notes, lease obligations capitalized per FASB 13, and all other long-term intercompany debt.

- 69. Other noncurrent liabilities** — Include noncurrent items not reported on line 68 such as deferred taxes and underlying minority interest in consolidated domestic subsidiaries.

- **Section F — Property, Plant, and Equipment (PP&E) (Items 74—83)**

Include items leased from others (including land) under capital leases. Also include the capitalized value of timber, mineral, and similar rights leased by the U.S. Reporter from others. Do not include items the U.S. Reporter has sold under a capital lease.

Exclude from expenditures (items 76 to 78) all changes in PP&E, resulting from a change in the entity (e.g., due to mergers, acquisitions, divestitures, etc.) or accounting principles during FY 1999. Account for such changes in item 75.

For U.S. Reporters engaged in exploring for, or developing, natural resources, include in items 76, 77, and 78 exploration and development expenditures made during FY 1999 that were capitalized, including capitalized expenditures to acquire or lease mineral rights. Include adjustments for expenditures charged against income in prior years but subsequently capitalized during FY 1999 in item 81.

- 79. Depreciation** — Do not include depletion. Report depletion separately in item 80.

- **Section H — Technology (Items 93 - 97)**

Research and development expenditures — Research and development (R&D) includes basic and applied research in science and engineering, and the design and development of prototypes and processes, if the purpose of such activity is to:

1. Pursue a planned search for new knowledge whether or not the search has reference to a specific application;
2. Apply existing knowledge to the creation of a new product or process, including evaluation of use; or
3. Apply existing knowledge to the employment of a present product or process.

R&D includes the activities described above, whether assigned to separate R&D organizational units of the company or conducted by company laboratories and technical groups that are not a part of a separate R&D organization.

Include all costs incurred to support R&D, including R&D depreciation and overhead. Exclude capital expenditures, routine product testing and quality control conducted during commercial production, geological and geophysical exploration, market research and surveys, and legal work pertaining to patents.

**Part IV — U.S. MERCHANDISE TRADE OF
U.S. REPORTER (Items 101—187)**

When there is a material difference between the "charged" and "shipped" bases and the data have not been filed on the "shipped" basis, or the necessary adjustments have not been made to approximate a "shipped" basis, BEA will require the data to be refiled.

Differences between the "charged" and "shipped" bases may be substantial. A major difference arises when the U.S. Reporter buys goods in country A and sells them in country B, but the goods are shipped directly from country A to country B. Because the goods did not physically enter or leave the United States, they are not U.S. trade. However, when the U.S. Reporter records the transactions on its books, it shows a purchase charged to it from country A and a sale charged by it to country B. If the U.S. Reporter's trade data in this survey were prepared on the "charged" basis, the purchase and sale would appear incorrectly as a U.S. import and a U.S. export, respectively. Other differences arise when the U.S. Reporter charges the sale of its products to a foreign affiliate in one country, but ships the goods directly from the United States to an unaffiliated foreigner in another country. If the data are on the "shipped" basis, this is a U.S. export to an unaffiliated foreigner, not to the foreign affiliate.

If a material difference exists between the "charged" and "shipped" bases, trade must be reported on the "shipped" basis. To do this, the U.S. Reporter may have to derive the data from export and import declarations filed with U.S. Customs or from shipping and receiving documents, rather than from accounting records, or may have to otherwise adjust its data from a "charged" to a "shipped" basis.

Definition of U.S. merchandise trade — The phrases "U.S. merchandise trade," "U.S. merchandise exports," and "U.S. merchandise imports" refer to physical movements of goods between the customs area of the United States and the customs area of a foreign country. Data in this section cover all goods that physically left or entered the U.S. customs area in FY 1999. Consigned goods must be included in the trade figures when shipped or received, even though not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned. Include capital goods but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or merchandise. Also exclude services. The U.S. Reporter's merchandise exports and imports may differ from the U.S. Reporter's sales to, or purchases from, foreign persons because sales and purchases may include services while merchandise exports and imports include only goods.

Exclude from exports and imports the value of goods that are in-transit. In-transit goods are goods that are not processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries. In-transit imports are goods en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and in-transit exports are goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

Timing — Only include goods actually shipped between the United States and a foreign country during FY 1999 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. Reporter to an affiliate in FY 1999 that were charged or consigned in FY 2000, but exclude goods shipped to an affiliate in FY 1998 that were charged or consigned to the affiliate in FY 1999.

Trade of the U.S. Reporter — Goods shipped by, or to, the U.S. Reporter, whether or not actually charged or consigned by, or to, the U.S. Reporter, are considered to be trade of the U.S. Reporter.

By (or to) whom goods were shipped — Shipment by, or to, an entity refers to the physical movement of merchandise to or from the U.S. customs area by, or to, that entity regardless of by, or to, whom the merchandise was charged or consigned. Thus, for example, if the U.S. Reporter charges goods to a foreign affiliate in France but ships the goods to an unaffiliated foreigner in Switzerland, the goods are considered U.S. merchandise exports by the U.S. Reporter to the unaffiliated foreigner in Switzerland and should be recorded as such on the U.S. Reporter's Form BE-10A. Or if goods were charged by the U.S. Reporter to an affiliate but shipped to the affiliate by another U.S. person, the goods should be considered an export by "other U.S. persons," not by the U.S. Reporter, and not reported on Form BE-10A.

Note — Merchandise shipped by an independent carrier or a freight forwarder at the expense of an entity are shipments by that entity.

Valuation of exports and imports — Value U.S. merchandise exports and imports f.a.s. (free alongside ship) at the port-of-exportation. This includes all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging costs, and inland freight and insurance. It excludes all subsequent costs, such as loading costs, U.S. and foreign import duties, and freight and insurance from the port of exportation to the port of entry.

**SPECIAL INSTRUCTIONS FOR DEALERS IN FINANCIAL
INSTRUMENTS, FINANCE COMPANIES, INSURANCE
COMPANIES AND REAL ESTATE COMPANIES**

A. Certain realized and unrealized gains (losses) for dealers in financial instruments and finance, insurance, and real estate companies.

1. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies — Include in item 39 (1) impairment losses, (2) realized gains or losses on trading or dealing, and (3) unrealized gains or losses due to changes in the valuation of financial instruments that flow through the income statement. **Do not include** in item 39 unrealized gains or losses due to changes in the valuation of financial instruments that are taken directly to retained earnings. (Report income attributable to fees or commissions in items 27 and 37.)

2. Real estate companies

Gains or losses from the sale, disposition, or revaluation of land, other property, plant and equipment, or other assets:

Realized gains and losses

Include gains or losses from the sale of real estate in the ordinary course of trade or business in items 27 and 37.

Impairment of Long-lived Assets

Include impairment losses, as defined by FASB 121, recognized during the period in item 39.

Unrealized gains

Include gains recognized due to the revaluation of real estate assets in item 71. Do not include these unrealized gains in item 39.

B. Special instructions for insurance companies

1. When there is a difference between the financial and operating data reported to stockholders and the data reported in the annual statement to an insurance department, prepare the BE-10 on the same basis as the annual report to the stockholders. Valuation should be according to normal commercial accounting procedures, not at rates promulgated by national insurance departments, i.e., include assets not acceptable for inclusion in the annual statement to an insurance department. Include: **1.** non-trusted or free account assets and **2.** nonadmitted assets, such as furniture and equipment, agents' debit balances, and all receivables deemed to be collectible. Include mandatory securities valuation reserves that are appropriations of retained earnings in the owners' equity section of the balance sheet, not in the liability section.

2. Instructions for reporting specific items

a. Current receivables (item 58) — Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (net of allowances for doubtful items) arising from the ordinary course of business.

b. Current liabilities and long-term debt (items 67 and 68) — Include current items such as loss liabilities, policy claims, commissions due, and other current liabilities arising from the ordinary course of business, and long-term debt. Include policy reserves in "Other noncurrent liabilities," unless they are clearly current liabilities.

c. Sales or gross operating revenues, excluding sales taxes (item 37) — Include items such as earned premiums, annuity considerations, gross investment income, and items of a similar nature. Exclude income from equity investments in unconsolidated business enterprises that is to be reported in item 38 and exclude certain realized and unrealized gains or losses that are to be reported in item 39.

d. Certain realized and unrealized gains (losses) (item 39)
See Special Instruction A.1.

e. Cost of goods sold or services rendered and selling, general, and administrative expenses (item 42) — Include costs relating to sales or gross operating revenues, such as policy losses incurred, death benefits, matured endowments, other policy benefits, increases in liabilities for future policy benefits, and other underwriting expenses.

f. Expenditures for property, plant, and equipment (items 76, 77, and 78) — Include expenditures and all related depreciation, depletion, and like charges WHEREVER CLASSIFIED IN THE BALANCE SHEET (e.g., include expenditures for PP&E that have been classified in "other noncurrent assets").

g. Net book value of property, plant, and equipment (items 74 and 82) — Include the net book value of property, plant, and equipment, WHEREVER CLASSIFIED IN THE BALANCE SHEET. Therefore, the opening and closing net book values for property, plant, and equipment will not necessarily reconcile with their balance sheet counterpart (item 61).

h. Sales of services (item 49, column 1) — Include premium income and income from other services, if any.

i. Investment income (item 50 column 1) — Report that portion of sales or gross operating revenues that is investment income. However, report any gains or (losses) on investments in accordance with Special Instruction A.1. See instructions for Part III, Section B item 50 on page 17 to determine the location of the transactor of investment income.

BE-10B(LF)

OMB No. 0608-0049: Approval Expires 11/30/2002	BEA USE ONLY	Affiliate ID Number	B
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FORM **BE-10B(LF) (Long Form) (Report for Nonbank Foreign Affiliate)**
(REV. 7/99)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

MANDATORY — CONFIDENTIAL

BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 1999

MAIL REPORTS TO:

U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Washington, DC 20230

OR

DELIVER REPORTS TO:

U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Shipping and Receiving,
Section M-100
1441 L Street, NW
Washington, DC 20005

1. Name of U.S. Reporter of foreign affiliate — *Same as item 1, Form BE-10A*

2. Name of foreign affiliate being reported — *Use the same name on all reports filed subsequently for this affiliate with the Bureau of Economic Analysis, e.g., Forms BE-11 and BE-577.*

IMPORTANT

Read the **Instruction Booklet**, which contains definitions and reporting requirements, before completing this form. **"Additional" Instructions** specific to line items and **"Special" Instructions** for dealers in financial instruments and finance, insurance, and real estate companies are provided at the back of this form. For banks and bank holding companies, see the report forms for banks and the **Instruction Booklet**, Part I.C.

- **Who must report** — The U.S. Reporter must file Form BE-10B(LF) for each majority-owned nonbank foreign affiliate for which total assets; sales or gross operating revenues, excluding sales taxes; **OR** net income after provision for foreign taxes was greater than \$100 million (positive or negative) at any time during the affiliate's 1999 fiscal year. See **Instruction Booklet**, Part I, for detailed reporting requirements.

NOTE — If the foreign affiliate is exempt from being reported on Form BE-10B(LF) and is not a bank, see the reporting requirements for Form BE-10B(SF) and BE-10A SUPPLEMENT A. The foreign affiliate must be reported on one of those forms.

- **Foreign affiliate's 1999 fiscal year** — The foreign affiliate's financial reporting year that has an ending date in calendar year 1999. See **Instruction Booklet**, Part II.A.

- **Due date** — A complete BE-10 report is due on the following dates:

May 31, 2000 for a U.S. Reporter required to file fewer than 50 Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK;

June 30, 2000 for a U.S. Reporter required to file 50 or more Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK.

- **Translation of foreign currency financial and operating data into U.S. dollars** — Use U.S. generally accepted accounting principles (FASB 52). See **Instruction Booklet**, Part IV.B.

- **Currency amounts — Report in U.S. dollars rounded to thousands (omitting 000). Do not enter** amounts in the shaded portions of each line. **EXAMPLE** — If amount is \$1,334,891.00, report as

Bil.	Mil.	Thous.	Dols.
	1	335	

If an item is between + or - \$500.00, enter "0." Use parenthesis () to indicate negative numbers.

- **Contact us for help** — Telephone: 202-606-5566; FAX: 202-606-5312 or 5317; E-mail: be10/11@bea.doc.gov.

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — See Additional Instructions for Part I on page 17 at the back of this form.

- 3. **Number of foreign affiliates consolidated in this report** — Do not consolidate affiliates located in two different countries. See the **Instruction Booklet**, Part I.B.2.c.(1). If your answer to this question is 2 or more, you must complete **Supplement B (page 15)** of this report. If this report is for a single foreign affiliate, enter "1" in the box.

1003

- 4. **Does this foreign affiliate have a direct equity interest in other foreign affiliates, including branches of this affiliate, that are not fully consolidated in this BE-10B(LF)?** — Mark (X) one.

1004 1 Yes — *Item 42 and items 84 and/or 85 must have entries and Supplement A of this Form BE-10B(LF) must be completed.*
 2 No

- 5. **Form of organization of this foreign affiliate** — Mark (X) one.

1005 1 Corporation 2 Branch 3 Partnership 4 Other — *Specify* _____

- 6. **Country of incorporation or organization of this foreign affiliate** — Mark (X) one.

1006 1601 Australia 1307 France 1614 Japan 1325 Switzerland
 1202 Brazil 1308 Germany 1213 Mexico 1327 United Kingdom
 1100 Canada 1314 Italy 1319 Netherlands 1 Other — *Specify* _____

- 7. **Country of location — Country in which this foreign affiliate's physical assets are located or where its primary activity is carried out** — Mark (X) one.

1007 1601 Australia 1307 France 1614 Japan 1325 Switzerland
 1202 Brazil 1308 Germany 1213 Mexico 1327 United Kingdom
 1100 Canada 1314 Italy 1319 Netherlands 1 Other — *Specify* _____

- 8. **This foreign affiliate's financial books and records are kept in** — Mark (X) one.

1008 1 The currency of the country of the affiliate as given in item 7. (Foreign affiliates located in European Monetary Union countries should check this box if they keep their books in the currency of the country of the affiliate or in euros.)
 2 U.S. dollars
 3 A foreign currency which is not that of the country of location of the affiliate as given in item 7

- 9. **The ending date of this foreign affiliate's 1999 fiscal year.**

	Month	Day	Year
1009	1		1999

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

10. Was the foreign business enterprise a foreign affiliate of the U.S. Reporter for only part of FY 1999?

1010 1 Yes, and this is its initial report — Affiliate was not previously reported

If "Yes," did the U.S. Reporter — Mark (X) one

- 2 1 Establish the foreign affiliate?
- 2 2 Acquire a voting interest of 10 percent or more in an existing foreign company from a foreign person?
- 2 3 Acquire a voting interest of 10 percent or more in this affiliate from a U.S. person? — Give name and address of U.S. person.

Enter date

Month	Year
3	

1 2 Yes, and this is its final report —

If "Yes," was the affiliate — Mark (X) one

- 2 4 Merged or reorganized?
- Sold:
 - 2 5 to a U.S. person? — Give name and address of U.S. person.

Enter date

Month	Year
3	

- 2 6 to a foreign person?
- 2 7 Liquidated?
- 2 8 Seized?

1 3 No

11. Was there a change in the entity due to mergers, acquisitions, divestitures, etc., or a change in accounting principles during FY 1999 that caused FY 1998 data to be restated? Mark (X) one.

- 1011 1 1 Yes — Report all close FY 1998 data before restatement, unless otherwise specified. Enter the effect of the restatement on property, plant, and equipment accounts in item 103.
- 1 2 No

DIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — Enter percent of ownership, to a tenth of one percent, based on total voting stock, as applicable, if an incorporated affiliate, or an equivalent interest if an unincorporated affiliate, held directly by	Percent of ownership at close of fiscal year			
	Equity interest		Voting interest	
	1999 (1)	1998 (2)	1999 (3)	1998 (4)
12. U.S. Reporter named in item 1 — Report equity interest and voting interest.	1012	. %	. %	. %
13. Other foreign affiliate(s) of U.S. Reporter named in Item 1 — If entry is made here, complete items 19 and 20.	1013	. %	. %	. %
14. Other U.S. Reporter(s) of this foreign affiliate — If entry is made here, item 21 must be "Yes."	1014	. %	. %	. %
15. Foreign affiliate(s) of other U.S. Reporter(s) — If entry is made here, item 21 must be "Yes."	1015	. %	. %	. %
16. Other U.S. persons	1016	. %	. %	. %
17. Other foreign persons	1017	. %	. %	. %
18. TOTAL OF DIRECTLY HELD VOTING OWNERSHIP INTERESTS — Sum of items 12 through 17	1018	100.0 %	100.0 %	100.0 %
19. INDIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — If there is an entry in item 13, enter U.S. Reporter's percent of indirect ownership in this affiliate. See Instruction Booklet, Part I.A.2., for instructions on how to complete indirect ownership percentages.	1019	. %	. %	. %

20. Identification of foreign affiliate parent(s) — If there is an entry in item 13, column (3) or column (4) — Enter below, the name(s) and percent(s) of ownership of each foreign affiliate of the U.S. Reporter named in item 1 holding a direct ownership interest in this foreign affiliate. Also, for each foreign affiliate in column (a) that is below the first tier in its ownership chain, enter in column (d) the name of the foreign affiliate that holds a direct ownership interest in it.

Foreign affiliate holding direct ownership interest in this foreign affiliate				Name of foreign affiliate, if any, in ownership chain that holds direct interest in foreign affiliate named in column (a)
Name and ID Number Enter name and BEA ID Number of foreign affiliate(s) holding a direct ownership interest in this foreign affiliate. (a)	BEA USE ONLY	Percent direct ownership in this foreign affiliate		
		Close FY 1999 (b)	Close FY 1998 (c)	
a.	1191	. %	. %	
b.	1192	. %	. %	
c.	1193	. %	. %	
d. TOTAL — Must equal percentages entered in Item 13	1020	. %	. %	

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

21. Do two or more U.S. persons each directly or indirectly own or control at least 10 percent of this foreign affiliate's voting rights? Mark (X) one.

- 1021 1 Yes — Item 14 or 15 on page 2 must have an entry, and either item 22 or 23 must be completed. See **Instruction Booklet**, Part I.B.2.c.(2).
 2 No — Skip to item 28

22. If the answer to item 21 is "Yes," and the U.S. Reporter named in item 1 is submitting the Parts II and IV data (i.e., the "complete" report) for this foreign affiliate — Give name(s) and mailing address(es) of the other U.S. Reporter(s) who is(are) not submitting the data.

Name	Mailing address

23. If the answer to item 21 is "Yes," and if the U.S. Reporter named in item 1 is not submitting the Parts II and IV data (i.e., is submitting a "partial" report) for this foreign affiliate — Give name and mailing address of U.S. Reporter who is submitting the data.

24. BEA USE ONLY	1024	1	2	3	4	5
25. BEA USE ONLY	1025	1	2	3	4	5
26. BEA USE ONLY	1026	1	2	3	4	5
27. BEA USE ONLY	1027	1	2	3	4	5

28. Major activity of foreign affiliate — Mark (X) one

A list, and explanation, of the International Surveys Industry (ISI) codes used below are given in the **Guide to Industry and Foreign Trade Classifications for International Surveys**. A list of ISI codes is also provided on pages 20 and 21 of this form. For an inactive foreign affiliate, base the activity on its last active period. For "start-up" companies, show the intended activity.

- 1028 1 **Production of goods** — The foreign affiliate is primarily engaged in construction, mining or extracting (including exploration and development), manufacturing, fabricating, assembling, processing, or growing a good. These activities are coded in 1110 through 1140, 2111 through 2127, 2330 through 2350, and 3111 through 3399 of the list of ISI codes.
- 2 **Sales of goods** — The foreign affiliate is primarily engaged in selling (at wholesale or retail) goods that it does not produce. These activities are coded in 4211 through 4540 of the list of ISI codes.
- 3 **Services** — The foreign affiliate is primarily engaged in providing a service such as utilities, transportation and warehousing; information (including newspaper, periodical, book, and database publishers, and software publishers), finance and insurance; professional, scientific, and technical services; holding companies; administrative and support, waste management and remediation; accommodations and food services (including restaurants, and eating places), etc. These activities are coded in 1150, 2132, 2133, 2211 through 2213, and 4810 through 8130 of the list of ISI codes.

29. What is the MAJOR product or service involved in this activity? If a product, briefly state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, packaged, transported, etc. (For example, "Manufacture widgets to sell at wholesale.") — Please print or typewrite.

1029

Sales or gross operating revenues of foreign affiliate, by industry of sales or gross operating revenues. Enter in columns (1) and (2) respectively, the 4-digit ISI code(s) and the amount of sales or gross operating revenues associated with each code. For an inactive affiliate enter an ISI code based on its last active period. See the Guide to Industry and Foreign Trade Classifications for International Surveys for a full explanation of each code. (Holding companies (ISI code 5512) must show total income as reported in item 46.)	ISI code (1)	Sales or gross operating revenues (2)			
		Bil.	Mil.	Thous.	Dols.
30. Largest sales or gross operating revenues	1030	\$			
31. 2nd largest sales or gross operating revenues	1031				
32. 3rd largest sales or gross operating revenues	1032				
33. 4th largest sales or gross operating revenues	1033				
34. 5th largest sales or gross operating revenues	1034				
35. 6th largest sales or gross operating revenues	1035				
36. 7th largest sales or gross operating revenues	1036				
37. Sales or gross operating revenues not accounted for above	1037				
38. TOTAL SALES OR GROSS OPERATING REVENUES — Sum of items 30 through 37 (Must equal item 41 and also item 52, column (1).) —>	1038	\$			

39. BEA USE ONLY	1039	1	2	3	4	5
40. BEA USE ONLY	1040	1	2	3	4	5

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

Section A — Income Statement — See <i>Additional Instructions</i> for Part II, Section A, on page 17 at the back of this form.	Amount			
	Bil.	Mil.	Thous.	Dols.
• INCOME				
41. Sales or gross operating revenues, excluding sales taxes — Must equal item 38, column (2) and also item 52, column (1). (Dealers in financial instruments see Special Instructions , A.1., page 20; insurance companies see Special Instructions , B.3.c., page 20.)	2041	\$		
42. Income from equity investments in foreign affiliates — For foreign affiliates owned 20 percent or more (including those that are majority-owned), report equity in earnings during the reporting period; for those owned less than 20 percent, report dividends. Do not include interest income.	2042			
43. Income from other equity investments	2043			
44. Certain realized and unrealized gains (losses) — Include gains (losses) net of income tax effects resulting from: a. Sale, disposition, or revaluation of investment securities (Dealers in financial instruments and finance and insurance companies see Special Instructions , A.1., page 20); b. Sale, disposition, or revaluation of land, other property, plant and equipment, or other assets. (Real estate companies see Special Instructions , A.2., page 20); c. Remeasurement of the foreign affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the period and transaction gains (losses) taken to income in accordance with FASB 52; d. Extraordinary items (except those resulting from legal judgments and accidental damage to fixed assets) and other unusual or infrequently occurring items.	2044			
45. Other income — <i>Specify</i> _____	2045			
46. TOTAL INCOME — <i>Sum of items 41 through 45</i> →	2046	\$		
• COSTS AND EXPENSES				
47. Cost of goods sold or services rendered and selling, general, and administrative expenses — (Insurance companies see Special Instructions , B.3.e., page 20.)	2047			
48. Foreign income taxes — Provision for foreign income taxes for FY 1999	2048			
49. Other costs and expenses not included above, including minority interests in income (loss) that arise out of consolidation — <i>Specify</i> _____	2049			
50. TOTAL COSTS AND EXPENSES — <i>Sum of items 47 through 49</i> →	2050	\$		
• NET INCOME				
51. NET INCOME (LOSS) — <i>Item 46 minus item 50</i> →	2051	\$		

Section B — Distribution of Sales or Gross Operating Revenues — See *Additional Instructions* for Part II, Section B, on page 17 at the back of this form.

Distribute the foreign affiliate's sales or gross operating revenues among three categories – sales of goods, sales of services, and investment income. For the purpose of this distribution, "goods" are economic outputs that are tangible and "services" are outputs that are intangible. Sales of goods are usually associated with industry codes 1110 through 1140, 2111 through 2127, and 2330 through 4540. Report sales of structures as goods when sold by a real estate firm (code 5310). Sales of services are usually associated with industry codes 1150, 2132 through 2213, and 4810 through 8130. Some companies such as finance and insurance companies (industry codes 5223, 5224, 5231 through 5252, and 5331) include services (e.g., commissions and premiums) and investment income (e.g., interest and dividends) in gross operating revenues. Allocate sales in these industries between their services and investment income components on lines 54 and 55. *The disaggregation of sales by industry in this section should be consistent with that used in items 30 through 36.* (Insurance companies also see **Special Instructions**, B.3.h. and i., page 20.)

52. Sales or gross operating revenues, excluding sales taxes	TOTAL <i>Column (1) equals the sum of columns (2) through (7)</i>				Local sales		Sales to U.S.		Sales to other countries	
					To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers	To U.S. Reporter(s)	To unaffiliated customers	To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers
	(1)	(2)	(3)	(4)	(5)	(6)	(7)			
	Bil.	Mil.	Thous.	Dols.						
a. Column (1) equals item 38 column (2) and also item 41. b. Each column of line 52 equals the sum of items 53, 54 and 55.	1				2	3	4	5	6	7
2052	\$				\$	\$	\$	\$	\$	\$
• BY TYPE	1				2	3	4	5	6	7
53. Sales of goods	2053									
54. Sales of services	2054									
55. Investment income	2055									

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued

Section B — Distribution of Sales or Gross Operating Revenues — Continued		Sales to other countries							
		To other foreign affiliates of the U.S. Reporter(s) (1)				To unaffiliated customers (2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
• BY COUNTRY OF DESTINATION → <i>The sum of items 56 through 64, column (1) and (2) equals item 52, columns (6) and (7), respectively.</i>		1				2			
56. Canada	2056								
57. European Union*, excluding the United Kingdom	2057								
58. United Kingdom	2058								
59. Other Europe	2059								
60. Latin America and Other Western Hemisphere	2060								
61. Africa	2061								
62. Middle East	2062								
63. Japan	2063								
64. Other Asia and Pacific	2064								
* Includes Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and the United Kingdom. Report the United Kingdom in item 58 and not in item 57.									
65. BEA USE ONLY	2065	1		2		3		4	

Section C — Number of Employees and Employee Compensation — See *Additional Instructions* for Part II, Section C, on page 17 at the back of this form.

NUMBER OF EMPLOYEES — Employees on the payroll at the end of FY 1999 including part-time employees, but excluding temporary and contract employees not included on your payroll records. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of employees on the payroll at the end of FY 1999. If the number of employees at the end of FY 1999 (or when the count was taken) was unusually high or low due to temporary factors (e.g., a strike), enter the number of employees that reflects normal operations. If the number of employees fluctuates widely during the year due to seasonal business variations, report the average number of employees on the payroll during FY 1999. Base such an average on the number of employees on the payroll at the end of each pay period, month or quarter. If precise figures are not available, give your best estimate.

EMPLOYEE COMPENSATION — Expenditures made by an employer in connection with the employment of workers, including cash payments, payments-in-kind, and employer expenditures for employee benefit plans including those required by statute. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods.

• NUMBER OF EMPLOYEES		Number of employees			
		1			
66. Research and development employees — Employees engaged in R&D, including managers, scientists, engineers, and other professional and technical employees	2066				
67. All other employees	2067				
68. TOTAL NUMBER OF EMPLOYEES — <i>Sum of items 66 and 67*</i> →	2068				
69. Number of employees in item 68 who are U.S. citizens	2069				
• EMPLOYEE COMPENSATION		Amount			
		Bil.	Mil.	Thous.	Dols.
70. Wages and salaries — Employees' gross earnings (before payroll deductions), and direct and in-kind payments by the employer to employees	2070				
71. Employee benefit plans — Employer expenditures for all employee benefits plans	2071				
72. TOTAL EMPLOYEE COMPENSATION — <i>Sum of items 70 and 71*</i> →	2072				
• EMPLOYMENT OF PRODUCTION WORKERS ENGAGED IN MANUFACTURING ACTIVITIES		Number of employees			
		1			
Complete items 73, 74, and 75 only if the foreign affiliate has manufacturing activities, i.e., has at least one manufacturing code (ISI codes 3111–3399) entered in items 30 through 36 above. If more than one manufacturing code is shown, include data for production workers in all manufacturing activities combined.					
73. Number of production workers engaged in manufacturing activities	2073				
		Thousands of hours			
		1			
74. Hours worked by production workers in item 73	2074				
		Amount			
		Bil.	Mil.	Thous.	Dols.
75. TOTAL COMPENSATION OF PRODUCTION WORKERS — Wages and salaries and employer expenditures for employee benefit plans for production workers reported in item 73. →	2075				

* NOTE — If total number of employees, item 68, or total employee compensation, item 72, is zero — Explain

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued

Section D — Balance Sheet — See <i>Additional Instructions</i> for Part II, Section D on page 18 at the back of this form. Disaggregate all asset and liability items in the detail shown. Show accounts receivable and payable between the U.S. Reporter and its foreign affiliate in the proper asset and liability accounts of the foreign affiliate. Do not report them as a net amount.	BALANCES							
	Close FY 1999 (1)				Close FY 1998 (unrestated) (2)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
• ASSETS (Insurance companies see Special Instructions , B.3.a., page 20)	1				2			
76. Cash items 2076	\$				\$			
77. Trade accounts and trade notes receivable, current — Net of allowance for doubtful items 2077	1				2			
78. Other current receivables — Net of allowance for doubtful items 2078	1				2			
79. Inventories 2079	1				2			
80. Other current assets, including land held for resale and current marketable securities 2080	1				2			
Land and other property, plant, and equipment	1				2			
81. Land 2081	1				2			
82. Other property, plant, and equipment — Gross 2082	1				2			
83. Accumulated depreciation and depletion 2083	()		()	
Equity investments in other foreign affiliates of which this affiliate is a parent — Report on an equity basis foreign affiliates owned 20 percent and more (including majority-owned affiliates). Report at cost those owned less than 20 percent.	1				2			
84. That portion reported using the equity method 2084	1				2			
85. That portion reported using the cost method 2085	1				2			
86. Other equity investments and noncurrent marketable securities, receivables and other investments 2086	1				2			
87. Other noncurrent assets — Other noncurrent assets not reported elsewhere 2087	1				2			
88. TOTAL ASSETS — Sum of items 76 through 87 —————> 2088	\$				\$			
• LIABILITIES (Insurance companies see Special instructions , B.3.b., page 20)	1				2			
89. Trade accounts and trade notes payable, current 2089	1				2			
90. Other current liabilities and long-term debt 2090	1				2			
91. Other noncurrent liabilities 2091	1				2			
92. TOTAL LIABILITIES — Sum of items 89 through 91 —————> 2092	\$				\$			
• OWNERS' EQUITY — INCORPORATED AFFILIATE ONLY, complete items 93 through 97	1				2			
93. Capital stock and additional paid-in capital 2093	1				2			
94. Retained earnings (deficit) 2094	1				2			
95. Translation adjustment — Cumulative amount at year end (per FASB 52) 2095	1				2			
96. Other — Include involuntarily (or legally) restricted earnings — <i>Specify</i> 2096	1				2			
97. TOTAL OWNERS' EQUITY (INCORPORATED FOREIGN AFFILIATE) — Equals item 88 minus item 92 and, equals the sum of items 93 through 96. —————> 2097	\$				\$			
• OWNERS' EQUITY — UNINCORPORATED AFFILIATE ONLY, complete items 98 and 99	1				2			
98. TOTAL OWNERS' EQUITY (UNINCORPORATED FOREIGN AFFILIATE) — Equals item 88 minus item 92. —————> 2098	\$				\$			
99. Translation adjustment — Cumulative amount at year end (per FASB 52) — That portion of item 98 representing the affiliate's cumulative translation adjustment account. 2099	1				2			

Section E — Composition of External Finances of Foreign Affiliate — Entries in column (2) must equal certain items in Part III as follows: item 100 column (2) must equal item 148 column (1); item 101 column (2) must equal item 147 column (1).

• CLOSE FY 1999	TOTAL Equals sum of columns (2) to (5)																			
	(1)				(2)				(3)				(4)				(5)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.				
100. Current and noncurrent receivables and financial investments — Column (1) equals the sum of items 77, 78, 86, and that part of item 80, column (1), that is marketable securities. 2100	1				2				3				4				5			
101. Current liabilities and long-term debt — Column (1) equals the sum of items 89 and 90, column (1). 2101	1				2				3				4				5			

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued

Section F — Property, Plant and Equipment (PP&E) — See Additional Instructions for Part II, Section F on page 18 at the back of this form.

PP&E includes land, timber, mineral and like rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and capitalized tangible and intangible exploration and development costs, but excludes other types of intangible assets, and land held for resale.

Amount			
Bil.	Mil.	Thous.	Dols.

<p>• BALANCE, CLOSE FY 1998 (Insurance companies see Special Instructions, B.3.g., page 20.)</p> <p>102. Net book value of PP&E at close FY 1998 — The close FY 1998 value, before restatement due to change in the entity or accounting principles. Equals the sum of items 81, 82, and 83, column (2) —————></p>					2102	\$	1	
<p>• CHANGES DURING FY 1999</p> <p>103. Restatement due to change in entity or accounting principles — If the answer to item 11 was "Yes," give amount by which the net book value of item 102 would be restated due to a change in the entity or accounting principles. If a decrease, put amount in parentheses. Report gains (losses) resulting from the sale or disposition of subsidiaries of the affiliate and from the revaluation of assets (whether or not realized) in items 44 or 117 as appropriate.</p>					2103		1	
104. Net book value of transfers in from the U.S. Reporter or other foreign affiliates of U.S. Reporter					2104		1	
<p>Expenditure by the foreign affiliate for: (Insurance companies see Special Instruction, B.3.f. on page 20.)</p> <p>105. Land and mineral rights, including timber — Include expenditures for land and capitalized expenditures for mineral and timber rights. Exclude other capitalized expenditures for the exploration and development of natural resources and expenditures for land held for resale.</p>					2105		1	
106.	PP&E other than land, mineral and timber rights. (Report changes due to mergers and acquisitions in item 103 not in item 106 or 107.)			106. New	2106		1	
107.	<i>If it is burdensome to exclude all used plant, equipment, etc., from new, then include minor used items in item 106, and include only major used items in item 107.</i>			107. Used	2107		1	
108. Depreciation					2108	()	1	
109. Depletion					2109	()	1	
110. Other increases (decreases) — Specify					2110		1	
<p>• BALANCE, CLOSE FY 1999 (Insurance companies see Special Instructions, B.3.g., page 20.)</p> <p>111. Net book value of PP&E at close FY 1999 — Equals sum of items 102 through 110; must also equal the sum of items 81, 82 and 83 column (1). —————></p>					2111		1	
<p>• ADDENDUM</p> <p>112. Petroleum and mining exploration and development expenditures charged against income including expenditures charged against income to acquire or lease mineral rights — Do not include expenditures capitalized in prior years that are reclassified as expensed in the current year; such expenditures are considered to be expenditures only in the year when initially expended.</p>					2112		1	
BEA USE ONLY	1	2	3	4	5			
2139								

Section G — Change in Retained Earnings of Incorporated Foreign Affiliate or in Total Owners' Equity of Unincorporated Foreign Affiliate

Amount			
Bil.	Mil.	Thous.	Dols.

<p>113. Balance, close FY 1998 Incorporated affiliate — Enter amount from item 94, column (2). Unincorporated affiliate — Enter amount from item 98, column (2). —————></p>					2113	\$	1	
114. Net income (loss) — Enter amount from item 51.					2114		1	
<p>115. Dividends or net income remitted to owners Incorporated affiliate — Enter amount of dividends declared, before deduction of withholding taxes, out of current- and prior-period income on common and preferred stock. Exclude stock and liquidating dividends. Unincorporated affiliate — Enter amount of current- and prior-period net income remitted to owners during FY 1999.</p>					2115		1	
116. Stock dividends					2116		1	
<p>117. Certain unrealized gains (losses) not included in the determination of net income — Enter net unrealized gains (losses) not included in the determination of net income and, therefore, excluded from item 44 that were taken directly to retained earnings for an incorporated affiliate, or to owners' equity for an unincorporated affiliate. Report amount net of income tax effects, if any, on the gains (losses) — <i>Specify</i></p>					2117		1	
<p>118. Other increases (decreases) — Enter other increases (decreases) in retained earnings of an incorporated affiliate, including liquidating dividends, or in total owners' equity of an unincorporated affiliate, including capital contributions (return of capital) — <i>Specify</i></p>					2118		1	
<p>119. Balance, close FY 1999 — Sum of items 113, 114, 117, and 118, minus 115 and 116. Also, for an incorporated affiliate, this item equals item 94, column (1). For an unincorporated affiliate, this item equals item 98, column (1). —————></p>					2119	\$	1	

Remarks

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued

Section H — Interest, production royalty payments, taxes and subsidies.					Amount			
					Bil.	Mil.	Thous.	Dols.
120.	Interest received — Interest received by affiliate from, or credited to affiliate by, all payors, net of tax withheld at the source. Include all interest receipts included in items 41 and 45. Do not net against interest paid, item 121.	2120			1			
					\$			
121.	Interest paid — Interest paid, or credited, to all payees by the affiliate, gross of tax withheld. Do not net against interest received, item 120.	2121			1			
122.	Production royalty payments to foreign governments for natural resources, total — Report amounts paid or accrued for the year to foreign governments, their subdivisions and agencies. Include payments in kind at market value.	2122			1			
123.	Taxes (other than income and payroll taxes) and nontax payments (other than production royalty payments) — Report all such taxes and nontax payments whether or not included in revenues or expenses in the income statement. Include amounts paid or accrued for the year, net of refunds or credits, to foreign governments, their subdivision and agencies for — a. Sales, value added, consumption, and excise taxes collected by the affiliate on goods and services that the affiliate sold; b. Property taxes and other taxes on the value of assets or capital; c. Any remaining taxes (other than income or payroll taxes); and d. Import and export duties, license fees, fines, penalties, and all other payments or accruals of nontax liabilities (other than production royalty payments).	2123			1			
124.	Subsidies received — Monetary grants received from governments. Include all grants received from governments and quasi-governments that are not payments for property, goods, or services purchased, whether these receipts are reflected in current income, or used for investments in, or to cover losses of, property, plant, and equipment.	2124			1			
125.	BEA USE ONLY	2125			1			
Section I — Technology — See <i>Additional Instructions</i> for Part II, Section I, on page 18 at the back of this form.								
RESEARCH AND DEVELOPMENT (R&D) EXPENDITURES — Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, allocated overhead, and indirect costs.					Amount			
					Bil.	Mil.	Thous.	Dols.
NOTE — Items 126 through 128 pertain to R&D performed by the foreign affiliate, including R&D performed by the affiliate for others under contract. This is the basis on which National Science Foundation surveys request information on R&D. The FASB 2 measure of R&D (i.e., R&D from which the firm benefits) is the sum of items 127 and 129.					1			
126.	R&D performed BY the affiliate, total — <i>Sum of items 127 and 128</i> →	2126			1			
					\$			
127.	For the foreign affiliate's own account	2127			1			
128.	For others (including U.S. parents) under contract	2128			1			
129.	R&D performed FOR the affiliate by others (including the U.S. parent) on a contractual basis	2129			1			
ROYALTIES, LICENSE FEES, AND OTHER FEES FOR THE USE, SALE, OR PURCHASE OF INTANGIBLE PROPERTY Receipts — Include royalties, license fees, and other amounts received by or credited to this affiliate for the use or sale of intangible property.								
130.	Total Receipts — <i>Sum of items 131, 132, and 133</i> →	2130			1			
					\$			
131.	Received from or credited by U.S. persons other than the U.S. Reporter(s) of this affiliate	2131			1			
132.	Received from or credited by other foreign affiliate(s) of the U.S. Reporter(s) of this affiliate	2132			1			
133.	Received from or credited by other foreign persons	2133			1			
Payments — Include royalties, license fees, and other amounts paid or credited by this affiliate for the use or purchase of intangible property.								
134.	Total Payments — <i>Sum of items 135, 136, and 137</i> →	2134			1			
					\$			
135.	Paid or credited to U.S. persons other than the U.S. Reporter(s) of this affiliate	2135			1			
136.	Paid or credited to other foreign affiliate(s) of the U.S. Reporter(s) of this affiliate	2136			1			
137.	Paid or credited to other foreign persons	2137			1			
138.	BEA USE ONLY	2138	1	2	3	4	5	

Remarks

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER

Use Part III to report the line of direct ownership included in item 12, if any, and to report direct financial positions or transactions between the U.S. Reporter and foreign affiliate.

139. Did the U.S. Reporter named in item 1 have a direct ownership interest in this affiliate at any time during the affiliate's 1999 fiscal year (i.e., is any column of item 12 greater than zero)? — Mark (X) one.

3139	1	1	<input type="checkbox"/> Yes — Complete items 140 through 164 of Part III and then continue with item 172 of Part IV.
	1	2	<input type="checkbox"/> No — Complete only items 147, 148 and 160 through 164 of Part III and then continue with item 172 of Part IV.

Section A — U.S. Reporter's Equity in Foreign Affiliate's Net Income, Certain Realized and Unrealized Gains (Losses), and Dividends or Distributed Earnings — See Additional Instructions for Part III, Section A, on page 18 at the back of this form.

Enter the amounts which represent the U.S. Reporter's equity, based on its directly held equity interest. Thus if the U.S. Reporter holds both a direct and indirect equity interest, enter the amounts which represent only the directly held equity interest.

	Amount			
	Bil.	Mil.	Thous.	Dols.
140. Net income (loss) after provision for foreign income taxes — Enter U.S. Reporter's share of net income (loss), item 51. 3140	1			
For items 141 and 142: certain realized and unrealized gains (losses) (excluding translation adjustments) after foreign income taxes	1			
141. Included in item 140. U.S. Reporter's share of item 44 3141				
142. Not included in item 140, but taken directly to retained earnings for an incorporated affiliate, or to owners' equity for an unincorporated affiliate. U.S. Reporter's share of item 117. 3142				
143. Dividends on common and preferred stock of incorporated foreign affiliate (exclude stock and liquidating dividends) or distributed earnings of unincorporated foreign affiliate — Gross amount 3143	1			
144. Tax withheld on dividends or distributed earnings in item 143 3144	1			
145. Dividends on common and preferred stock of incorporated foreign affiliate or distributed earnings of unincorporated foreign affiliate — Net amount (item 143 minus item 144) 3145	1			
146. BEA USE ONLY 3146	1			

Section B — Debt and Other Intercompany Balances Between Foreign Affiliate and U.S. Reporter — See Additional Instructions for Part III, Section B, on page 18 at the back of this form.

Include current and long-term items, indebtedness resulting from a capital lease, and the net book value of equipment under a long-term operating lease.

	According to books of foreign affiliate				According to books of U.S. Reporter							
	Close FY 1999		Close FY 1998 (unrestated)		Close FY 1999		Close FY 1998 (unrestated)					
	(1)	(2)	(3)	(4)	(3)	(4)	(3)	(4)				
	Bil.	Mil. Thous.	Dols.	Bil. Mil. Thous. Dols.	Bil. Mil. Thous. Dols.	Bil. Mil. Thous. Dols.	Bil. Mil. Thous. Dols.	Bil. Mil. Thous. Dols.				
147. Owed to U.S. Reporter by the affiliate — That portion of items 89 and 90 representing amounts owed to U.S. Reporter 3147	1			2			3			4		
148. Owed to affiliate by the U.S. Reporter — That portion of items 77, 78 and 86 representing amounts due from U.S. Reporter 3148	1			2			3			4		
149. BEA USE ONLY 3149	1			2			3			4		

Remarks

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER — Continued

Section C — Change in U.S. Reporter's Equity in Capital Stock and/or Additional Paid-in Capital of Incorporated Foreign Affiliate or Equity Investment in Unincorporated Foreign Affiliate — See Additional Instructions for Part III, Section C, on page 18 at the back of this form.

Report transactions during the year that changed the U.S. Reporter's equity holdings in the foreign affiliate. Include equity changes due to treasury stock transactions with the U.S. Reporter and liquidating dividends. Exclude equity changes due to net income or (loss), stock and cash dividends, earnings distributions, balance sheet translation adjustments, treasury stock transactions with persons other than the U.S. Reporter and reorganizations in capital structure that do not affect total equity. Report all amounts at transaction value, i.e., the value of the consideration given (received) by the U.S. Reporter.

	Amount						
		Bil.	Mil. Thous.	Dols.			
• INCREASE IN U.S. REPORTER'S EQUITY INTEREST IN THIS AFFILIATE							
150. Establishment of affiliate or acquisition (partial or total) of equity interest in this affiliate by U.S. Reporter either from this affiliate or from other foreign persons	3150	\$					
151. Capital contributions and other transactions of the U.S. Reporter with foreign persons that increase equity in this affiliate — Specify	3151						
152. Acquisition (partial or total) of equity interest in this affiliate by U.S. Reporter from other U.S. persons	3152						
• DECREASE IN U.S. REPORTER'S EQUITY INTEREST IN THIS AFFILIATE							
153. Liquidation of affiliate or sale (partial or total) of equity interest in this affiliate by the U.S. Reporter either to this affiliate or to other foreign persons	3153						
154. Return of capital contributions to the U.S. Reporter and other transactions of the U.S. Reporter with foreign persons that decrease equity in this affiliate — Specify	3154						
155. Sale (partial or total) of equity interest in this affiliate by U.S. Reporter to other U.S. persons	3155						
156. TOTAL — Equals sum of items 150, 151, and 152, minus sum of items 153, 154 and 155	3156	\$					
• For items 150 through 155, enter the amounts by which the transaction value —		For acquisition (1)			For liquidation or sale (2)		
		Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.
157. Exceeds the value carried on the books of the affiliate	3157	\$			\$		
158. Is less than the value carried on the books of the affiliate	3158						
159. BEA USE ONLY	3159						

	Receipts by U.S. Reporter from foreign affiliate				Payments by U.S. Reporter to foreign affiliate				
	Net of foreign tax withheld (1)		Foreign tax withheld (2)		Net of U.S. tax withheld (3)		U.S. tax withheld (4)		
	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.
160. Interest on amounts reported in items 147 and 148, including interest on capital leases	3160	\$		\$		\$		\$	
161. Royalties, license fees, and other fees for the use or sale of intangible property	3161								
162. Charges for use of tangible property — Report film and television tape rentals in item 163.	3162								
163. Film and television tape rentals	3163								
164. Allocated expenses and sales of services — Sum of items a through f below	3164								
By type — See the Additional Instructions, page 19, at the back of this form for an explanation of how to report each type of service									
a. Insurance services — To avoid duplication with other BEA surveys, report only receipts or payments between a foreign insurance affiliate and those parts of the fully consolidated U.S. Reporter that are not insurance companies (i.e., not in ISI codes 5243 or 5249).	3165								
b. Financial services	3166								
c. Transportation	3167								
d. Computer and information services	3168								
e. Communication services	3169								
f. Other services — Such as management, professional, technical, or other services — Specify primary type(s) of service(s) performed.	3170								
165.—171. BEA USE ONLY	3171								

Part IV — U.S. MERCHANDISE TRADE OF FOREIGN AFFILIATE — Goods only valued f.a.s. at port of exportation; do not include services — See Additional Instructions for Part IV on page 19 at the back of this form.

IMPORTANT NOTES

This section requires the reporting of data on U.S. merchandise trade of the foreign affiliate in FY 1999. Report data on a "shipped" basis, i.e., on the basis of when and to (or by) whom the goods were shipped. This is the same basis as official U.S. trade statistics to which these data will be compared. Do **not** record a U.S. import or export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the foreign affiliate by, or charged by the foreign affiliate to, a U.S. person.

Foreign affiliates normally keep their accounting records on a "charged" basis, i.e., on the basis of when and to (or by) whom the goods were charged. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. If there is a material difference, the "shipped" basis must be used or adjustments made to the data on a "charged" basis to approximate a "shipped" basis.

172. On what basis were the trade data in the section prepared? — Mark (X) one.

- 4172 1 "Shipped" basis
 2 "Charged" basis without adjustments, because there is no material difference between the "charged" and "shipped" bases.
 3 "Charged" basis with adjustments to correct for material differences between the "charged" and "shipped" bases.

Section A — U.S. MERCHANDISE EXPORTS TO THIS FOREIGN AFFILIATE (Valued f.a.s. U.S. port)	TOTAL		Shipped by U.S. Reporter(s)		Shipped by other U.S. persons	
	(1)		(2)		(3)	
	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.
173. Total goods shipped in FY 1999 from the U.S. to this affiliate						
a. Sum of items 174 through 183 must equal item 173, and						
b. Sum of items 184 through 187 must also equal item 173.						
BY PRODUCT See the classifications in the "Foreign Trade Classifications" starting on page 50 of the Guide to Industry and Foreign Trade Classifications for International Surveys , which are to be used in classifying U.S. merchandise exports and imports.						
174. Food, live animals, beverages, and tobacco (SITC 0 and 1)						
175. Crude materials, inedible, except fuels (SITC 2)						
176. Mineral fuels, lubricants and related materials (SITC 3)						
177. Chemicals and related products (SITC 5)						
178. Industrial machinery and equipment (SITC 71-74)						
179. Office machines and automatic data processing machines (SITC 75)						
180. Telecommunications, sound equipment, and other electrical machinery and parts (SITC 76 AND 77)						
181. Road vehicles (including air-cushion vehicles) and parts (SITC 78) — Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.*						
182. Other transport equipment (SITC 79) — Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.*						
183. Other products (SITC 4, 6, 8, and 9) — Specify all entries greater than \$10 million.						
BY INTENDED USE						
184. Capital equipment and other goods charged to fixed asset accounts — Item 106 or item 107 must have an entry.						
185. Goods intended for further processing, assembly, or manufacture by this affiliate before resale to others						
186. Goods for resale without further processing, assembly, or manufacture by affiliate						
187. Other — Specify						

* Some parts that are shipped separately are included in items 181 and 182; however, others are included in product categories appropriate to the type of part based, not on the part's end-use, but rather on the main type of material from which it is made or its general function. Major examples of such parts are gasoline and diesel engines (include in item 178); air conditioners for motor vehicles (item 178); lamps, batteries, and electrical parts for engines (item 180); and tires and tubes (item 183). For more complete information, see the **Guide to Industry and Foreign Trade Classifications for International Surveys, page 50.**

Remarks

Part IV — U.S. MERCHANDISE TRADE OF FOREIGN AFFILIATE — Goods only valued f.a.s. at port of exportation; do not include services — Continued

Section B — U.S. MERCHANDISE IMPORTS FROM THIS FOREIGN AFFILIATE (Valued f.a.s. foreign port)	TOTAL		Shipped to U.S. Reporter(s)		Shipped to other U.S. persons	
	(1)		(2)		(3)	
	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.
188. Total goods shipped in FY 1999 to the United States by this affiliate — Equals the sum of items 189 through 198. 4188	\$			\$		
BY PRODUCT — See the classifications in the "Foreign Trade Classifications" starting on page 50 of the Guide to Industry and Foreign Trade Classifications for International Surveys , which are to be used in classifying U.S. merchandise exports and imports.	1			2		
189. Food, live animals, beverages, and tobacco (SITC 0 and 1) 4189						
190. Crude materials, inedible, except fuels (SITC 2) 4190						
191. Mineral fuels, lubricants and related materials (SITC 3) 4191						
192. Chemicals and related products (SITC 5) 4192						
193. Industrial machinery and equipment (SITC 71-74) 4193						
194. Office machines and automatic data processing machines (SITC 75) 4194						
195. Telecommunications, sound equipment, and other electrical machinery and parts (SITC 76 AND 77) 4195						
196. Road vehicles (including air-cushion vehicles) and parts (SITC 78) — Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.* 4196						
197. Other transport equipment (SITC 79) — Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.* 4197						
198. Other products (SITC 4, 6, 8, and 9) — Specify all entries greater than \$10 million. 4198						
* Some parts that are shipped separately are included in items 196 and 197; however, others are included in product categories appropriate to the type of part based, not on the part's end-use, but rather on the main type of material from which it is made or its general function. Major examples of such parts are gasoline and diesel engines (include in item 193); air conditioners for motor vehicles (item 193); lamps, batteries, and electrical parts for engines (item 195); and tires and tubes (item 198). For more complete information, see the Guide to Industry and Foreign Trade Classifications for International Surveys, page 50.						
199. BEA USE ONLY 4199	1		2		3	4
						5

Remarks

LIST OF ALL FOREIGN AFFILIATES IN WHICH THE REPORTING FOREIGN AFFILIATE (AS CONSOLIDATED) HAS A DIRECT EQUITY INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED ON THIS FORM BE-10B(LF) — Continued

Page No. _____ of _____ pages
of this Supplement A

	(1) Name of each foreign affiliate, as taken from item 2 of the Form BE-10B(LF) or BE-10B(SF) for that affiliate, in which a direct equity interest is held	(2) Affiliate identification number taken from the preprinted Form BE-10B(LF) or BE-10B(SF), if provided, of each foreign affiliate listed in column (1)	(3) BEA USE ONLY	Percentage of direct ownership in the foreign affiliate listed in column (1) held by the foreign affiliate named in the identification block above (Enter percentage to the nearest tenth.)	
				(4) Close FY 1999	(5) Close FY 1998
5016				. %	. %
5017				. %	. %
5018				. %	. %
5019				. %	. %
5020				. %	. %
5021				. %	. %
5022				. %	. %
5023				. %	. %
5024				. %	. %
5025				. %	. %
5026				. %	. %
5027				. %	. %
5028				. %	. %
5029				. %	. %
5030				. %	. %
5031				. %	. %
5032				. %	. %

LIST OF ALL FOREIGN AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING FOREIGN AFFILIATE

Supplement B — This list must be completed for the foreign affiliate for which the U.S. Reporter is reporting consolidated financial and operating data to BEA; each foreign affiliate fully consolidated must be more than 10 percent owned, directly or indirectly, by the U.S. Reporter and must also be more than 50 percent owned by the foreign affiliate named in item 2, of Form BE-10B(LF). The number of foreign affiliates listed below plus the reporting foreign affiliate must agree with Part I, item 3, of Form BE-10B(LF). Continue listing onto as many copied pages as needed.

NOTE — Consolidate affiliates only if they are located in the same country and are in the same BEA 4-digit industry or are integral parts of the same business operation.

<p>BEA USE ONLY</p> <p>(1)</p>	<p>(2)</p> <p>Name and country of location of each foreign affiliate fully consolidated in this Form BE-10B(LF)</p>	<p>(3)</p> <p>Name of foreign affiliate which holds the direct equity interest in the foreign affiliate listed in column (2)</p>	<p>(4)</p> <p>Percentage of direct ownership at close FY 1999 which the foreign affiliate listed in column (3) has in the foreign affiliate listed in column (2) (Enter percentage to the nearest tenth.)</p>
6002			. %
6003			. %
6004			. %
6005			. %
6006			. %
6007			. %
6008			. %
6009			. %
6010			. %
6011			. %
6012			. %
6013			. %
6014			. %
6015			. %

**LIST OF ALL FOREIGN AFFILIATES FULLY CONSOLIDATED INTO THE
REPORTING FOREIGN AFFILIATE — Continued**

Page No. _____ of _____ pages
of this Supplement B

(1) BEA USE ONLY	(2) Name and country of location of each foreign affiliate fully consolidated in this Form BE-10B(LF)	(3) Name of foreign affiliate which holds the direct equity interest in the foreign affiliate listed in column (2) <i>(Enter percentage to the nearest tenth.)</i>	(4) Percentage of direct ownership at close FY 1999 which the foreign affiliate listed in column (3) has in the foreign affiliate listed in column (2) <i>(Enter percentage to the nearest tenth.)</i>
6016			
6017			. %
6018			. %
6019			. %
6020			. %
6021			. %
6022			. %
6023			. %
6024			. %
6025			. %
6026			. %
6027			. %
6028			. %
6029			. %
6030			. %
6031			. %
6032			. %

**BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD —
1999
FORM BE-10B(LF)
ADDITIONAL INSTRUCTIONS BY LINE ITEM**

Part I — IDENTIFICATION OF FOREIGN AFFILIATE

7. Country of location — Enter "International" if the affiliate is engaged in petroleum shipping, other water transportation, or oil and gas drilling, and has operations spanning more than one country. For example, classify as "International" an oil drilling rig that moves from country to country during the year.

12. Ownership by U.S. Reporter named in item 1.

Equity interest is the U.S. Reporter's direct ownership in the total equity (voting and nonvoting) of the affiliate. Examples of nonvoting equity include nonvoting stock and a limited partner's interest in a partnership.

Voting interest The U.S. Reporter's direct ownership in just the voting equity of the affiliate. Examples of voting equity include voting stock and a general partner's interest in a partnership. Thus, a U.S. Reporter could have a 100 percent direct voting interest in an affiliate but own less than 100 percent of the affiliate's total equity.

30.—38.

Sales or gross operating revenues of foreign affiliate, by industry of sales or gross operating revenues. (Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 20. Also see Additional Instructions for Part II, Section A, item 41 below.)

Holding companies (ISI code 5512) must show total income as reported in item 46. To be considered a holding company, income from equity investments (items 42 and 43) must be more than 50 percent of total income (item 46). In addition, normally at least 50 percent of total assets must consist of investments in affiliates. ISI code 5512, (holding company), is an invalid classification if more than 50 percent of income generated, or expected to be generated, by an affiliate is from non-holding company activities.

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

• **Section A — Income Statement**

41. Sales or gross operating revenues, excluding sales taxes — Report gross operating revenues or gross sales minus returns, allowances, and discounts. Exclude sales or consumption taxes levied directly on the consumer. Exclude net value-added and excise taxes levied on manufacturers, wholesalers, and retailers. Affiliates classified in ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 report interest income on this line. Insurance companies with ISI codes 5243 and 5249 should include gross investment income on this line. (Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 20.)

42. Income from equity investments in foreign affiliates — Report income from equity investments shown on lines 84 and 85 of all foreign affiliates whether or not they are required to file a form BE-10B. Do not report interest income here. Report interest on lines 41 or 45 as appropriate.

43. Income from other equity investments — Report income from equity investments included on line 86. For investments carried on the equity basis, report equity in earnings during the reporting period. For investments carried on the cost basis, report dividends. Do not include interest income here. Report interest on lines 41 or 45 as appropriate.

45. Other income — Report non-operating and other income not included above.

47. Cost of goods sold or services rendered and selling, general, and administrative expenses — Report operating expenses that relate to sales or gross operating revenues (item 41) and selling, general, and administrative expenses. Include production royalty payments to governments, their subdivisions and agencies, and to other persons. Include depletion charges representing the amortization of the actual cost of capital assets but exclude all other depletion charges. *Do not include tax or percentage depletion charges.* Companies with ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 should include interest expense.

48. Foreign income taxes — Exclude production royalty payments and U.S. income taxes.

49. Other costs and expenses not included above, including minority interests in income (loss) that arise out of consolidation — Report income and expenses on lines 41 through 48 at their full amounts. Do not report amounts net of minority interest. Instead, include the net impact of any minority interest in the income and expense items as a lump sum on this line.

• **Section B — Distribution of Sales or Gross Operating Revenues**

52.—55.

Distribution of Sales or Gross Operating Revenues — Distribute sales consistent with the industry codes reported in column 1 of items 30 through 36. When a sale consists of both goods and services and cannot be unbundled (i.e., the goods and services are not separately billed), classify it as a good or service based on whichever accounts for a majority of the value. If actual figures are not available, give best estimates.

54. Sales of services — Report the source of real estate rental income in columns 2 through 7 based on the location of the property.

55. Finance or insurance companies that include investment income in gross operating revenues should report the source of such investment income in columns 2 through 7 based on the location of the issuer of the financial instrument whether publicly issued or privately placed. If the location of the issuer is unknown, then substitute the nationality of the issuer. If both the location and nationality of the issuer are unknown, and an intermediary (e.g. trustee, custodian, or nominee) is used to manage the investment (financial instrument or real estate) use the country of location of the intermediary.

• **Section C — Number of Employees and Employee Compensation**

66. Research and development employees — Research and development employees are scientists, engineers, and other professional and technical employees, including managers, who spend all or a majority of their time engaged in scientific or engineering R&D work, at a level that requires knowledge of physical or life sciences, engineering, or mathematics at least equivalent to that acquired through completion of a four-year college course with a major in one of these fields (i.e., training may be either formal or by experience).

70.—72.

Employee compensation — Consists of wages and salaries of employees and employer expenditures for all employee benefit plans.

70. Wages and salaries — Report gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to independent personnel who are not employees.

Include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer. (Include employer contributions to benefit funds in "employee benefit plans" as discussed in item 71 below.)

Include in-kind payments, valued at their cost, that are clearly and primarily of benefit to the employees as consumers. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement of business expenses.

71. Employee benefit plans — Report employer expenditures for all employee benefit plans, including those mandated by government statute, resulting from collective bargaining contracts and those that are voluntary. Include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. Also, include deferred post employment and post retirement expenses per FASB 106. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

73. Number of production workers engaged in manufacturing activities — Production workers are employees directly involved in the manufacturing activities of a business. They work on the physical production, and the handling and storage of goods, related services (e.g., maintenance and repair), and auxiliary production for a plant's own use (e.g., power plant). They include working foremen, but exclude other supervisory employees.

Affiliates which maintain employment and payroll records according to national (host country) definitions of wage or manual workers that do not differ significantly from the production worker concept described above, may submit data according to the host country definitions.

74. Hours worked by production workers — Hours worked include standby or reporting time but exclude holiday, vacation, sick leave, or other paid leave. Obtain data on hours worked from the payroll records. However, reasonable estimates are acceptable if using payroll records is burdensome. Such estimates may be derived, for example, by multiplying the number of production workers by your estimate of average hours worked per production worker for the reporting period. However, such estimates must include only hours worked (standby or reporting time), and exclude hours paid for holiday, vacation, sick leave, or other paid leave.

Data on hours worked, wages and salaries, and employee benefit plans, is used to derive hourly compensation rates for production workers. To check your estimates, compute the implied hourly compensation rate (i.e., divide the sum of wages and salaries plus employee benefit plans for production workers by their hours worked) to see if it appears reasonable.

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued

• **Section D — Balance Sheet**

76. Cash items — Include deposits in financial institutions and other cash items. Do NOT include overdrafts as negative cash. Instead, report overdrafts in item 90 (other current liabilities and long-term debt). Exclude certificates of deposits (CDs) of the affiliate held by others. Instead, report CDs in item 78 (other current receivables) or 86 (other equity investments and noncurrent marketable securities, receivables and other investments) as appropriate.

78. Other current receivables — Include the current portion of CDs held by others.

79. Inventories — Land development companies should exclude land held for resale (include in item 80). Finance and insurance companies should exclude inventories of marketable securities (include in item 80 or 86, as appropriate).

81. Land — Land refers to any part of the earth's surface. Report gross book value of all land owned including land on capital leases from others, per FASB 13. Exclude land held for resale.

82. Other property, plant, and equipment — Report gross book value of timber, mineral rights and similar rights owned. Also include structures, machinery, equipment, special tools, deposit containers, construction in progress, and capitalized tangible and intangible exploration and development costs of the foreign affiliate. Include items on capital leases from others, per FASB 13. Exclude all other types of intangible assets, and land held for resale. (Unincorporated affiliates include items owned by the U.S. Reporter(s) but in the affiliate's possession whether or not carried on the affiliate's books or records. However, insurance companies see Special Instructions B.2, page 20.)

84.— 85.

Equity investments in other foreign affiliates of which this affiliate is a parent — Report this affiliate's equity investment in other foreign affiliates of the U.S. Reporter(s), including branches of this affiliate. (If one of these lines has an entry, item 4 of this report must be answered "yes," the BE-10B(LF) Supplement A must be completed, and item 42 should contain data.)

86. Other equity investments and noncurrent marketable securities, receivables and other investments — Include the noncurrent portion of CDs held by others; other equity investments (whether carried at cost or on the equity basis); noncurrent marketable securities; other noncurrent investments and noncurrent trade accounts; and trade notes receivable net of allowance for doubtful items.

87. Other noncurrent assets — Include intangible assets net of amortization, and any other noncurrent assets not reported elsewhere.

90. Other current liabilities and long-term debt — Include overdrafts, other current liabilities not included in item 89, and long-term debt. Include intercompany debt as well as debt with unaffiliated parties. Also include lease obligations capitalized per FASB 13 with an original maturity of more than one year or with no stated maturity.

91. Other noncurrent liabilities — Include noncurrent items but exclude long-term debt. Include deferred taxes and minority interest in consolidated subsidiaries.

93. Capital stock and additional paid-in capital — Include common and preferred, voting and nonvoting capital stock and additional paid-in capital.

94. Retained earnings (deficit) — Include earnings retained by the corporation and legally available for dividends; earnings voluntarily restricted; and the cumulative balance of unrealized holding gains and losses due to changes in the valuation of available-for-sale securities per FASB 115.

• **Section F — Property, Plant and Equipment (PP&E) (Items 102 through 112)**

Include items leased from others (including land) under capital leases. Also include the capitalized value of timber, mineral and similar rights leased by the affiliate from others. Do not include items the affiliate has sold under a capital lease.

Exclude from expenditures (items 105, 106 and 107) all changes in PP&E, resulting from a change in the entity (e.g. mergers, acquisitions, divestitures, etc.) or accounting principles during FY 1999. Account for such changes in item 103.

For foreign affiliates engaged in exploring for or developing natural resources, include in items 105, 106 and 107 exploration and development expenditures made during FY 1999 that were capitalized, including capitalized expenditures to acquire or lease mineral rights. Include in item 110 adjustments for expenditures charged against income in prior years but subsequently capitalized during FY 1999.

108. Depreciation — Do not include depletion. Report depletion separately in item 109.

110. Other increases (decreases) — Include the net book value of sales, retirements, or transfers out of assets, and other increases (decreases). Do not include divestitures of subsidiaries. Include divestitures of subsidiaries on line 103. Report gains (losses) from the sale or disposition of property, plant and equipment in item 44.

• **Section I — Technology**

126.—129.

Research and development expenditures — Research and development (R&D) includes basic and applied research in science and engineering, and the design and development of prototypes and processes, if the purpose of such activity is to:

1. Pursue a planned search for new knowledge whether or not the search has reference to a specific application;
2. Apply existing knowledge to the creation of a new product or process, including evaluation of use; or
3. Apply existing knowledge to the employment of a present product or process.

R&D includes the activities described above, whether assigned to separate R&D organizational units of the company or conducted by company laboratories and technical groups that are not a part of a separate R&D organization.

Include all costs incurred to support R&D, including R&D depreciation and overhead. Exclude capital expenditures, routine product testing and quality control conducted during commercial production, geological and geophysical exploration, market research and surveys, and legal work pertaining to patents.

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER

• **Section A — U.S. Reporter's Equity in Foreign Affiliate's Net Income, Certain Realized and Unrealized Gains (Losses), and Dividends or Distributed Earnings**

143. Report this item based on the books of the U.S. Reporter. Report amount received or entered into intercompany accounts, whichever occurred first. Include amounts for which payment was made in kind. If a receivable was booked in a prior reporting period, do not report the collection of the receivable in the current period. Show the collection as a reduction to the intercompany account item 147.

• **Section B — Debt and Other Intercompany Balances Between Foreign Affiliate and U.S. Reporter**

147.—148.

Disaggregate lease payments into their component parts. Reflect return of capital, consisting of principal payments for capital leases and the depreciation component for operating leases, in items 147 and 148. Report the interest component under capital leases in item 160. Report the net rent for operating leases in item 162.

147. If the foreign affiliate has leased equipment from the U.S. Reporter under a long-term operating lease (i.e., the lease is for more than one year), then:

Include the FY 1999 closing net book value of the leased equipment in columns 1 and 3, and;

Include the FY 1998 closing net book value of the leased equipment in columns 2 and 4.

The closing net book value of leased equipment would have to be obtained from the books of the U.S. Reporter.

148. If the foreign affiliate has leased equipment to the U.S. Reporter under a long-term operating lease (i.e., the lease is for more than one year), then:

Include the FY 1999 closing net book value of the leased equipment in columns 1 and 3, and;

Include the FY 1998 closing net book value of the leased equipment in columns 2 and 4.

The closing net book value of leased equipment would be obtained from the books of the foreign affiliate.

• **Section C — Change in U.S. Reporter's Equity in Capital Stock and/or Additional Paid-in Capital of Unincorporated Foreign Affiliate or Equity Investment in Unincorporated Foreign Affiliate.**

Increase in U.S. Reporter's Equity Interest in This Affiliate

150.—152.

For a newly established or acquired affiliate, report what the U.S. Reporter paid and/or borrowed to establish or acquire the affiliate in item 150 or 152 as appropriate. Do not report the book value of the equity interest if it differs from what was paid.

Decrease in U.S. Reporter's Equity Interest in This Affiliate

153.—155.

For an affiliate that is sold, report the sale price in item 153 or 155 as appropriate. Include foreign income taxes, if any, on gains (and tax refunds on losses) in the calculation of these items. Report the ending intercompany debt position for the affiliate (in columns 1 and 3 of items 147 and 148) as zero. If debt positions still exist, they are between a U.S. person and an unaffiliated foreign person, and may be reportable on the Department of the Treasury International Capital report forms.

For investments written off, enter zero in items 153-155. Report the amount written off in item 157 or 158 as appropriate. If an account receivable due to the U.S. Reporter from the affiliate is written off, report the amount of the receivable in item 151 as a capital contribution and include in the computation of 157 or 158 as appropriate.

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER — Continued

Transaction Value Exceeds or is Less Than the Value Carried on the Books of the Affiliate

157.—158.

If the book value of the U.S. Reporter's equity investment changed by more or less than the value of the consideration paid, received, or owed, enter the amount of the difference in item 157 or 158 as appropriate. For example, if the book value of an affiliate was \$10 million and the affiliate was sold for \$11 million, enter \$1 million in column 2 of item 157. Report the amount gross of U.S. income taxes, if any.

• Section D — Receipts and Payments Between the U.S. Reporter and Foreign Affiliate

160.—164. Include amounts for which payment was made in kind.

If a receivable or payable for one of these items was booked in a prior reporting period, do not report the collection of the receivable or payment of the payable if collected or paid in the current period. Show such a collection or payment only as a reduction to an intercompany account (items 147 and 148).

160. Interest — Except as described in the next paragraph, report interest receipts and interest payments at gross. Do not net the receipts against the payments.

Reporting for Interest Rate and Foreign Currency Swap Agreements Between the U.S. Reporter and the Foreign Affiliate — Report interest accruals under the terms of interest rate and foreign currency swap agreements on a net basis. Do not report gross receipts and gross payments of interest based upon marking positions to market daily. Instead, report the net amount of these gross receipts or payments either as net interest received or net interest paid, as appropriate. Record any explicit fees paid to, or received from, a foreign affiliate for arranging a swap as a charge for services rendered in item 164b (Financial services).

162. Charges for use of tangible property

Include in column 1 rental payments to the U.S. Reporter under operating leases of one year or less. Include net rental payments to the U.S. Reporter under operating leases of more than one year. (Net rent equals the total rents paid to the U.S. Reporter for the reporting period less the return of capital (depreciation) component charged against the leased equipment on the books of the U.S. Reporter for the part of FY 1999 that the lease was in existence.)

Include in column 3 rent receipts from the U.S. Reporter under operating leases of one year or less. Include net rent receipts from the U.S. Reporter under operating leases of more than one year. (Net rent equals the total rents received from the U.S. Reporter less the amount of depreciation expense charged against the leased equipment on the books of the foreign affiliate for that part of FY 1999 that the lease was in existence.)

164. Allocated expenses and sales of services — Include allocated expenses (such as R&D assessments) and reimbursements between the U.S. Reporter and the affiliate for management, professional, technical, or other services that are normally included in "other income" (line 45 of this form and line 40 of Form BE-10A) by the provider of the service. Also include receipts by the U.S. Reporter from, or payments by the U.S. Reporter to, the affiliate for services that are separately billed and normally included in the sales or gross operating revenues of the seller of the service (line 41 of this form and line 37 of Form BE-10A).

a. Insurance services — Report in column 1 amounts received by the U.S. Reporter from the foreign affiliate for losses incurred by the U.S. Reporter under primary insurance sold to the U.S. Reporter by the foreign affiliate. Report in column 3 premiums paid by the U.S. Reporter to the foreign affiliate for the purchase of primary insurance from the foreign affiliate.

b. Financial Services — Report in columns 1 and 3 fees and commissions for financial services. Include brokerage commissions on transactions executed for the U.S. Reporter's (or foreign affiliate's) own account, or for the account of its customers. Also include selling concessions received from a U.S. Reporter (or foreign affiliate) who is a lead underwriter.

c. Transportation — Report in column 1 amounts received by the U.S. Reporter from the foreign affiliate for carrying merchandise from the United States to foreign destinations and for carrying freight between foreign destinations. Report in column 3 amounts paid by the U.S. Reporter to the foreign affiliate for carrying merchandise from foreign countries to U.S. destinations or between foreign destinations.

d. Computer and information services — Report in columns 1 and 3 receipts and payments for computer and data processing services, including data entry, processing, and tabulation; computer systems analysis, design, engineering and custom programming; and other computer services including time sharing, maintenance and repair. Also report receipts and payments for database and other information services, including business, financial, or technical databases; reservation systems; and credit reporting and authorization systems.

e. Communication services — Report in columns 1 and 3 receipts and payments between the U.S. Reporter and the foreign affiliate for:

Message telephone services and other jointly provided (basic) services — Report receipts for the U.S. Reporter's share of revenues for transmitting messages (including voice, data, video, satellite, images, telex, telegram, cable, etc.) originating abroad to or through U.S. destinations, or between foreign destinations. Report payments for transmitting messages originating in, or routed through, the United States to foreign destinations.

Private leased channel services — Report receipts for channels and circuits terminating in the United States and for channels and circuits between foreign countries. Report payments for leased channels and circuits terminating in foreign countries.

Value-added telecommunications services — Electronic mail, voice mail, and code and protocol processing; facsimile services and video conferencing; Internet connections (including Internet backbone and router services); and other value-added services.

Support services related to the maintenance and repair of telecommunications equipment, ground station services, capacity leasing for transiting, and launching of communications satellites.

Part IV — U.S. MERCHANDISE TRADE OF FOREIGN AFFILIATE

172.—198.

When there is a material difference between the "charged" and "shipped" bases and the data have not been filed on the "shipped" basis, or the necessary adjustments have not been made to approximate a "shipped" basis, then BEA will require the data to be refiled.

Differences between the "charged" and "shipped" bases may be substantial. A major difference arises when the U.S. Reporter buys goods in country A and sells them in country B, but the goods are shipped directly from country A to country B. Because the goods did not physically enter or leave the United States, they are not U.S. trade. However, when the U.S. Reporter records the transactions on its books, it shows a purchase charged to it from country A and a sale charged by it to country B. If the U.S. Reporter's trade data in this survey were prepared on the "charged" basis, the purchase and sale would appear incorrectly as a U.S. import and a U.S. export, respectively. Other differences arise when the U.S. Reporter charges the sale of its products to a foreign affiliate in one country, but ships the goods directly from the United States to an unaffiliated foreigner in another country. If the data are on the "shipped" basis, this is a U.S. export to an unaffiliated foreigner, not to the foreign affiliate and should not be recorded on the BE-10B of the foreign affiliate.

If a material difference exists between the "charged" and "shipped" bases, trade must be reported on the "shipped" basis. To do this, the U.S. Reporter may have to derive the data from export and import declarations filed with U.S. Customs or from shipping and receiving documents, rather than from accounting records, or may have to otherwise adjust its data from a "charged" to a "shipped" basis.

Definition of U.S. merchandise trade. The phrases "U.S. merchandise trade," "U.S. merchandise exports," and "U.S. merchandise imports" refer to physical movements of goods between the customs area of the United States and the customs area of a foreign country. Data in this section cover all goods that physically left or entered the U.S. customs area in FY 1999. Consigned goods must be included in the trade figures when shipped or received, even though not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned. Include capital goods but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or merchandise. Also exclude services. An affiliate's U.S. merchandise exports and imports may differ from the affiliate's purchases from or sales to the United States because purchases and sales may include services while merchandise exports and imports include only goods.

Exclude from exports and imports the value of goods that are in-transit. In-transit goods are **goods that are not** processed or consumed by residents in intermediate country(ies) through which they transit; the in-transit goods enter that country(ies) only because that country(ies) is along the shipping lines between the exporting and importing countries. In-transit imports are goods en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and in-transit exports are goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

Timing. Only include goods actually shipped between the United States and the affiliate during FY 1999 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. Reporter to the affiliate in FY 1999 that were charged or consigned in FY 2000, but exclude goods shipped to the affiliate in FY 1998 that were charged or consigned to the affiliate in FY 1999.

Trade of a foreign affiliate. Goods shipped by, or to, a foreign affiliate, whether or not actually charged or consigned by, or to, the foreign affiliate are considered to be trade of the foreign affiliate.

By (or to) whom goods were shipped. Shipment by, or to, an entity refers to the physical movement of merchandise to or from the U.S. customs area by, or to, that entity regardless of by, or to, whom the merchandise was charged or consigned. Thus, for example, if the U.S. Reporter charges goods to a German affiliate but ships them to an Italian affiliate, the goods should be recorded as U.S. merchandise exports shipped by the U.S. Reporter on the Form BE-10B(LF) or (SF) of the Italian affiliate, but not on the Form BE-10B(LF) or (SF) of the German affiliate. Similarly, if goods were charged by the U.S. Reporter to an affiliate but shipped to the affiliate by another U.S. person, the goods should be considered a U.S. merchandise export shipped by "other U.S. persons," not the U.S. Reporter, on the affiliate's Form BE-10B(LF) or (SF).

Note — Merchandise shipped by an independent carrier or a freight forwarder at the expense of an entity are shipments by that entity.

Valuation of exports and imports. Value U.S. merchandise exports and imports f.a.s. (free alongside ship) at the port-of-exportation. This includes all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging costs, and inland freight and insurance. It excludes all subsequent costs, such as loading costs, U.S. and foreign import duties, and freight and insurance from the port of exportation to the port of entry.

SUMMARY OF INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING — Continued

- 3311 Iron and steel mills and ferroalloys
- 3312 Steel products from purchased steel
- 3313 Alumina and aluminum production and processing
- 3314 Nonferrous metal (except aluminum) production and processing
- 3315 Foundries
- 3321 Forging and stamping
- 3322 Cutlery and hand tools
- 3323 Architectural and structural metals
- 3324 Boilers, tanks, and shipping containers
- 3325 Hardware
- 3326 Spring and wire products
- 3327 Machine shops, turned products, and screws, nuts, and bolts
- 3328 Coating, engraving, heat treating, and allied activities
- 3329 Other fabricated metal products
- 3331 Agriculture, construction, and mining machinery
- 3332 Industrial machinery
- 3333 Commercial and service industry machinery
- 3334 Ventilation, heating, air conditioning, and commercial refrigeration equipment
- 3335 Metalworking machinery
- 3336 Engines, turbines, and power transmission equipment
- 3339 Other general purpose machinery
- 3341 Computer and peripheral equipment
- 3342 Communications equipment
- 3343 Audio and video equipment
- 3344 Semiconductors and other electronic components
- 3345 Navigational, measuring, electro-medical, and control instruments
- 3346 Manufacturing and reproducing magnetic and optical media
- 3351 Electric lighting equipment
- 3352 Household appliances
- 3353 Electrical equipment
- 3359 Other electrical equipment and components
- 3361 Motor vehicles
- 3362 Motor vehicle bodies and trailers
- 3363 Motor vehicle parts
- 3364 Aerospace products and parts
- 3365 Railroad rolling stock
- 3366 Ship and boat building
- 3369 Other transportation equipment
- 3370 Furniture and related products
- 3391 Medical equipment and supplies
- 3399 Other miscellaneous manufacturing

WHOLESALE TRADE

DURABLE GOODS

- 4211 Motor vehicles and motor vehicle parts and supplies
- 4212 Furniture and home furnishings
- 4213 Lumber and other construction materials
- 4214 Professional and commercial equipment and supplies
- 4215 Metals and minerals (except petroleum)
- 4216 Electrical goods
- 4217 Hardware, and plumbing and heating equipment and supplies
- 4218 Machinery, equipment, and supplies
- 4219 Miscellaneous durable goods

NONDURABLE GOODS

- 4221 Paper and paper products
- 4222 Drugs and druggists' sundries
- 4223 Apparel, piece goods, and notions
- 4224 Grocery and related products
- 4225 Farm product raw materials
- 4226 Chemical and allied products
- 4227 Petroleum and petroleum products
- 4228 Beer, wine, and distilled alcoholic beverages
- 4229 Miscellaneous nondurable goods

RETAIL TRADE

- 4410 Motor vehicle and parts dealers
- 4420 Furniture and home furnishings stores
- 4431 Electronics and appliance stores
- 4440 Building material and garden equipment and supplies dealers
- 4450 Food and beverage stores
- 4461 Health and personal care stores
- 4471 Gasoline stations
- 4480 Clothing and clothing accessories stores
- 4510 Sporting goods, hobby, book, and music stores
- 4520 General merchandise stores
- 4530 Miscellaneous store retailers
- 4540 Nonstore retailers

TRANSPORTATION AND WAREHOUSING

- 4810 Air transportation
- 4821 Rail transportation
- 4833 Petroleum tanker operations
- 4839 Other water transportation
- 4840 Truck transportation
- 4850 Transit and ground passenger transportation
- 4863 Pipeline transportation of crude oil, refined petroleum products, and natural gas
- 4868 Other pipeline transportation
- 4870 Scenic and sightseeing transportation
- 4880 Support activities for transportation
- 4920 Couriers and messengers
- 4932 Petroleum storage for hire
- 4939 Other warehousing and storage

INFORMATION

- 5111 Newspaper, periodical, book, and database publishers
- 5112 Software publishers
- 5121 Motion picture and video industries
- 5122 Sound recording industries
- 5131 Radio and television broadcasting
- 5132 Cable networks and program distribution
- 5133 Telecommunications
- 5141 Information services
- 5142 Data processing services

FINANCE AND INSURANCE

- 5221 Depository credit intermediation (Banking)
- 5223 Activities related to credit intermediation
- 5224 Non-depository credit intermediation
- 5229 Non-depository branches and agencies
- 5231 Securities and commodity contracts intermediation and brokerage
- 5238 Other financial investment activities and exchanges
- 5242 Agencies, brokerages, and other insurance related activities
- 5243 Insurance carriers, except life insurance carriers
- 5249 Life insurance carriers
- 5252 Funds, trusts and other financial vehicles, except REITs

REAL ESTATE AND RENTAL AND LEASING

- 5310 Real estate
- 5321 Automotive equipment rental and leasing
- 5329 Other rental and leasing services
- 5331 Lessors of non-financial intangible assets (except copyrighted works)

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

- 5411 Legal services
- 5412 Accounting, tax preparation, bookkeeping, and payroll services
- 5413 Architectural, engineering, and related services
- 5414 Specialized design services
- 5415 Computer systems design and related services
- 5416 Management, scientific, and technical consulting services
- 5417 Scientific research and development services
- 5418 Advertising and related services
- 5419 Other professional, scientific, and technical services

MANAGEMENT OF COMPANIES AND ENTERPRISES

- 5512 Holding companies, except bank holding companies
- 5513 Corporate, subsidiary, and regional management offices

ADMINISTRATIVE AND SUPPORT, WASTE MANAGEMENT, AND REMEDIATION SERVICES

- 5611 Office administrative services
- 5612 Facilities support services
- 5613 Employment services
- 5614 Business support services
- 5615 Travel arrangement and reservation services
- 5616 Investigation and security services
- 5617 Services to buildings and dwellings
- 5619 Other support services
- 5620 Waste management and remediation services

EDUCATIONAL SERVICES

- 6110 Educational services

HEALTH CARE AND SOCIAL ASSISTANCE

- 6210 Ambulatory health care services
- 6220 Hospitals
- 6230 Nursing and residential care facilities
- 6240 Social assistance

ARTS, ENTERTAINMENT, AND RECREATION

- 7110 Performing arts, spectator sports, and related industries
- 7121 Museums, historical sites, and similar institutions
- 7130 Amusement, gambling, and recreation industries

ACCOMMODATIONS AND FOOD SERVICES

- 7210 Accommodations
- 7220 Foodservices and drinking places

OTHER SERVICES

- 8110 Repair and maintenance
- 8120 Personal and laundry services
- 8130 Religious, grantmaking, civic, professional, and similar organizations

PUBLIC ADMINISTRATION

- 9200 Public administration

FORM **BE-10B(SF) SHORT FORM (Report for Nonbank Foreign Affiliate)**
(REV. 6/99)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

MANDATORY — CONFIDENTIAL
BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 1999

MAIL REPORTS TO:

U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Washington, DC 20230

OR

DELIVER REPORTS TO:

U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Shipping and Receiving,
Section M-100
1441 L Street, NW
Washington, DC 20005

1. Name of U.S. Reporter of foreign affiliate — *Same as item 1, Form BE-10A*

2. Name of foreign affiliate being reported — *Use the same name on all reports filed subsequently for this affiliate with the Bureau of Economic Analysis, e.g., Forms BE-11 and BE-577.*

IMPORTANT

Read the **Instruction Booklet**, which contains definitions and reporting requirements, before completing this form. **"Additional" Instructions** specific to line items and **"Special" Instructions** for dealers in financial instruments and finance, insurance, and real estate companies are provided at the back of this form. For banks and bank holding companies, see the report forms for banks and the **Instruction Booklet**, Part I.C.

• **Who must report** — The U.S. Reporter must file Form BE-10B(SF) for:

- (1) each majority-owned nonbank foreign affiliate for which total assets; sales or gross operating revenues, excluding sales taxes; or net income after provision for foreign taxes was greater than \$7 million (positive or negative), but for which no one of these items was greater than \$100 million (positive or negative) at any time during the affiliate's 1999 fiscal year;
- (2) each minority-owned nonbank foreign affiliate for which total assets; sales or gross operating revenues excluding sales taxes; or net income after provision for foreign taxes was greater than \$7 million (positive or negative) at any time during the affiliate's 1999 fiscal year; and
- (3) each nonbank foreign affiliate of a U.S. **bank** Reporter for which total assets, sales or gross operating revenues excluding sales taxes, or net income after provision for foreign taxes was greater than \$7 million (positive or negative) at any time during the affiliate's 1999 fiscal year. See **Instruction Booklet**, Part I, for detailed reporting requirements.

NOTE — If the foreign affiliate is exempt from being reported on Form BE-10B(SF) and is not a bank, see the reporting requirements for form BE-10B(LF) and BE-10A SUPPLEMENT A. The foreign affiliate must be reported on one of those forms.

• **Foreign affiliate's 1999 fiscal year** — The foreign affiliate's financial reporting year that has an ending date in calendar year 1999. See **Instruction Booklet**, Part II.A.

• **Due date** — A complete BE-10 report is due on the following dates:

May 31, 2000 for a U.S. Reporter required to file fewer than 50 Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK;

June 30, 2000 for a U.S. Reporter required to file 50 or more Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK.

• **Translation of foreign currency financial and operating data into U.S. dollars** — Use U.S. generally accepted accounting principles (FASB 52). See **Instruction Booklet**, Part IV.B.

• **Currency amounts** — Report in U.S. dollars rounded to thousands (omitting 000). Do not enter amounts in the shaded portions of each line. **EXAMPLE** — If amount is \$1,334,891.00, report as

Bil.	Mil.	Thous.	Dols.
1	335		

If an item is between + or - \$500.00, enter "0." Use parenthesis () to indicate negative numbers.

• **Contact us for help** — Telephone: 202-606-5566; FAX: 202-606-5312 or 5317; E-mail: be10/11@bea.doc.gov.

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — See **Additional Instructions** for Part I on page 12 at the back of this form.

3. Number of foreign affiliates consolidated in this report — Do not consolidate affiliates located in two different countries. See the **Instruction Booklet**, Part I.B.2.c.(1). If your answer to this question is 2 or more, you must complete **Supplement B (page 11)** of this report. If this report is for a single foreign affiliate, enter "1" in the box.

1003	Number	1
------	--------	---

4. Does this foreign affiliate have a direct equity interest in other foreign affiliates, including branches of this affiliate, that are not fully consolidated in this BE-10B(SF)? — Mark (X) one.

1004	1 1	<input type="checkbox"/>	Yes — Complete Supplement A of this Form BE-10B(SF).
	1 2	<input type="checkbox"/>	No

5. Form of organization of this foreign affiliate — Mark (X) one.

1005	1 1	<input type="checkbox"/>	Corporation	1 2	<input type="checkbox"/>	Branch	1 3	<input type="checkbox"/>	Partnership	1 4	<input type="checkbox"/>	Other — Specify _____
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6. Country of incorporation or organization of this foreign affiliate — Mark (X) one.

1006	1 601	<input type="checkbox"/>	Australia	1 307	<input type="checkbox"/>	France	1 614	<input type="checkbox"/>	Japan	1 325	<input type="checkbox"/>	Switzerland
	1 202	<input type="checkbox"/>	Brazil	1 308	<input type="checkbox"/>	Germany	1 213	<input type="checkbox"/>	Mexico	1 327	<input type="checkbox"/>	United Kingdom
	1 100	<input type="checkbox"/>	Canada	1 314	<input type="checkbox"/>	Italy	1 319	<input type="checkbox"/>	Netherlands	1	<input type="checkbox"/>	Other — Specify _____

7. Country of location — Country in which this foreign affiliate's physical assets are located or where its primary activity is carried out — Mark (X) one.

1007	1 601	<input type="checkbox"/>	Australia	1 307	<input type="checkbox"/>	France	1 614	<input type="checkbox"/>	Japan	1 325	<input type="checkbox"/>	Switzerland
	1 202	<input type="checkbox"/>	Brazil	1 308	<input type="checkbox"/>	Germany	1 213	<input type="checkbox"/>	Mexico	1 327	<input type="checkbox"/>	United Kingdom
	1 100	<input type="checkbox"/>	Canada	1 314	<input type="checkbox"/>	Italy	1 319	<input type="checkbox"/>	Netherlands	1	<input type="checkbox"/>	Other — Specify _____

8. This foreign affiliate's financial books and records are kept in — Mark (X) one.

1008	1 1	<input type="checkbox"/>	The currency of the country of the affiliate as given in item 7. (Foreign affiliates located in European Monetary Union countries should check this box if they keep their books in the currency of the country of the affiliate or in euros.)
	1 2	<input type="checkbox"/>	U.S. dollars
	1 3	<input type="checkbox"/>	A foreign currency which is not that of the country of location of the affiliate as given in item 7

9. The ending date of this foreign affiliate's 1999 fiscal year.

	Month	Day	Year
1009	1		1999

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

10. Was the foreign business enterprise a foreign affiliate of the U.S. Reporter for only part of FY 1999?

1010 1 Yes, and this is its initial report — Affiliate was not previously reported

If "Yes," did the U.S. Reporter — Mark (X) one

- 2 1 Establish the foreign affiliate?
- 2 2 Acquire a voting interest of 10 percent or more in an existing foreign company from a foreign person?
- 2 3 Acquire a voting interest of 10 percent or more in this affiliate from a U.S. person? — Give name and address of U.S. person.

Enter date

Month	Year
3	

1 2 Yes, and this is its final report —

If "Yes," was the affiliate — Mark (X) one

- 2 4 Merged or reorganized?
- Sold:
 - 2 5 to a U.S. person? — Give name and address of U.S. person.

Enter date

Month	Year
3	

- 2 6 to a foreign person?
- 2 7 Liquidated?
- 2 8 Seized?

1 3 No

11. Was there a change in the entity due to mergers, acquisitions, divestitures, etc., or a change in accounting principles during FY 1999 that caused FY 1998 data to be restated? Mark (X) one.

1011 1 Yes — Report all close FY 1998 data before restatement, unless otherwise specified.

1 2 No

DIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — Enter percent of ownership, to a tenth of one percent, based on total voting stock, as applicable, if an incorporated affiliate, or an equivalent interest if an unincorporated affiliate, held directly by	Percent of ownership at close of fiscal year			
	Equity interest		Voting interest	
	1999 (1)	1998 (2)	1999 (3)	1998 (4)
12. U.S. Reporter named in item 1 — Report equity interest and voting interest.	1012	. %	. %	. %
13. Other foreign affiliate(s) of U.S. Reporter named in Item 1 — If entry is made here, complete items 19 and 20.	1013	. %	. %	. %
14. Other U.S. Reporter(s) of this foreign affiliate — If entry is made here, item 21 must be "Yes."	1014	. %	. %	. %
15. Foreign affiliate(s) of other U.S. Reporter(s) — If entry is made here, item 21 must be "Yes."	1015	. %	. %	. %
16. Other U.S. persons	1016	. %	. %	. %
17. Other foreign persons	1017	. %	. %	. %
18. TOTAL OF DIRECTLY HELD VOTING OWNERSHIP INTERESTS — Sum of items 12 through 17	1018	100.0 %	100.0 %	
19. INDIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — If there is an entry in item 13, enter U.S. Reporter's percent of indirect ownership in this affiliate. See Instruction Booklet, Part I.A.2., for instructions on how to complete indirect ownership percentages.	1019	. %	. %	. %
20. Identification of foreign affiliate parent(s) — If there is an entry in item 13, column (3) or column (4) — Enter below, the name(s) and percent(s) of ownership of each foreign affiliate of the U.S. Reporter named in item 1 holding a direct ownership interest in this foreign affiliate. Also, for each foreign affiliate in column (a) that is below the first tier in its ownership chain, enter in column (d) the name of the foreign affiliate that holds a direct ownership interest in it.				

Foreign affiliate holding direct ownership interest in this foreign affiliate			Name of foreign affiliate, if any, in ownership chain that holds direct interest in foreign affiliate named in column (a)	
Name and ID Number Enter name and BEA ID Number of foreign affiliate(s) holding a direct ownership interest in this foreign affiliate. (a)	BEA USE ONLY	Percent direct ownership in this foreign affiliate		
		Close FY 1999 (b)		Close FY 1998 (c)
a. 1191	1	. %	. %	(d)
b. 1192	1	. %	. %	
c. 1193	1	. %	. %	
d. TOTAL — Must equal percentages entered in Item 13	1020	. %	. %	

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

21. Do two or more U.S. persons each directly or indirectly own or control at least 10 percent of this foreign affiliate's voting rights? Mark (X) one.

- 1021 1 Yes — *Item 14 or 15 on page 2 must have an entry, and either item 22 or 23 must be completed. See Instruction Booklet, Part I.B.2.c.(2).*
 2 No — *Skip to item 28*

22. If the answer to item 21 is "Yes," and the U.S. Reporter named in item 1 is submitting the Parts II and IV data (i.e., the "complete" report) for this foreign affiliate — Give name(s) and mailing address(es) of the other U.S. Reporter(s) who is(are) not submitting the data.

Name	Mailing address

23. If the answer to item 21 is "Yes," and if the U.S. Reporter named in item 1 is not submitting the Parts II and IV data (i.e., is submitting a "partial" report) for this foreign affiliate — Give name and mailing address of U.S. Reporter who is submitting the data.

24. BEA USE ONLY	1024	1	2	3	4	5
25. BEA USE ONLY	1025	1	2	3	4	5
26. BEA USE ONLY	1026	1	2	3	4	5
27. BEA USE ONLY	1027	1	2	3	4	5

28. Major activity of foreign affiliate — Mark (X) one

A list, and explanation, of the International Surveys Industry (ISI) codes used below are given in the **Guide to Industry and Foreign Trade Classifications for International Surveys**. A list of ISI codes is also provided on page 15 of this form. For an inactive foreign affiliate, base the activity on its last active period. For "start-up" companies, show the intended activity.

- 1028 1 **Production of goods** — The foreign affiliate is primarily engaged in construction, mining or extracting (including exploration and development), manufacturing, fabricating, assembling, processing, or growing a good. These activities are coded in 1110 through 1140, 2111 through 2127, 2330 through 2350, and 3111 through 3399 of the list of ISI codes.
- 2 **Sales of goods** — The foreign affiliate is primarily engaged in selling (at wholesale or retail) goods that it does not produce. These activities are coded in 4211 through 4540 of the list of ISI codes.
- 3 **Services** — The foreign affiliate is primarily engaged in providing a service such as utilities, transportation and warehousing; information (including newspaper, periodical, book, and database publishers, and software publishers), finance and insurance; professional, scientific, and technical services; holding companies; administrative and support, waste management and remediation; accommodations and food services (including restaurants, and eating places), etc. These activities are coded in 1150, 2132, 2133, 2211 through 2213, and 4810 through 8130 of the list of ISI codes.

29. What is the MAJOR product or service involved in this activity? If a product, briefly state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, packaged, transported, etc. (For example, "Manufacture widgets to sell at wholesale.") — Please print or typewrite.

1029

Sales or gross operating revenues of foreign affiliate, by industry of sales or gross operating revenues. Enter in columns (1) and (2) respectively, the 4-digit ISI code(s) and the amount of sales or gross operating revenues associated with each code. For an inactive affiliate enter a 4-digit ISI code based on its last active period. See the **Guide to Industry and Foreign Trade Classifications for International Surveys** for a full explanation of each code. (Holding companies (ISI code 5512) must show total income as reported in item 42.)

	ISI code (1)	Sales or gross operating revenues (2)			
		Bil.	Mil.	Thous.	Dols.
30. Largest sales or gross operating revenues	1030	\$			
31. 2nd largest sales or gross operating revenues	1031				
32. 3rd largest sales or gross operating revenues	1032				
33. 4th largest sales or gross operating revenues	1033				
34. 5th largest sales or gross operating revenues	1034				
35. 6th largest sales or gross operating revenues	1035				
36. 7th largest sales or gross operating revenues	1036				
37. Sales or gross operating revenues not accounted for above	1037				
38. TOTAL SALES OR GROSS OPERATING REVENUES — Sum of items 30 through 37 (Insurance companies see Special Instructions, B.3.a., page 14.)	1038	\$			

39. BEA USE ONLY	1039	1	2	3	4	5
40. BEA USE ONLY	1040	1	2	3	4	5

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

Section A — Income Statement of Foreign Affiliate	Amount			
	Bil.	Mil.	Thous.	Dols.
• INCOME				
41. Certain realized and unrealized gains (losses) — Include gains (losses) net of income tax effects resulting from:				
a. Sale, disposition, or revaluation of investment securities (Dealers in financial instruments and finance and insurance companies see Special Instructions , A.1., page 14);				
b. Sale, disposition, or revaluation of land, other property, plant and equipment, or other assets. (Real estate companies see Special Instructions , A.2., page 14);				
c. Remeasurement of the foreign affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the period and transaction gains (losses) taken to income in accordance with FASB 52;				
d. Extraordinary items (except those resulting from legal judgments and accidental damage to fixed assets) and other unusual or infrequently occurring items.				
2044	\$			
42. TOTAL INCOME _____ →				
2046	\$			
• COSTS AND EXPENSES				
43. Foreign income taxes — Provision for foreign income taxes for FY 1999.				
2048				
44. TOTAL COSTS AND EXPENSES _____ →				
2050	\$			
• NET INCOME				
45. NET INCOME (LOSS) — <i>Item 42 minus item 44</i> _____ →				
2051	\$			
46. BEA USE ONLY				
2040				

Section B — Number of Employees and Employee Compensation — See *Additional Instructions Part II, Section B, on page 12 at the back of this form.*

NUMBER OF EMPLOYEES — Employees on the payroll at the end of FY 1999 including part-time employees, but excluding temporary and contract employees not included on your payroll records. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of employees on the payroll at the end of FY 1999. If the number of employees at the end of FY 1999 (or when the count was taken) was unusually high or low due to temporary factors (e.g., a strike), enter the number of employees that reflects normal operations. If the number of employees fluctuates widely during the year due to seasonal business variations, report the average number of employees on the payroll during FY 1999. Base such an average on the number of employees on the payroll at the end of each pay period, month or quarter. If precise figures are not available, give your best estimate.

EMPLOYEE COMPENSATION — Expenditures made by an employer in connection with the employment of workers, including cash payments, payments-in-kind, and employer expenditures for employee benefit plans including those required by statute. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods.

	Number of employees			
	Bil.	Mil.	Thous.	Dols.
47. TOTAL NUMBER OF EMPLOYEES* — Report the total number of employees for the year				
2068				
48. TOTAL EMPLOYEE COMPENSATION — Report, for all employees, the sum of				
a. Wages and salaries — Employees' gross earnings (before payroll deductions), and direct and in-kind payments by the employer to employees; and				
b. Employee benefit plan — Employer expenditures for all employee benefit plans				
2072	\$			

* NOTE — If total number of employees, item 47, or total employee compensation, item 48, is zero — *Explain*

Remarks

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued

Section C — Balance Sheet of Foreign Affiliate — See Additional Instructions for Part II, Section C on page 12 at the back of this form. Disaggregate all asset and liability items in the detail shown. Report accounts receivable and payable between the U.S. Reporter and its foreign affiliates in the proper asset and liability accounts of the foreign affiliate. Do not report them as a net amount.	BALANCES							
	Close of FY 1999 (1)				Close of FY 1998 (unrestated) (2)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
ASSETS (Insurance companies see Special Instructions , B.2 and 3.c., page 14)								
49. Current assets	2149	\$			\$			
50. Property, plant, and equipment, gross	2150							
51. Accumulated depreciation and depletion	2083	()	()	
52. Other noncurrent assets — Specify	2152							
53. TOTAL ASSETS — Sum of items 49 through 52	2088	\$			\$			
LIABILITIES (Insurance companies see Special Instructions , B.3.d, page 14)								
54. Current liabilities and long-term debt	2154							
55. Other noncurrent liabilities — Specify	2091							
56. TOTAL LIABILITIES — Sum of items 54 and 55	2092	\$			\$			
OWNERS EQUITY — INCORPORATED AFFILIATE ONLY , complete items 57 through 61								
57. Capital stock and additional paid-in capital	2093	\$			\$			
58. Retained earnings (deficit)	2094							
59. Translation adjustment — Cumulative amount at year end (per FASB 52)	2095							
60. Other — Include involuntarily (or legally) restricted earnings — Specify	2096							
61. TOTAL OWNERS' EQUITY (INCORPORATED FOREIGN AFFILIATE) — Equals item 53 minus item 56 and, equals the sum of items 57 through 60	2097	\$			\$			
OWNERS EQUITY — UNINCORPORATED AFFILIATE ONLY , complete items 62 and 63								
62. TOTAL OWNERS' EQUITY (UNINCORPORATED FOREIGN AFFILIATE) — EQUALS ITEM 53 MINUS ITEM 56	2098	\$			\$			
63. Translation adjustment — Cumulative amount at year end (per FASB 52) — That portion of item 62 representing the affiliate's cumulative translation adjustment account	2099							
Section D — Property, Plant and Equipment (PP&E) See Additional Instructions for Part II, Section D on page 12 at the back of this form. (Insurance companies also see Special Instructions , B.3.e., page 14)					Amount			
64. Expenditures for property, plant and equipment (PP&E) — PP&E includes land, timber, mineral and like rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and capitalized tangible and intangible exploration and development costs, but excludes other types of intangible assets, and land held for resale.	2164	\$						
65. BEA USE ONLY	2165							
Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER								
Use Part III to report the line of direct ownership included in item 12, if any, and to report direct financial positions or transactions between the U.S. Reporter and foreign affiliate.								
66. Did the U.S. Reporter named in item 1 have a direct ownership interest in this affiliate at any time during the affiliate's 1999 fiscal year (i.e., is any column of item 12 greater than zero)? — Mark (X) one.								
3139 <input type="checkbox"/> Yes — Complete items 67 through 84 of Part III and then continue with item 86 of Part IV. <input type="checkbox"/> No — Complete only items 70, 71 and 80 through 84 of Part III to report any direct financial positions or transactions between the U.S. Reporter and foreign affiliate and then continue with item 86 of Part IV.								
Section A — U.S. Reporter's Equity in Foreign Affiliate's Net Income, and Dividends or Distributed Earnings — See Additional Instructions for Part III, Section A, on page 12 at the back of this form.								
Enter the amounts which represent the U.S. Reporter's equity, based on its <u>directly held equity interest</u> . Thus if the U.S. Reporter holds both a direct and indirect equity interest, enter the amounts which represent <u>only</u> the directly held equity interest.								
Amount								
Bil. Mil. Thous. Dols.								
67. Net income (loss) after provision for foreign income taxes — Enter U.S. Reporter's share of net income, item 45.	3140	\$						
68. Dividends on common and preferred stock of incorporated foreign affiliate (Exclude stock and liquidating dividends) or distributed earnings of unincorporated foreign affiliate — net of foreign tax withheld.	3145							
69. BEA USE ONLY	3146							

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER — Continued

Section B — Debt and Other Intercompany Balances Between Foreign Affiliate and U.S. Reporter —
 See *Additional Instructions* for Part III, Section B, on pages 12 and 13 at the back of this form.

Include current and long-term items, indebtedness resulting from a capital lease, and the net book value of equipment under a long-term operating lease.

	According to books of foreign affiliate			
	Close FY 1999 (1)		Close FY 1998 (unrestated) (2)	
	Bil.	Mil. Thous.	Dols.	Dols.
70. Owed to U.S. Reporter by the affiliate — That portion of item 54 representing amounts owed to U.S. Reporter	3147	\$		\$
71. Owed to affiliate by the U.S. Reporter — That portion of items 49 and 52 representing amounts due from U.S. Reporter	3148			
72. BEA USE ONLY	3149			

Section C — Change in U.S. Reporter's Equity in Capital Stock and/or Additional Paid-in Capital of Incorporated Foreign Affiliate or Equity Investment in Unincorporated Foreign Affiliate — See *Additional Instructions* for Part III, Section C, on page 13 at the back of this form.

Report transactions during the year that changed the U.S. Reporter's equity holdings in the foreign affiliate. Include equity changes due to treasury stock transactions with the U.S. Reporter and liquidating dividends. Exclude equity changes due to net income or (loss), stock and cash dividends, earnings distributions, balance sheet translation adjustments, treasury stock transactions with persons other than the U.S. Reporter and reorganizations in capital structure that do not affect total equity. **Report all amounts at transaction value**, i.e., the value of the consideration given (received) by the U.S. Reporter.

• INCREASE IN U.S. REPORTER'S EQUITY INTEREST IN THIS AFFILIATE	Amount		
	Bil.	Mil. Thous.	Dols.
73. Establishment of affiliate or acquisition (partial or total) of equity interest in this affiliate by U.S. Reporter either from this affiliate or from other foreign persons	3150	\$	
74. Capital contributions and other transactions of the U.S. Reporter with foreign persons that increase equity in this affiliate — <i>Specify</i>	3151		
75. Acquisition (partial or total) of equity interest in this affiliate by U.S. Reporter from other U.S. persons	3152		
• DECREASE IN U.S. REPORTER'S EQUITY INTEREST IN THIS AFFILIATE			
76. Liquidation of affiliate or sale (partial or total) of equity interest in this affiliate by the U.S. Reporter either to this affiliate or to other foreign persons	3153		
77. Return of capital contributions to the U.S. Reporter and other transactions of the U.S. Reporter with foreign persons that decrease equity in this affiliate — <i>Specify</i>	3154		
78. Sale (partial or total) of equity interest in this affiliate by U.S. Reporter to other U.S. persons	3155		
79. TOTAL — Equals sum of items 73, 74, and 75, minus sum of items 76, 77, and 78	3156	\$	

Section D — Receipts and Payments Between the U.S. Reporter and Foreign Affiliate — See *Additional Instructions* for Part III, Section D, on page 13 at the back of this form.

Report these items based on the books of the U.S. Reporter. Enter amounts received, paid, or entered into intercompany accounts, whichever occurred first.

	Receipt by U.S. Reporter from foreign affiliate — net of foreign tax withheld (1)				Payments by U.S. Reporter to foreign affiliate — net of U.S. tax withheld (2)			
	Bil.	Mil. Thous.	Dols.	Dols.	Bil.	Mil. Thous.	Dols.	Dols.
80. Interest on amounts reported in items 70 and 71, including interest on capital leases	3160	\$			3	\$		
81. Royalties, license fees, and other fees for the use or sale of intangible property	3161				3			
82. Charges for use of tangible property including film and television tape rentals	3162				3			
83. Allocated expenses and sales of services	3164				3			
84. TOTAL — Sum of items 80 through 83	3172	\$			3			
85. BEA USE ONLY	3171				3			

Remarks

Part IV — U.S. MERCHANDISE TRADE OF FOREIGN AFFILIATE — Goods only valued f.a.s. at port of exportation; do not include services — See Additional Instructions for Part IV on page 13 at the back of this form.

IMPORTANT NOTES

This section requires the reporting of data on U.S. merchandise trade of the foreign affiliate in FY 1999. Report data on a "shipped" basis, i.e., on the basis of when and to (or by) whom the goods were shipped. This is the same basis as official U.S. Trade statistics to which these data will be compared. Do **not** record a U.S. import or export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the foreign affiliate by, or charged by the foreign affiliate to, a U.S. person.

Foreign affiliates normally keep their accounting records on a "charged" basis, i.e., on the basis of when and to (or by) whom the goods were charged. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. If there is a material difference, the "shipped" basis must be used or adjustments made to the data on a "charged" basis to approximate a "shipped" basis.

• U.S. MERCHANDISE EXPORTS TO THIS FOREIGN AFFILIATE (Valued f.a.s. U.S. port)	TOTAL				Shipped by U.S. Reporter(s)				Shipped by other U.S. persons			
	(1)				(2)				(3)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
86. Total goods shipped in FY 1999 from the U.S. to this affiliate 4173	\$				\$				\$			

• U.S. MERCHANDISE IMPORTS FROM THIS FOREIGN AFFILIATE (Valued f.a.s. foreign port)	TOTAL				Shipped to U.S. Reporter(s)				Shipped to other U.S. persons			
	(1)				(2)				(3)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
87. Total goods shipped in FY 1999 to the U.S. by this affiliate 4188	\$				\$				\$			

Part V — OTHER DETAILED FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — To be completed only if foreign affiliate is majority-owned — See Additional Instructions for Part V on page 14 at the back of this form.

88. Is this a majority owned affiliate?

2018 1 Yes — Continue with item 89
 2 No — Skip items 89 through 101 and continue with the Supplement A on page 9.

89. Was any one item: (1) total assets, (2) sales or gross operating revenues excluding sales taxes, or (3) net income greater than \$50 million (positive or negative) at any time during the affiliate's 1999 fiscal year?

2019 1 Yes — Continue with item 90
 2 No — Skip items 90 through 101 and continue with the Supplement A on page 9.

• Interest, depreciation and depletion, and taxes	Amount	
	Bil. Mil. Thous.	Dols.
90. Interest received — Interest received by affiliate from, or credited to affiliate by, all payors, net of tax withheld at the source. Include all interest receipts included in item 42. Do not net against interest paid, item 91. 2120	\$	
91. Interest paid — Interest paid, or credited, to all payees by the affiliate, gross of tax withheld. Do not net against interest received, item 90. 2121		
92. Current-period depreciation and depletion — Current-period charges against property, plant, equipment included in item 50. 2020		
93. Taxes (other than income and payroll taxes) and nontax payments (other than production royalty payments) — Report all such taxes and nontax payments whether or not included in revenues or expenses in the income statement. Include amounts paid or accrued for the year, net of refunds or credits, to foreign governments, their subdivision and agencies for — a. Sales, value added, consumption, and excise taxes collected by the affiliate on goods and services that the affiliate sold; b. Property taxes and other taxes on the value of assets or capital; c. Any remaining taxes (other than income or payroll taxes); and d. Import and export duties, license fees, fines, penalties, and all other payments or accruals of nontax liabilities (other than production royalty payments). 2123		
RESEARCH AND DEVELOPMENT (R&D) EXPENDITURES — Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, allocated overhead, and indirect costs. NOTE — Item 94 pertains to R&D performed by the foreign affiliate, including R&D performed by the affiliate for others under contract. This is the basis on which National Science Foundation surveys request information on R&D.		
94. R&D performed by the affiliate 2126	\$	
ROYALTIES, LICENSE FEES, AND OTHER FEES FOR THE USE, SALE, OR PURCHASE OF INTANGIBLE PROPERTY		
95. Total Receipts — Include royalties, license fees, and other amounts from U.S. persons other than the U.S. Reporter and from all foreign persons that were received by or credited to this affiliate for the use or sale of intangible property. 2130	\$	
96. Total payments — Include royalties, license fees, and other amounts paid or credited by this affiliate to U.S. persons other than the U.S. Reporter and to all foreign persons for the use or purchase of intangible property. 2134	\$	
97. BEA USE ONLY 2138	1	2
	3	4
	5	

Remarks

Part V — OTHER DETAILED FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — To be completed only if foreign affiliate is majority-owned — Continued

• DISTRIBUTION OF SALES OR GROSS REVENUES

98. Sales or gross operating revenues, excluding sales taxes a. Column (1) equals item 38 column (2). 2052	TOTAL <i>Column (1) equals the sum of columns (2) through (7)</i> (1)		Local sales		Sales to U.S.		Sales to other countries		
			To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers	To U.S. Reporter(s)	To unaffiliated customers	To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers	
	Bil.	Mil. Thous.	Dols.	(2)	(3)	(4)	(5)	(6)	(7)
	1			2	3	4	5	6	7
	\$		\$	\$	\$	\$	\$	\$	

• EMPLOYMENT OF PRODUCTION WORKERS ENGAGED IN MANUFACTURING ACTIVITIES

Complete items 99, 100 and 101 only if the foreign affiliate has manufacturing activities, i.e., has at least one manufacturing code (ISI codes 3111-3399) entered in items 30 through 36. If more than one manufacturing code is shown, include data for production workers in all manufacturing activities combined.

99. Number of production workers engaged in manufacturing activities 2073	Number of employees			
	1			

100. Hours worked by production workers in item 99 2074	Thousands of hours			
	1			

101. Total compensation of production workers — Wages and salaries and employer expenditures for employee benefit plans for production workers reported in item 99. 2075	Amount			
	Bil.	Mil.	Thous.	Dols.
	1			
	\$			

Remarks

LIST OF ALL FOREIGN AFFILIATES IN WHICH THE REPORTING FOREIGN AFFILIATE (AS CONSOLIDATED) HAS A DIRECT EQUITY INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED ON THIS FORM BE-10B(SF) — Continued

Page No. _____ of _____ pages
of this Supplement A

	(1) Name of each foreign affiliate, as taken from item 2 of the Form BE-10B(LF) or BE-10B(SF) for that affiliate, in which a direct equity interest is held	(2) Affiliate identification number taken from the preprinted Form BE-10B(LF) or BE-10B(SF), if provided, of each foreign affiliate listed in column (1)	(3) BEA USE ONLY	Percentage of direct ownership in the foreign affiliate listed in column (1) held by the foreign affiliate named in the identification block above <i>(Enter percentage to the nearest tenth.)</i>	
				Close FY 1999 (4)	Close FY 1998 (5)
5016				. %	. %
5017				. %	. %
5018				. %	. %
5019				. %	. %
5020				. %	. %
5021				. %	. %
5022				. %	. %
5023				. %	. %
5024				. %	. %
5025				. %	. %
5026				. %	. %
5027				. %	. %
5028				. %	. %
5029				. %	. %
5030				. %	. %
5031				. %	. %
5032				. %	. %

LIST OF ALL FOREIGN AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING FOREIGN AFFILIATE

Identification — Name of foreign affiliate as shown in item 2 of Form BE-10B(SF)

Supplement B — This list must be completed for the foreign affiliate for which the U.S. Reporter is reporting consolidated financial and operating data to BEA; each foreign affiliate fully consolidated must be more than 10 percent owned, directly or indirectly, by the U.S. Reporter and must also be more than 50 percent owned by the foreign affiliate named in item 2, of Form BE-10B(SF). The number of foreign affiliates listed below plus the reporting foreign affiliate must agree with Part I, item 3, of Form BE-10B(SF). Continue listing onto as many copied pages as needed.

NOTE – Consolidate affiliates only if they are located in the same country and are in the same BEA 4-digit industry or are integral parts of the same business operation.

(1)	(2)	(3)	(4)
BEA USE ONLY	Name and country of location of each foreign affiliate fully consolidated in this Form BE-10B(SF)	Name of foreign affiliate which holds the direct equity interest in the foreign affiliate listed in column (2)	Percentage of direct ownership at close FY 1999 which the foreign affiliate listed in column (3) has in the foreign affiliate listed in column (2) (Enter percentage to the nearest tenth.)
6002			. %
6003			. %
6004			. %
6005			. %
6006			. %
6007			. %
6008			. %
6009			. %
6010			. %
6011			. %
6012			. %
6013			. %
6014			. %
6015			. %

**BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD —
1999
FORM BE-10B(SF)
ADDITIONAL INSTRUCTIONS BY LINE ITEM**

Part I — IDENTIFICATION OF FOREIGN AFFILIATE

7. Country of location Enter "International" if the affiliate is engaged in petroleum shipping, other water transportation, or oil and gas drilling, and has operations spanning more than one country. For example, classify as "International" an oil drilling rig that moves from country to country during the year.

12. Ownership by U.S. Reporter named in item 1.

Equity interest is the U.S. Reporter's direct ownership in the total equity (voting and nonvoting) of the affiliate. Examples of nonvoting equity include nonvoting stock and a limited partner's interest in a partnership.

Voting interest is the U.S. Reporter's direct ownership in just the voting equity of the affiliate. Examples of voting equity include voting stock and a general partner's interest in a partnership. Thus, a U.S. Reporter could have a 100 percent direct voting interest in an affiliate but own less than 100 percent of the affiliate's total equity.

30.—38.

Sales or gross operating revenues of foreign affiliate, by industry of sales or gross operating revenues. Report gross operating revenues or gross sales minus returns, allowances, and discounts. Exclude sales or consumption taxes levied directly on the consumer. Exclude net value-added and excise taxes levied on manufacturers, wholesalers, and retailers. Affiliates classified in ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 report interest income. Insurance companies with ISI codes 5243 and 5249 include gross investment income. (Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 14.)

Holding companies (ISI code 5512) must show total income as reported in item 42. To be considered a holding company, income from equity investments must be more than 50 percent of total income. In addition, normally at least 50 percent of total assets must consist of investments in affiliates. ISI code 5512, (holding company), is an invalid classification if more than 50 percent of income generated, or expected to be generated, by an affiliate is from non-holding company activities.

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

• **Section A — Income Statement of Foreign Affiliate**

42. Total income — Include the following items:

- a. Sales or gross operating revenues
- b. Income from equity investments in affiliates — For affiliates owned 20 percent or more (including majority-owned affiliate), report equity in earnings during the reporting period; for those owned less than 20 percent, report dividends;
- c. Income from other equity investments;
- d. Certain realized and unrealized gains (losses) net of income tax effects; and
- e. Other income

43. Foreign Income Taxes — Exclude production royalty payments, and U.S. income taxes.

• **Section B — Number of Employees and Employee Compensation**

48. Employee compensation — Consists of wages and salaries of employees and employer expenditures for all employee benefit plans.

Wages and salaries — Report gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to independent personnel who are not employees.

Include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer. (Include employer contributions to benefit funds in "employee benefit plans" as discussed below.)

Include in-kind payments, valued at their cost, that are clearly and primarily of benefit to the employees as consumers. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement of business expenses.

Employee benefit plans — Report employer expenditures for all employee benefit plans, including those mandated by government statute, resulting from collective bargaining contracts and those that are voluntary. Include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. Also, include deferred post employment and post retirement expenses per FASB 106. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

• **Section C Balance Sheet of Foreign Affiliate**

49. Current assets — Include deposits in financial institutions and other cash items. Do NOT include overdrafts as negative cash. Instead, report overdrafts in item 54 (current liabilities and long-term debt). Include current trade accounts receivable, notes receivable, and other current receivables. Include certificates of deposits (CDs) representing cash of the affiliate held by others and coming due within 12 months of the balance sheet date. Report CDs coming due more than 12 months from the balance sheet date in item 52 (other noncurrent assets). Include inventories and other current assets, including land held for resale and current marketable securities.

50. Property, plant, and equipment, gross — Report gross book value of land, timber, mineral rights and similar rights owned. Also include structures, machinery, equipment, special tools, deposit containers, construction in progress, other depreciable property and capitalized tangible and intangible exploration and development costs of the foreign affiliate. Include items on capital leases from others, per FASB13. **Exclude** all other types of intangible assets, and land held for resale. (Unincorporated affiliates include items owned by the U.S. Reporter(s) but in the affiliate's possession whether or not carried on the affiliate's books or records. Insurance companies see Special Instructions, B.2., page 15.)

52. Other noncurrent assets — Include the noncurrent portion of CDs representing cash of the affiliate held by others and coming due more than 12 months from the balance sheet date; equity investments, whether carried at cost or on the equity basis; other noncurrent investments; intangible assets net of amortization; noncurrent marketable securities; noncurrent accounts and trade notes receivable net of allowance for doubtful items; and any other noncurrent assets not reported elsewhere. Report credit balances in these accounts in item 55 (other noncurrent liabilities).

54. Current liabilities and long-term debt — Include current trade accounts and trade notes payable; overdrafts, other current liabilities and long-term debt. Include intercompany debt and debt with unaffiliated parties. Also include lease obligations capitalized per FASB 13 with an original maturity of more than one year or with no stated maturity.

55. Other noncurrent liabilities — Include noncurrent items but exclude long-term debt. Include deferred taxes and minority interest in consolidated subsidiaries. Report debit balances in these accounts in item 52 (other noncurrent assets). Exclude long-term intercompany debt (include in item 54).

57. Capital stock and additional paid-in capital — Include common and preferred, voting and nonvoting capital stock and additional paid-in capital.

58. Retained earnings (deficit) — Include earnings retained by the corporation and legally available for dividends; earnings voluntarily restricted; and the cumulative balance of unrealized holding gains and losses due to changes in the valuation of available-for-sale securities per FASB 115.

• **Section D Property, Plant and Equipment (PP&E)**

64. Include items leased from others (including land) under capital leases. Also include the capitalized value of timber, mineral and similar rights leased by the affiliate from others. Do not include items the affiliate has sold under a capital lease.

For affiliates engaged in exploring for or developing natural resources, include exploration and development expenditures made during FY 1999 that were capitalized, including capitalized expenditures to acquire or lease mineral rights. Do not include adjustments for expenditures charged against income in prior years but subsequently capitalized during FY 1999.

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER

• **Section A — U.S. Reporter's Equity in Foreign Affiliate's Net Income, and Dividends or Distributed Earnings**

68. Report this item based on the books of the U.S. Reporter. Report amount received or entered into intercompany accounts, whichever occurred first. Include amounts for which payment was made in kind. If a receivable was booked in a prior reporting period, do not report the collection of the receivable in the current period. Show the collection as a reduction to the intercompany account item 70.

• **Section B — Debt and Other Intercompany Balances Between Foreign Affiliate and U.S. Reporter**

70.— 71.

Disaggregate lease payments into their component parts. Reflect return of capital, consisting of principal payments for capital leases and the depreciation component for operating leases, in items 70 and 71. Report the interest component under capital leases in item 80. Report the net rent for operating leases in item 82.

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER — Continued

- 70.** If the foreign affiliate has leased equipment from the U.S. Reporter under a long-term operating lease (i.e., the lease is for more than one year), then:

Include the FY 1999 closing net book value of the leased equipment in column 1, and;

Include the FY 1998 closing net book value of the leased equipment in column 2.

The closing net book value of leased equipment would have to be obtained from the books of the U.S. Reporter.

- 71.** If the foreign affiliate has leased equipment to the U.S. Reporter under a long-term operating lease (i.e., the lease is for more than one year), then:

Include the FY 1999 closing net book value of the leased equipment in column 1, and;

Include the FY 1998 closing net book value of the leased equipment in column 2.

The closing net book value of leased equipment would be obtained from the books of the foreign affiliate.

- **Section C — Change in U.S. Reporter's Equity in Capital Stock and/or Additional Paid-in Capital of Incorporated Foreign Affiliate or Equity Investment in Unincorporated Foreign Affiliate**

Increase in U.S. Reporter's Equity Interest in This Affiliate

73.—75.

For a newly established or acquired affiliate, report what the U.S. Reporter paid and/or borrowed to establish or acquire the affiliate in item 73 or 75 as appropriate. Do not report the book value of the equity interest if it differs from what was paid.

Decrease in U.S. Reporter's Equity Interest in This Affiliate

76.—78.

For an affiliate that is sold, report the sale price in item 76 or 78 as appropriate. Include foreign income taxes, if any, on gains (and tax refunds on losses) in the calculation of these items. Report the ending intercompany debt position for the affiliate (in column 1 of items 70 and 71) as zero. If debt positions still exist, they are between a U.S. person and an unaffiliated foreign person, and may be reportable on the Department of the Treasury International Capital report forms.

For investments written off, enter zero in items 76-78. If an account receivable due to the U.S. Reporter from the affiliate is written off, report the amount of the receivable in item 74 as a capital contribution.

- **Section D — Receipts and Payments Between the U.S. Reporter and Foreign Affiliate**

80.— 84.

Include amounts for which payment was made in kind. If a receivable or payable for one of these items was booked in a prior reporting period, do not report the collection of the receivable or payment of the payable if collected or paid in the current period. Show such a collection or payment only as a reduction to an intercompany account (items 70 and 71).

- 80. Interest** — Except as described in the next paragraph, report interest receipts and interest payments at gross. Do not net the receipts against the payments.

Reporting for Interest Rate and Foreign Currency Swap Agreements Between the U.S. Reporter and the Foreign Affiliate — Report interest accruals under the terms of interest rate and foreign currency swap agreements on a net basis. Do not report gross receipts and gross payments of interest based upon marking positions to market daily. Instead, report the net amount of these gross receipts or payments either as net interest received or net interest paid, as appropriate. Record any explicit fees paid to, or received from, a foreign affiliate for arranging a swap as a charge for services rendered in item 83 (Allocated expenses and sales of services).

82. Charges for use of tangible property

Include in column 1 rental payments to the U.S. Reporter under operating leases of one year or less. Include net rental payments to the U.S. Reporter under operating leases of more than one year. (Net rent equals the total rents paid to the U.S. Reporter for the reporting period less the return of capital (depreciation) component charged against the leased equipment on the books of the U.S. Reporter for the part of FY 1999 that the lease was in existence.)

Include in column 2 rent receipts from the U.S. Reporter under operating leases of one year or less. Include net rent receipts from the U.S. Reporter under operating leases of more than one year. (Net rent equals the total rents received from the U.S. Reporter less the amount of depreciation expense charged against the leased equipment on the books of the foreign affiliate for the part of FY 1999 that the lease was in existence.)

- 83. Allocated expenses and sales of services** — Include allocated expenses (such as R&D assessments) and reimbursements between the U.S. Reporter and the affiliate for management, professional, technical, or other services that are normally included in "other income" by the provider of the service. Also include receipts by the U.S. Reporter from, or payments by the U.S. Reporter to, the affiliate for services that are separately billed and normally included in the sales or gross operating revenues of the seller of the service. Report the following types of expenses and services on this line:

Insurance services — To avoid duplication with other BEA surveys, report only receipts or payments for transactions between a foreign insurance affiliate and those parts of the fully consolidated U.S. Reporter that are not insurance companies (i.e., not in ISI codes 631, 632, or 639). Report in column 1 amounts received by the U.S. Reporter from the foreign affiliate for losses incurred by the U.S. Reporter under primary insurance sold to the U.S. Reporter by the foreign affiliate. Report in column 2 premiums paid by the U.S. Reporter to the foreign affiliate for the purchase of primary insurance from the foreign affiliate.

Financial Services — Report in columns 1 and 2 fees and commissions on financial services. Include brokerage commissions on transactions executed for the U.S. Reporter's (or foreign affiliate's) own account, or for the account of its customers. Also include selling concessions received from a U.S. Reporter (or foreign affiliate) who is a lead underwriter.

Transportation — Report in column 1 amounts received by the U.S. Reporter from the foreign affiliate for carrying merchandise from the United States to foreign destinations and for carrying freight between foreign destinations. Report in column 2 amounts paid by the U.S. Reporter to the foreign affiliate for carrying merchandise from foreign countries to U.S. destinations or between foreign destinations.

Computer and information services — Report in columns 1 and 2 receipts and payments for computer and data processing services, including data entry, processing, and tabulation; computer systems analysis, design, engineering and custom programming; and other computer services including time sharing, maintenance and repair. Also report receipts and payments for database and other information services, including business, financial, or technical databases; reservation systems; and credit reporting and authorization systems.

Communication services — Report in columns 1 and 2 receipts and payments between the U.S. Reporter and the foreign affiliate for:

Message telephone services and other jointly provided (basic) services — Report receipts for the U.S. Reporter's share of revenues for transmitting messages (including voice, data, video, satellite, images, telex, telegram, cable, etc.) originating abroad to or through U.S. destinations, or between foreign destinations. Report payments for transmitting messages originating in, or routed through, the United States to foreign destinations.

Private leased channel services — Report receipts for channels and circuits terminating in the United States and for channels and circuits between foreign countries. Report payments for leased channels and circuits terminating in foreign countries.

Value-added telecommunications services — Electronic mail, voice mail, and code and protocol processing; facsimile services and video conferencing; Internet connections (including Internet backbone and router services); and other value-added services.

Support services related to the maintenance and repair of telecommunications equipment, ground station services, capacity leasing for transiting, and launching of communications satellites.

Part IV — U.S. MERCHANDISE TRADE OF FOREIGN AFFILIATE

86.—87.

When there is a material difference between the "charged" and "shipped" bases and the data have not been filed on the "shipped" basis, or the necessary adjustments have not been made to approximate a "shipped" basis, then BEA will require the data to be refiled.

Differences between the "charged" and "shipped" bases may be substantial. A major difference arises when the U.S. Reporter buys goods in country A and sells them in country B, but the goods are shipped directly from country A to country B. Because the goods did not physically enter or leave the United States, they are not U.S. trade. However, when the U.S. Reporter records the transactions on its books, it shows a purchase charged to it from country A and a sale charged by it to country B. If the U.S. Reporter's trade data in this survey were prepared on the "charged" basis, the purchase and sale would appear incorrectly as a U.S. import and a U.S. export, respectively. Other differences arise when the U.S. Reporter charges the sale of its products to a foreign affiliate in one country, but ships the goods directly from the United States to an unaffiliated foreigner in another country. If the data are on the "shipped" basis, this is a U.S. export to an unaffiliated foreigner, not to the foreign affiliate and should not be recorded on the BE-10B of the foreign affiliate.

If a material difference exists between the "charged" and "shipped" bases, trade must be reported on the "shipped" basis. To do this, the U.S. Reporter may have to derive the data from export and import declarations filed with U.S. Customs or from shipping and receiving documents, rather than from accounting records, or may have to otherwise adjust its data from a "charged" to a "shipped" basis.

Part IV — U.S. MERCHANDISE TRADE OF FOREIGN AFFILIATE — Continued

Definition of U.S. merchandise trade. The phrases "U.S. merchandise trade," "U.S. merchandise exports," and "U.S. merchandise imports" refer to physical movements of goods between the customs area of the United States and the customs area of a foreign country. Data in this section cover all goods that physically left or entered the U.S. customs area in FY 1999. Consigned goods must be included in the trade figures when shipped or received, even though not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned. Include capital goods but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or merchandise. Also exclude services. An affiliate's U.S. merchandise exports and imports may differ from the affiliate's purchases from or sales to the United States because purchases and sales may include services while merchandise exports and imports include only goods.

Exclude from exports and imports the value of goods **that** are in-transit. In-transit goods are goods **that are not** processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries. In-transit imports are goods en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and in-transit exports are goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

Timing. Only include goods actually shipped between the United States and the affiliate during FY 1999 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. Reporter to the affiliate in FY 1999 that were charged or consigned in FY 2000, but exclude goods shipped to the affiliate in FY 1998 that were charged or consigned to the affiliate in FY 1999.

Trade of a foreign affiliate. Goods shipped by, or to, a foreign affiliate, whether or not actually charged or consigned by, or to, the foreign affiliate are considered to be trade of the foreign affiliate.

By (or to) whom goods were shipped. Shipment by, or to, an entity refers to the physical movement of merchandise to or from the U.S. customs area by, or to, that entity regardless of by, or to whom the merchandise was charged or consigned. Thus, for example, if the U.S. Reporter charges goods to a German affiliate but ships them to an Italian affiliate, the goods should be recorded as U.S. merchandise exports shipped by the U.S. Reporter on the Form BE-10B(LF) or (SF) of the Italian affiliate, but not on the Form BE-10B(LF) or (SF) of the German affiliate. Similarly, if goods were charged by the U.S. Reporter to an affiliate but shipped to the affiliate by another U.S. person, the goods should be considered a U.S. merchandise export shipped by "other U.S. persons," not the U.S. Reporter, on the affiliate's Form BE-10B(LF) or (SF).

Note — Merchandise shipped by an independent carrier or a freight forwarder at the expense of an entity are shipments by that entity.

Valuation of exports and imports. Value U.S. merchandise exports and imports f.a.s. (free alongside ship) at the port-of-exportation. This includes all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging costs, and inland freight and insurance. It excludes all subsequent costs, such as loading costs, U.S. and foreign import duties, and freight and insurance from the port of exportation to the port of entry.

Part V OTHER DETAILED FINANCIAL AND OPERATING DATA OF MAJORITY- OWNED FOREIGN AFFILIATE

94. Research and development expenditures — Research and development (R&D) includes basic and applied research in science and engineering, and the design and development of prototypes and processes, if the purpose of such activity is to:

1. Pursue a planned search for new knowledge whether or not the search has reference to a specific application;
2. Apply existing knowledge to the creation of a new product or process, including evaluation of use; or
3. Apply existing knowledge to the employment of a present product or process.

R&D includes the activities described above, whether assigned to separate R&D organizational units of the company or conducted by company laboratories and technical groups that are not a part of a separate R&D organization.

Include all costs incurred to support R&D, including R&D depreciation and overhead. Exclude capital expenditures, routine product testing and quality control conducted during commercial production, geological and geophysical exploration, market research and surveys, and legal work pertaining to patents.

98. Distribution of sales or gross operating revenues

Report the source of real estate rental income in columns 2 through 7 based on the location of the property. Finance or insurance companies that include investment income in gross operating revenues should report the source of such investment income in columns 2 through 7 based on the location of the issuer of the financial instrument whether publicly issued or privately placed. If the location of the issuer is unknown, then substitute the nationality of the issuer. If both the location and nationality of the issuer are unknown, and an intermediary (e.g. trustee, custodian, or nominee) is used to manage the investment (financial instrument or real estate) use the country of location of the intermediary.

99. Number of production workers engaged in manufacturing activities — Production workers are employees directly involved in the manufacturing activities of a business. They work on the physical production, and the handling and storage of goods, related services (e.g., maintenance and repair), and auxiliary production for a plant's own use (e.g., power plant). They include working foremen, but exclude other supervisory employees.

Affiliates which maintain employment and payroll records according to national (host country) definitions of wage or manual workers that do not differ significantly from the production worker concept described above, may submit data according to the host country definitions.

100. Hours worked by production workers — Hours worked include standby or reporting time but exclude holiday, vacation, sick leave, or other paid leave. Obtain data on hours worked from the payroll records. However, reasonable estimates are acceptable if using payroll records is burdensome. Such estimates may be derived, for example, by multiplying the number of production workers by your estimate of average hours worked per production worker for the reporting period. However, such estimates must include only hours worked (standby or reporting time), and exclude hours paid for holiday, vacation, sick leave, or other paid leave.

Data on hours worked and total compensation as used to derive hourly compensation rates for production workers. To check your estimates, compute the implied hourly compensation rate (i.e., divide total for production workers by their hours worked) to see if it appears reasonable.

SPECIAL INSTRUCTIONS FOR DEALERS IN FINANCIAL INSTRUMENTS, FINANCE COMPANIES, INSURANCE COMPANIES AND REAL ESTATE COMPANIES

A. Certain realized and unrealized gains (losses) for dealers in financial instruments and finance, insurance, and real estate companies.

1. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies — Include in item 41 (1) impairment losses, (2) realized gains or losses on trading or dealing, and (3) unrealized gains or losses due to changes in the valuation of financial instruments that flow through the income statement. **Do not include** in item 41 unrealized gains or losses due to changes in the valuation of financial instruments that are taken directly to retained earnings. (Report income attributable to fees and commissions in item 38.)

2. Real estate companies

Gains or losses from the sale, disposition, or revaluation of land, other property, plant and equipment, or other assets:

Realized gains and losses

Include gains or losses from the sale of real estate in the ordinary course of trade or business in item 38.

Impairment of long-lived assets

Include impairment losses, as defined by FASB 121, recognized during the period in item 41.

Unrealized gains

Include gains recognized due to the revaluation of real estate assets in items 58 (item 62 if unincorporated). Do not include these unrealized gains in item 41.

B. Special instructions for insurance companies

1. When there is a difference between the financial and operating data reported to the stockholders and the data reported in the annual statement to an insurance department, prepare the BE-10 on the same basis as the annual report to the stockholders. Valuation should be according to normal commercial accounting procedures, not at rates promulgated by national insurance departments, i.e., include assets not acceptable for inclusion in the annual statement to an insurance department. Include: 1. non-trusted or free account assets and 2. nonadmitted assets, such as furniture and equipment, agents' debit balances, and all receivables deemed to be collectible. Include mandatory securities valuation reserves that are appropriations of retained earnings in the owners' equity section of the balance sheet not in the liability section.

2. Do not include assets of the U.S. Reporter held in the country of location of the affiliate and that are for the benefit of the U.S. Reporter's policyholders in the data reported for the affiliate.

3. Instructions for reporting specific items

a. Sales or gross operating revenues, excluding sales taxes (item 38) — Include items such as earned premiums, annuity considerations, gross investment income, and items of a similar nature. Exclude income from equity investments in unconsolidated business enterprises that is to be reported in item 42 and exclude certain realized and unrealized gains or losses that are to be reported in item 41.

b. Certain realized and unrealized gains (losses) (item 41) — See *Special Instructions*, A.1., on page 13.

c. Current assets (item 49) — Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (net of allowances for doubtful items) arising from the ordinary course of business.

d. Current liabilities and long-term debt (item 54) — Include current items such as loss liabilities, policy claims, commissions due, and other current liabilities arising from the ordinary course of business, and long-term debt. Include policy reserves in "Other noncurrent liabilities," unless they are clearly current liabilities.

e. Expenditures for property, plant, and equipment (item 64) — Include expenditures and all related depreciation, depletion, and like charges WHEREVER CLASSIFIED IN THE BALANCE SHEET (e.g., include expenditures that have been classified in "other noncurrent assets").

SUMMARY OF INDUSTRY CLASSIFICATIONS

AGRICULTURE, FORESTRY, FISHING, AND HUNTING

- 1110 Crop production
- 1120 Animal production
- 1130 Forestry and logging
- 1140 Fishing, hunting, and trapping
- 1150 Support activities for agriculture and forestry

MINING

- 2111 Oil and gas extraction
- 2121 Coal
- 2123 Nonmetallic minerals
- 2124 Iron ores
- 2125 Gold and silver ores
- 2126 Copper, nickel, lead, and zinc ores
- 2127 Other metal ores
- 2132 Support activities for oil and gas operations
- 2133 Support activities for mining, except for oil and gas operations

UTILITIES

- 2211 Electric power generation, transmission, and distribution
- 2212 Natural gas distribution
- 2213 Water, sewage, and other systems

CONSTRUCTION

- 2330 Building, developing, and general contracting
- 2340 Heavy construction
- 2350 Special trade contractors

MANUFACTURING

- 3111 Animal foods
- 3112 Grain and oilseed milling
- 3113 Sugar and confectionery products
- 3114 Fruit and vegetable preserving and specialty foods
- 3115 Dairy products
- 3116 Meat products
- 3117 Seafood product preparation and packaging
- 3118 Bakeries and tortillas
- 3119 Other food products
- 3121 Beverages
- 3122 Tobacco
- 3130 Textile mills
- 3140 Textile product mills
- 3150 Apparel
- 3160 Leather and allied products
- 3210 Wood products
- 3221 Pulp, paper, and paperboard mills
- 3222 Converted paper products
- 3231 Printing and related support activities
- 3242 Integrated petroleum refining and extraction
- 3243 Petroleum refining without extraction
- 3244 Other petroleum and coal products
- 3251 Basic chemicals
- 3252 Resins, synthetic rubbers, and artificial and synthetic fibers and filaments
- 3253 Pesticides, fertilizers, and other agricultural chemicals
- 3254 Pharmaceuticals and medicines
- 3255 Paints, coatings, and adhesives
- 3256 Soap, cleaning compounds, and toilet preparations
- 3259 Other chemical products and preparations
- 3261 Plastics products
- 3262 Rubber products
- 3271 Clay products and refractories
- 3272 Glass and glass products
- 3273 Cement and concrete products
- 3274 Lime and gypsum products
- 3279 Other nonmetallic mineral products
- 3311 Iron and steel mills and ferroalloys
- 3312 Steel products from purchased steel
- 3313 Alumina and aluminum production and processing
- 3314 Nonferrous metal (except aluminum) production and processing
- 3315 Foundries
- 3321 Forging and stamping

- 3322 Cutlery and hand tools
- 3323 Architectural and structural metals
- 3324 Boilers, tanks, and shipping containers
- 3325 Hardware
- 3326 Spring and wire products
- 3327 Machine shops, turned products, and screws, nuts, and bolts
- 3328 Coating, engraving, heat treating, and allied activities
- 3329 Other fabricated metal products
- 3331 Agriculture, construction, and mining machinery
- 3332 Industrial machinery
- 3333 Commercial and service industry machinery
- 3334 Ventilation, heating, air conditioning, and commercial refrigeration equipment
- 3335 Metalworking machinery
- 3336 Engines, turbines, and power transmission equipment
- 3339 Other general purpose machinery
- 3341 Computer and peripheral equipment
- 3342 Communications equipment
- 3343 Audio and video equipment
- 3344 Semiconductors and other electronic components
- 3345 Navigational, measuring, electro-medical, and control instruments
- 3346 Manufacturing and reproducing magnetic and optical media
- 3351 Electric lighting equipment
- 3352 Household appliances
- 3353 Electrical equipment
- 3359 Other electrical equipment and components
- 3361 Motor vehicles
- 3362 Motor vehicle bodies and trailers
- 3363 Motor vehicle parts
- 3364 Aerospace products and parts
- 3365 Railroad rolling stock
- 3366 Ship and boat building
- 3369 Other transportation equipment
- 3370 Furniture and related products
- 3391 Medical equipment and supplies
- 3399 Other miscellaneous manufacturing

WHOLESALE TRADE

DURABLE GOODS

- 4211 Motor vehicles and motor vehicle parts and supplies
- 4212 Furniture and home furnishings
- 4213 Lumber and other construction materials
- 4214 Professional and commercial equipment and supplies
- 4215 Metals and minerals (except petroleum)
- 4216 Electrical goods
- 4217 Hardware, and plumbing and heating equipment and supplies
- 4218 Machinery, equipment, and supplies
- 4219 Miscellaneous durable goods

NONDURABLE GOODS

- 4221 Paper and paper products
- 4222 Drugs and druggists' sundries
- 4223 Apparel, piece goods, and notions
- 4224 Grocery and related products
- 4225 Farm product raw materials
- 4226 Chemical and allied products
- 4227 Petroleum and petroleum products
- 4228 Beer, wine, and distilled alcoholic beverages
- 4229 Miscellaneous nondurable goods

RETAIL TRADE

- 4410 Motor vehicle and parts dealers
- 4420 Furniture and home furnishings stores
- 4431 Electronics and appliance stores
- 4440 Building material and garden equipment and supplies dealers
- 4450 Food and beverage stores
- 4461 Health and personal care stores
- 4471 Gasoline stations
- 4480 Clothing and clothing accessories stores
- 4510 Sporting goods, hobby, book, and music stores
- 4520 General merchandise stores
- 4530 Miscellaneous store retailers
- 4540 Nonstore retailers

TRANSPORTATION AND WAREHOUSING

- 4810 Air transportation
- 4821 Rail transportation
- 4833 Petroleum tanker operations
- 4839 Other water transportation
- 4840 Truck transportation
- 4850 Transit and ground passenger transportation
- 4863 Pipeline transportation of crude oil, refined petroleum products, and natural gas
- 4868 Other pipeline transportation
- 4870 Scenic and sightseeing transportation
- 4880 Support activities for transportation
- 4920 Couriers and messengers
- 4932 Petroleum storage for hire
- 4939 Other warehousing and storage

INFORMATION

- 5111 Newspaper, periodical, book, and database publishers
- 5112 Software publishers
- 5121 Motion picture and video industries
- 5122 Sound recording industries
- 5131 Radio and television broadcasting
- 5132 Cable networks and program distribution
- 5133 Telecommunications
- 5141 Information services
- 5142 Data processing services

FINANCE AND INSURANCE

- 5221 Depository credit intermediation (Banking)
- 5223 Activities related to credit intermediation
- 5224 Non-depository credit intermediation
- 5229 Non-depository branches and agencies
- 5231 Securities and commodity contracts intermediation and brokerage
- 5238 Other financial investment activities and exchanges
- 5242 Agencies, brokerages, and other insurance related activities
- 5243 Insurance carriers, except life insurance carriers
- 5249 Life insurance carriers
- 5252 Funds, trusts and other financial vehicles, except REITs

REAL ESTATE AND RENTAL AND LEASING

- 5310 Real estate
- 5321 Automotive equipment rental and leasing
- 5329 Other rental and leasing services
- 5331 Lessors of non-financial intangible assets (except copyrighted works)

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

- 5411 Legal services
- 5412 Accounting, tax preparation, bookkeeping, and payroll services
- 5413 Architectural, engineering, and related services
- 5414 Specialized design services
- 5415 Computer systems design and related services
- 5416 Management, scientific, and technical consulting services
- 5417 Scientific research and development services
- 5418 Advertising and related services
- 5419 Other professional, scientific, and technical services

MANAGEMENT OF COMPANIES AND ENTERPRISES

- 5512 Holding companies, except bank holding companies
- 5513 Corporate, subsidiary, and regional management offices

SUMMARY OF INDUSTRY CLASSIFICATIONS — Continued

**ADMINISTRATIVE AND
SUPPORT, WASTE
MANAGEMENT, AND
REMEDIAION SERVICES**

5611 Office administrative services
5612 Facilities support services
5613 Employment services
5614 Business support services
5615 Travel arrangement and
reservation services
5616 Investigation and security services
5617 Services to buildings and dwellings
5619 Other support services
5620 Waste management and remediation
services

EDUCATIONAL SERVICES

6110 Educational services

**HEALTH CARE AND SOCIAL
ASSISTANCE**

6210 Ambulatory health care services
6220 Hospitals
6230 Nursing and residential care
facilities
6240 Social assistance

**ARTS, ENTERTAINMENT, AND
RECREATION**

7110 Performing arts, spectator
sports, and related industries
7121 Museums, historical sites, and
similar institutions
7130 Amusement, gambling, and
recreation industries

**ACCOMMODATIONS AND FOOD
SERVICES**

7210 Accommodations
7220 Foodservices and drinking
places

OTHER SERVICES

8110 Repair and maintenance
8120 Personal and laundry services
8130 Religious, grantmaking, civic,
professional, and similar
organizations

PUBLIC ADMINISTRATION

9200 Public administration

BE-10A BANK

OMB No. 0608-0049: Approval Expires 11/30/2002	BEA USE ONLY	Reporter ID Number	D
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FORM **BE-10A BANK (Report for a U.S. Reporter that is a Bank)**
(REV. 6/99)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

MANDATORY — CONFIDENTIAL

BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 1999

MAIL REPORTS TO:
U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Washington, DC 20230

OR

DELIVER REPORTS TO:
U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Shipping and Receiving,
Section M-100
1441 L Street, NW
Washington, DC 20005

1. Name and address of U.S. Reporter

IMPORTANT

Form BE-10A BANK is to be used only by a U.S. Reporter that is a bank, i.e., a business enterprise with over 50 percent of its total gross operating revenues generated by activities classified in International Surveys Industry code 5221. A U.S. reporter that is not a bank, but that has a bank foreign affiliate, must file Form BE-10A (Report for Nonbank U.S. Reporter) for itself and a Form BE-10B BANK for the bank foreign affiliate.

Read the **Instruction Booklet**, which contains definitions and reporting requirements, before completing this form. The **Instruction Booklet**, Part I.C., has information for U.S. Reporters and foreign affiliates that are banks or bank holding companies. **"Additional" Instructions** specific to line items are provided at the back of this form.

- **Who must report** — Form BE-10A Bank must be filed by each U.S. person that is a bank and has a foreign affiliate reportable in this survey. Data on Form BE-10A pertain to the fully consolidated U.S. domestic business enterprise. **DO NOT FULLY CONSOLIDATE OPERATIONS OF FOREIGN AFFILIATES ON FORM BE-10A BANK.** Report data pertaining to the operations of nonbank foreign affiliates of U.S. Bank Reporters on Form BE-10B(SF). See **Instruction Booklet**, Part I, for detailed reporting requirements.
- **U.S. Reporter's 1999 fiscal year** — The U.S. Reporter's financial reporting year that has an ending date in calendar year 1999. See **Instruction Booklet**, Part II.A.
- **Due date** — A completed BE-10 report is due on the following dates:
May 31, 2000 for a U.S. Reporter required to file fewer than 50 Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK;
June 30, 2000 for a U.S. Reporter required to file 50 or more Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK.

Bil.	Mil.	Thous.	Dols.
	1	335	

- **Currency amounts** — Report in U.S. dollars rounded to thousands (omitting 000). Do not enter amounts in the shaded portions of each line. **EXAMPLE** — If amount is \$1,334,891.00, report as
 If an item is between + or - \$500.00, enter "0." Use parenthesis () to indicate negative numbers.
- **Contact us for help** — Telephone: 202-606-5566; FAX: 202-606-5312 or 5317; E-mail: be10/11@bea.doc.gov.

Public reporting burden for this BE-10 report (comprising Form BE-10A or BE-10A BANK and Form(s) BE-10B(LF), BE-10B(SF) and/or BE-10B BANK) is estimated to vary from 14 to 8,500 hours per response, with an average of 130 hours per response. This burden includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0049, Washington, DC 20503.

MANDATORY ▶ This survey is being conducted under the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended - hereinafter "the Act"), and the filing of reports is mandatory under Section 5(b)(2) of the Act (22 U.S.C. 3104).

CONFIDENTIALITY ▶ The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

PENALTIES ▶ Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violations, upon conviction, may be punished by a like fine, imprisonment or both. (22 U.S.C. 3105)

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number.

PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT				CERTIFICATION - The undersigned official certifies that this report (consisting of Form BE-10A BANK and Form(s) BE-10B(SF), and/or BE-10B(BANK)) has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with Part IV.E. of the Instruction Booklet , estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.			
Name				Authorized official's signature			
Address							
Telephone				Date			
Area code				Print or type name and title			
Number				Telephone			
Extension				Area code			
FAX Number				Number			
E-mail address				Extension			
FAX Number							

Part I – IDENTIFICATION OF U.S. REPORTER
 See **Additional Instructions** for Part I on page 7 at the back of this form.

2. Form of organization of U.S. Reporter — Mark (X) one.

1002 ¹ 1 Corporation
 ¹ 3 Other — Specify

3. If the U.S. Reporter is a corporation, is the corporation owned to the extent of more than 50% of its voting stock by another U.S. business enterprise?

1003 ¹ 1 Yes — Complete the "BE-10, CLAIM FOR NOT FILING." On the claim, mark (X) box number B.2. and enter the name and address of U.S. business enterprise with whose data your data will be consolidated in accordance with the definition of fully consolidated U.S. domestic business enterprise. (See **Instruction Booklet**, Part I.B.1.b.) Submit the claim to BEA and forward the remainder of the BE-10 survey packet to the U.S. business enterprise with whose data your data will be consolidated. If this cannot be done, please contact us for further instructions.

¹ 2 No — Complete the remainder of this form.

4. Enter Employer Identification Number(s) used by U.S. Reporter to file income and payroll taxes. Show additional numbers on a separate sheet if necessary.

1004

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2																				
---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

5. The number of foreign affiliate reports (BE-10B(SF), and BE-10B (BANK)) that you are required to file.

1005 Number If you also have exempt foreign affiliates, list them on the BE-10A BANK SUPPLEMENT A (page 5) and give the requested information for each. (Do not include foreign affiliates listed on the supplement in the number given here.)

6. The ending date of this U.S. Reporter's 1999 fiscal year.

1006

Month	Day	Year
1		1999

7. Was there a change in the entity due to mergers, acquisitions, divestitures, etc., or a change in accounting principles during FY 1999 that caused FY 1998 data to be restated?

1007 ¹ 1 Yes
 ¹ 2 No

8. If the U.S. Reporter is a corporation, are all U.S. domestic entities covered by the definition of fully consolidated U.S. Reporter (See **Instruction Booklet, Part I.B.1.b.) included in this BE-10A report?**

1008 ¹ 1 Yes
 ¹ 2 No — PERMISSION MUST HAVE BEEN REQUESTED OF, AND GRANTED BY, BEA TO FILE ON AN UNCONSOLIDATED BASIS. You must file a separate Form BE-10A or BE-10A (BANK) for each unconsolidated U.S. domestic entity. Enter the name under which each separate Form BE-10A or BE-10A (BANK) is being filed.

Sales or gross operating revenues of fully consolidated domestic U.S. Reporter, by industry of sales or gross operating revenues. Enter in columns (1) and (2) respectively, the 4-digit ISI code(s) and the amount of sales or gross operating revenues associated with each code. For an inactive U.S. Reporter, enter a 4-digit ISI code based on its last active period. See the **Guide to Industry and Foreign Trade Classifications for International Surveys** for a full explanation of each code. See **Additional Instructions** for Part I, page 7, at the back of this form.

	ISI code (1)	Sales or gross operating revenues (2)			
		Bil.	Mil.	Thous.	Dols.
9. BANKING (depository institutions — ISI code 5221)	1015	5221	\$		
10. 2nd largest sales or gross operating revenues	1016				
11. 3rd largest sales or gross operating revenues	1017				
12. 4th largest sales or gross operating revenues	1018				
13. 5th largest sales or gross operating revenues	1019				
14. Sales or gross operating revenues not accounted for above.	1026				
15. TOTAL SALES OR GROSS OPERATING REVENUES — Sum of items 9 through 14	1027		\$		
16. BEA USE ONLY	1029	1	2	3	4
	1030	1	2	3	4

Part II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. REPORTER — Continued

Remarks — Continued

BE-10A BANK Supplement A
LISTING OF FOREIGN AFFILIATES
With Asset, Sales or Gross Operating Revenues, AND Net Income (loss)
\$7 Million or Less

FORM 7 (REV. 6/99)	BEA USE ONLY		Reporter ID Number		D									
	Name of U.S. Reporter													
Name of foreign affiliate (1)	Country of location (2)	Primary industry code ¹ (3)	Total assets (4)		Total liabilities (5)		Sales or gross operating revenues (6)		Net income after foreign income tax (7)		Number of employees (8)	Debt and intercompany balances between U.S. Reporter and foreign affiliate ³ (9)		Owed to foreign affiliate by U.S. Reporter (10)
			Mil.	Thous.	Mil.	Thous.	Mil.	Thous.	Mil.	Thous.		Mil.	Thous.	
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5002	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5003	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5004	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5005	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5006	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5007	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5008	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5009	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	
5010	2 BEA USE ONLY	3	U.S. Reporter's percentage of ownership ²		U.S. Reporter's percentage of ownership ²		6		Direct (11)		11	Indirect (12)		%
1		3	\$	\$	\$	\$	\$	\$	\$	\$	8	\$	\$	

¹ See Form BE-10B BANK pages 12 and 13 or Guide to Industry and Foreign Trade Classification for International Surveys, Part 1, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.
² To calculate indirect ownership percentages — See Instruction Booklet, Part I.A.2.
³ For bank affiliate, report U.S. Reporter's permanent debt investment in col. 9 and leave col. 10 blank. See BE-10B BANK, Part III, Section B.

Page No. _____ of _____ pages
of this Supplement A

LISTING OF FOREIGN AFFILIATES
With Asset, Sales or Gross Operating Revenues, AND Net Income (loss)
\$7 Million or Less

D	BEA USE ONLY		Reporter ID Number		Name of U.S. Reporter		Debt and intercompany balances between U.S. Reporter and foreign affiliate		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Name of foreign affiliate	Country of location	Primary industry code ¹	Total assets	Total liabilities	Sales or gross operating revenues	Net income after foreign income tax	Number of employees	Owed to U.S. Reporter by foreign affiliate	Owed to foreign affiliate by U.S. Reporter
			Mil. Thous. Dols.	Mil. Thous. Dols.	Mil. Thous. Dols.	Mil. Thous. Dols.		Mil. Thous. Dols.	Mil. Thous. Dols.
1		3	4 \$	5 \$	6 \$	7 \$	8	9 \$	10 \$
5011	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12
1		3	4	5	6	7	8	9	10
5012	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12
1		3	4	5	6	7	8	9	10
5013	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12
1		3	4	5	6	7	8	9	10
5014	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12
1		3	4	5	6	7	8	9	10
5015	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12
1		3	4	5	6	7	8	9	10
5016	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12
1		3	4	5	6	7	8	9	10
5017	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12
1		3	4	5	6	7	8	9	10
5018	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12
1		3	4	5	6	7	8	9	10
5019	2 BEA USE ONLY	U.S. Reporter's percentage of ownership ²	→		→		11	Indirect (12) →	12

¹ See Form BE-10B BANK pages 12 and 13 or Guide to Industry and Foreign Trade Classification for International Surveys, Part 1, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.
² To calculate indirect ownership percentages — See Instruction Booklet, Part I.A.2.
 Use additional sheets, if necessary, to account for all affiliates.

BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 1999
FORM BE-10A BANK
ADDITIONAL INSTRUCTIONS BY LINE ITEM

Part I — IDENTIFICATION OF U.S. REPORTER

9.—15.

Sales or gross operating revenues of fully consolidated domestic U.S. Reporter by industry of sales or gross operating revenues.

If fewer than five ISI codes are used, account for total sales or gross operating revenues in items 9 through 13. Do not include realized gains or losses due to profit or loss on the sale or maturity of investments here. Instead, report them as part of item 17 (total income).

Part II — FINANCIAL AND OPERATING DATA OF U.S. REPORTER

17. Total income — include:

- a. Sales or gross operating revenues.
- b. Income from equity investments in affiliates (domestic and foreign). For affiliates owned 20 percent or more (including majority-owned foreign affiliates), report equity in earnings during the reporting period; for those owned less than 20 percent, report dividends.
- c. Certain realized and unrealized gains (losses) net of income tax effects. Include realized gains or losses due to profit or loss on the sale or maturity of investments. Include unrealized holding gains and losses recognized during the period due to changes in the valuation of trading securities as defined by FASB 115. Include losses recognized during the period from other-than-temporary impairment of available-for-sale or held-to-maturity securities, as defined by FASB 115. Do not include unrealized holding gains and losses due to changes in the value of available-for-sale securities as defined by FASB 115.
- d. Other income

21. Total employee compensation

Wages and salaries — Report gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to independent personnel who are not employees.

Include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer.

Include in-kind payments, valued at their cost, that are clearly and primarily of benefit to the employees as consumers. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement of business expenses.

Employee benefit plans — Report employer expenditures for all employee benefit plans, including those mandated by government statute, resulting from collective bargaining contracts, and those that are voluntary. Include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. Also, include deferred postemployment and post retirement expenses per FASB 106. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

BE-10B BANK

OMB No. 0608-0049: Approval Expires 11/30/2002	BEA USE ONLY	Affiliate ID Number	E
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FORM BE-10B BANK (Report for Foreign Affiliate that is a Bank)
(REV. 7/99)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

MANDATORY — CONFIDENTIAL
BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 1999

MAIL REPORTS TO:

U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Washington, DC 20230

OR

DELIVER REPORTS TO:

U.S. Department of Commerce
Bureau of Economic Analysis
BE-69(A)
Shipping and Receiving,
Section M-100
1441 L Street, NW
Washington, DC 20005

1. Name of U.S. Reporter of foreign affiliate — Same as item 1, Form BE-10A or BE-10A Bank

2. Name of foreign affiliate being reported — Use the same name on all reports filed subsequently for this affiliate with the Bureau of Economic Analysis, e.g., Form BE-577.

IMPORTANT

Use Form BE-10B BANK only to report a foreign affiliate that is a bank, i.e., a foreign business enterprise with over 50 percent of its total gross operating revenues generated by activities classified in International Surveys Industry codes 5221 and/or 5229.

Read the **Instruction Booklet**, which contains definitions and reporting requirements, before completing this form. **The Instruction Booklet**, Part I.C., has information for U.S. Reporters and foreign affiliates that are banks or bank holding companies. **"Additional" Instructions** specific to line items are provided at the back of this form.

• **Who must report** — The U.S. Reporter must file Form BE-10B BANK for each bank foreign affiliate for which total assets; sales or gross operating revenues, excluding sales taxes; **OR** net income after provision for foreign taxes was greater than \$7 million (positive or negative) at any time during the affiliate's 1999 fiscal year. See **Instruction Booklet**, Part I, for detailed reporting requirements.

• **Foreign affiliate's 1999 fiscal year** — The foreign affiliate's financial reporting year that has an ending date in calendar year 1999. See **Instruction Booklet**, Part II.A., page 8.

• **Due date** — A complete BE-10 report is due on the following dates:

May 31, 2000 for a U.S. Reporter required to file fewer than 50 Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK;

June 30, 2000 for a U.S. Reporter required to file 50 or more Forms BE-10B(LF), BE-10B(SF), and/or BE-10B BANK.

• **Translation of foreign currency financial and operating data into U.S. dollars** — Use U.S. generally accepted accounting principles (FASB 52). See **Instruction Booklet**, Part IV.B., page 11.

• **Currency amounts — Report in U.S. dollars rounded to thousands (omitting 000). Do not enter** amounts in the shaded portions of each line. **EXAMPLE** — If amount is \$1,334,891.00, report as

Bil.	Mil.	Thous.	Dols.
	1	335	

If an item is between + or - \$500.00, enter "0." Use parenthesis () to indicate negative numbers.

• **Contact us for help** — Telephone: 202-606-5566; FAX: 202-606-5312 or 5317; E-mail: be10/11@bea.doc.gov.

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — See Additional Instructions for Part I on page 11 at the back of this form.

3. Number of foreign affiliates consolidated in this report — Do not consolidate affiliates located in two different countries. See the **Instruction Booklet**, Part I.B.2.c.(1), page 6. If your answer to this question is 2 or more, you must complete **Supplement B (page 9)** of this report.

1003

4. Does this foreign affiliate have a direct equity interest in other foreign affiliates, including branches of this affiliate, that are not fully consolidated in this BE-10B(BANK)? — Mark (X) one.

1004 1 Yes — Complete Supplement A (page 7) of this Form BE-10B BANK.
 2 No

5. Form of organization of this foreign affiliate — Mark (X) one.

1005 1 Corporation 2 Branch 3 Partnership 4 Other — Specify

6. Country of incorporation or organization of this foreign affiliate — Mark (X) one.

1006 1601 Australia 1307 France 1614 Japan 1325 Switzerland
 1202 Brazil 1308 Germany 1213 Mexico 1327 United Kingdom
 1100 Canada 1314 Italy 1319 Netherlands 1 Other — Specify

7. Country of location — Country in which this foreign affiliate's physical assets are located or where its primary activity is carried out — Mark (X) one.

1007 1601 Australia 1307 France 1614 Japan 1325 Switzerland
 1202 Brazil 1308 Germany 1213 Mexico 1327 United Kingdom
 1100 Canada 1314 Italy 1319 Netherlands 1 Other — Specify

8. This foreign affiliate's financial books and records are kept in — Mark (X) one.

1008 1 The currency of the country of the affiliate as given in item 7. (Foreign affiliates located in European Monetary Union countries should check this box if they keep their books in the currency of the country of the affiliate or in euros.)
 2 U.S. dollars
 3 A foreign currency which is not that of the country of location of the affiliate as given in item 7

	1009	Month	Day	Year
9. Enter the ending date of this foreign affiliate's 1999 fiscal year.	1			1999

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

10. Was the foreign business enterprise a foreign affiliate of the U.S. Reporter for only part of FY 1999?

1010 1 Yes, and this is its initial report — Affiliate was not previously reported

If "Yes," did the U.S. Reporter — Mark (X) one

- 2 1 Establish the foreign affiliate?
- 2 2 Acquire a voting interest of 10 percent or more in an existing foreign company from a foreign person?
- 2 3 Acquire a voting interest of 10 percent or more in this affiliate from a U.S. person? — Give name and address of U.S. person.

Enter date

Month	Year
3	

1 2 Yes, and this is its final report —

If "Yes," was the affiliate — Mark (X) one

- 2 4 Merged or reorganized?
- Sold:
 - 2 5 to a U.S. person? — Give name and address of U.S. person.

Enter date

Month	Year
3	

- 2 6 to a foreign person?
- 2 7 Liquidated?
- 2 8 Seized?

1 3 No

11. Was there a change in the entity due to mergers, acquisitions, divestitures, etc., or a change in accounting principles during FY 1999 that caused FY 1998 data to be restated? Mark (X) one.

- 1011 1 Yes — Report all close FY 1998 data before restatement, unless otherwise specified.
- 1 2 No

See Additional Instructions for Part I, on page 11 at the back of this form.

DIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — Enter percent of ownership, to a tenth of one percent, based on voting stock if an incorporated affiliate, or an equivalent interest if an unincorporated affiliate, held directly by

12. U.S. Reporter named in item 1 — Report equity interest and voting interest.

1012

Percent of ownership at close of fiscal year			
Equity interest		Voting interest	
1999 (1)	1998 (2)	1999 (3)	1998 (4)
1	2	3	4
. %	. %	. %	. %
1013		3	4
		. %	. %
1014		3	4
		. %	. %
1015		3	4
		. %	. %
1016		3	4
		. %	. %
1017		3	4
		. %	. %
1018		3	4
		100.0 %	100.0 %
1019		3	4
		. %	. %

13. Other foreign affiliate(s) of U.S. Reporter named in Item 1 — If entry is made here, complete items 19 and 20.

14. Other U.S. Reporter(s) of this foreign affiliate — If entry is made here, item 21 must be "Yes."

15. Foreign affiliate(s) of other U.S. Reporter(s) — If entry is made here, item 21 must be "Yes."

16. Other U.S. persons

17. Other foreign persons

18. TOTAL OF DIRECTLY HELD VOTING OWNERSHIP INTERESTS — Sum of items 12 through 17

19. Indirect ownership — If there is an entry in item 13, enter U.S. Reporter's percent of indirect ownership in this affiliate. See Instruction Booklet, Part I.A.2., page 5, for instructions on how to complete indirect ownership percentages.

20. Identification of foreign affiliate parent(s) — If there is an entry in item 13, column (3) or column (4) — Enter below, the name(s) and percent(s) of ownership of each foreign affiliate of the U.S. Reporter named in item 1 holding a direct ownership interest in this foreign affiliate. Also, for each foreign affiliate in column (a) that is below the first tier in its ownership chain, enter in column (d) the name of the foreign affiliate that holds a direct ownership interest in it.

Foreign affiliate holding direct ownership interest in this foreign affiliate				Name of foreign affiliate, if any, in ownership chain that holds direct interest in foreign affiliate named in column (a)
Name and ID Number Enter name and BEA ID Number of foreign affiliate(s) holding a direct ownership interest in this foreign affiliate. (a)	BEA USE ONLY	Percent direct ownership in this foreign affiliate		
		Close FY 1999 (b)	Close FY 1998 (c)	
a. 1191	1	2 . %	3 . %	
b. 1192	1	2 . %	3 . %	
c. 1193	1	2 . %	3 . %	
d. TOTAL — Must equal percentages entered in Item 13	1020	2 . %	3 . %	

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

21. Do two or more U.S. persons each directly or indirectly own or control at least 10 percent of this foreign affiliate's voting rights? Mark (X) one.

1021 1 Yes — Item 14 or 15 on page 2 must have an entry, and either item 22 or 23 must be completed. See **Instruction Booklet**, Part I.C.2.b.(2).
 2 No — Skip to item 28

22. If the answer to item 21 is "Yes," and the U.S. Reporter named in item 1 is submitting the Part II data (i.e., the "complete" report) for this foreign affiliate — Give name(s) and mailing address(es) of the other U.S. Reporter(s) who is(are) not submitting the data.

Name	Mailing address

23. If the answer to item 21 is "Yes," and if the U.S. Reporter named in item 1 is not submitting the Part II data (i.e., is submitting a "partial" report) for this foreign affiliate — Give name and mailing address of U.S. Reporter who is submitting the data.

24. BEA USE ONLY	1024	1	2	3	4	5
25. BEA USE ONLY	1025	1	2	3	4	5
26. BEA USE ONLY	1026	1	2	3	4	5
27. BEA USE ONLY	1027	1	2	3	4	5

Gross operating revenues of foreign affiliate, by industry — Enter in columns (1) and (2) respectively, the 4-digit ISI code(s) and the amount of gross operating revenues associated with each code. See the **Guide to Industry and Foreign Trade Classifications for International Surveys** for a list, and explanation, of the International Surveys Industry (ISI). A list of ISI codes is also provided on pages 12 and 13 of this form. For an inactive foreign affiliate, enter an ISI code based on the last active period. For "start-up" companies, show the intended activity. See **Additional Instructions for Part I, page 11, at the back of this form.**

	ISI code	Gross operating revenues			
		(2)			
(1)	(2)	Bil.	Mil.	Thous.	Dols.
28. Banking industry — (depository institutions — ISI code 5221 — or nondepository branches and agencies — ISI code 5229)	1030	5221	\$		
	1031	5229			
29. 2nd largest gross operating revenues	1032				
30. 3rd largest gross operating revenues	1033				
31. 4th largest gross operating revenues	1034				
32. Gross operating revenues not accounted for above	1037				
33. TOTAL GROSS OPERATING REVENUES — Sum of items 28 through 32	1038		\$		

34. BEA USE ONLY	1039	1	2	3	4	5
35. BEA USE ONLY	1040	1	2	3	4	5

Remarks

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

Section A — Income and Related Items — See Additional Instructions for Part II, Section A, on page 11 at the back of this form.		Amount																																					
		Close of FY 1999																																					
		Bil.	Mil.	Thous.	Dols.																																		
36. Certain realized and unrealized gains (losses) — Include gains (losses) net of income tax effects resulting from: <ul style="list-style-type: none"> a. Certain realized and unrealized gains (losses). Include realized gains or losses due to profit or loss on the sale or maturity of investments. Include unrealized holding gains and losses recognized during the period due to changes in the valuation of trading securities as defined by FASB 115. Include losses recognized during the period from other-than-temporary impairment of available-for-sale or held-to-maturity securities, as defined by FASB 115. Do not include unrealized holding gains and losses due to changes in the value of available-for-sale securities as defined by FASB 115. Instead, include such gains and losses in retained earnings (item 46) for an incorporated affiliate, total owners' equity (item 50) for an unincorporated affiliate and also report them in item 39. b. Sale, disposition, or revaluation of land, other property, plant and equipment, or other assets. c. Remeasurement of the foreign affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the period and transaction gains (losses) taken to income in accordance with FASB 52; d. Extraordinary items (except those resulting from legal judgments and accidental damage to fixed assets) and other unusual or infrequently occurring items. 	2044	\$																																					
37. TOTAL INCOME	2046	\$																																					
38. NET INCOME (LOSS) after provision for foreign income taxes	2051	\$																																					
39. Certain unrealized gains (losses) not included in the determination of net income — Enter net unrealized gains (losses) that are not included in the determination of net income and, therefore, excluded from item 38, that were taken directly to retained earnings for an incorporated affiliate, or to owners' equity for an unincorporated affiliate. Report amount net of income tax effects, if any, on gains (losses). — Exclude translation adjustments.	2117																																						
40. Provision for loan loss — Amount charged to the loan loss reserve account during FY 1999	2140																																						
Section B — Number of Employees and Employee Compensation — See Additional Instructions Part II, Section B, on page 11 at the back of this form.																																							
NUMBER OF EMPLOYEES — Employees on the payroll at the end of FY 1999 including part-time employees, but excluding temporary and contract employees not included on your payroll records. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of employees on the payroll at the end of FY 1999. If the number of employees at the end of FY 1999 (or when the count was taken) was unusually high or low due to temporary factors (e.g., a strike), enter the number of employees that reflects normal operations. If the number of employees fluctuates widely during the year due to seasonal business variations, report the average number of employees on the payroll during FY 1999. Base such an average on the number of employees on the payroll at the end of each pay period, month or quarter. If precise figures are not available, give your best estimate.																																							
EMPLOYEE COMPENSATION — Expenditures made by an employer in connection with the employment of workers, including cash payments, payments-in-kind, and employer expenditures for employee benefit plans including those required by statute. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods.																																							
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="5"></th> <th style="text-align: center;">Number of employees</th> </tr> </thead> <tbody> <tr> <td colspan="5"></td> <td style="text-align: center;">1</td> </tr> </tbody> </table>											Number of employees						1																						
					Number of employees																																		
					1																																		
41. TOTAL NUMBER OF EMPLOYEES — Report the total number of employees for the year	2068																																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="5"></th> <th colspan="4" style="text-align: center;">Amount</th> </tr> <tr> <th colspan="5"></th> <th style="text-align: center;">Bil.</th> <th style="text-align: center;">Mil.</th> <th style="text-align: center;">Thous.</th> <th style="text-align: center;">Dols.</th> </tr> </thead> <tbody> <tr> <td colspan="5"></td> <td style="text-align: center;">1</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>											Amount									Bil.	Mil.	Thous.	Dols.						1										
					Amount																																		
					Bil.	Mil.	Thous.	Dols.																															
					1																																		
42. TOTAL EMPLOYEE COMPENSATION — Report, for all employees, the sum of <ul style="list-style-type: none"> a. Wages and salaries — Employees' gross earnings (before payroll deductions), and direct and in-kind payments by the employer to employees; and b. Employee benefit plans — Employer expenditures for all employee benefits plans 	2072	\$																																					
Section C — Balance Sheet — See Additional Instructions for Part II, Section C on page 11 at the back of this form.																																							
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="9" style="text-align: center;">BALANCES</th> </tr> <tr> <th colspan="4" style="text-align: center;">Close FY 1999 (1)</th> <th colspan="5" style="text-align: center;">Close FY 1998 (unrestated) (2)</th> </tr> <tr> <th style="text-align: center;">Bil.</th> <th style="text-align: center;">Mil.</th> <th style="text-align: center;">Thous.</th> <th style="text-align: center;">Dols.</th> <th style="text-align: center;">Bil.</th> <th style="text-align: center;">Mil.</th> <th style="text-align: center;">Thous.</th> <th style="text-align: center;">Dols.</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td></td> <td></td> <td></td> <td style="text-align: center;">2</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						BALANCES									Close FY 1999 (1)				Close FY 1998 (unrestated) (2)					Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	1				2			
BALANCES																																							
Close FY 1999 (1)				Close FY 1998 (unrestated) (2)																																			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.																																
1				2																																			
43. TOTAL ASSETS	2088	\$																																					
44. TOTAL LIABILITIES	2092																																						
<ul style="list-style-type: none"> • OWNERS' EQUITY — INCORPORATED AFFILIATE ONLY, complete items 45 through 49. 	2093																																						
45. Capital stock and additional paid-in capital	2094																																						
46. Retained earnings (deficit)	2095																																						
47. Translation adjustment — Cumulative amount at year end (per FASB 52)	2096																																						
48. Other — Include involuntarily (or legally) restricted earnings — Specify <div style="border: 1px solid black; height: 15px; width: 100%; margin-top: 5px;"></div>	2097																																						
49. TOTAL OWNERS' EQUITY (INCORPORATED FOREIGN AFFILIATE) — Equals items 43 minus item 44 and, equals the sum of items 45 through 48.	2098																																						
<ul style="list-style-type: none"> • OWNERS' EQUITY — UNINCORPORATED AFFILIATE ONLY, complete items 50 and 51. 	2099																																						
50. TOTAL OWNERS' EQUITY (UNINCORPORATED FOREIGN AFFILIATE) — Equals item 43 minus item 44.	2099																																						
51. Translation adjustment — Cumulative amount at year end (per FASB 52) — That portion of item 50 representing the affiliate's cumulative translation adjustment account.	2099																																						
52. BEA USE ONLY	2065		1	2	3	4																																	

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER

Use Part III to report the line of direct ownership included in item 12, if any, and to report direct financial positions or transactions between the U.S. Reporter and foreign affiliate.

53. Did the U.S. Reporter named in item 1 have a direct ownership interest in this affiliate at any time during the affiliate's 1999 fiscal year (i.e., is any column of item 12 greater than zero)? — Mark (X) one.

3139 1 Yes — Complete items 54 through 78 and continue with the Supplement A (page 7).

2 No — Complete **only** items 60 through 62 and 74 through 78 and then continue with the Supplement A (page 7).

Section A — U.S. Reporter's Equity in Foreign Affiliate's Net Income, Certain Realized and Unrealized Gains (Losses), and Dividends or Distributed Earnings — See Additional Instructions for Part III, Section A, on page 11 at the back of this form.

Enter the amounts which represent the U.S. Reporter's equity, based on its directly held equity interest. Thus if the U.S. Reporter holds both a direct and indirect equity interest, enter the amounts which represent only the directly held equity interest.

54. Net income (loss) after provision for foreign income taxes — Enter U.S. Reporter's share of net income (loss), item 38. 3140

For items 55 and 56; certain realized and unrealized gains (losses) (excluding translation adjustments) after foreign income taxes

55. Included in item 54. U.S. Reporter's share of item 36. 3141

56. Not included in item 54, but taken directly to retained earnings for an incorporated affiliate, or to owners' equity for an unincorporated affiliate. U.S. Reporter's share of item 39. 3142

57. Dividends on common and preferred stock of incorporated foreign affiliate (exclude stock and liquidating dividends) or distributed earnings of unincorporated foreign affiliate — Gross amount 3143

58. Tax withheld on dividends or distributed earnings in item 57. 3144

59. Dividends on common and preferred stock of incorporated foreign affiliate or distributed earnings of unincorporated foreign affiliate — Net amount (item 57 minus item 58) 3145

BEA USE ONLY 3146

Section B — Debt and Other Intercompany Balances Between Foreign Affiliate and U.S. Reporter — See Additional Instructions for Part III, Section B, on page 11 at the back of this form.

If the U.S. Reporter is a bank (i.e., filed a Form BE-10A BANK), complete item 60. Include in item 60 only amounts the U.S. Reporter considers to be permanent debt investment in the affiliate. Interest receipts reported in item 74 should relate only to this permanent debt investment. If the U.S. Reporter is a BANK (i.e., filed a Form BE-10A BANK) do not report permanent debt investment or the U.S. Reporter's equity investment in the affiliate (sections B and C) on the Treasury International Capital Forms BL-1, 2, BC, and BQ-1, 2.

If the U.S. Reporter is **NOT** a BANK (i.e., filed a Form BE-10A), complete items 61 and 62. Report in items 61 and 62 all current and long-term intercompany receivables and payables between the nonbank U.S. Reporter and the foreign affiliate. Item 74 should reflect interest on **all** debt, whether or not the debt is permanent. These amounts are not reported on Treasury International Capital Forms.

	According to books of foreign affiliate				According to books of U.S. Reporter							
	Close FY 1999		Close FY 1998 (unrestated)		Close FY 1999		Close FY 1998 (unrestated)					
	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)				
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
If the U.S. Reporter IS a BANK:												
60. U.S. Reporter's permanent debt investment in affiliate — Report loans from the U.S. Reporter that do not arise from the Reporter's or affiliate's normal banking business. Report only the U.S. Reporter's "permanent" debt investment. 3113	\$				\$				\$			
If the U.S. Reporter IS NOT a BANK:												
61. Owed to U.S. Reporter by the affiliate 3147												
62. Owed to affiliate by the U.S. Reporter 3148												
63. BEA USE ONLY 3149												

Remarks

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER — Continued

Section C — Change in U.S. Reporter's Equity in Capital Stock and/or Additional Paid-in Capital of Incorporated Foreign Affiliate or Equity Investment in Unincorporated Foreign Affiliate — See Additional Instructions for Part III, Section C, on page 11 at the back of this form.

Report transactions during the year that changed the U.S. Reporter's equity holdings in the foreign affiliate. Include equity changes due to treasury stock transactions with the U.S. Reporter and liquidating dividends. Exclude equity changes due to net income or (loss), stock and cash dividends, earnings distributions, balance sheet translation adjustments, treasury stock transactions with persons other than the U.S. Reporter and reorganizations in capital structure that do not affect total equity. Report all amounts at transaction value, i.e., the value of the consideration given (received) by the U.S. Reporter.

	Amount			
		Bil.	Mil. Thous.	Dols.
64. Establishment of affiliate or acquisition (partial or total) of equity interest in this affiliate by U.S. Reporter either from this affiliate or from other foreign persons	3150	\$		
65. Capital contributions and other transactions of the U.S. Reporter with foreign persons that increase equity in this affiliate — Specify	3151			
66. Acquisition (partial or total) of equity interest in this affiliate by U.S. Reporter from other U.S. persons	3152			
• DECREASE IN U.S. REPORTER'S EQUITY INTEREST IN THIS AFFILIATE				
67. Liquidation of affiliate or sale (partial or total) of equity interest in this affiliate by the U.S. Reporter either to this affiliate or to other foreign persons	3153			
68. Return of capital contributions to the U.S. Reporter and other transactions of the U.S. Reporter with foreign persons that decrease equity in this affiliate — Specify	3154			
69. Sale (partial or total) of equity interest in this affiliate by U.S. Reporter to other U.S. persons	3155			
70. TOTAL — Equals sum of items 64, 65, and 66, minus sum of items 67, 68 and 69	3156	\$		

	For acquisition (1)	For liquidation or sale (2)		
		Bil.	Mil. Thous.	Dols.
71. Exceeds the value carried on the books of the affiliate	3157	\$		
72. Is less than the value carried on the books of the affiliate	3158			
73. BEA USE ONLY	3159			

	Receipts by U.S. Reporter from foreign affiliate				Payments by U.S. Reporter to foreign affiliate				
	Net of foreign tax withheld (1)		Foreign tax withheld (2)		Net of U.S. tax withheld (3)		U.S. tax withheld (4)		
	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.	Bil.	Mil. Thous.	Dols.
74. Interest, include interest on capital leases	3160	\$		\$		\$		\$	
75. Royalties, license fees, and other fees for the use or sale of intangible property	3161								
76. Charges for use of tangible property	3162								
77. Allocated expenses and sales of services	3164								
78. TOTAL — Sum of items 74 through 77	3114	\$		\$		\$		\$	
79. BEA USE ONLY	3171								

Remarks

LIST OF ALL FOREIGN AFFILIATES IN WHICH THE REPORTING FOREIGN AFFILIATE (AS CONSOLIDATED) HAS A DIRECT EQUITY INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED ON THIS FORM BE-10B BANK — Continued

Page No. _____ of _____ pages of this Supplement A

	(1) Name of each foreign affiliate, as taken from item 2 of the Form BE-10B(SF) or BE-10B BANK for that affiliate, in which a direct equity interest is held	(2) Affiliate identification number taken from the preprinted Form BE-10B(SF) or BE-10B BANK, if provided, of each foreign affiliate listed in column (1)	(3) BEA USE ONLY	Percentage of direct ownership in the foreign affiliate listed in column (1) held by the foreign affiliate named in the identification block (Enter percentage to the nearest tenth.)	
				(4) Close FY 1999	(5) Close FY 1998
5016				. %	. %
5017				. %	. %
5018				. %	. %
5019				. %	. %
5020				. %	. %
5021				. %	. %
5022				. %	. %
5023				. %	. %
5024				. %	. %
5025				. %	. %
5026				. %	. %
5027				. %	. %
5028				. %	. %
5029				. %	. %
5030				. %	. %
5031				. %	. %
5032				. %	. %

LIST OF ALL FOREIGN AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING FOREIGN AFFILIATE

Supplement B — This list must be completed for the foreign affiliate for which the U.S. Reporter is reporting consolidated financial and operating data to BEA; each foreign affiliate fully consolidated must be more than 10 percent owned, directly or indirectly, by the U.S. Reporter and must also be

more than 50 percent owned by the foreign affiliate named in item 2 of Form BE-10B BANK. The number of foreign affiliates listed below plus the reporting foreign affiliate must agree with Part I, item 3, of Form BE-10B BANK. Continue listing onto as many copied pages as needed.

NOTE — Consolidate affiliates only if they are located in the **same country** and are in the same 4-digit industry.

<p>BEA USE ONLY</p> <p>(1)</p>	<p>(2)</p> <p>Name and country of location of each foreign affiliate fully consolidated in this Form BE-10B BANK</p>	<p>(3)</p> <p>Name of foreign affiliate which holds the direct equity interest in the foreign affiliate listed in column (2)</p>	<p>(4)</p> <p>Percentage of direct ownership at close FY 1999 which the foreign affiliate listed in column (3) has in the foreign affiliate listed in column (2) <i>(Enter percentage to the nearest tenth.)</i></p>
6002			. %
6003			. %
6004			. %
6005			. %
6006			. %
6007			. %
6008			. %
6009			. %
6010			. %
6011			. %
6012			. %
6013			. %
6014			. %
6015			. %

**LIST OF ALL FOREIGN AFFILIATES FULLY CONSOLIDATED INTO THE
REPORTING FOREIGN AFFILIATE — Continued**

Page No. _____ of _____ pages
of this Supplement B

BEA USE ONLY (1)	(2)	(3)	(4)
Name and country of location of each foreign affiliate fully consolidated in this Form BE-10B BANK	Name of foreign affiliate which holds the direct equity interest in the foreign affiliate listed in column (2)	Percentage of direct ownership at close FY 1999 which the foreign affiliate listed in column (3) has in the foreign affiliate listed in column (2) (Enter percentage to the nearest tenth.)	
6016			
6017			%
6018			%
6019			%
6020			%
6021			%
6022			%
6023			%
6024			%
6025			%
6026			%
6027			%
6028			%
6029			%
6030			%
6031			%
6032			%

**BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD —
1999
FORM BE-10B BANK
ADDITIONAL INSTRUCTIONS BY LINE ITEM**

Part I — IDENTIFICATION OF FOREIGN AFFILIATE

12. Ownership by U.S. Reporter named in item 1.

Equity interest is the U.S. Reporter's direct ownership in the total equity (voting and nonvoting) of the affiliate. Examples of nonvoting equity include nonvoting stock and a limited partner's interest in a partnership.

Voting interest is the U.S. Reporter's direct ownership in just the voting equity of the affiliate. Examples of voting equity include voting stock and a general partner's interest in a partnership. Thus, a U.S. Reporter could have a 100 percent direct voting interest in an affiliate but own less than 100 percent of the affiliate's total equity.

28.—33.

Gross operating revenues of foreign affiliate, by industry

If fewer than five ISI codes are used, account for total sales or gross operating revenues. Do not include realized gains or losses due to profit or loss on the sale or maturity of investments here. Instead, report them in item 36 (certain realized and unrealized gains (losses)).

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

• **Section A — Income and Related Items**

37. Total income — Include the following items: —

- a. Sales or gross operating revenues
- b. Income from equity investments in foreign affiliates — For affiliates owned 20 percent or more (including those that are majority-owned), report equity in earnings during the reporting period; for those owned less than 20 percent, report dividends.
- c. Income from other equity investments.
- d. Certain realized and unrealized gains (losses) net of income tax effects
- e. Other income.

• **Section B — Number of Employees and Employee Compensation**

42. Employee compensation — Consists of wages and salaries of employees and employer expenditures for all employee benefit plans.

Wages and salaries — Report gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to independent personnel who are not employees.

Include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer.

Include in-kind payments, valued at their cost, that are clearly and primarily of benefit to the employees as consumers. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement of business expenses.

Employee benefit plans — Report employer expenditures for all employee benefit plans, including those mandated by government statute, resulting from collective bargaining contracts and those that are voluntary. Include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. Also, include deferred post employment and post retirement expenses per FASB 106. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

• **Section C — Balance Sheet**

45. Capital stock and additional paid-in capital — Include common and preferred, voting and nonvoting capital stock and additional paid-in capital.

46. Retained earnings (deficit) — Include earnings retained by the corporation and legally available for dividends; earnings voluntarily restricted; and the cumulative balance of unrealized holding gains and losses due to changes in the valuation of available-for-sale securities per FASB 115.

Part III — INVESTMENT AND TRANSACTIONS BETWEEN FOREIGN AFFILIATE AND THE U.S. REPORTER

• **Section A — U.S. Reporter's Equity in Foreign Affiliate's Net Income, Certain Realized and Unrealized Gains (Losses), and Dividends or Distributed Earnings**

57. Report this item based on the books of the U.S. Reporter. Report amount received or entered into intercompany accounts, whichever occurred first. Include amounts for which payment was made in kind. If a receivable was booked in a prior reporting period, do not report the collection of the receivable in the current period. Show the collection as a reduction to the intercompany account item 61.

• **Section B — Debt and Other Intercompany Balances Between Foreign Affiliate and U.S. Reporter**

60.—62.

Include current and long-term items, indebtedness resulting from a capital lease, and the net book value of equipment under a long-term operating lease. Disaggregate lease payments into their component parts. Reflect return of capital, consisting of principal payments for capital leases and the depreciation component for operating leases, in items 61 and 62. Report the interest component under capital leases in item 74. Report the net rent for operating leases in item 76.

60.—61.

If the foreign affiliate has leased equipment **from** the U.S. Reporter under a long-term operating lease (i.e., the lease is for more than one year), then:

Include the FY 1999 closing net book value of the leased equipment in columns 1 and 3, and;

Include the FY 1998 closing net book value of the leased equipment in columns 2 and 4.

The closing net book value of leased equipment would have to be obtained from the books of the U.S. Reporter.

62. If the foreign affiliate has leased equipment **to** the U.S. Reporter under a long-term operating lease (i.e., the lease is for more than one year), then:

Include the FY 1999 closing net book value of the leased equipment in columns 1 and 3, and;

Include the FY 1998 closing net book value of the leased equipment in columns 2 and 4.

The closing net book value of leased equipment would be obtained from the books of the foreign affiliate.

• **Section C — Change in U.S. Reporter's Equity in Capital Stock and/or Additional Paid-in Capital of Incorporated Foreign Affiliate or Equity Investment in Unincorporated Foreign Affiliate.**

Increase in U.S. Reporter's Equity Interest in This Affiliate

64.—66.

For a newly established or acquired affiliate, report what the U.S. Reporter paid and/or borrowed to establish or acquire the affiliate in item 64 or 66 as appropriate. Do not report the book value of the equity interest if it differs from what was paid.

Decrease in U.S. Reporter's Equity Interest in This Affiliate

67.—69.

For an affiliate that is sold, report the sale price in item 67 or 69 as appropriate. Include foreign income taxes, if any, on gains (and tax refunds on losses) in the calculation of these items. Report the ending intercompany debt position for the affiliate (in columns 1 and 3 of item 60 or in columns 1 and 3 of items 61 and 62) as zero. If debt positions still exist, they are between a U.S. person and an unaffiliated foreign person, and may be reportable on the Department of the Treasury International Capital report forms.

For investments written off, enter zero in items 67—69. Report the amount written off in item 71 or 72 column 2 as appropriate. If an account receivable due to the U.S. Reporter from the affiliate is written off, report the amount of the receivable in item 65 as a capital contribution.

Transaction Value Exceeds or is Less Than the Value Carried on the Books of the Affiliate

71.—72.

If the book value of the U.S. Reporter's equity investment changed by more or less than the value of the consideration paid, received, or owed, enter the amount of the difference in item 71 or 72 as appropriate. For example, if the book value of an affiliate was \$10 million and the affiliate was sold for \$11 million, enter \$1 million in column 2 of item 71. Report the amount gross of U.S. income taxes, if any.

• **Section D — Receipts and Payments Between the U.S. Reporter and Foreign Affiliate**

74.—78.

If a receivable or payable for one of these items was booked in a prior reporting period, do not report the collection of the receivable or payment of the payable if collected or paid in the current period. Show such a collection or payment only as a reduction to an intercompany account (items 61 and 62).

74. Interest — If the U.S. Reporter is a bank, interest receipts entered in this item should relate only to the permanent debt investment reported on line 60.

Except as described in the next paragraph, report interest receipts and interest payments at gross. Do not net the receipts against the payments.

Reporting for Interest Rate and Foreign Currency Swap Agreements Between Nonbank U.S. Reporter and the Foreign Affiliate — Report interest accruals under the terms of interest rate and foreign currency swap agreements on a net basis. Do not report gross receipts and gross payments of interest based upon marking positions to market daily. Instead, report the net amount of these gross receipts or payments either as net interest received or net interest paid, as appropriate.

76. Charges for use of tangible property

Include in column 1 rental payments to the U.S. Reporter under operating leases of one year or less. Include net rental payments to the U.S. Reporter under operating leases of more than one year. (Net rent equals the total rents paid to the U.S. Reporter for the reporting period less the return of capital (depreciation) component charged against the leased equipment on the books of the U.S. Reporter for the part of FY 1999 that the lease was in existence.)

Include in column 3 rent receipts from the U.S. Reporter under operating leases of one year or less. Include net rent receipts from the U.S. Reporter under operating leases of more than one year. (Net rent equals the total rents received from the U.S. Reporter less the amount of depreciation expense charged against the leased equipment on the books of the foreign affiliate for that part of FY 1999 that the lease was in existence.)

77. Allocated expenses and sales of services — Include allocated expenses (such as R&D assessments) and reimbursements between the U.S. Reporter and the affiliate for management, professional, technical, or other services that are normally included in "other income" by the provider of the service. Also include receipts by the U.S. Reporter from, or payments by the U.S. Reporter to, the affiliate for services that are separately billed and normally included in the sales or gross operating revenues of the seller of the service.

SUMMARY OF INDUSTRY CLASSIFICATIONS

<p>AGRICULTURE, FORESTRY, FISHING, AND HUNTING</p> <p>1110 Crop production 1120 Animal production 1130 Forestry and logging 1140 Fishing, hunting, and trapping 1150 Support activities for agriculture and forestry</p> <p>MINING</p> <p>2111 Oil and gas extraction 2121 Coal 2123 Nonmetallic minerals 2124 Iron ores 2125 Gold and silver ores 2126 Copper, nickel, lead, and zinc ores 2127 Other metal ores 2132 Support activities for oil and gas operations 2133 Support activities for mining, except for oil and gas operations</p> <p>UTILITIES</p> <p>2211 Electric power generation, transmission, and distribution 2212 Natural gas distribution 2213 Water, sewage, and other systems</p> <p>CONSTRUCTION</p> <p>2330 Building, developing, and general contracting 2340 Heavy construction 2350 Special trade contractors</p> <p>MANUFACTURING</p> <p>3111 Animal foods 3112 Grain and oilseed milling 3113 Sugar and confectionery products 3114 Fruit and vegetable preserving and specialty foods 3115 Dairy products 3116 Meat products 3117 Seafood product preparation and packaging 3118 Bakeries and tortillas 3119 Other food products 3121 Beverages 3122 Tobacco 3130 Textile mills 3140 Textile product mills 3150 Apparel 3160 Leather and allied products 3210 Wood products 3221 Pulp, paper, and paperboard mills 3222 Converted paper products 3231 Printing and related support activities 3242 Integrated petroleum refining and extraction 3243 Petroleum refining without extraction 3244 Other petroleum and coal products 3251 Basic chemicals 3252 Resins, synthetic rubbers, and artificial and synthetic fibers and filaments</p>	<p>3253 Pesticides, fertilizers, and other agricultural chemicals 3254 Pharmaceuticals and medicines 3255 Paints, coatings, and adhesives 3256 Soap, cleaning compounds, and toilet preparations 3259 Other chemical products and preparations 3261 Plastics products 3262 Rubber products 3271 Clay products and refractories 3272 Glass and glass products 3273 Cement and concrete products 3274 Lime and gypsum products 3279 Other nonmetallic mineral products 3311 Iron and steel mills and ferroalloys 3312 Steel products from purchased steel 3313 Alumina and aluminum production and processing 3314 Nonferrous metal (except aluminum) production and processing 3315 Foundries 3321 Forging and stamping 3322 Cutlery and hand tools 3323 Architectural and structural metals 3324 Boilers, tanks, and shipping containers 3325 Hardware 3326 Spring and wire products 3327 Machine shops, turned products, and screws, nuts, and bolts 3328 Coating, engraving, heat treating, and allied activities 3329 Other fabricated metal products 3331 Agriculture, construction, and mining machinery 3332 Industrial machinery 3333 Commercial and service industry machinery 3334 Ventilation, heating, air conditioning, and commercial refrigeration equipment 3335 Metalworking machinery 3336 Engines, turbines, and power transmission equipment 3339 Other general purpose machinery 3341 Computer and peripheral equipment 3342 Communications equipment 3343 Audio and video equipment 3344 Semiconductors and other electronic components 3345 Navigational, measuring, electro-medical, and control instruments 3346 Manufacturing and reproducing magnetic and optical media 3351 Electric lighting equipment 3352 Household appliances 3353 Electrical equipment 3359 Other electrical equipment and components 3361 Motor vehicles 3362 Motor vehicle bodies and trailers 3363 Motor vehicle parts 3364 Aerospace products and parts 3365 Railroad rolling stock 3366 Ship and boat building 3369 Other transportation equipment 3370 Furniture and related products 3391 Medical equipment and supplies 3399 Other miscellaneous manufacturing</p>	<p>WHOLESALE TRADE</p> <p>DURABLE GOODS</p> <p>4211 Motor vehicles and motor vehicle parts and supplies 4212 Furniture and home furnishings 4213 Lumber and other construction materials 4214 Professional and commercial equipment and supplies 4215 Metals and minerals (except petroleum) 4216 Electrical goods 4217 Hardware, and plumbing and heating equipment and supplies 4218 Machinery, equipment, and supplies 4219 Miscellaneous durable goods</p> <p>NONDURABLE GOODS</p> <p>4221 Paper and paper products 4222 Drugs and druggists' sundries 4223 Apparel, piece goods, and notions 4224 Grocery and related products 4225 Farm product raw materials 4226 Chemical and allied products 4227 Petroleum and petroleum products 4228 Beer, wine, and distilled alcoholic beverages 4229 Miscellaneous nondurable goods</p> <p>RETAIL TRADE</p> <p>4410 Motor vehicle and parts dealers 4420 Furniture and home furnishings stores 4431 Electronics and appliance stores 4440 Building material and garden equipment and supplies dealers 4450 Food and beverage stores 4461 Health and personal care stores 4471 Gasoline stations 4480 Clothing and clothing accessories stores 4510 Sporting goods, hobby, book, and music stores 4520 General merchandise stores 4530 Miscellaneous store retailers 4540 Nonstore retailers</p> <p>TRANSPORTATION AND WAREHOUSING</p> <p>4810 Air transportation 4821 Rail transportation 4833 Petroleum tanker operations 4839 Other water transportation 4840 Truck transportation 4850 Transit and ground passenger transportation 4863 Pipeline transportation of crude oil, refined petroleum products, and natural gas 4868 Other pipeline transportation 4870 Scenic and sightseeing transportation 4880 Support activities for transportation 4920 Couriers and messengers 4932 Petroleum storage for hire 4939 Other warehousing and storage</p>
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SUMMARY OF INDUSTRY CLASSIFICATIONS — Continued

INFORMATION

- 5111 Newspaper, periodical, book, and database publishers
- 5112 Software publishers
- 5121 Motion picture and video industries
- 5122 Sound recording industries
- 5131 Radio and television broadcasting
- 5132 Cable networks and program distribution
- 5133 Telecommunications
- 5141 Information services
- 5142 Data processing services

FINANCE AND INSURANCE

- 5221 Depository credit intermediation (Banking)
- 5223 Activities related to credit intermediation
- 5224 Non-depository credit intermediation
- 5229 Non-depository branches and agencies
- 5231 Securities and commodity contracts intermediation and brokerage
- 5238 Other financial investment activities and exchanges
- 5242 Agencies, brokerages, and other insurance related activities
- 5243 Insurance carriers, except life insurance carriers
- 5249 Life insurance carriers
- 5252 Funds, trusts and other financial vehicles, except REITs

REAL ESTATE AND RENTAL AND LEASING

- 5310 Real estate
- 5321 Automotive equipment rental and leasing
- 5329 Other rental and leasing services
- 5331 Lessors of non-financial intangible assets (except copyrighted works)

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

- 5411 Legal services
- 5412 Accounting, tax preparation, bookkeeping, and payroll services
- 5413 Architectural, engineering, and related services
- 5414 Specialized design services
- 5415 Computer systems design and related services
- 5416 Management, scientific, and technical consulting services
- 5417 Scientific research and development services
- 5418 Advertising and related services
- 5419 Other professional, scientific, and technical services

MANAGEMENT OF COMPANIES AND ENTERPRISES

- 5512 Holding companies, except bank holding companies
- 5513 Corporate, subsidiary, and regional management offices

ADMINISTRATIVE AND SUPPORT, WASTE MANAGEMENT, AND REMEDIATION SERVICES

- 5611 Office administrative services
- 5612 Facilities support services
- 5613 Employment services
- 5614 Business support services
- 5615 Travel arrangement and reservation services
- 5616 Investigation and security services
- 5617 Services to buildings and dwellings
- 5619 Other support services
- 5620 Waste management and remediation services

EDUCATIONAL SERVICES

- 6110 Educational services

HEALTH CARE AND SOCIAL ASSISTANCE

- 6210 Ambulatory health care services
- 6220 Hospitals
- 6230 Nursing and residential care facilities
- 6240 Social assistance

ARTS, ENTERTAINMENT, AND RECREATION

- 7110 Performing arts, spectator sports, and related industries
- 7121 Museums, historical sites, and similar institutions
- 7130 Amusement, gambling, and recreation industries

ACCOMMODATIONS AND FOOD SERVICES

- 7210 Accommodations
- 7220 Foodservices and drinking places

OTHER SERVICES

- 8110 Repair and maintenance
- 8120 Personal and laundry services
- 8130 Religious, grantmaking, civic, professional, and similar organizations

PUBLIC ADMINISTRATION

- 9200 Public administration



GUIDE TO INDUSTRY AND FOREIGN TRADE CLASSIFICATIONS FOR INTERNATIONAL SURVEYS

*Industry classifications adapted from the 1997 North American
Industry Classification System (NAICS)*

*Foreign trade classifications adapted from the Standard
International Trade Classification, Revision 3 (SITC)*

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This guide provides detailed descriptions of each of the industry and foreign trade classification categories to be used in completing BEA's international surveys. Industry classifications described in the first part of this guide are used to determine the type of business conducted by the entity being reported (pages 3–49). Foreign trade classifications, described in the second part of this guide (pages 50–53), are used to classify, by product, U.S. exports and imports of goods.

Part I — INDUSTRY CLASSIFICATIONS

The international surveys industry (ISI) classifications described here are to be used when completing the industry classification items in BEA's surveys of direct investment and services. The classifications and their code numbers were adapted by BEA from the 1997 North American Industry Classification System (hereafter referred to as the "1997 NAICS"). Industry classifications in the previous version of this guide were adapted from the 1987 Standard Industrial Classification (SIC) system.

Although the SIC system was updated several times, most recently in 1987, its basic structure dates back to the 1930's. Rapid changes in the U.S. and world economies in recent years prompted a re-examination of industry classification issues. The 1997 NAICS, a system for classifying establishments by type of economic activity, is the result of a joint effort by staff of BEA and other U.S. Federal statistical agencies, under the guidance of the Office of Management and Budget, and in cooperation with statistical agencies in Canada and Mexico. Among other things, the 1997 NAICS better reflects new and advanced technologies and growth and diversification in the provision of services in recent decades. (More information about the 1997 NAICS is available on the Internet at "<http://www.census.gov/epcd/www/naics.html>")

For reporting on BEA surveys, 197 individual ISI classifications were adapted from the 1997 NAICS, and each has been assigned a four-digit numerical code. (The previously used SIC-based 1987 ISI classifications had 137 three-digit codes.) The titles of some ISI classifications, by themselves, may not be sufficiently descriptive to classify certain activities. More information on the content of each classification is provided in the detailed definitions below. For some classifications, a "NOTE" given after the definition lists closely related activities NOT included in the classification being defined and the ISI codes for those activities.

For the convenience of those U.S. reporters familiar with the 1997 NAICS, the 1997 NAICS code or codes that correspond to a given ISI classification are shown in parentheses under the heading of each ISI classification. Because differences between a given ISI classification and the corresponding 1997 NAICS classification(s) may exist, the detailed definitions of the ISI classifications should be consulted when completing industry classification items in the survey.

PART I — INDUSTRY CLASSIFICATIONS — Continued

SUMMARY OF INDUSTRY CLASSIFICATIONS

AGRICULTURE, FORESTRY, FISHING, AND HUNTING

- 1110 Crop production
- 1120 Animal production
- 1130 Forestry and logging
- 1140 Fishing, hunting, and trapping
- 1150 Support activities for agriculture and forestry

MINING

- 2111 Oil and gas extraction
- 2121 Coal
- 2123 Nonmetallic minerals
- 2124 Iron ores
- 2125 Gold and silver ores
- 2126 Copper, nickel, lead, and zinc ores
- 2127 Other metal ores
- 2132 Support activities for oil and gas operations
- 2133 Support activities for mining, except for oil and gas operations

UTILITIES

- 2211 Electric power generation, transmission, and distribution
- 2212 Natural gas distribution
- 2213 Water, sewage, and other systems

CONSTRUCTION

- 2330 Building, developing, and general contracting
- 2340 Heavy construction
- 2350 Special trade contractors

MANUFACTURING

- 3111 Animal foods
- 3112 Grain and oilseed milling
- 3113 Sugar and confectionery products
- 3114 Fruit and vegetable preserving and specialty foods
- 3115 Dairy products
- 3116 Meat products
- 3117 Seafood product preparation and packaging
- 3118 Bakeries and tortillas
- 3119 Other food products
- 3121 Beverages
- 3122 Tobacco
- 3130 Textile mills
- 3140 Textile product mills
- 3150 Apparel
- 3160 Leather and allied products
- 3210 Wood products
- 3221 Pulp, paper, and paperboard mills
- 3222 Converted paper products

- 3231 Printing and related support activities
- 3242 Integrated petroleum refining and extraction
- 3243 Petroleum refining without extraction
- 3244 Other petroleum and coal products
- 3251 Basic chemicals
- 3252 Resins, synthetic rubbers, and artificial and synthetic fibers and filaments
- 3253 Pesticides, fertilizers, and other agricultural chemicals
- 3254 Pharmaceuticals and medicines
- 3255 Paints, coatings, and adhesives
- 3256 Soap, cleaning compounds, and toilet preparations
- 3259 Other chemical products and preparations
- 3261 Plastics products
- 3262 Rubber products
- 3271 Clay products and refractories
- 3272 Glass and glass products
- 3273 Cement and concrete products
- 3274 Lime and gypsum products
- 3279 Other nonmetallic mineral products
- 3311 Iron and steel mills and ferroalloys
- 3312 Steel products from purchased steel
- 3313 Alumina and aluminum production and processing
- 3314 Nonferrous metal (except aluminum) production and processing
- 3315 Foundries
- 3321 Forging and stamping
- 3322 Cutlery and hand tools
- 3323 Architectural and structural metals
- 3324 Boilers, tanks, and shipping containers
- 3325 Hardware
- 3326 Spring and wire products
- 3327 Machine shops, turned products, and screws, nuts, and bolts
- 3328 Coating, engraving, heat treating, and allied activities
- 3329 Other fabricated metal products
- 3331 Agriculture, construction, and mining machinery
- 3332 Industrial machinery
- 3333 Commercial and service industry machinery
- 3334 Ventilation, heating, air-conditioning, and commercial refrigeration equipment
- 3335 Metalworking machinery
- 3336 Engines, turbines, and power transmission equipment

- 3339 Other general purpose machinery
- 3341 Computer and peripheral equipment
- 3342 Communications equipment
- 3343 Audio and video equipment
- 3344 Semiconductors and other electronic components
- 3345 Navigational, measuring, electromedical, and control instruments
- 3346 Manufacturing and reproducing magnetic and optical media
- 3351 Electric lighting equipment
- 3352 Household appliances
- 3353 Electrical equipment
- 3359 Other electrical equipment and components
- 3361 Motor vehicles
- 3362 Motor vehicle bodies and trailers
- 3363 Motor vehicle parts
- 3364 Aerospace products and parts
- 3365 Railroad rolling stock
- 3366 Ship and boat building
- 3369 Other transportation equipment
- 3370 Furniture and related products
- 3391 Medical equipment and supplies
- 3399 Other miscellaneous manufacturing

WHOLESALE TRADE

DURABLE GOODS

- 4211 Motor vehicles and motor vehicle parts and supplies
- 4212 Furniture and home furnishings
- 4213 Lumber and other construction materials
- 4214 Professional and commercial equipment and supplies
- 4215 Metals and minerals (except petroleum)
- 4216 Electrical goods
- 4217 Hardware, and plumbing and heating equipment and supplies
- 4218 Machinery, equipment, and supplies
- 4219 Miscellaneous durable goods

NONDURABLE GOODS

- 4221 Paper and paper products
- 4222 Drugs and druggists' sundries
- 4223 Apparel, piece goods, and notions
- 4224 Grocery and related products
- 4225 Farm product raw materials
- 4226 Chemical and allied products
- 4227 Petroleum and petroleum products
- 4228 Beer, wine, and distilled alcoholic beverages
- 4229 Miscellaneous nondurable goods

PART I — INDUSTRY CLASSIFICATIONS — Continued

SUMMARY OF INDUSTRY CLASSIFICATIONS – Continued

RETAIL TRADE

4410 Motor vehicle and parts dealers
4420 Furniture and home furnishings stores
4431 Electronics and appliance stores
4440 Building material and garden equipment and supplies dealers
4450 Food and beverage stores
4461 Health and personal care stores
4471 Gasoline stations
4480 Clothing and clothing accessories stores
4510 Sporting goods, hobby, book, and music stores
4520 General merchandise stores
4530 Miscellaneous store retailers
4540 Nonstore retailers

TRANSPORTATION AND WAREHOUSING

4810 Air transportation
4821 Rail transportation
4833 Petroleum tanker operations
4839 Other water transportation
4840 Truck transportation
4850 Transit and ground passenger transportation
4863 Pipeline transportation of crude oil, refined petroleum products, and natural gas
4868 Other pipeline transportation
4870 Scenic and sightseeing transportation
4880 Support activities for transportation
4920 Couriers and messengers
4932 Petroleum storage for hire
4939 Other warehousing and storage

INFORMATION

5111 Newspaper, periodical, book, and database publishers
5112 Software publishers
5121 Motion picture and video industries
5122 Sound recording industries
5131 Radio and television broadcasting
5132 Cable networks and program distribution
5133 Telecommunications
5141 Information services
5142 Data processing services

FINANCE AND INSURANCE

5221 Depository credit intermediation (Banking)
5223 Activities related to credit intermediation
5224 Non-depository credit intermediation

5229 Non-depository branches and agencies
5231 Securities and commodity contracts intermediation and brokerage
5238 Other financial investment activities and exchanges
5242 Agencies, brokerages, and other insurance related activities
5243 Insurance carriers, except life insurance carriers
5249 Life insurance carriers
5252 Funds, trusts and other financial vehicles, except REITs

REAL ESTATE AND RENTAL AND LEASING

5310 Real estate
5321 Automotive equipment rental and leasing
5329 Other rental and leasing services
5331 Lessors of non-financial intangible assets (except copyrighted works)

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

5411 Legal services
5412 Accounting, tax preparation, bookkeeping, and payroll services
5413 Architectural, engineering, and related services
5414 Specialized design services
5415 Computer systems design and related services
5416 Management, scientific, and technical consulting services
5417 Scientific research and development services
5418 Advertising and related services
5419 Other professional, scientific, and technical services

MANAGEMENT OF COMPANIES AND ENTERPRISES

5512 Holding companies, except bank holding companies
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ADMINISTRATIVE AND SUPPORT, WASTE MANAGEMENT, AND REMEDIATION SERVICES

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5616 Investigation and security services
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5619 Other support services
5620 Waste management and remediation services

EDUCATIONAL SERVICES

6110 Educational services

HEALTH CARE AND SOCIAL ASSISTANCE

6210 Ambulatory health care services
6220 Hospitals
6230 Nursing and residential care facilities
6240 Social assistance

ARTS, ENTERTAINMENT, AND RECREATION

7110 Performing arts, spectator sports, and related industries
7121 Museums, historical sites, and similar institutions
7130 Amusement, gambling, and recreation industries

ACCOMMODATIONS AND FOOD SERVICES

7210 Accommodations
7220 Foodservices and drinking places

OTHER SERVICES

8110 Repair and maintenance
8120 Personal and laundry services
8130 Religious, grantmaking, civic, professional, and similar organizations

PUBLIC ADMINISTRATION

9200 Public administration

Part I — INDUSTRY CLASSIFICATIONS — Continued

AGRICULTURE, FORESTRY, FISHING, AND HUNTING

The agriculture, forestry, fishing, and hunting sector (ISI codes 1110–1150) comprises businesses engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats. The sector distinguishes two basic activities: agricultural production and agricultural support activities. Agricultural production includes businesses performing the complete farm or ranch operation, such as farm owner-operators, tenant farm operators, and sharecroppers. Agricultural support activities include businesses that perform one or more activities associated with farm operation, such as soil preparation, planting, harvesting, and management, on a contract or fee basis.

1110 Crop production (1997 NAICS code 111)

Businesses engaged in growing crops for food and fiber.

Examples of such crops are:

Corn	Potatoes
Cotton	Soybeans and other oilseeds
Dry peas and beans	Sugarcane and sugarbeets
Fruits and tree nuts	Tobacco
Maple sap	Vegetables and melons
Mushrooms	Wheat

Also included are nursery, tree (with growth cycles of 10 years or less), and floriculture production.

NOTE – Managing farms without owning and/or operating the farms is classified in ISI code 1150.

1120 Animal production (1997 NAICS code 112)

Businesses that raise or fatten animals or sell animal products.

Examples of businesses in, or products of, this industry are:

Beef cattle ranches, farms, and feedlots	Hog and pig farms
Dairy cattle and milk production	Horses
Farm-raised fish	Poultry and egg products
Fur-bearing animals	

NOTE – The catching or taking of fish from their natural habitat is classified in ISI code 1140.

1130 Forestry and logging (1997 NAICS code 113)

Businesses in this industry grow and harvest timber on a long production cycle of 10 years or more. They engage in the operation of timber tracks for the purpose of selling standing timber. These businesses also grow trees for reforestation or for gathering forest products such as barks, fibers, ginseng, gums, and truffles.

NOTE – Growing short rotation woody trees with a growth cycle of less than 10 years is classified in ISI code 1110. Gathering maple sap is classified in ISI code 1110. Holding land with trees as real estate property is classified in ISI code 5310.

1140 Fishing, hunting, and trapping (1997 NAICS code 114)

Businesses engaged in:

Commercial catching or taking of finfish, shellfish, or miscellaneous marine products from a natural habitat
Commercial hunting or trapping
Operating game or hunting preserves

NOTE – The farm raising of finfish and shellfish are classified in ISI code 1120. The commercial catching or taking and processing of fresh fish such as canning, freezing, etc, on the fishing vessel are classified in ISI code 3117. Operating nature preserves is classified in ISI code 7121.

1150 Support activities for agriculture and forestry (1997 NAICS code 115)

Businesses that provide support services to agricultural and forestry production.

Examples of activities of this industry are:

Breeding services for animals	Forestry consulting
Crop production and harvesting services	Postharvest crop activities
Farm labor and management services	Soil preparation services

NOTE – Stemming and redrying tobacco are classified in ISI code 3122. Landscaping services are classified in ISI code 5617.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MINING

The mining sector (ISI codes 2111–2133) comprises businesses that extract naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas. The term mining is used in the broad sense to include quarrying, well operations, crushing, washing, and other operations performed at the mine site. This sector consists of two basic activities: (1) mine operation and (2) mining support activities. Mine operations are classified according to the natural resource mined. Businesses that mine and further process the mined materials into a finished product, are classified in manufacturing. For example, a business operating a granite quarry, producing dimension stone, and further shaping the dimension stone into building stone would be classified in manufacturing.

2111 Oil and gas extraction (1997 NAICS code 211)

Businesses engaged in operating oil and gas field properties, including all activities in the preparation of oil and gas up to the point of shipment from the producing property. Includes businesses that operate oil and gas wells for others on a contract or fee basis.

Examples of activities in the industry are:

- Drilling, completing, and equipping wells
- Exploring for crude petroleum and natural gas
- Mining and extraction of oil from oil shale and oil sands
- Operating separators, emulsion breakers, and desilting equipment
- Producing natural gas and recovering hydrocarbon liquids of oil from oil and gas field gases

NOTE – Crude petroleum extraction combined with refining is classified in ISI code 3242.

2121 Coal (1997 NAICS code 2121)

Businesses engaged in developing mine sites for, or in mining, and preparing (crushing, screening, washing, sizing, etc.) the following minerals:

- Anthracite
- Bituminous coal
- Lignite

NOTE – The production of coal fuel briquettes and packed fuel is classified in ISI code 3244.

2123 Nonmetallic minerals (1997 NAICS code 2123)

Businesses engaged in developing mine sites for, or in mining, quarrying, and preparing (crushing, screening, washing, sizing, etc.) nonmetallic minerals (other than coal, oil, and gas) such as:

Chemical and fertilizer minerals, such as celestite, flourspar, barite, and sulphur	Gypsum, mica, and talc
Clay, ceramic, and refractory minerals	Phosphate
Crushed and broken limestone and granite	Potash, soda, and borate
Dimension stone	Sand and gravel

NOTE – Production of phosphoric acid, superphosphates, or other manufactured phosphate compounds or chemicals is classified in ISI code 3253.

Grinding, pulverizing, or otherwise treating clay, ceramic, and refractory minerals is classified in ISI code 3271.

Production of lime is classified in ISI code 3274.

Dressing of dimension stone and other crushed and ground minerals such as talc, mica, and feldspar is classified in ISI code 3279.

2124 Iron ores (1997 NAICS code 21221)

Businesses engaged in developing mine sites for, or in mining, and preparing (crushing, screening, washing, sizing, etc.) iron ores and manganese ores, and/or producing sinter and other agglomerates.

NOTE – Operating blast furnaces to produce pig iron is classified in ISI code 3311.

2125 Gold and silver ores (1997 NAICS code 21222)

Businesses engaged in developing mine sites for, or in mining, and preparing (crushing, screening, washing, sizing, etc.) ores valued chiefly for their gold and silver content. The transformation of these ores into bullion or dore bar in combination with mining activities is also included in this industry.

NOTE – Manufacturing gold or silver bullion or dore bar without mining is classified in ISI code 3314.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MINING – Continued

2126 Copper, nickel, lead, and zinc ores (1997 NAICS code 21223)

Businesses engaged in developing mine sites for, or in mining, and preparing (crushing, screening, washing, sizing, etc.) ores valued chiefly for their copper, nickel, lead, or zinc content. The transformation of these ores into concentrates is also included in this industry.

NOTE – Refining copper concentrates is classified in ISI code 3314.

2127 Other metal ores (1997 NAICS code 21229)

Businesses engaged in developing mine sites for, or in mining, and preparing (crushing, screening, washing, sizing, etc.) other metal ores such as:

Antimony	Molybdenum
Colombium	Tungsten
Ilmenite	Uranium-radium-vanadium
Magnesium	

NOTE – Enriching uranium is classified in ISI code 3251.

2132 Support activities for oil and gas operations (1997 NAICS code 213111 and 213112)

Businesses engaged in performing oil or gas field services, for others, on a contract or fee basis.

Examples of services provided in this industry are:

- Drilling wells for oil or gas field operations
- Exploration
- Grading and building foundations at well locations
- Well surveying

NOTE – Complete responsibility for operating oil and gas wells for others on a contract or fee basis is classified in ISI code 2111.
Performing geophysical surveying services for oil and gas on a contract or fee basis is classified in ISI code 5413.

2133 Support activities for mining, except oil and gas operations (1997 NAICS code 2131 except for 213111 and 213112)

Businesses engaged in performing support services, on a contract or fee basis, required for the mining and quarrying of minerals.

Examples of services provided in this industry are:

- Exploration, including prospecting and taking ore samples
- Making geological observations

NOTE – Complete responsibility for operating mines for others on a contract or fee basis is classified according to the product mined rather than in support activities for mining.
Performing geophysical surveying services for minerals on a contract or fee basis is classified in ISI code 5413.

UTILITIES

The utilities sector (ISI codes 2211–2213) comprises businesses engaged in the provision of the following utility services: electric power, natural gas, steam supply, water supply, and sewage removal.

2211 Electric power generation, transmission, and distribution (1997 NAICS code 2211)

Businesses engaged in generating, transmitting, and/or distributing electric power. Includes hydroelectric, fossil fuel, nuclear, and solar power generation.

NOTE – Operating trash incinerators that also generate electricity is classified in ISI code 5620.

2212 Natural gas distribution (1997 NAICS code 2212)

Businesses that operate natural gas distribution systems, buy gas from the well and sell it to a distribution system, or arrange the sale of gas over distribution systems operated by others.

NOTE – Transmitting natural gas from the producer to the distributor via pipelines is classified in ISI code 4863.

Part I — INDUSTRY CLASSIFICATIONS — Continued

UTILITIES – Continued

2213 Water, sewage, and other systems (1997 NAICS code 2213)

Businesses engaged in operating water treatment plants and/or operating water supply systems, operating sewer systems, or sewage treatment facilities that collect, treat, and dispose of waste.

NOTE – Operating waste treatment or disposal facilities (other than sewer systems or sewage treatment facilities) are classified in ISI code 5620.

CONSTRUCTION

The construction sector (ISI codes 2330–2350) comprises businesses engaged in the construction of buildings and other structures, heavy construction other than buildings, additions, alterations, reconstruction, installation, and maintenance and repairs. This sector includes businesses engaged in demolition or wrecking of buildings and other structures, clearing of building sites, the sale of materials from demolished structures, and businesses engaged in blasting, test drilling, landfill, leveling, earth-moving, excavating, land drainage, and other land preparation.

Construction performed by a business primarily engaged in an activity other than construction, for its own account and use, and by its own employees (force construction), is excluded from this industry, and is classified according to the principle activity of the business.

2330 Building, developing, and general contracting (1997 NAICS code 233)

Businesses in this industry usually assume responsibility for an entire construction project, and may subcontract some or all of the actual construction work. Includes general contractors, design-builders, engineer-constructors, joint-venture contractors, turnkey construction contractors, and construction management firms.

Examples of products and activities of this industry are:

- Industrial buildings
- Land development and subdivision
- Residential buildings

2340 Heavy construction (1997 NAICS code 234)

Businesses engaged in general construction projects other than buildings.

Examples of construction projects in this industry are:

- Bridges and tunnels
- Highways and streets
- Industrial non-building structures
- Power and communication transmission lines
- Water mains, sewers, and pipelines

2350 Special trade contractors (1997 NAICS code 235)

Businesses engaged in specialized construction activities and work for builders and general contractors under subcontract or directly for project owners. Includes businesses engaged in demolition or wrecking of buildings and other structures, dismantling of machinery, excavating, shoring and underpinning, anchored earth retention activities, foundation drilling, and grading for buildings.

Examples of businesses in this industry are:

- Carpentry and floor contractors
- Heating and air conditioning contractors
- Masonry and drywall contractors
- Plumbing contractors
- Roofing, siding, and sheet metal contractors

NOTE – Special trade contractors performing work relating to heavy construction, such as grading for highways are classified in ISI code 2340.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING

The manufacturing sector (ISI codes 3111–3399) comprises businesses engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. The assembling of component parts of manufactured products is considered manufacturing, except in cases where the activity is classified in Construction (e.g., structures).

Manufacturing businesses acquire materials that are products of agriculture, forestry, fishing, mining, and quarrying as well as products of other manufacturing businesses. A business may process the materials itself or may contract with another manufacturer to perform the processing on materials which they provide to the other manufacturer. Both types of businesses are included in manufacturing.

The product produced by a manufacturer may be finished for final consumption or it may be a material input for an entity engaged in further manufacturing. For example, the product of an alumina refinery is the input used in the primary production of aluminum; primary aluminum is the input to an aluminum wire drawing plant; and aluminum wire is the input for a fabricated wire product manufacturer.

Within the manufacturing sector, the individual industries generally reflect distinct production processes related to material inputs and production equipment. In the machinery area, where assembling is a key activity, parts and accessories for manufactured products are classified in the industry of the finished manufactured item when they are made for sale separately. For example, a replacement refrigerator door would be classified with refrigerators and an attachment for a piece of metal working machinery would be classified with metal working machinery. However, components and inputs from other manufacturers are classified based on the production function of the component manufacturer.

Some borderline activities that are classified in manufacturing are:

Apparel jobbing (assigning of materials to contract factories or shops for fabrication or other contract operations) as well as contracting on materials owned by others	Mass production of computer software or video tapes from a master copy
Aircraft and aerospace research and development	Milk bottling and pasteurizing
Electroplating, plating, metal heat treating, and polishing for the trade	Printing and related support activities
Fabricating signs and advertising displays	Ready-mixed concrete production
Fresh fish packaging (oyster shucking, fish filleting)	Rebuilding machinery, but not repairing (i.e. automotive parts)
Lapidary work for the trade	Ship repair and renovation
Machine shop work	Tire retreading
	Wood preserving

Some borderline activities that are not classified in manufacturing are:

Logging is classified in Agriculture, Forestry, Fishing, and Hunting (ISI codes 1110–1150).

The dressing and beneficiating of ores is classified in Mining (ISI codes 2111–2133).

The construction of structures and fabricating operations performed at the site of construction by contractors is classified in Construction (ISI codes 2330–2350).

The breaking of bulk and redistribution in smaller lots, including packaging and repackaging products, such as liquors or chemicals; the customized assembly of computers; sorting of scrap; mixing paints to customer order; and cutting metals etc. to customer order are classified in Wholesale or Retail Trade (ISI codes 4211–4540).

Publishing and the combined activity of publishing and printing is classified in Information (ISI codes 5111–5142). Although the activity performed is the transformation of information into a product, the value of the product to the consumer lies in the information content, not in the format in which it is distributed (i.e., the book, the software diskette, etc.).

3111 Animal foods (1997 NAICS code 3111)

Businesses engaged in manufacturing food and feeds for animals from ingredients such as grains, oilseed mill products, and meat products.

3112 Grain and oilseed milling (1997 NAICS code 3112)

Examples of products or processes of this industry are:

Breakfast cereals	Rice milling
Fats and oils refining and blending, including blending <i>purchased</i> animal fats and oils with vegetable fats	Shortenings and margarines
Flour milling	Soybean processing
Malt manufacturing	Vegetable oils and fats
	Wet milled corn products, such as sweeteners and starches

NOTE – Manufacturing:

Rendered or refined animal fats and oils are classified in ISI code 3116.

Prepared flour mixes or doughs from flour ground elsewhere is classified in ISI code 3118.

Table syrups from corn syrup and starch base dessert powders is classified in ISI code 3119.

Coffee substitutes from grain is classified in ISI code 3119.

Malt extracts and syrups is classified in ISI code 3119.

Malt beverages is classified in ISI code 3121.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3113 Sugar and confectionery products
(1997 NAICS code 3113)

Businesses that process agricultural inputs such as sugar cane, beet, and cacao to manufacture sugars, chocolates, or confectioneries and businesses that further process purchased sugar and chocolate.

Examples of businesses in, or products of, this industry are:

Candy	Molasses
Chewing gum	Retail candy stores, if confectioneries
Chocolate	are manufactured on the premises, and
Confectioneries	are not for immediate consumption
Granola bars	Sugars, such as cane and beet

NOTE – Manufacturing:

Maple syrup is classified in ISI code 1110.
Corn sweeteners by wet milling corn is classified in ISI code 3112.
Sweetening syrups from corn syrup is classified in ISI code 3119.
Artificial sweeteners is classified in ISI code 3251.

3114 Fruit and vegetable preserving and specialty foods
(1997 NAICS code 3114)

Businesses engaged in manufacturing frozen foods of vegetable or animal origins or in manufacturing canned, pickled and dried fruits, vegetables, and specialty foods.

Examples of products of this industry are:

Canned baby foods	Frozen food specialties such as dinners, entrees, and side dishes
Canned fruits, juices and vegetables	Frozen fruits, juices, and vegetables
Canned (non-seafood) soups	Frozen waffles, pancakes, and french toast
Catsup, salsa, barbeque, and other tomato-based sauces	Frozen whipped toppings
Dried and dehydrated fruits and vegetables	Jams and jellies
Dry soup mixes and bouillon made in dehydration plants	Pickled fruits and vegetables

NOTE – Manufacturing:

Frozen or canned dairy products are classified in ISI code 3115.
Frozen or canned meat products are classified in ISI code 3116.
Frozen or canned seafood soups and products are classified in ISI code 3117.
Frozen bakery products are classified in ISI code 3118.
Dry soup mixes and bouillon made from purchased ingredients is classified in ISI code 3119.
Canned fruit and vegetable drinks are classified in ISI code 3121.

3115 Dairy products
(1997 NAICS code 3115)

Businesses engaged in manufacturing dairy products from raw milk, processed milk, and dairy substitutes.

Examples of products of this industry are:

Butter and cheeses	Ice cream, frozen yogurt, and other dairy desserts
Canned, condensed, and evaporated milk	Whipped toppings
Fluid milk and cream	Yogurt

NOTE – Manufacturing:

Margarine or margarine-butter blends is classified in ISI code 3112.
Frozen whipped toppings is classified in ISI code 3114.

3116 Meat products
(1997 NAICS code 3116)

Examples of products or processes of this industry are:

Animal slaughtering and processing yielding meats, meat by-products, and variety meats
Lard
Poultry processing
Refined animal fats and oils
Small game processing

NOTE – Manufacturing:

Meat-based animal feeds from carcasses is classified in ISI code 3111.
Canned meat, small game, and poultry for baby food is classified in ISI code 3114.

Drying, freezing, and breaking eggs is classified in ISI code 3119.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3117 Seafood product preparation and packaging

(1997 NAICS code 3117)

Examples of processes of this industry are:

Canning seafood (including soup)
Fresh and frozen seafood processing
Shucking and packing fresh shellfish
Smoking, salting, and drying seafoods

3118 Bakeries and tortillas

(1997 NAICS code 3118)

Examples of products of this industry are:

Breads and other bakery products, from "retail" bakeries, <i>if the goods are manufactured on the premises</i> , and are not for immediate on the premises consumption	Dry pasta
Cookies and crackers	Flour mixes and dough mixes from purchased flour
	Soft pretzels
	Tortillas

NOTE – Manufacturing:

Canned pasta and tortillas and frozen tortillas is classified in ISI code 3114.

Pretzels (except soft) and tortilla chips is classified in ISI code 3119.

Fresh pasta is classified in ISI code 3119.

Retailing bakery products manufactured elsewhere, not for immediate consumption is classified in ISI code 4450.

Selling bakery products for immediate consumption on premises is classified in ISI code 7220.

3119 Other food products

(1997 NAICS code 3119)

Examples of products of this industry are:

Coffee and tea	Peanut butter
Dressings, mayonnaise, and other prepared sauces (except tomato based)	Potato chips, corn chips, popcorn, pretzels (except soft), nuts and other snack foods
Flavoring syrups, concentrates, and extracts	Powdered drink mixes
Fresh pastas and pizzas	Seasonings, extracts, and spices
Natural food colorings	

NOTE – Manufacturing:

Chocolate or candy coated nuts and candy covered popcorn is classified in ISI code 3113.

Chocolate syrup is classified in ISI code 3113.

Tomato-based sauces is classified in ISI code 3114.

Soft pretzels is classified in ISI code 3118.

Bottled or canned ice tea is classified in ISI code 3121.

Synthetic food colorings and natural colorings for non-food uses is classified in ISI code 3251.

3121 Beverages

(1997 NAICS code 3121)

Examples of products or processes of this industry are:

Beer, ale, and malt liquor	Purifying and bottling water
Distilled and blended liquors	Soft drinks
Ice manufacturing	Wines and brandies

NOTE – Manufacturing:

Milk-based drinks is classified in ISI code 3115.

Soft drink bases are classified in ISI code 3119.

Non-alcoholic cider is classified in ISI code 3119.

Dry ice is classified in ISI code 3251.

Bottling purchased purified water is classified in ISI code 4224.

Bottling liquors, malt beverages, and wines produced elsewhere is classified in ISI code 4228.

3122 Tobacco

(1997 NAICS code 3122)

Examples of products or processes of this industry are:

Cigarettes
Cigars
Smoking and chewing tobacco
Stemming or redrying of tobacco

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3130 Textile mills
(1997 NAICS code 313)

Businesses engaged in transforming a basic fiber (natural or synthetic) into a product, such as a yarn or fabric, that is further manufactured into usable items, such as apparel, sheets and towels. The main processes in this industry include preparation and spinning of fiber, knitting or weaving of fabric, and the finishing of the product.

Examples of businesses in this industry are:

Fabric coating mills	Lace manufacturers
Fabric mills, broadwoven, narrow, and nonwoven	Textile and fabric finishing mills
Fiber, yarn, and thread mills	

NOTE – Manufacturing:

Textile products (except apparel) from purchased fabric is classified in ISI code 3140.
Apparel from purchased fabric is classified in ISI code 3150.
Artificial and synthetic fibers is classified in ISI code 3252.

3140 Textile product mills
(1997 NAICS code 314)

Businesses engaged in producing non-apparel textile products using "cut and sew" processes, i.e., purchasing fabric and cutting and sewing the fabric to make the products.

Examples of businesses in, or products of, this industry are:

Carpet and rug mills	Sheets and towels
Curtain and linen mills	Textile bag and canvas mills
Rope, cordage, and twine	Tire cord and tire fabric mills

NOTE – Manufacturing:

Lace curtains on lace machines is classified in ISI code 3130.
Luggage is classified in ISI code 3160.
Canvas blinds and shades is classified in ISI code 3370.

3150 Apparel
(1997 NAICS code 315)

Businesses engaged in producing garments using "cut and sew" processes, i.e., purchasing fabric and cutting and sewing to make apparel; and the manufacture of apparel by first knitting a fabric and then cutting and sewing the fabric into apparel.

Examples of businesses in, or products of, this industry are:

Athletic wear	Hosiery and sock mills
Belts and neckties	Men's, women's, and children's cut and sew apparel
Fur and leather apparel	Underwear, nightwear, and outerwear knitting mills
Gloves and mittens	Work clothing
Hats and caps	

NOTE – Manufacturing:

Orthopedic hosiery is classified in ISI code 3391.
Athletic gloves, such as golf and batting gloves, is classified in ISI code 3399.

Knitting fabric, when not combined with the production of complete apparel, is classified in ISI code 3130.

3160 Leather and allied products
(1997 NAICS code 316)

Businesses engaged in transforming hides into leather by tanning or curing, and fabricating the leather into products for final consumption. Also includes manufacturers of certain products made from "leather substitutes," such as rubber, plastic, or textiles.

Examples of products or processes of this industry are:

Footwear, including plastic and rubber footwear	Personal leather goods (of any material, except precious metal) such as key cases and coin purses
Handbags, purses, and wallets	Saddles
Leather and hide tanning	
Luggage	

NOTE – Manufacturing:

Leather apparel and accessories is classified in ISI code 3150.
Orthopedic footwear is classified in ISI code 3391.
Personal goods of precious metal is classified in ISI code 3399.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3210 Wood products (1997 NAICS code 321)

Businesses engaged in the manufacturing of wood products from logs that are cut into bolts, planks, or boards that then may be further cut or shaped by lathes or other shaping tools. Processing may include sawing, planing, shaping, laminating, and assembly.

Examples of products of this industry are:

Clothes pins	Reconstituted wood
Cork products	Sawmill products
Dowels	Tool handles
Millwork	Veneers, plywood, and engineered wood products
Mobile homes	Wood trusses
Prefabricated wood buildings	Wood windows and doors

NOTE – Manufacturing:
Wood furniture frames is classified in ISI code 3370.
Wood burial caskets is classified in ISI code 3399.

3221 Pulp, paper, and paperboard mills (1997 NAICS code 3221)

Businesses engaged in the manufacture of pulp and paper, including newsprint and paperboard. Pulp is produced by separating cellulose fibers from impurities in wood or other materials. Paper is produced by matting these fibers into a sheet. Businesses that manufacture paper in combination with paper converting are classified in this industry.

3222 Converted paper products (1997 NAICS code 3222)

Businesses engaged in converting paper or paperboard, **but that are not engaged in manufacturing paper or paperboard**. Converted paper products are produced from paper and other materials by various cutting and shaping techniques. Processing may include coating and laminating.

Examples of products of this industry are:

Coated and laminated papers, including combinations of paper, plastics film, and metal foils for packaging purposes
Corrugated and solid fiber boxes
Fiber cans, tubes, and drums
Folding and setup paperboard boxes
Gift wrap paper
Paper bags
Sanitary food containers and paper products
Stationery products and paper office supplies
Wallpaper

NOTE – Manufacturing:
Paper and/or paperboard and converting those products is classified in ISI code 3221.
Photographic and blueprint paper is classified in ISI code 3259.
Carbon paper is classified in ISI code 3399.

3231 Printing and related support activities (1997 NAICS code 3231)

Businesses engaged in apparel and printing by transferring an image from a plate, screen, or computer file to some medium, such as paper, plastic, metal, apparel and textile articles, or wood. Processes include lithographic, gravure, screen, digital, and flexographic printing. Support activities include bookbinding, plate making, typesetting, and data imaging.

Publishing of printed products, i.e., the reporting, writing, editing, and other processes that are required to create an edition of a newspaper, for example, is treated as an activity in its own right rather than as a subsidiary activity to a manufacturing activity (printing) and is classified in ISI code 5111. A business that also prints what it publishes is classified in ISI code 5111.

Examples of products printed by businesses in, and processes of, this industry are:

Books	Newspapers
Business forms	Quick printing
Digital printing	Periodicals
Greeting cards	

NOTE – Printing on fabrics (or "grey goods") is classified in ISI code 3130.
Duplicating services and photocopying without printing services are classified in ISI code 5614.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3242 Integrated petroleum refining and extraction

(part of 1997 NAICS codes 211 and 32411)

Businesses engaged in both extraction (operating oil and gas field properties) AND refining (separating crude petroleum into component products through such techniques as fractionation, cracking, and distillation).

NOTE – Crude petroleum extraction without refining is classified in ISI code 2111.

3243 Petroleum refining without extraction

(part of 1997 NAICS code 32411)

Businesses engaged in separating crude petroleum into component products through such techniques as fractionation, cracking, and distillation.

Examples of products of this industry are:

Fuel oils
Gasoline
Jet fuel
Kerosene

NOTE – Crude petroleum extraction without refining is classified in ISI code 2111.
Crude petroleum extraction combined with refining is classified in ISI code 3242.

3244 Other petroleum and coal products

(1997 NAICS code 3241, except 32411)

Businesses engaged in further processing of refined petroleum and coal products.

Examples of products or processes of this industry are:

Asphalt and tar paving mixtures
Brake fluids
Petroleum coke, not produced in petroleum refineries
Petroleum fuel briquettes, not produced in petroleum refineries

Petroleum lubricating oils, greases, and waxes, not produced in petroleum refineries
Roofing cements and coatings from refined petroleum
Saturating **purchased** mats and felts with asphalt or tar

NOTE – Manufacturing:

Paper mats and felts and saturating them with asphalt or tar into sheets and rolls is classified in ISI code 3221.

Petrochemicals from refined petroleum is classified in ISI code 3251.

Synthetic lubricating oils and greases is classified in ISI code 3259.

3251 Basic chemicals

(1997 NAICS code 3251)

Businesses engaged in the transformation of organic and inorganic raw materials by a chemical process.

Examples of products of this industry are:

Alkalies and chlorine (100 percent) and other inorganic chemicals
Carbon black
Charcoal briquettes
Cyclic crudes
Dyes, pigments, lakes, and toners
Ethyl alcohol
Gum and wood chemicals

Industrial bleaches
Industrial gases
Petrochemicals from refined petroleum or liquid hydrocarbons, such as acyclic aliphatics, benzene, toluene, styrene, and xylene
Potassium and sodium compounds
Sulphuric acids
Synthetic flavors, artificial sweeteners, food dyes, and perfume materials

NOTE – Manufacturing:

Food dyes (except synthetic) is classified in ISI code 3119.

Household bleaches is classified in ISI code 3256.

Electrostatic and photographic toners is classified in ISI code 3259.

Chlorine for swimming pools is classified in ISI code 3259.

Alumina is classified in ISI code 3313.

3252 Resins, synthetic rubbers, and artificial and synthetic fibers and filaments

(1997 NAICS code 3252)

Businesses engaged in manufacturing synthetic resins, plastics materials, and nonvulcanizable elastomers, and mixing and blending resins to a custom basis.

Examples of products of this industry are:

Butyl rubber, latex rubber, silicon rubber, and other synthetic rubbers
Plastics materials

Rayon, acetate, nylon, polyester, and other synthetic fibers
Resins
Thermoplastic elastomers

NOTE – Manufacturing resin adhesives is classified in ISI code 3255.

Processing natural, synthetic, or reclaimed rubber into intermediate or final products is classified in ISI code 3262.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3253 Pesticides, fertilizers, and other agricultural chemicals

(1997 NAICS code 3253)

Businesses engaged in manufacturing nitrogenous or phosphatic materials and mixing those ingredients into fertilizers or mixing ingredients produced elsewhere into fertilizers, or formulating and preparing agricultural and household pest control chemicals.

Examples of products of this industry are:

Ammonia fertilizers	Nitro-phosphates
Compost and potting soil	Plant hormones
Herbicides	Urea
Insecticides	

NOTE – Manufacturing nitrogenous or phosphatic materials not for use as fertilizers is classified in ISI code 3251.

3254 Pharmaceuticals and medicines

(1997 NAICS code 3254)

Businesses engaged in one or more of the following activities: (1) manufacturing biological and medicinal products; (2) processing (grading, grinding and milling) botanical drugs and herbs; (3) isolating active medicinal principals from botanical drugs and herbs; and (4) manufacturing pharmaceutical products intended for internal and external consumption in such forms as ampules, tablets, capsules, vials, ointments, powders, solutions, and suspensions.

Examples of products of this industry are:

Alkaloids	Endocrine substances
Antibiotics	In vitro and in vivo diagnostics
Blood derivatives	Vaccines
Botanicals	Vitamins

3255 Paints, coatings, and adhesives

(1997 NAICS code 3255)

Businesses engaged in mixing pigments, solvents, and binders into paints, stains, and other coatings and/or manufacturing allied paint products and adhesives.

Examples of products of this industry are:

Caulking compounds	Paint and varnish removers
Enamels	Varnishes, lacquers, and shellacs
Glues	Wood sealers and preservers
Paint	

NOTE – Manufacturing:

Turpentine is classified in ISI code 3251.

Artists' paints is classified in ISI code 3399.

3256 Soap, cleaning compounds, and toilet preparations

(1997 NAICS code 3256)

Businesses engaged in manufacturing and packaging soap and other cleaning compounds, surface active agents, and toilet preparations.

Examples of products of this industry are:

Air and room fresheners	Oven cleaners
Household bleaches	Perfumes, cosmetics, creams, and lotions
Laundry and dishwashing detergents	Toothpaste and denture cleaners
Natural glycerin	Wetting agents, emulsifiers, and penetrants

NOTE – Manufacturing industrial bleaches and synthetic glycerin is classified in ISI code 3251.

3259 Other chemical products and preparations

(1997 NAICS code 3259)

Examples of products of this industry are:

Aerosol packaging (mixing chemicals and propellant in aerosol cans)	Explosives
Automotive antifreeze	Gelatins
Carbon black	Matches
Custom compounding of purchased plastics resins	Photographic (sensitized) film, paper, plates, and chemicals
	Printing ink

NOTE – Manufacturing:

Medicinal gelatins is classified in ISI code 3254.

Photographic toner cartridges is classified in ISI code 3333.

Computer printer toner cartridges is classified in ISI code 3341.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3261 Plastics products
(1997 NAICS code 3261)

Businesses engaged in the processing of new or spent (recycled) plastics resins into intermediate or final products, using such processes as compression molding, extrusion molding, injection molding, blow molding, and casting.

Examples of products of this industry are:

Laminated plastics plates, sheets, and shapes	Plastics resilient floor coverings
Plastics bottles	Polystyrene and urethane foam
Plastics cups and dinnerware	Unsupported plastics films, sheets, and bags
Plastics pipes and fittings	Unsupported plastics profile shapes, such as rods and tubes
Plastics plumbing fixtures, such as bathtubs and shower stalls	

NOTE – Manufacturing:
Plastics footwear is classified in ISI code 3160.
Coated paper is classified in ISI code 3222.
Plastics hoses is classified in ISI code 3262.
Plastics furniture parts is classified in ISI code 3370.

Assembling plastics components into plumbing fixture fittings such as faucets is classified in ISI code 3329.

3262 Rubber products
(1997 NAICS code 3262)

Businesses engaged in processing natural, synthetic, or reclaimed rubber materials into intermediate or final products using processes such as vulcanizing, cementing, molding, extruding, and lathe-cutting.

Examples of products or processes of this industry are:

Latex foam	Rubber medical sundries
Prophylactics	Tire repair materials
Rebuilding and retreading tires	Tires and inner tubes from natural and synthetic rubber
Rubber and plastics hoses and belting	Tread rubber
Rubber floor mats and stair treads	

NOTE – Manufacturing:
Rubber footwear is classified in ISI code 3160.
Rubber gaskets, packing, and sealing devices is classified in ISI code 3399.

Repairing tires is classified in ISI code 8110.

3271 Clay products and refractories
(1997 NAICS code 3271)

Businesses engaged in transforming mined or quarried clay and like materials into bricks, refractory, and ceramic products. Processes used include grinding, mixing, cutting, shaping, and honing raw materials. Heat and chemicals are often used to change the composition and properties of the intended product.

Examples of products of this industry are:

Bricks and other clay structural products	Earthenware and vitreous china table and kitchen articles
Ceramic wall and floor tiles	Porcelain electric supplies
Clay and vitreous china plumbing fixtures	Pottery
Crucibles and furnace linings	

NOTE – Manufacturing:
Enameled iron and steel plumbing fixtures is classified in ISI code 3329.
Ferrite microwave devices and electronic components is classified in ISI code 3344.

3272 Glass and glass products
(1997 NAICS code 3272)

Businesses engaged in manufacturing glass and glass products. Glass is produced by heating silica sand to the melting point and then drawn, floated, or blow molded to the desired shape. Glass products may be produced from purchased glass.

Examples of products of this industry are:

- Flat glass
- Glass containers
- Glassware
- Pressed and blown glass
- Unsheathed fiber optic material

NOTE – Manufacturing:
Glass wool (fiberglass) insulation is classified in ISI code 3279.
Optical lenses is classified in ISI code 3333.
Fiber optic cable from purchased fiber optic strands is classified in ISI code 3359.
Ophthalmic lenses is classified in ISI code 3391.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3273 Cement and concrete products (1997 NAICS code 3273)

Businesses engaged in manufacturing hydraulic cement from mined, quarried, manufactured, or purchased lime and businesses engaged in manufacturing concrete from mined, quarried, or purchased sand and gravel.

Examples of products of this industry are:

- Concrete brick and block
- Concrete pipe
- Portland cement
- Ready-mix concrete

NOTE – Manufacturing:
Lime is classified in ISI code 3274.
Dry mixed concrete is classified in ISI code 3279.

3274 Lime and gypsum products (1997 NAICS code 3274)

Businesses engaged in manufacturing lime from mined, quarried, collected, or purchased calcitic or dolomitic limestone or other calcareous material and businesses engaged in manufacturing gypsum products from mined, quarried, or purchased gypsum.

Examples of products of this industry are:

- Lime
- Plaster
- Plasterboard
- Wallboard

3279 Other nonmetallic mineral products (1997 NAICS code 3279)

Examples of products of this industry are:

Abrasives and abrasive products	Mica products
Cut stone and stone products	Mineral wool
Dry mixed concrete	Papier-mache
Fiberglass insulation	Synthetic gemstones
Ground or treated mineral and earth	

NOTE – Manufacturing metallic scouring sponges and soap-impregnated scouring pads is classified in ISI code 3329.

3311 Iron and steel mills and ferroalloys (1997 NAICS code 3311)

Examples of products or processes of this industry are:

Direct reduction of iron ore	Pig iron manufacturing in molten or solid form
Ferroalloys	Steel pipes and tubes
Ferrous powder	Steel shapes, such as plates, sheets, strips, rods, wire, and bars
Pig iron conversion into steel	

3312 Steel products from purchased steel (1997 NAICS code 3312)

Businesses engaged in manufacturing iron and steel pipe and tube, drawing steel wire, and rolling shapes **from purchased iron or steel**.

NOTE – Manufacturing wire products from purchased wire is classified in ISI code 3326.

3313 Alumina and aluminum production and processing (1997 NAICS code 3313)

Examples of products or processes of this industry are:

- Alumina refining, generally from bauxite
- Aluminum alloys, powder, paste, or flake
- Aluminum primary production from alumina
- Aluminum shape production, such as sheet, plate, foil, rod, bar, pipe, tube, and wire
- Aluminum smelting (secondary) from scrap or dross

NOTE – Manufacturing aluminum oxide abrasives and refractories are classified in ISI code 3279.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3314 Nonferrous metal (except aluminum) production and processing

(1997 NAICS code 3314)

Businesses engaged in smelting ores, such as copper, lead, and zinc, into nonferrous metals; primary refining of nonferrous metals using electrolytic or other processes; and/or rolling, drawing, extruding, and alloying of copper and other nonferrous metals.

NOTE – Mining and producing copper and other nonferrous concentrates, including gold and silver bullion, by processes such as solvent extraction or electrowinning are classified in ISI codes 2125-7.

Primary production and secondary smelting of aluminum are classified in ISI code 3313.

Die-casting purchased copper is classified in ISI code 3315.

Manufacturing wire products from purchased copper wire is classified in ISI code 3326.

Insulating purchased copper and nonferrous wire is classified in ISI code 3359.

3315 Foundries

(1997 NAICS code 3315)

Businesses engaged in pouring molten metal into molds or dies to form castings. Foundries may clean and deburr the castings they manufacture. More involved processes, such as tapping, threading, milling, or machining to tight tolerances that transform castings into more finished products are classified in other manufacturing industries.

Examples of businesses in this industry are:

Ferrous metal foundries that manufacture castings such as cast iron pipe, skillets, and manhole covers

Nonferrous metal foundries, such as aluminum foundries

Steel foundries

NOTE – Businesses both producing castings and further manufacturing them using processes such as machining or assembling to create a specific manufactured product are classified in the industry of the finished product.

3321 Forging and stamping

(1997 NAICS code 3321)

Businesses engaged in manufacturing iron, steel, and nonferrous forgings from purchased metals.

Examples of products of this industry are:

Crowns and closures

Metal custom roll forming products

Metal stamped and spun products (except automotive, cooking and kitchen utensils and coins)

Powder metallurgy products

NOTE – Manufacturing:

Iron and steel forgings in integrated iron and steel mills is classified in ISI code 3311.

Automotive stampings is classified in ISI code 3363.

3322 Cutlery and hand tools

(1997 NAICS code 3322)

Examples of products of this industry are:

Cutlery and flatware of nonprecious and precious plated metal

Kitchen utensils and pots and pans, stamped or spun

Nonelectric kitchen tools, such as can openers and peelers

Nonpowered hand and edge tools, such as pliers, wrenches, and screwdrivers

Safety razors and razor blades

Saw blades and handsaws

Scissors and shears

Yard tools, such as rakes, shovels, and wheelbarrows

NOTE – Manufacturing:

Cast metal cooking utensils is classified in ISI code 3315.

Power-driven hand tools is classified in ISI code 3339.

Precious metal (except precious plated) and pewter cutlery and flatware is classified in ISI code 3399.

3323 Architectural and structural metals

(1997 NAICS code 3323)

Examples of products of this industry are:

Bar joists, concrete reinforcing bars, and other fabricated structural metal products

Fabricated metal plate work

Flumes, ducts, and dampers and other sheet metal work

Metal railings, fences, and moldings and other ornamental and architectural metal products

Metal windows and doors

Prefabricated metal buildings, panels, and sections

NOTE – Manufacturing:

Metal covered woodframed windows and doors is classified in ISI code 3210.

Mobile homes is classified in ISI code 3210.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3324 Boilers, tanks, and shipping containers

(1997 NAICS code 3324)

Examples of products of this industry are:

Bulk storage tanks	Septic tanks
Metal cans, barrels, drums, kegs, and pails	Steam condensers
Power boilers and heat exchangers	

NOTE – Manufacturing heating boilers and hot water heating boilers is classified in ISI code 3334.

3325 Hardware

(1997 NAICS code 3325)

Examples of products of this industry are:

Locks (except coin-operated) and keys
Metal handles and knobs
Metal hinges and latches

NOTE – Manufacturing:

Nails and spikes from wire drawn elsewhere is classified in ISI code 3326.
Bolts, nuts, screws, rivets, and washers is classified in ISI code 3327.
Coin-operated locking mechanisms is classified in ISI code 3333.

3326 Spring and wire products

(1997 NAICS code 3326)

Businesses engaged in manufacturing heavy gauge springs by processes including cutting, bending, and heat winding metal rods or strip stock, or in manufacturing light gauge springs and fabricated wire products.

Examples of products of this industry are:

Barbed wire	Wire carts
Chain link fencing	Wire garment hangers
Heavy and light gauge springs	Wire rope, cable, and strands
Nails	Wire screening
Paper clips and staples	

NOTE – Manufacturing watch and clock springs from purchased wire is classified in ISI code 3345.

3327 Machine shops, turned products, and screws, nuts, and bolts

(1997 NAICS code 3327)

Businesses engaged in:

Custom machining parts for machines and equipment using machine tools such as lathes, automatic screw machines, and machines for boring, grinding, and milling
Machining precision turned products
Manufacturing metal bolts, nuts, screws, rivets, and washers

3328 Coating, engraving, heat treating, and allied activities

(1997 NAICS code 3328)

Businesses engaged in:

Electroplating, plating, anodizing, coloring and finishing metals and metal formed products
Enameling, lacquering, and varnishing metals and metal formed products
Engraving, chasing, or etching metals and metal formed products (except printing plates)
Heat treating metals and metal formed products
Hot dip galvanizing metals and metal formed products
Powder coating metals and metal formed products

3329 Other fabricated metal products

(1997 NAICS code 3329)

Examples of products of this industry are:

Ball and roller bearings	Metal ladders
Enameled iron and metal sanitary ware, sinks, bathtubs and toilets	Ordnance and accessories, including artillery and ammunition
Fabricated pipes and fittings	Plumbing fixture fittings and trim, metal and plastics, such as faucets, shower heads, and flush valves
Fluid power valves and hose fittings	Safes and vaults
Industrial patterns, such as foundry cores	Small arms
Industrial valves	Steel wool

NOTE – Manufacturing:

Plastics plumbing fixtures, such as plastics tubs and shower stalls, is classified in ISI code 3261.
Cast iron pipes and fittings is classified in ISI code 3315.
Safe and vault locks is classified in ISI code 3325.
Hydraulic intake and exhaust valves for internal combustion engines is classified in ISI code 3363.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3331 Agriculture, construction, and mining machinery

(1997 NAICS code 3331)

Businesses engaged in manufacturing farm machinery and equipment, construction equipment, surface mining equipment, and logging and forestry equipment.

Examples of products of this industry are:

Bulldozers	Lawnmowers and other powered home lawn and garden equipment
Coal breakers	Mine cars
Concrete mixers	Oil and gas field equipment
Core and rock drills	Pavers
Dairy farm machinery and livestock equipment	Planting, seeding, fertilizing, and harvesting machinery
Farm tractors	

NOTE – Manufacturing:

Farm hand tools and nonpowered lawnmowers and other garden equipment is classified in ISI code 3322.

Coal and ore conveyors and farm conveyors and elevators is classified in ISI code 3339.

Offshore oil and gas well drilling and floating production platforms is classified in ISI code 3366.

3332 Industrial machinery

(1997 NAICS code 3332)

Examples of products of this industry are:

Bookbinding, typesetting, and other printing machinery
Chemical machinery and equipment and petroleum manufacturing equipment
Food and beverage manufacturing machinery, such as:
 Bakery ovens
 Dough mixers
 Ice cream freezers
 Meat and poultry preparation equipment
Plastics compression, extrusion, injection molding, and other plastics and rubber industry machinery
Pulp, paper, and paper product machinery
Sawmill and woodworking machinery (except hand held), such as:
 Band saws
 Circular saws
 Sanding machinery
Semiconductor machinery, such as wafer processing equipment
Sewing machines (including household)
Textile machinery

NOTE – Manufacturing:

Planes, axes, drawknives, and handsaws is classified in ISI code 3322.

Power driven hand tools is classified in ISI code 3339.

3333 Commercial and service industry machinery

(1997 NAICS code 3333)

Examples of products of this industry are:

Automatic vending machinery
Automotive maintenance equipment, except mechanic's hand tools
Commercial cooking equipment
Commercial laundry, dry-cleaning, and pressing machines
Office machinery (except computers and photocopying equipment), such as calculators and dedicated word processing equipment
Optical instrument and lens manufacturing, such as:
 Binoculars
 Lenses (except ophthalmic focus)
 Microscopes
Photographic and photocopying equipment, such as:
 Cameras (except television and video cameras)
 Film development equipment
 Projectors

NOTE – Manufacturing:

Sensitized film, paper, cloth, and plates is classified in ISI code 3259.

Mechanic's hand tools is classified in ISI code 3322.

Computers and peripheral equipment is classified in ISI code 3341.

Video cameras, broadcast and studio, is classified in ISI code 3342.

Facsimile equipment is classified in ISI code 3342.

Video cameras (except broadcast and studio) is classified in ISI code 3343.

Time clocks is classified in ISI code 3345.

Ophthalmic focus lenses, such as eyeglass lenses and contact lenses, is classified in ISI code 3391.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3334 Ventilation, heating, air-conditioning, and commercial refrigeration equipment (1997 NAICS code 3334)

Examples of products of this industry are:

- Air-conditioning (except motor vehicle) equipment, such as central and room air conditioners
- Air purification equipment, such as industrial dust and fume collection equipment and warm air furnace filters
- Attic fans
- Commercial refrigeration equipment, such as water coolers, soda fountains, and beer dispensing equipment
- Heating equipment, such as:
 - Furnaces
 - Heating boilers and stoves
 - Wall and baseboard heating units
- Industrial and commercial fans and blowers, such as exhaust and ventilating fans
- Industrial refrigeration equipment

NOTE – Manufacturing:

- Industrial process furnaces and ovens is classified in ISI code 3339.
- Household fans (except attic), portable electric airspace heaters, humidifiers and dehumidifiers, and refrigerators and freezers is classified in ISI code 3352.
- Motor vehicle air conditioners and compressors is classified in ISI code 3363.

3335 Metalworking machinery (1997 NAICS code 3335)

Businesses engaged in manufacturing machinery that cuts, molds, and shapes metal.

Examples of products of this industry are:

- Cutting tools and machine tools accessories, such as twist drills and counter sinks
- Industrial molds, such as die-casting and foundry-casting molds
- Machine tools, such as:
 - Die-casting machines
 - Forging machines
 - Lathes
 - Milling machines
- Metal molds for plaster, plastics, rubber, and glass working machinery
- Rolling mill machinery and equipment
- Special die and tools, die sets, and jigs and fixtures
- Wire drawing and fabricating machines

NOTE – Manufacturing:

- Cutting dies (except metal cutting) is classified in ISI code 3322.
- Welding and soldering equipment is classified in ISI code 3339.

3336 Engines, turbines, and power transmission equipment (1997 NAICS code 3336)

Examples of products of this industry are:

- Electric outboard motors
- Gasoline and diesel engines, except motor vehicle and aircraft
- Industrial high-speed drives and gears
- Mechanical power transmission equipment, except motor vehicle and aircraft, such as:
 - Brakes
 - Clutches
 - Joints
 - Plain bearings and bushings
- Speed changers
- Turbine and turbine generator set units, such as steam, hydraulic, gas, and wind

NOTE – Manufacturing:

- Motor vehicle engines and power transmission equipment is classified in ISI code 3363.
- Gasoline aircraft engines, transmission equipment, and turbines is classified in ISI code 3364.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3339 Other general purpose machinery (1997 NAICS code 3339)

Examples of products of this industry are:

- Air and gas compressors
- Fluid power cylinders, actuators, pumps, and motors
- Industrial process furnaces and ovens
- Material handling equipment, such as:
 - Automobile lifts
 - Conveyors
 - Elevators and escalators
 - Industrial trucks and tractors
 - Overhead traveling cranes
- Nonagricultural spraying and dusting equipment
- Packaging machinery
- Power-driven hand tools
- Pumps and pumping equipment
- Scales and balances (except laboratory)
- Welding and soldering equipment

NOTE – Manufacturing:

Hand held soldering tools is classified in ISI code 3322.

Farm type tractors, agricultural spraying and dusting equipment, and construction cranes is classified in ISI code 3331.

Bakery ovens and industrial kilns is classified in ISI code 3332.

Industrial refrigeration and air-conditioning compressors is classified in ISI code 3334.

Transformers for arc-welding is classified in ISI code 3353.

Pumps and compressors for motor vehicles is classified in ISI code 3363.

Laboratory scales, furnaces, and ovens is classified in ISI code 3391.

3341 Computer and peripheral equipment (1997 NAICS code 3341)

Businesses engaged in the design and use of integrated circuits and the application of highly specialized miniaturization technologies in the manufacture of computers and electronic products.

Machinery that incorporates electronic computers for operation or control purposes and embedded control applications are classified in other manufacturing industries based on the classifications of the complete machinery. Also, the manufacture of other parts such as casings, stampings, cable sets, switches, etc. for computers are classified in other manufacturing industries based on their associated production processes.

Examples of products of this industry are:

- Automatic teller machines
- Computer storage devices, such as:
 - CD-ROM drives
 - Floppy disk drives
 - Hard disk drives
 - Tape storage and backup drives
- Computer terminals
- Electronic computers, such as:
 - Laptops
 - Mainframes
 - Personal computers
 - Servers
 - Workstations
- Peripheral equipment such as:
 - Keyboards
 - Mice, trackballs, and joystick devices
 - Monitors
 - Optical and bar code scanners
 - Plotters
 - Printers

NOTE – Manufacturing:

Digital telecommunication switches, and local area network and wide area network communication equipment, such as bridges, routers, and gateways, is classified in ISI code 3342.

Internal loaded printed circuit board devices such as sound, video, and network interface cards; modems; and solid state storage devices for computers is classified in ISI code 3344.

Magnetic and optical recording media is classified in ISI code 3346.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3342 Communications equipment (1997 NAICS code 3342)

Businesses engaged in manufacturing wire telephone and data communications equipment that may be stand alone or board level components of a larger system and/or engaged in manufacturing radio and television broadcast and wireless communication equipment.

Examples of products of this industry are:

Answering machines	Pagers
Communications antennas	Radios, fixed and mobile
Facsimile machines	Space satellites
Fire and security alarm equipment	Studio and broadcast video cameras
Global positioning system equipment	Switching equipment
Intercoms	Telephones, wired, cordless, and cellular
Local area network and wide area network communications equipment	Television broadcast equipment

NOTE – Manufacturing:

Household audio and video equipment is classified in ISI code 3343.

Internal and external computer modems, fax/modems and telephone transformers is classified in ISI code 3344.

3343 Audio and video equipment (1997 NAICS code 3343)

Businesses engaged in manufacturing electronic audio and video equipment for home entertainment, motor vehicles, public address systems, and musical instrument amplification.

Examples of products of this industry are:

- Amplifiers and preamplifiers
- Audio receivers
- Compact disc players
- Magnetic and digital audio tape recorders and players
- Phonographs and microphones
- Radio sets
- Speakers and speaker systems
- Televisions
- Video cameras (except broadcast and studio)
- Video cassette recorders and players
- Video disc players

NOTE – Manufacturing:

Mobile radios, such as citizens band and FM transceivers for motor vehicle use, cable decoders, satellite television equipment, and studio and broadcast video cameras is classified in ISI code 3342.

Phonograph needles and cartridges is classified in ISI code 3344.

3344 Semiconductors and other electronic components (1997 NAICS code 3344)

Examples of products of this industry are:

- Bare and loaded printed circuit boards
- Electron tubes and parts
- Electronic capacitors, condensers, and resistors
- Electronic coils, transformers, and other inductors
- Electronic switches and transducers
- Modems
- Semiconductors and related devices, such as:
 - Diodes
 - Integrated circuits
 - Memory chips
 - Optoelectronic devices
 - Transistors

NOTE – Manufacturing:

Glass blanks for electron tubes is classified in ISI code 3272.

Communications antennas and telephone system modules is classified in ISI code 3342.

X-ray tubes is classified in ISI code 3345.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3345 Navigational, measuring, electromedical, and control instruments (1997 NAICS code 3345)

Examples of products of this industry are:

- Aircraft engine instruments
- Automatic environmental controls for residential, commercial, and appliance use, such as:
 - Gas burner controls
 - Humidstats
 - Refrigeration controls
 - Thermostats
- Electromedical and electrotherapeutic apparatus, such as:
 - Electrocardiographs
 - Hearing aids
 - Magnetic resonance imaging equipment
 - Medical ultrasound equipment
 - Pacemakers
- Instruments and related products for measuring, displaying, and controlling industrial process variables, such as: temperature, humidity, pressure, flow, level, and viscosity
- Instruments for measuring and testing of electricity and electrical signals, such as:
 - Ammeters
 - Circuit testers
 - Voltmeters
 - Wattmeters
- Irradiation apparatus, such as:
 - Computerized axial tomography (CT/CAT scanners) apparatus
 - Gamma-ray equipment
 - X-ray systems
- Laboratory instruments for chemical and physical analysis of solid, fluid, gaseous, or composite material samples, such as:
 - Hematology instruments
 - Ph meters
 - Spectrophotometric instruments
- Meteorological equipment
- Radiation detecting equipment
- Search, detection, navigation, guidance, aeronautical, and nautical systems and instruments, such as:
 - Aircraft and missile control systems
 - Gyroscopes
 - Radar
 - Sonar
- Surveying and drafting equipment
- Totalizing fluid meters and counting devices, such as:
 - Fare collection equipment
 - Parking meters
 - Water and gas meters
- Watches, clocks, and parts

NOTE – Manufacturing:

- Optical alignment and test and inspection equipment is classified in ISI code 3333.
- Global positioning system equipment is classified in ISI code 3342.
- Motor control switches and relays is classified in ISI code 3353.
- Appliance switches is classified in ISI code 3359.
- Nonelectrical medical and therapeutic apparatus is classified in ISI code 3391.

3346 Manufacturing and reproducing magnetic and optical media (1997 NAICS code 3346)

Examples of products or processes of this industry are:

Blank audio and video tapes	Mass reproduction of computer software (generally excluding software development) onto diskettes, CD-ROMs, and game cartridges
Blank diskettes	CD-ROMs, and game cartridges
Blank optical disks	Prerecorded compact disks (except software)
Hard drive media	Tape and record reproducing
Laser disks	Theatrical duplication of motion pictures
Mass duplication of (copying of) audio, video, software, and other data on magnetic, optical, similar media	

NOTE – Designing, developing, or publishing prepackaged software or documentation; and integrated facilities that publish and reproduce software, are classified in ISI code 5112.

Audio and video producing and publishing; integrated facilities that publish and reproduce audio, video, and film materials; and related services are classified in ISI codes 5121 or 5122, depending on the product.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3351 Electric lighting equipment (1997 NAICS code 3351)

Examples of products of this industry are:

Commercial, industrial, institutional, and residential lighting fixtures
Electric lamp bulbs and parts
Flashlights and other portable lamps

Lampshades
Motor vehicle light bulbs
Nonelectric lighting fixtures, such as gas lanterns

NOTE – Manufacturing:

Glass parts for lighting fixtures is classified in ISI code 3272.
Light emitting diodes is classified in ISI code 3344.
Motor vehicle lighting fixtures is classified in ISI code 3363.

3352 Household appliances (1997 NAICS code 3352)

Examples of products of this industry are:

Barbecue grills
Dishwashers and disposals
Electric blankets and spaceheaters
Refrigerators, freezers, stoves, ovens, and other major household appliances

Toasters, household vacuum cleaners, ceiling fans and other small electrical appliances and housewares
Washers and dryers, household and coin operated

NOTE – Manufacturing:

Household sewing machines is classified in ISI code 3332.
Commercial and industrial cooking and cleaning equipment is classified in ISI code 3333.
Commercial and industrial refrigerators, room air conditioners, attic fans, and commercial ventilation and exhaust fans is classified in ISI code 3334.

3353 Electrical equipment (1997 NAICS code 3353)

Examples of products of this industry are:

Motors and generators such as:
Fractional and integral horsepower electric motors
Land transportation motors and generators
Prime mover generator sets
Power, distribution, and specialty transformers, such as:
Fluorescent lamp ballasts
Lighting transformers
Welding transformers

Relays and industrial controls, such as:
Digital positioning equipment
Electronic relays
Solenoids
Switchgear and switchboard apparatus, such as:
Circuit breakers
Control panels
Fuses

NOTE – Manufacturing:

Turbine generator set units and electric outboard motors is classified in ISI code 3336.
Electronic transformers and switches is classified in ISI code 3344.
Environmental controls and industrial process control instruments is classified in ISI code 3345.
Switches for electrical circuits is classified in ISI code 3359.
Starting motors and generators for internal combustion engines is classified in ISI code 3363.

3359 Other electrical equipment and components (1997 NAICS code 3359)

Examples of products of this industry are:

Batteries
Carbon and graphite electrodes and brushes
Conduits, junction boxes, and other non current-carrying wiring devices
Electric bells and gongs
Electrical cord sets
Electric garage door and other electric openers
Electrical outlets, switches, and other current-carrying wiring devices

Fiber optic cable from purchased fiber optic strand and nonferrous wire and cable from purchased nonferrous wire and other communication and energy wire and cable
Industrial capacitors and condensers
Lasers and laser parts for incorporation into other equipment
Primary batteries
Uninterruptable power supplies

NOTE – Manufacturing:

Porcelain and ceramic insulators is classified in ISI code 3271.
Fiber optic materials and glass insulators is classified in ISI code 3272.
Drawn nonferrous wire is classified in ISI code 3313 or 3314 (depending on the material drawn).
Cable sets consisting of insulated wire and connectors for electronic applications is classified in ISI code 3344.
Electronic capacitors, condensers, laser diodes, and semiconductor rectifiers is classified in ISI code 3344.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3361 Motor vehicles
(1997 NAICS code 3361)

Businesses engaged in manufacturing complete motor vehicles (body, chassis or unibody), or chassis only.

Examples of products of this industry are:

Automobiles and minivans	Light trucks and utility vehicles
Buses	Motor homes (complete)
Heavy duty trucks	

NOTE – Manufacturing off highway construction equipment is classified in ISI code 3331.

3362 Motor vehicle bodies and trailers
(1997 NAICS code 3362)

Businesses engaged in manufacturing motor vehicle bodies, cabs, trucks, automobile and utility trailers, truck trailer chassis, detachable trailer bodies, and detachable trailer chassis. The products may be sold separately or may be assembled on purchased chassis and sold as complete vehicles.

Examples of products of this industry are:

Automobile bodies	Travel trailers and campers
Covers for mounting on pickup trucks	Truck bodies
Motor homes on a purchased chassis	Truck cabs

NOTE – Manufacturing:
Mobile homes is classified in ISI code 3210.
Motor homes chassis and assembly of complete motor homes is classified in ISI code 3361.

3363 Motor vehicle parts
(1997 NAICS code 3363)

Examples of products of this industry are:

Air bags	Gasoline engines for motor vehicles
Brake systems and related components	Lighting fixtures for vehicles
Electrical and electronic equipment for motor vehicles, such as:	Metal stampings
Alternators	Motor vehicle air-conditioning systems
Cruise control mechanisms	Mufflers
Electronic control modules	Radiators
Ignition apparatus and parts	Seating and interior trim
Starters	Steering and suspension components except springs), such as:
Filters for internal combustion engines	Ball joints
Fuel injection systems	Shock absorbers
Gasoline engine parts, whether or not for vehicular use, such as:	Tie rods
Carburetors	Transmissions and power train parts, such as:
Crankshafts	Clutches
Pistons	Torque converters
Valves	Universal joints
Water pumps	

NOTE – Manufacturing:
Stationary and diesel engines is classified in ISI code 3336.
Car stereos is classified in ISI code 3343.
Automotive lamps and bulbs is classified in ISI code 3351.
Electric motors for motor vehicles is classified in ISI code 3353.
Batteries is classified in ISI code 3359.

3364 Aerospace products and parts
(1997 NAICS code 3364)

Businesses engaged in (1) manufacturing complete aircraft, missiles, and space vehicles; and engines, propulsion units, auxiliary equipment and parts; (2) research and development units of aerospace manufacturers primarily engaged in the production of prototypes; and (3) factory conversion and overhaul of aircraft and propulsion systems.

Examples of products of this industry are:

Aircraft	Rockets
Aircraft engines, parts, and components	Spacecraft and their parts, except satellites
Guided missiles	

NOTE – Manufacturing:
Aircraft fluid valve assemblies is classified in ISI code 3329.
Space satellites is classified in ISI code 3342.
Aeronautical, navigational, and guidance systems is classified in ISI code 3345.
Aircraft internal combustion engines and valves, pistons, or filters is classified in ISI code 3363.
The repair of aircraft or aircraft engines is classified in ISI code 4880.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3365 Railroad rolling stock (1997 NAICS code 3365)

Examples of products or activities of this industry are:

- Locomotives and their frames and parts, building and rebuilding
- Rail layers and ballast distributors
- Railroad, street, and rapid transit cars
- Railway track maintenance equipment

NOTE – Repair businesses owned by railroad and local transit companies are classified in ISI code 4880.
Repair businesses not owned by railroad and local transit companies are classified in ISI code 8110.

3366 Ship and boat building (1997 NAICS code 3366)

Businesses engaged in operating a shipyard or manufacturing boats. Shipyards are fixed facilities with drydocks and fabrication equipment capable of building a ship. Activities of shipyards include the construction of ships, their repair, conversion and alteration, the production of prefabricated ship and barge sections and specialized services, such as ship scaling.

Examples of products of this industry are:

- Barges
- Canoes
- Cruise ships
- Freighters
- Offshore oil and gas well drilling and floating production platforms (whether or not self-propelled)
- Recreational power boats
- Sailboats
- Submarines

NOTE – Manufacturing:
Inflatable plastic boats is classified in ISI code 3261.
Rubber boats is classified in ISI code 3262.

3369 Other transportation equipment (1997 NAICS code 3369)

Examples of products of this industry are:

- Bicycles
- Golf carts
- Military armored vehicles and tanks
- Motorcycles
- Snowmobiles

3370 Furniture and related products (1997 NAICS code 337)

Businesses engaged producing furniture and related articles such as mattresses, window blinds, cabinets, and fixtures. Processes used include the cutting, bending, molding, laminating and assembly of such materials as wood, metal, glass, plastics, and rattan. Furniture may be produced on a stock or custom basis and may be shipped assembled or unassembled.

Examples of products of this industry are:

- Bathroom vanities
- Blinds and shades
- Custom architectural woodwork and millwork
- Display fixtures
- Furniture frames and parts
- Mattresses
- Metal, wood, plastic, rattan and wicker household furniture
- Office and institutional furniture and fixtures
- Showcases, partitions, shelving, and lockers
- Television, radio, and sewing machine cabinets
- Upholstered and nonupholstered wood household furniture
- Wall shelving units
- Wood kitchen cabinets

NOTE – Manufacturing:
Seating for transportation equipment is classified in ISI code 3363.
Laboratory and hospital furniture is classified in ISI code 3391.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3391 Medical equipment and supplies (1997 NAICS code 3391)

Examples of products of this industry are:

Dental equipment and supplies, such as:

Artificial teeth
Dental chairs
Dental hand instruments

Laboratory apparatus and furniture, such as:

Balances and scales
Centrifuges
Laboratory cabinets

Ophthalmic goods, such as:

Contact lenses
Eyeglasses
Goggles
Sunglasses

Surgical and medical instruments, appliances, and supplies, such as:

Catheters
Hospital beds
Syringes

NOTE – Manufacturing:

Molded plastic lens blanks is classified in ISI code 3261.

Molded glass lens blanks is classified in ISI code 3272.

Laboratory instruments, x-ray apparatus, and electromedical apparatus is classified in ISI code 3345.

Retailing and grinding of prescription eyeglasses and contact lenses is classified in ISI code 4461.

3399 Other miscellaneous manufacturing (1997 NAICS code 3399)

Includes the following:

1. Manufacturing jewelry and silverware

Businesses engaged in one or more of the following: (1) manufacturing, engraving, chasing or etching jewelry, novelties or precious metal flatware, and other plated ware; (2) stamping coins; (3) manufacturing unassembled jewelry parts and stock shop products such as sheet, wire, and tubing; (4) cutting, slabbing, tumbling, carving, engraving, polishing or faceting precious or semiprecious stones and gems; (5) recutting, repolishing and setting gem stones; and (6) drilling, sawing, and peeling cultured and costume pearls.

Examples of jewelry and silverware products are:

Bracelets

Brooches and pins

Lapidary work

Necklaces

Precious metal (except precious plated) cutlery

Rings, precious and costume

NOTE – Manufacturing:

Synthetic stones or gemstones is classified in ISI code 3279.

Nonprecious and precious plated metal cutlery and flatware is classified in ISI code 3322.

2. Manufacturing sporting and athletic goods

Examples of sporting and athletic goods products are:

Baseball, football, and basketball equipment

Billiard and pool tables

Fishing tackle and equipment

Gymnasium and playground equipment

Roller skates and ice skates

NOTE – Manufacturing:

Athletic apparel is classified in ISI code 3150.

Athletic footwear is classified in ISI code 3160.

Small arms and small arms ammunition is classified in ISI code 3329.

3. Manufacturing dolls, toys, and games

Examples of doll, toy, and game products are:

Children's vehicles, such as scooters, wagons, and sleds

Craft and hobby kits

Dolls, doll parts, doll clothes, and action figures

Games (including electronic)

NOTE – Manufacturing:

Electronic video game cartridges and mass reproduction of these cartridges is classified in ISI code 3346.

Bicycles and metal tricycles is classified in ISI code 3369.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANUFACTURING – Continued

3399 Other miscellaneous manufacturing – Continued (1997 NAICS code 3399)

4. Manufacturing office supplies (except paper)

Examples of office supply products are:

Artists' air brushes, palettes, colors, and waxes	Stamps, hand and embossing
Crayons and chalks	Staplers and pencil sharpeners
Pens, pencils, and refill cartridges	

NOTE – Manufacturing:

Paper office supplies is classified in ISI code 3222.
Manifold business forms and loose-leaf binders is classified in ISI code 3231.
Writing, drawing, and india inks is classified in ISI code 3259.
Rubber erasers is classified in ISI code 3262.
Drafting tables and boards is classified in ISI code 3370.

5. Manufacturing signs

Businesses engaged in manufacturing signs and related displays of all materials (except paper and paperboard).

NOTE – Manufacturing paperboard displays is classified in ISI code 3222.

Printing signs is classified in ISI code 3231.
Sign lettering and painting is classified in ISI code 5418.

6. Other miscellaneous manufacturing

Examples of other miscellaneous manufactured products are:

Brooms, brushes, and mops	Fasteners, buttons, needles, and pins
Burial caskets	Gaskets, packing, and sealing devices
Candles	Musical instruments
Chemical fire extinguishers	Tobacco pipes
Cigar and cigarette lighters (except precious metal)	Umbrellas
Coin-operated amusement machines	Wigs

WHOLESALE TRADE

The wholesale trade sector (ISI codes 4211–4229) comprises businesses engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.

The wholesaling process is an intermediate step in the distribution of merchandise. Wholesalers are organized to sell or arrange the purchase or sale of (a) goods for resale (goods sold to other wholesalers or retailers), (b) capital or durable nonconsumer goods, and (c) raw and intermediate materials and supplies used in production.

Wholesalers sell merchandise to other businesses and normally operate from a warehouse or office. These warehouses and offices are characterized by having little or no display of merchandise. In addition, neither the design nor the location of the premises is intended to solicit walk-in traffic. Wholesalers do not normally use advertising directed to the general public. Customers are generally reached initially via telephone, in-person marketing, or by specialized advertising that may include Internet and other electronic means.

Although in general, wholesaling normally denotes sales in large volumes, durable nonconsumer goods may be sold in single units. Sales of capital or durable nonconsumer goods used in the production of goods and services, such as farm machinery, medium and heavy duty trucks, and industrial machinery are included in wholesale trade.

DURABLE GOODS

4211 Motor vehicles and motor vehicle parts and supplies (1997 NAICS code 4211)

Wholesale distribution of products such as:

Automobiles	Motorcycles
Motor homes	Tires and tubes
Motor vehicle supplies, parts, and accessories	Trailers
	Trucks

Part I — INDUSTRY CLASSIFICATIONS — Continued

WHOLESALE TRADE – Continued

DURABLE GOODS – Continued

4212 Furniture and home furnishings

(1997 NAICS code 4212)

Wholesale distribution of products such as:

Carpets and other floor surfaces	Linens and towels
China, glassware, and earthenware	Office furniture
Household-type furniture	Public building furniture
Household-type kitchen utensils and pans	

NOTE – Wholesaling:

Hospital beds and medical furniture is classified in ISI code 4214.

Precious metal flatware is classified in ISI code 4219.

4213 Lumber and other construction materials

(1997 NAICS code 4213)

Wholesale distribution of products such as:

Asphalt and concrete mixtures	Mobile homes and prefabricated buildings
Brick and stone	Plywood
Doors and windows and frames (all materials)	Reconstituted wood fiber products
Fencing	Roofing, siding, and insulation materials
Glass	Wood and metal millwork
Lumber	

NOTE – Wholesaling:

Refractory brick is classified in ISI code 4218.

Timber and timber products is classified in ISI code 4219.

4214 Professional and commercial equipment and supplies

(1997 NAICS code 4214)

Wholesale distribution of products such as:

Balances and scales	Ophthalmic goods
Commercial cooking and food service equipment	Photocopy machines, microfilm machines, and other office equipment
Computers, peripheral equipment, and software	Photographic cameras, film, accessories, and equipment
Electrical signs	Shelving and store fixtures
Mailing machines and equipment	Video cameras (except household-type)
Medical, dental, and hospital equipment and supplies	

NOTE – Wholesaling modems and other electronic communications equipment is classified in ISI code 4216.

Selling, planning, and designing computer systems that integrate computer hardware, software, and communication technologies are classified in ISI code 5415.

4215 Metals and minerals (except petroleum)

(1997 NAICS code 4215)

In addition to wholesaling the products listed below, this industry includes metal service centers. These centers maintain inventory and may perform value added functions such as sawing, shearing, bending, leveling, cleaning or edging on a custom basis as part of sales transactions.

Wholesale distribution of minerals such as:

Coal and coke
Metal ores
Nonmetallic minerals (except those used in construction, such as sand and gravel)

Wholesale distribution of primary metal products such as:

Bars	Non-insulated wire
Castings	Non-threaded pipe
Ingots	Plates
Nails, spikes, and rods	Sheets

NOTE – Wholesaling:

Nonmetallic minerals used in construction is classified in ISI code 4213.

Gold, silver, and platinum is classified in ISI code 4219.

Crude petroleum is classified in ISI code 4227.

Part I — INDUSTRY CLASSIFICATIONS — Continued

WHOLESALE TRADE – Continued

DURABLE GOODS – Continued

4216 Electrical goods
(1997 NAICS code 4216)

Wholesale distribution of products such as:

Electrical apparatus and equipment	Household-type refrigerators and freezers
Electrical appliances	Telecommunications equipment
Electrical light fixtures	Unloaded computer boards
Household-type audio and video equipment	Wiring supplies and electrical construction materials

NOTE – Wholesaling computers, computer peripheral equipment, and loaded computer boards is classified in ISI code 4214.

4217 Hardware, and plumbing and heating equipment and supplies
(1997 NAICS code 4217)

Wholesale distribution of products such as:

Automotive air-conditioning equipment	Hardware
Central air conditioning and heating equipment	Knives
Bolts, nuts, rivets, and screws	Plumbing and heating equipment and supplies
Handtools	Refrigeration equipment (except household-type)

NOTE – Wholesaling household room air-conditioners, refrigerators, and freezers, is classified in ISI code 4216.

4218 Machinery, equipment, and supplies
(1997 NAICS code 4218)

Wholesale distribution of products such as:

Construction, mining, and logging machinery and equipment	Transportation equipment and supplies (except motor vehicles and marine pleasure craft), such as:
Farm and garden machinery and equipment	Aircraft
Industrial machinery and equipment	Motorized passenger golf carts
Industrial supplies	Railroad cars
Service industry equipment and supplies	Ships

NOTE – Wholesaling:
Motor vehicles and motor vehicle parts is classified in ISI code 4211.
Janitorial chemicals is classified in ISI code 4226.

4219 Miscellaneous durable goods
(1997 NAICS code 4219)

Wholesale distribution of products such as:

Ammunition	Prerecorded music
Flatware, including precious metal	Recyclable materials
Jewelry, watches, and precious stones and metals	Sporting and recreational goods and supplies, including specialty sport footwear
Marine pleasure craft, equipment, and supplies	Timber and timber products, except lumber
Musical instruments	Toy and hobby goods and supplies

NOTE – Wholesaling:
Motorized passenger golf carts is classified in ISI code 4218.
Athletic apparel, except cleated, spiked, bowling, or other specialty sport footwear, is classified in ISI code 4223.

Sorting recyclable materials is classified in ISI code 5620.

NONDURABLE GOODS

4221 Paper and paper products
(1997 NAICS code 4221)

Wholesale distribution of products such as:

Greeting cards	Pens and pencils
Industrial and personal service paper, such as:	Printing and writing paper
Bags and boxes	Stationery and office supplies
Eating utensils	
Sanitary paper	

Part I — INDUSTRY CLASSIFICATIONS — Continued

WHOLESALE TRADE – Continued

NONDURABLE GOODS – Continued

4222 Drugs and druggists' sundries
(1997 NAICS code 4222)

Wholesale distribution of products such as:

Biological and medical products
Botanical herbs and drugs
Pharmaceuticals
Vitamins

4223 Apparel, piece goods, and notions
(1997 NAICS code 4223)

Wholesale distribution of products such as:

Footwear of leather, rubber, and other materials
Men's and boys' clothing and furnishings
Piece goods and notions
Women's, children's, and infants' clothing and accessories

NOTE – Converters who buy fabric goods in the grey, have them finished on contract, and sell at wholesale are classified in ISI code 3130.
Wholesaling cleated, spiked, bowling, or other specialty sport footwear is classified in ISI code 4219.

4224 Grocery and related products
(1997 NAICS code 4224)

Wholesale distribution of products such as:

Canned foods	General line groceries
Confectioneries and snack foods	Meat and meat products
Dairy products	Pet food
Fish and seafood (except canned or packaged frozen)	Poultry and poultry products
Fresh fruit and vegetables	Soft drinks
Frozen foods (packaged)	

NOTE – Pasteurizing and bottling milk are classified in ISI code 3115.
Slaughtering and dressing of poultry are classified in ISI code 3116.
Canning or freezing seafoods are classified in ISI code 3117.
Roasting coffee is classified in ISI code 3119.
Bottling soft drinks is classified in ISI code 3121.
Wholesaling of grains, field beans, and livestock is classified in ISI code 4225.
Wholesaling of beer, wine, and distilled alcoholic beverages is classified in ISI code 4228.

4225 Farm product raw materials
(1997 NAICS code 4225)

In addition to wholesaling the products listed below, also includes businesses engaged in operating country or terminal grain elevators primarily for the purpose of wholesaling.

Wholesale distribution of products such as:

Grains and field beans	Livestock
Hides and pelts	Raw cotton
Leaf tobacco	

NOTE – Wholesaling of field and garden seeds is classified in ISI code 4229.

4226 Chemical and allied products
(1997 NAICS code 4226)

Wholesale distribution of products such as:

Acids	Industrial chemicals and salts
Dyestuffs	Plastics materials and resins
Explosives	Plastics films, sheets, rods, and tubes

NOTE – Wholesaling:
Ammunition and fireworks is classified in ISI code 4219.
Biological, medical, and pharmaceutical products is classified in ISI code 4222.
Agricultural chemicals and fertilizers is classified in ISI code 4229.
Paints and varnishes is classified in ISI code 4229.

Part I — INDUSTRY CLASSIFICATIONS — Continued

WHOLESALE TRADE – Continued

NONDURABLE GOODS – Continued

4227 Petroleum and petroleum products
(1997 NAICS code 4227)

Wholesale distribution of products such as:

Crude petroleum and petroleum products
Liquid petroleum gas

4228 Beer, wine, and distilled alcoholic beverages
(1997 NAICS code 4228)

Wholesale distribution of products such as:

Ale	Neutral spirits and ethyl alcohol used in blended wine and
Beer	distilled liquors
Distilled alcoholic beverages	Wine
Fermented malt beverages	

4229 Miscellaneous nondurable goods
(1997 NAICS code 4229)

Wholesale distribution of products such as:

Agricultural chemicals, pesticides, and fertilizers	Pet supplies
Books, periodicals, and newspapers	Textile bags
Farm supplies	Tobacco and tobacco products
Flowers and nursery stock	Yarns
Paints, varnishes, and wallpapers	

NOTE – Wholesaling of pet food is classified in ISI code 4224.

RETAIL TRADE

The retail trade sector (ISI codes 4410–4540) comprises businesses selling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. Retailers sell merchandise to the general public. Store retailers operate permanent point-of-sale locations. Non-store retailers reach customers through methods such as the broadcasting and publishing of direct response advertising, the publishing of traditional and electronic catalogues, and distribution through vending machines. Businesses may be engaged in providing after-sales services such as repair and installation. Businesses that both manufacture and sell their products to the general public, such as retail bakeries, are not classified in retail trade, but rather in manufacturing.

Businesses that both retail goods and repair and maintain those goods should provide a breakdown of revenues for both activities. If no breakdown is available, classify the revenues in retail trade according to the type of good that is retailed.

4410 Motor vehicle and parts dealers
(1997 NAICS code 441)

Examples of businesses in this industry are:

Automobile dealers	Motorcycle dealers
Automotive parts and accessories dealers	Recreational vehicle dealers
Boat dealers	Tire dealers
Light truck dealers	Utility trailer dealers

NOTE – Selling of medium and heavy duty trucks is classified in ISI code 4211.
Selling and installing automotive parts other than tires is classified in ISI code 8110.

4420 Furniture and home furnishings stores
(1997 NAICS code 442)

Examples of businesses in this industry are:

Floor coverings stores	Office furniture (except in combination with office
Household furniture stores	equipment and supplies) stores
Kitchenware stores	Outdoor furniture stores
	Window treatment stores

NOTE – Selling:
Custom made curtains and drapes made on premises is classified in ISI code 3140.
Used furniture is classified in ISI code 4530.

Part I — INDUSTRY CLASSIFICATIONS — Continued

RETAIL TRADE – Continued

4431 Electronics and appliance stores (1997 NAICS code 4431)

Examples of businesses in this industry are:

Camera and photographic supplies stores
Computers, peripherals, and prepackaged software stores
Household appliance stores

NOTE – Retailing:

Automotive electronic sound systems is classified in ISI code 4410.

New sewing machines in combination with selling new sewing supplies, fabrics, patterns, yarns and other needlework accessories is classified in ISI code 4510.

Computers, peripherals, and prepackaged software in combination with retailing office equipment, furniture and supplies is classified in ISI code 4530.

4440 Building material and garden equipment and supplies dealers (1997 NAICS code 444)

Examples of businesses in this industry are:

Building materials and supplies dealers	Nursery and garden centers
Hardware stores	Outdoor power equipment stores
Home centers	Paint and wallpaper stores
Lawn and garden equipment and supplies stores	

4450 Food and beverage stores (1997 NAICS code 445)

Examples of businesses in this industry are:

Convenience stores	Meat, fish, fruit and vegetable, and other specialty food markets
Grocery stores	Supermarkets
Liquor stores	

NOTE – Retailing:

Candy and chocolate made on the premises not for immediate consumption is classified in ISI code 3113.

A general line of baked goods made on the premises not for immediate consumption is classified in ISI code 3118.

Convenience stores that sell gasoline are classified in ISI code 4471.

4461 Health and personal care stores (1997 NAICS code 4461)

Examples of businesses in this industry are:

Cosmetics and beauty supplies stores	Optical goods stores
Health and personal care stores selling such items as food supplements, hearing aids, and convalescent supplies	Pharmacies and drug stores

NOTE – Grinding, but not retailing, optical lenses is classified in ISI code 3391.

4471 Gasoline stations (1997 NAICS code 4471)

Retailing motor fuels and automotive oils. Includes businesses that sell motor fuels in combination with convenience store items and/or repair services.

NOTE – Businesses engaged solely in repairing motor vehicles with no sale of gasoline are classified in ISI code 8110.

4480 Clothing and clothing accessories stores (1997 NAICS code 448)

Examples of businesses in this industry are:

Clothing stores
Jewelry stores
Luggage and leather goods stores
Shoe stores

NOTE – Cutting and setting gemstones is classified in ISI code 3399.

Part I — INDUSTRY CLASSIFICATIONS — Continued

RETAIL TRADE – Continued

4510 Sporting goods, hobby, book, and music stores (1997 NAICS code 451)

Examples of businesses in this industry are:

- Book stores
- Hobby, games, and toy stores
- Prerecorded music and musical instruments stores
- Sporting goods stores

NOTE – Retailing general-purpose athletic shoes is classified in ISI code 4480.

4520 General merchandise stores (1997 NAICS code 452)

Retailing a large variety of goods with no one merchandise line predominating.

Examples of businesses in this industry are:

- Department stores
- Warehouse clubs and superstores

4530 Miscellaneous store retailers (1997 NAICS code 453)

Examples of businesses in this industry are:

Florists	Pet stores
Manufactured mobile homes retailers	Stationery and gift stores
Office equipment and supplies retailers	Used merchandise stores

NOTE – Retailing used automobiles is classified in ISI code 4410.
Pawnshops are classified in ISI code 5224.

4540 Nonstore retailers (1997 NAICS code 454)

Examples of businesses in this industry are:

Direct selling businesses, such as heating oil dealers	Mail order houses
Electronic shopping houses	Telemarketing sales
	Vending machine operators

NOTE – Supplying and servicing coin-operated amusement and gambling devices in places of business operated by others is classified in ISI code 7130.

TRANSPORTATION AND WAREHOUSING

The transportation and warehousing sector (ISI codes 4810–4939) comprises businesses providing transportation of passengers and cargo, scenic and sightseeing transportation, support activities related to transportation and warehousing and storage for goods. Businesses in transportation use transportation equipment or transportation related facilities as a productive asset.

4810 Air transportation (1997 NAICS code 481)

Businesses engaged in providing scheduled and nonscheduled air transportation of passengers and/or cargo using aircraft such as airplanes and helicopters.

NOTE – Scenic and sightseeing air transportation is classified in ISI code 4870.
Air courier services are classified in ISI code 4920.

4821 Rail transportation (1997 NAICS code 4821)

Businesses engaged in providing line-haul or short-line rail transportation of passengers and/or cargo using railroad rolling stock. The railroads primarily operate on networks, with physical facilities, labor force, and equipment spread over an extensive geographic area.

NOTE – Commuter rail and urban rapid transit are classified in ISI code 4850.
Scenic and sightseeing rail transportation is classified in ISI code 4870.
Operating switching and terminal facilities as a separate business is classified in ISI code 4880.

Part I — INDUSTRY CLASSIFICATIONS — Continued

TRANSPORTATION AND WAREHOUSING – Continued

4833 Petroleum tanker operations

(Part of 1997 NAICS code 483)

Businesses engaged in operating watercraft on the deep seas or on foreign or domestic coastal and inland waterways for the transportation of crude petroleum, petroleum products, or liquid natural gas. Businesses in this industry can either own or lease the watercraft. The services can be rendered for the firm's own account, the account of affiliated persons, or the account of unaffiliated persons.

4839 Other water transportation

(Part of 1997 NAICS code 483)

Businesses engaged in providing water transportation of passengers and cargo (except petroleum and related products, which is in ISI code 4833) using watercraft such as ships, barges, and boats either on the deep sea or coastal and inland waterways.

NOTE – Scenic and sightseeing water transportation is classified in ISI code 4870.
Operating floating casinos is classified in ISI code 7130.

4840 Truck transportation

(1997 NAICS code 484)

Businesses engaged in providing local and long-distance over-the-road transportation of cargo using motor vehicles, such as trucks and tractor trailers. This industry includes specialized trucking, such as moving of household and office goods.

4850 Transit and ground passenger transportation

(1997 NAICS code 485)

Businesses engaged in providing urban transit systems; commuter rail; chartered bus, school bus and interurban bus transportation; and taxi and limousine service.

NOTE – Scenic and sightseeing ground transportation is classified in ISI code 4870.
Ambulance services are classified in ISI code 6210.

4863 Pipeline transportation of crude oil, refined petroleum products, and natural gas

(1997 NAICS codes 4861, 4862, and 48691)

Businesses engaged in the use of distribution and transmission pipelines to transport crude oil, refined petroleum products, and natural gas. The pipeline transportation of natural gas also includes storage of natural gas.

NOTE – Pipeline transportation of natural gas by utilities is classified in ISI code 2212.

4868 Other pipeline transportation

(1997 NAICS code 48699)

Businesses engaged in the use of distribution and transmission pipelines to transport commodities such as coal and slurry.

NOTE – Pipeline transportation of water by utilities is classified in ISI code 2213.

4870 Scenic and sightseeing transportation

(1997 NAICS code 487)

Businesses engaged in the use of transportation equipment to provide recreation and entertainment. The activity is local in nature, usually involving a same-day return to the point of departure.

Examples of businesses in this industry are:

Charter fishing boats
Hot air balloon rides
Sightseeing buses and trolleys
Steam train excursions

4880 Support activities for transportation

(1997 NAICS code 488)

Businesses engaged in providing services to transportation carriers or to the general public, which support a single mode or several modes of transportation.

Examples of activities in this industry are:

Aircraft and rail transportation equipment maintenance and repair	Freight forwarding
Airport operation	Motor vehicle towing
Cargo handling	Port and harbor operation
	Rail terminal operation

NOTE – Businesses engaged in providing complete overhauls or rebuilding of transportation equipment are classified in transportation equipment manufacturing according to the type of equipment.
Providing food services to airlines or airports is classified in ISI code 7220.

Part I — INDUSTRY CLASSIFICATIONS — Continued

TRANSPORTATION AND WAREHOUSING – Continued

4920 Couriers and messengers
(1997 NAICS code 492)

Businesses engaged in providing air, surface, or combined courier delivery services of parcels, letters, and documents. Deliveries of meals and groceries on a fee basis are also included.

4932 Petroleum storage for hire
(Part of 1997 NAICS code 49319)

Businesses engaged in operating bulk petroleum storage facilities and terminals for hire.

4939 Other warehousing and storage
(1997 NAICS codes 49311, 49312, 49313, and part of 49319)

Businesses engaged in operating warehousing and storage facilities for general merchandise, refrigerated goods, farm products, and other warehouse products, except petroleum.

NOTE – Renting space for self storage of goods (mini-warehouses) is classified in ISI code 5310.
Storing hazardous materials for treatment and disposal is classified in ISI code 5620.

INFORMATION

The Information sector (ISI codes 5111–5142) comprises businesses engaged in producing, distributing, or transmitting information, data, and cultural products, and in the processing of data. (Cultural products are those that directly express attitudes, opinions, ideas, values, and artistic creativity; provide entertainment; or offer information and analysis concerning the past and present.) In the 1987 ISI classifications, activities that are now classified in the Information sector were classified in a number of different industries; for example, publishing was classified in manufacturing, broadcasting in communications, software production in computer services, and film production in amusement services.

The unique characteristics of information and cultural products, and of the processes involved in their production and distribution, distinguish businesses in the Information sector from those in other sectors. Some of these characteristics are:

- 1. Unlike goods, an "information or cultural product" such as an on-line newspaper or a television program does not necessarily have tangible qualities, nor is it necessarily associated with a particular form of delivery.**
- 2. Unlike services, the delivery of informational and cultural products does not require direct contact between the supplier and the consumer.**
- 3. The intangible property aspect of information and cultural products makes the processes involved in their production and distribution different from goods and services. Only those possessing the rights to these works are authorized to reproduce, alter, improve, and distribute them.**
- 4. Distributors of information and cultural products often add value to the products they distribute. For instance, broadcasters may add advertising to the original product. This capacity means that unlike other distributors of goods and services, some information distributors may derive revenue not from the sale of the distributed product to the final consumer, but from those who pay for adding information to the original product.**

5111 Newspaper, periodical, book, and database publishers
(1997 NAICS code 5111)

Businesses engaged in publishing newspapers, magazines, other periodicals, books, databases and directories, calendars, greeting cards, maps, and other works. These works are characterized by the intellectual creativity required in their development and are usually protected by copyright. Businesses may create the works in-house, contract for, purchase, or compile works that were originally created by others and publish these works in one or more formats, such as print and/or electronic form, including on-line, and audio. Businesses may print, reproduce, or offer direct access to the works themselves or may arrange with others to carry out such functions.

NOTE – Printing newspapers, periodicals, and books, but not publishing is classified in ISI code 3231.
Music publishers are classified in ISI code 5122.
Supplying the news media with information such as news, reports, and pictures is classified in ISI code 5141.
Providing direct access to databases developed by others is classified in ISI code 5141.

5112 Software publishers
(1997 NAICS code 5112)

Businesses engaged in computer software publishing. Such businesses carry out operations necessary for producing and distributing computer software such as designing, providing documentation, assisting in installation, and providing support services to software purchasers. These businesses may design and publish or only publish.

NOTE – Mass duplication of computer software is classified in ISI code 3346.
Designing software to meet the needs of specific users is classified in ISI code 5415.

Part I — INDUSTRY CLASSIFICATIONS — Continued

INFORMATION – Continued

5121 Motion picture and video industries (1997 NAICS code 5121)

Businesses engaged in the production and/or distribution of motion pictures, videos, television programs, or commercials; in the exhibition of motion pictures; or in the provision of post-production and related services, such as editing, closed captioning, animation, and special effects.

NOTE – Mass duplication and packaging of video tapes is classified in ISI code 3346.
Providing audio services for film, television, and video productions is classified in ISI code 5122.

5122 Sound recording industries (1997 NAICS code 5122)

Businesses engaged in producing and distributing musical recordings, in publishing music, or in providing sound recording and related services. Includes integrated record production and distribution.

NOTE – Mass duplication of recorded products is classified in ISI code 3346.

5131 Radio and television broadcasting (1997 NAICS code 5131)

Businesses engaged in operating broadcasting studios and facilities for over-the-air or satellite delivery of radio and television programs. These businesses are engaged in the production and purchase of programs and generate revenues from the sale of airtime to advertisers, from donations and subsidies, or from the sale of programs.

NOTE – Furnishing cable and other pay television services is classified in ISI code 5132.

5132 Cable networks and program distribution (1997 NAICS code 5132)

Businesses engaged in assembling program material and transmitting television programs for cable and satellite systems on a subscription or fee basis, or operating those systems.

NOTE – Independent contractors that maintain and install cable systems are classified in ISI code 2350.

5133 Telecommunications (1997 NAICS code 5133)

Businesses engaged in operating, maintaining or providing access to facilities for the transmission of voice, data, text, and full motion picture video between network termination points. Includes telecommunications reselling where businesses purchase access and network capacity from owners and operators of wired and wireless networks and resell them. Transmission facilities may be based on a single technology or a combination of technologies.

Examples of services provided by businesses in this industry are:

Cellular telephone communications	Telecommunications reselling
Paging services	Telegraph communications
Radio dispatch services	Telephone services, local and long distance
Radar station operations	Wired telecommunications services
Satellite telecommunications and tracking	

NOTE – Providing direct-to-home satellite television systems to individual households or consumers is classified in ISI code 5132.
Providing coin-operated pay telephones is classified in ISI code 8120.

5141 Information services (1997 NAICS code 5141)

Businesses engaged in providing information, storing information, or providing access to information.

Examples of businesses in this industry are:

Archives	News syndicates
Internet services	On-line information access services
Libraries	Telephone-based information services

Part I — INDUSTRY CLASSIFICATIONS — Continued

INFORMATION – Continued

5142 Data processing services (1997 NAICS code 5142)

Businesses engaged in providing electronic data processing services. These businesses may provide complete processing and preparation of reports from data supplied by customers, specialized services such as automated data entry services, or provide data processing resources to clients on an hourly or timesharing basis.

Examples of services provided by businesses in this industry are:

- Automated or electronic data processing
- Computer time sharing
- Data entry services
- Optical scanning

NOTE – Processing financial transactions, such as credit card transactions, is classified in ISI code 5223. Computer systems facilities management is classified in ISI code 5415. Text processing and desktop publishing services is classified in ISI code 5614.

FINANCE AND INSURANCE

The finance and insurance sector (ISI codes 5221–5252) comprises businesses engaged in financial transactions (transactions involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions. Three principal types of activities are included:

- 1. Raising funds by taking deposits and/or issuing securities, and in the process, incurring liabilities.**
- 2. Pooling of risk by underwriting insurance and annuities.**
- 3. Providing specialized services facilitating, or supporting, financial intermediation, insurance, or employee benefit programs.**

5221 Depository credit intermediation (Banking) (1997 NAICS codes 5221 and 551111)

Businesses engaged in accepting deposits and in lending funds from these deposits.

Examples of businesses in this industry are:

- Bank holding companies
- Commercial banks
- Credit unions
- Savings institutions

5223 Activities related to credit intermediation (1997 NAICS code 5223)

Businesses engaged in facilitating credit intermediation by performing activities, such as arranging loans by bringing borrowers and lenders together, and clearing checks and credit card transactions.

Examples of services provided by businesses in this industry are:

Check cashing	Mortgage and other loan arranging
Debit card issuing	Reserve and clearing house activities
Financial transactions processing	Servicing loans originated by others
Money order and travelers check issuing	

5224 Non-depository credit intermediation (Part of 1997 NAICS code 5222)

Businesses engaged in extending credit or lending funds raised by credit market borrowing, such as issuing commercial paper or other debt instruments.

Examples of services provided by businesses in this industry are:

Consumer lending	Real estate credit
Credit card issuing	Sales financing
Pawnshops	Trade financing

NOTE – Debit card issuing, servicing loans originated by others, and loan arranging are classified in ISI code 5223. U.S. branches and agencies of foreign banks and foreign branches and agencies of U.S. banks engaged in financing are classified in ISI code 5229.

Part I — INDUSTRY CLASSIFICATIONS — Continued

FINANCE AND INSURANCE – Continued

5229 Non-depository branches and agencies

(Part of 1997 NAICS code 5222)

Foreign branches and agencies of U.S. banks that do not accept deposits abroad.
U.S. branches and agencies of foreign banks that do not accept deposits in the United States.

5231 Securities and commodity contracts intermediation and brokerage

(1997 NAICS code 5231)

Businesses engaged in putting capital at risk in the process of underwriting securities issues or in making markets for securities and commodities and businesses acting as agents and/or brokers and sellers of securities and commodities.

Examples of services provided by businesses in this industry are:

Commodity contracts dealing and brokerage
Investment banking
Securities brokerage

5238 Other financial investment activities and exchanges

(1997 NAICS codes 5232 and 5239)

Businesses engaged in acting as principals, agents and/or brokers in buying or selling financial contracts (except securities and commodity contracts) or providing other investment services, such as portfolio management, investment advice, and trust, fiduciary, and custody services.

Examples of businesses in, or services provided by, this industry are:

Commodity and exchange clearinghouses	Securities and commodity exchanges
Financial planning	Trust, fiduciary, custody and other investment services
Pension fund and mutual fund management	Venture capital companies

NOTE – Businesses providing investment advice in conjunction with their primary activity, such as the sale of stocks, bonds, real estate, etc. are classified according to their primary activity.
Businesses known as publishers that provide generalized investment information to subscribers are classified in ISI code 5111.

5242 Agencies, brokerages, and other insurance related activities

(1997 NAICS code 5242)

Businesses engaged in acting as agents or brokers in selling insurance policies and annuities or providing other employee benefits and insurance related services, such as claims adjustment and processing and third party administration.

NOTE – Third party portfolio management of funds' assets is classified in ISI code 5238.
Providing actuarial consulting services is classified in ISI code 5416.

5243 Insurance carriers, except life insurance carriers

(1997 NAICS code 5241, except code 524113)

Businesses engaged in underwriting insurance policies, except life insurance policies, and annuities and investing premiums to build up a portfolio of financial assets to be used against future claims.

Examples of businesses in this industry are:

Health and medical insurance carriers
HMO's providing health and medical insurance
Property, casualty, title, and deposit insurance carriers

NOTE – HMO's providing health care services are classified in ISI code 6210.

5249 Life insurance carriers

(1997 NAICS code 524113)

Businesses engaged in underwriting life insurance policies and annuities, disability income insurance policies, and accidental death and dismemberment insurance policies.

5252 Funds, trusts, and other financial vehicles, except REITs

(1997 NAICS code 525, except for code 52593)

Legal entities organized to pool securities or other assets on behalf of shareholders or beneficiaries of employee benefit or other trust funds. These entities earn interest, dividends, and other property income, but have little or no employment. This industry also includes individual investors.

Examples of entities in this industry are:

Individual investors	Open-end investment funds and closed-end investment funds
Insurance or employee benefit funds, such as pension funds, health and welfare funds.	Trust, estate, and agency accounts

NOTE – Real estate investment trusts (REITs) are classified in ISI code 5310.
Entities engaged in holding the securities of (or other equity interests in) other firms are classified in ISI code 5512.

Part I — INDUSTRY CLASSIFICATIONS — Continued

REAL ESTATE AND RENTAL AND LEASING

5310 Real estate (1997 NAICS codes 531 and 52593)

Businesses engaged in owning real estate or undeveloped land; renting or leasing real estate to others; managing real estate for others; selling, buying or renting real estate for others; and providing real estate related services, such as appraisal services.

Examples of businesses in this industry are:

- Owners and lessors of land used for agriculture or timber growing that the owners or lessors do not operate themselves
- Owners and lessors of miniwarehouses and self-storage units
- Real estate agencies and brokerages
- Real estate investment trusts (REITs)

NOTE – Subdividing and developing unimproved real estate is classified in ISI code 2330.
Operating public and contract general merchandise warehousing and storage facilities is classified in ISI code 4939.

5321 Automotive equipment rental and leasing (1997 NAICS code 5321)

Businesses engaged in renting or leasing passenger cars and trucks, without drivers, or renting or leasing utility trailers and recreational vehicles. Rentals can be on a short-term or a long-term basis.

NOTE – Retailing passenger cars through lease arrangements is classified in ISI code 4410.
Renting or leasing passenger cars with drivers is classified in ISI code 4850.
Leasing vehicles in combination with providing loans to buyers of such vehicles is classified in ISI code 5224.
Renting recreational goods such as pleasure boats or mopeds is classified in ISI code 5329.

5329 Other rental and leasing services (1997 NAICS code 532, except 5321)

Businesses engaged in renting or leasing a wide array of tangible goods, such as consumer goods, goods for business operations, and industrial machinery and equipment in return for a periodic rental or lease payment.

Examples of tangible goods rented or leased by businesses in this industry are:

- Aircraft, tugboats, and other transportation equipment, without operators
- Bicycles, skis, and other recreational goods
- Bulldozers, cranes, and other heavy construction equipment, without operators
- Computers, copiers, and other office machinery
- Formal wear and costumes
- Furniture
- Home health equipment
- Televisions, stereos, refrigerators, and other consumer electronics and appliances
- Video tapes and discs

NOTE – Retailing and renting musical instruments is classified in ISI code 4510.
Leasing goods or heavy equipment in combination with providing loans to buyers of such goods is classified in ISI code 5224.
Leasing real property is classified in ISI code 5310.
Leasing automotive equipment without drivers is classified in ISI code 5321; leasing with drivers is classified in ISI code 4850.
Leasing heavy equipment with operators is classified according to the nature of the service provided, for example, transportation or construction.

5331 Lessors of non-financial intangible assets (except copyrighted works) (1997 NAICS code 5331)

Businesses in this industry are engaged in assigning rights to assets, such as patents, trademarks, brand names, and/or franchise agreements for which a royalty payment or licensing fee is paid to the asset holder.

NOTE – Businesses, engaged in producing, reproducing, and or distributing copyrighted works, are classified in ISI codes 5111-5132, depending on the nature of the work.

Part I — INDUSTRY CLASSIFICATIONS — Continued

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

5411 Legal services
(1997 NAICS code 5411)

Businesses engaged in providing services in a range of, or in a specific area of law, such as criminal law, corporate law, or real estate law. Includes the provision of other legal services by businesses such as notaries public services, patent agents services and real estate settlement offices.

5412 Accounting, tax preparation, bookkeeping, and payroll services
(1997 NAICS code 5412)

Examples of services provided by businesses in this industry are:

- Accounting systems design
- Auditing of accounting records
- Bookkeeping
- Budget development
- Financial statement preparation
- Payroll preparation
- Tax return preparation

5413 Architectural, engineering, and related services
(1997 NAICS code 5413)

Examples of services provided by businesses in this industry are:

- Architectural services including planning and designing the construction of residential, institutional, commercial, or industrial buildings and structures
- Building inspection services
- Drafting services
- Engineering services including designing, developing and utilizing machines, materials, instruments, structures, processes, and systems
- Landscape architectural services including planning and designing the development of land areas for projects such as parks, schools, and highways
- Surveying and mapping services
- Testing laboratories performing physical, chemical, and other analytical testing services

NOTE – The design and construction of buildings, highways, and other structures or in managing construction projects are classified in Construction (ISI codes 2330–2350) according to the type of project. Providing advice on environmental issues and inspecting buildings for hazardous materials is classified in ISI code 5416. Providing landscape care and maintenance services and/or installing trees, shrubs, plants, etc., along with the design of landscape plans is classified in ISI code 5617. Inspecting buildings for termites and other pests is classified in ISI code 5617. Clinical laboratory testing services for the medical profession are classified in ISI code 6210.

5414 Specialized design services
(1997 NAICS code 5414)

Examples of services provided by businesses in this industry are:

- Fashion design
- Graphic design
- Industrial design
- Interior design

5415 Computer systems design and related services
(1997 NAICS code 5415)

Businesses engaged in providing services in the field of information technologies through one or more of the following activities: (1) writing, modifying, testing, and supporting software to meet the needs of a particular customer; (2) planning and designing computer systems that integrate computer hardware, software, and communication technologies; (3) on-site management and operation of clients' computer systems and/or data processing facilities; and (4) other professional and technical computer-related advice and services.

Examples of services provided by businesses in this industry are:

- Computer systems facilities management
- Computer programming
- Computer systems integration design, such as local area network computer systems integration designers
- Computer systems design consulting
- Data processing center management
- Software installation

NOTE – Publishing packaged software is classified in ISI code 5112. Providing computer data processing services at your own facility for others is classified in ISI code 5142.

Part I — INDUSTRY CLASSIFICATIONS — Continued

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES – Continued

5416 Management, scientific, and technical consulting services (1997 NAICS code 5416)

Businesses engaged in providing advice and assistance to businesses, and other organizations on management issues, such as strategic and organizational planning; financial planning and budgeting; marketing objectives and policies; human resource policies, practices, and planning; production scheduling; and control planning.

Examples of businesses in this industry are:

Actuarial, benefit, and compensation consultants	Human resources and executive search consultants
Administrative and general management consultants	Management consultants
Biological consultants	Marketing consultants
Environmental consultants	Process, physical distribution, and logistics consultants

NOTE – Planning and designing computer systems is classified in ISI code 5415.
Developing and implementing marketing research or public opinion polling is classified in ISI code 5419.
Providing general management and/or administrative support services to subsidiaries is classified in ISI code 5513.
Providing resources to other enterprises to administer, direct, or coordinate a range of day-to-day business operations is classified in ISI code 5611.

5417 Scientific research and development services (1997 NAICS code 5417)

Businesses engaged in conducting original investigation undertaken on a systematic basis to gain new knowledge (research) and/or in the application of research findings or other scientific knowledge for the creation of new or significantly improved products or processes (experimental development).

Examples of businesses in this industry are:

Biological research and development laboratories	Physical science research and development laboratories
Environmental research and development laboratories	Social science and humanities research
Industrial research laboratories	

NOTE – Providing physical, chemical, or other analytical testing services is classified in ISI code 5413.
Marketing research is classified in ISI code 5419.

5418 Advertising and related services (1997 NAICS code 5418)

Examples of businesses in this industry are:

Advertising agencies
Direct mail advertisers
Display advertising, such as outdoor advertising services
Media buying agencies and representatives
Public relations agencies

NOTE – Compiling and selling mailing lists (without providing direct mail advertising services) is classified in ISI code 5111.
Providing marketing consulting services is classified in ISI code 5416.

5419 Other professional, scientific, and technical services (1997 NAICS code 5419)

Examples of businesses in this industry are:

Broadcast media rating services
Marketing research and public opinion polling
Photographic services, including still, video, and digital photography
Translation and interpretation services
Veterinary offices and animal hospitals
Weather forecasting services

NOTE – Developing motion picture film is classified in ISI code 5121.
Veterinary research and development services are classified in ISI code 5417.
Developing still photographs is classified in ISI code 8120.
Non-veterinary pet care services is classified in ISI code 8120.

Part I — INDUSTRY CLASSIFICATIONS — Continued

MANAGEMENT OF COMPANIES AND ENTERPRISES

5512 Holding companies, except bank holding companies (1997 NAICS code 551112)

Businesses engaged in holding the securities or financial assets of companies and enterprises, for the purpose of owning a controlling interest in them or influencing their management decisions. Businesses in this industry do not manage the day-to-day operations of the firms whose securities they hold.

For consolidated enterprises, ISI code 5512 is generally an invalid industry classification. Determination of industry code must be based on the activities of the fully consolidated business enterprise being reported to BEA. A business that engages in holding company activities but generates more than 50 percent of its total income from other activities is not a holding company.

NOTE – Holding companies for which over 50 percent of their total income is derived from banks that they hold are classified in ISI code 5221.

5513 Corporate, subsidiary, and regional management offices (1997 NAICS code 551114)

Offices engaged in providing resources *to other parts of the same multinational enterprise* to administer, direct, or coordinate a range of day-to-day business operations, such as financial planning; personnel; physical distribution and logistics; and long-term strategic and organization planning.

Included in this industry are:

- Central administrative offices
- Corporate headquarters
- Regional offices

NOTE – Businesses engaged in providing resources to clients in other companies or enterprises to administer, direct, or coordinate a range of day-to-day business operations are classified in ISI code 5611.

Providing a single support (e.g., accounting services) service to a related enterprise, but not the range of services that businesses in this industry provide is classified in other industries according to the service provided.

ADMINISTRATIVE AND SUPPORT, WASTE MANAGEMENT, AND REMEDIATION SERVICES

5611 Office administrative services (1997 NAICS code 5611)

Businesses engaged in providing resources to clients *in other companies or enterprises* to administer, direct, or coordinate a range of day-to-day business operations, such as financial planning; billing and record keeping; personnel; and physical distribution and logistics. These businesses do not provide operating staff to carry out the complete operations of a client's business.

NOTE – Computer systems facilities management is classified in ISI code 5415.

Providing management advice but not day-to-day management is classified in ISI code 5416.

Offices providing general management and/or administrative support services to other parts of the same multinational enterprise are classified in ISI code 5513.

Providing both management and operating staff for the complete operation of a client's business is classified according to the industry of the client's business.

Providing a single support service (e.g., accounting services) to a unrelated enterprise, but not the range of services that businesses in this industry provide, is classified in other industries according to the service provided.

5612 Facilities support services (1997 NAICS code 5612)

Businesses engaged in providing operating staff to perform a combination of support services within a clients' facilities. The businesses typically provide a combination of services, such as janitorial; maintenance; trash disposal; guard and security; mail routing; reception; laundry; and related services to support operations within facilities. These businesses provide operating staff to carry out these support activities but, are not involved with, or responsible for, the core business or activities of the client.

Examples of services provided by businesses in this industry are:

- Base or facilities operations support services (except computer systems and/or data processing)
- Correctional facilities (i.e., jails) operations on a contract or fee basis

NOTE – Providing a single support service to clients (e.g., janitorial services), but not the range of services that businesses in this industry provide, is classified in other industries according to the service provided.

Providing both management and operating staff for the complete operation of a client's business is classified according to the industry of the client's business.

Providing on-site management and operation of clients' computer systems and/or data processing facilities is classified in ISI code 5415.

Part I — INDUSTRY CLASSIFICATIONS — Continued

ADMINISTRATIVE AND SUPPORT, WASTE MANAGEMENT, AND REMEDIATION SERVICES – Continued

5613 Employment services
(1997 NAICS code 5613)

Businesses engaged in: (1) listing employment vacancies and in referring or placing applicants for employment; (2) supplying workers to clients for limited periods of time to supplement the work force of the client; or (3) providing human resources and human resource management services to clients.

Examples of businesses in this industry are:

Casting bureaus and agencies	Labor contractors
Employee leasing services	Temporary help services
Employment agencies	

NOTE – Supplying farm labor is classified in ISI code 1150.
Providing executive search consulting services is classified in ISI code 5416.
Agents and managers for entertainers, athletes, and other public figures are classified in ISI code 7110.

5614 Business support services
(1997 NAICS code 5614)

Businesses engaged in performing activities that are ongoing routine, business support functions that all businesses and organizations must do and that are traditionally done for themselves.

Examples of businesses in this industry are:

Collection agencies	Private mail centers and other postal and mailing services
Copy centers	Repossession services
Credit bureaus and credit investigating services	Telephone answering services
Desktop publishing services, including typing and word processing	Telemarketing bureaus and services provided for others
Document preparation services, such as resume writing	

NOTE – Performing prepress and postpress services in support of printing activities or providing document copying services in combination with printing services are classified in ISI code 3231.

5615 Travel arrangement and reservation services
(1997 NAICS code 5615)

Examples of businesses in this industry are:

Airline, hotel, and restaurant reservation services	Tour operators that arrange and assemble tours sold through travel agencies or for their own account
Convention and visitors bureaus	Travel agencies
Ticket agencies and offices, including travel, sports, and theatrical	

5616 Investigation and security services
(1997 NAICS code 5616)

Examples of businesses in this industry are:

Armored car services	Security guard services
Bodyguard services	Security systems services, such as selling burglar and fire alarm systems, along with installation and monitoring
Polygraph services	
Private detective and investigation services	

NOTE – Retailers of motor vehicle security systems with or without installation or repair services are classified in ISI code 4410.
Providing credit checks is classified in ISI code 5614.
Selling security systems for buildings without installation, repair, or monitoring services is classified in retail or wholesale trade depending on the type of sale.

5617 Services to buildings and dwellings
(1997 NAICS code 5617)

Examples of businesses in this industry are:

Carpet and upholstery cleaning services
Exterminating and pest control services, such as termite control services
Janitorial services, such as cleaning building interiors and interiors of transportation equipment
Landscaping services

NOTE – Retailers of landscaping materials that may also provide the installation and maintenance of these materials are classified in ISI code 4440.
Planning and designing the development of land areas for projects such as parks, schools, and highways without installing trees, shrubs, or similar items is classified in ISI code 5413.

Part I — INDUSTRY CLASSIFICATIONS — Continued

ADMINISTRATIVE AND SUPPORT, WASTE MANAGEMENT, AND REMEDIATION SERVICES – Continued

5619 Other support services (1997 NAICS code 5619)

Examples of businesses in this industry are:

- Convention and trade show organizers
- Inventory taking services
- Packaging and labeling services
- Water softening and conditioning services

5620 Waste management and remediation services (1997 NAICS code 562)

Businesses engaged in the collection, treatment, and disposal of waste materials. Includes businesses engaged in collecting and/or local hauling of waste and/or recyclable materials; operating waste treatment or disposal facilities (except sewer systems or sewage treatment facilities); operating materials recovery facilities (those that sort recyclable materials from the trash stream); providing remediation services (those that provide for the cleanup of contaminated buildings, mine sites, and soil or ground water); and providing septic pumping and other miscellaneous waste management services, such as portable toilet rental services.

NOTE – Collecting, treating, and disposing waste through sewer systems or sewage treatment facilities is classified in ISI code 2213.

Long-distance hauling of waste materials is classified in ISI code 4840.
Waste management consulting services are classified in ISI code 5416.

EDUCATIONAL SERVICES

6110 Educational services (1997 NAICS code 61)

Businesses engaged in providing instruction and training in a wide variety of subjects.

Examples of businesses in this industry are:

Business schools	Professional development programs
Colleges, universities, and professional schools	Sports and recreation instruction schools or camps
Computer and management training schools	Technical and trade schools

NOTE – Nursery schools are classified in ISI code 6240.

HEALTH CARE AND SOCIAL ASSISTANCE

6210 Ambulatory health care services (1997 NAICS code 621)

Businesses engaged in providing health care services directly or indirectly to ambulatory patients and that do not usually provide inpatient services.

Examples of businesses in this industry are:

Ambulance services	Medical and diagnostic laboratories, including diagnostic imaging centers
Dentists' offices	Mental health practitioners
Health maintenance organization medical centers	Optometrists' offices
Home health care services	Physicians' offices and walk-in centers
Kidney dialysis centers	

NOTE – Optical, orthopedic, and dental laboratories are classified in ISI code 3391.
Opticians engaged in selling and fitting prescription eyeglasses and contact lenses are classified in ISI code 4461.
Weight reducing centers, nonmedical, are classified in ISI code 8120.

6220 Hospitals (1997 NAICS code 622)

Businesses engaged in providing medical, diagnostic, and treatment services including physician, nursing, and other health services to inpatients. Hospitals may also provide outpatient services as a secondary activity. Includes general and special medical and surgical facilities and psychiatric and substance abuse facilities.

NOTE – Businesses that are engaged in providing residential care for persons diagnosed with mental retardation or that provide inpatient treatment of mental health and substance abuse illness with the emphasis on counseling, rehabilitation, and support services rather than medical treatment are classified in ISI code 6230.

Part I — INDUSTRY CLASSIFICATIONS — Continued

HEALTH CARE AND SOCIAL ASSISTANCE – Continued

6230 Nursing and residential care facilities (1997 NAICS code 623)

Businesses engaged in providing residential care combined with either nursing, supervisory, or other types of care as required by the residents.

Examples of businesses in this industry are:

Assisted living facilities with on-site nursing care	Nursing homes
Continuing care retirement communities	Residential mental health and substance abuse facilities
Hospices	

6240 Social assistance (1997 NAICS code 624)

Businesses engaged in providing a wide variety of social assistance services directly to their clients. These services do not include residential or accommodation services, except on a short stay basis.

Examples of businesses in this industry are:

Adoption agencies	Nursery schools
Child day-care services	Senior citizens centers
Community food and housing services	Vocational rehabilitation facilities

ARTS, ENTERTAINMENT, AND RECREATION

The arts, entertainment and recreation sector (ISI codes 7110–7130) comprises businesses that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons.

7110 Performing arts, spectator sports, and related industries (1997 NAICS code 711)

Businesses engaged in producing or organizing and promoting live presentations involving the performances of actors and actresses, singers, dancers, musical groups and artists, athletes and other entertainers, including independent (freelance) entertainers, and the businesses that manage their careers.

Examples of businesses in this industry are:

Agents and managers for entertainers, athletes, and other public figures	Promoters of performing arts, sports, and similar events
Circuses	Professional sports teams
Ice skating shows	Race tracks
	Theater companies and other performing companies

NOTE – Restaurants and night clubs that provide live non-theatrical entertainment in addition to the sale of food and beverages are classified in ISI code 7220.
Professional athletic associations or leagues are classified in ISI code 8130.

7121 Museums, historical sites, and similar institutions (1997 NAICS code 7121)

Businesses engaged in the preservation and exhibition of objects, sites, and natural wonders of historical, cultural and/or educational value.

Examples of businesses in this industry are:

Art galleries and museums
Botanical gardens
Zoos and nature preserves

7130 Amusement, gambling, and recreation industries (1997 NAICS code 713)

Businesses engaged in operating facilities where patrons can participate in sports, recreation, amusement or gambling activities. Includes supplying and servicing amusement devices in places of business operated by others.

Examples of businesses in this industry are:

Amusement parks and arcades	Golf courses and country clubs
Bowling centers	Health clubs and physical fitness facilities
Coin-operated amusement and gambling devices, supply and service	Marinas
Gambling casinos, except casino hotels	Skiing facilities, without accommodations

NOTE – Businesses using transportation equipment to provide recreational and entertainment services, such as those operating sightseeing buses, dinner cruises, or helicopter rides are classified in ISI code 4870.
Operating race tracks or presenting live racing or sporting events are classified in ISI code 7110.
Businesses that provide both accommodations and recreational facilities, such as hunting and fishing camps, skiing and golfing resorts, and casino hotels are classified in ISI code 7210.

Part I — INDUSTRY CLASSIFICATIONS — Continued

ACCOMMODATIONS AND FOOD SERVICES

The accommodations and foodservices sector (ISI codes 7210–7220) comprises businesses providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodations and foodservices because the two activities are often combined in the same business.

7210 Accommodations (1997 NAICS code 721)

Businesses engaged in providing lodging or short-term accommodations for travelers, vacationers, and others. Some locations provide lodging only, while others provide meals and recreational facilities. Businesses that manage hotels and motels on a contractual basis are classified in this industry if they both manage the operation and supply the operating staff. Providing meals and other complementary services in connection with accommodation are considered to be an integral part of the activity. Revenues generated by these activities are included in this industry, even if they produce more revenues than the accommodations.

Examples of businesses in this industry are:

- Hotels, motels, casino hotels, and other traveler accommodations
- Recreational vehicle parks and campgrounds
- Rooming and boarding houses
- Vacation camps

NOTE – Operating instructional camps, such as sports camps and computer camps, is classified in ISI code 6110.

7220 Foodservices and drinking places (1997 NAICS code 722)

Businesses engaged in preparing meals, snacks, and beverages to customer order for immediate on premise and off premise consumption.

Examples of businesses in this industry are:

- Airline foodservice contractors
- Bars, cocktail lounges, and other drinking places
- Cafeterias, snack bars, fast food restaurants, and other limited-service eating places
- Caterers (that provide their own staff)
- Food concession contractors at sporting facilities
- Full-service restaurants

NOTE – Providing foodservices and drinks in connection with hotels and motels, amusement parks, theaters, casinos, etc., are considered to be an integral part of those activities and should be classified in the industries that are associated with those activities rather than in this industry.

Retailing confectionery goods or baked goods not baked on the premises and not for immediate consumption is classified in ISI code 4450. If such goods are manufactured on the premises, they are classified in ISI codes 3113 and 3118 respectively.

OTHER SERVICES

8110 Repair and maintenance (1997 NAICS code 811)

Businesses engaged in restoring machinery, equipment, and other products to working order. These businesses also typically perform general or routine maintenance on such products to ensure they work efficiently and to prevent breakdown and unnecessary repairs.

Examples of businesses in this industry are:

- Automotive repair and maintenance facilities
- Carwashes
- Commercial and industrial machinery and equipment repair and maintenance businesses
- Electronic and precision equipment repair and maintenance businesses
- Computers and communications equipment repair and maintenance businesses
- Personal and household goods repair and maintenance businesses

NOTE – Repair of buildings, including plumbing, electrical work, and painting, is classified in ISI code 2350.

Businesses that repair and maintain goods and also manufacture such goods are classified in manufacturing according to the product. Also, businesses that rebuild or remanufacture machinery and equipment are classified in manufacturing.

Tire retreading is classified in ISI code 3262.

Retailing motor fuels and providing vehicle service is classified in ISI code 4471.

Retail businesses that provide after-sale service and repair, for products such as motor vehicles and consumer electronics, are excluded from this industry and are classified in retail according to the product sold.

Repair of transportation equipment, such as aircraft and ships, is often provided by or based at transportation facilities, and is classified in ISI code 4880.

Part I — INDUSTRY CLASSIFICATIONS — Continued

OTHER SERVICES – Continued

8120 Personal and laundry services
(1997 NAICS code 812)

Businesses engaged in providing personal and laundry services to individuals, households, and businesses.

Examples of businesses in this industry are:

Coin-operated pay telephone services	Laundry services
Consumer buying services	Linen and uniform supply
Dating services	Parking lots and garages
Diet and weight reduction services, nonmedical	Pet care services, except veterinary offices and animal hospitals
Drycleaners	Photo finishing services
Funeral homes, cemeteries, and other death care services	
Hair, nail, skin care, and other personal care services	

NOTE – Veterinary offices and animal hospitals are classified in ISI code 5419.
Providing medical skin care or weight reduction services is classified in ISI code 6110.
Operating physical fitness facilities is classified in ISI code 7130.

8130 Religious, grantmaking, civic, professional, and similar organizations
(1997 NAICS code 813)

Nonbusiness entities engaged in organizing and promoting religious activities, supporting various causes through grantmaking, advocating social and political causes and promoting and defending the interests of their members.

NOTE – Lobbying public officials is classified in ISI code 5418.

PUBLIC ADMINISTRATION

9200 Public administration
(1997 NAICS code 92)

Federal, State, and local government agencies that administer, oversee, and manage public programs and have executive, legislative, or judicial authority over other institutions within a given area.

Part II — FOREIGN TRADE CLASSIFICATIONS

The foreign trade classifications are used in classifying U.S. exports and imports of goods. The classifications are PRODUCT classifications adopted from the *Standard International Trade Classification, Revision 3* (United Nations Statistical Papers, Series M, No. 34/Rev. 3), hereinafter referred to as "the SITC." For each product category described below, the equivalent one- or two-digit SITC code, or combination thereof, is given for the convenience of those U.S. Reporters who are familiar with the SITC.

It should be noted that the FOREIGN TRADE classifications are product classifications used only in classifying flows of trade in goods; they should be carefully distinguished from the ISI INDUSTRY classifications contained in Part I of this guide, which are used in determining the major industrial activity of the entity being reported.

FOOD, LIVE ANIMALS, BEVERAGES, AND TOBACCO

(SITC codes 0 and 1)

Include, for example:

- Live animals (include insects and pet and zoo animals)
- Meat and meat preparations
- Dairy products and birds' eggs
- Fish, crustaceans, mollusks and aquatic invertebrates, and preparations thereof
- Cereals and cereal preparations (unmilled, cereal meals and flours, "prepared breakfast" foods, bakery products)
- Vegetables and fruits (fresh, frozen, preserved or prepared) – include edible beans and nuts, except soybeans and other oil seeds (which are classified under "Crude Materials").
- Sugar, sugar preparations, and honey
- Coffee, tea, cocoa, spices and manufactures thereof (include coffee and tea substitutes)
- Animal feed
- Margarine, shortening, and prepared edible fats, excluding all other fats and oils
- Bottled and canned soft drinks, mineral waters, and other nonalcoholic beverages
- Alcoholic beverages
- Tobacco and tobacco products

CRUDE MATERIALS, INEDIBLE, EXCEPT FUELS

(SITC code 2)

Include, for example:

- Raw hides, skins, and furskins
- Soybeans, other oil seeds, and oleaginous fruit
- Crude rubber, natural, synthetic, and reclaimed (exclude compounded, semiprocessed, and finished rubber products)
- Cork, natural, raw, and waste
- Wood in chips or particles and wood waste
- Wood in the rough or roughly squared
- Railway ties of wood
- Pulp and waste paper
- Textile fibers and their wastes (raw, natural and synthetic fiber) – include scouring and combing mill products, manmade fiber, filament, stable and tow, and rags, but exclude yarn, thread, and fabric (which are classified under "Other Products")
- Crude natural fertilizers of animal or vegetable origin, and fertilizers of natural phosphates, nitrates, and potassic salts
- Crude nonmetallic minerals, except coal and petroleum (which are classified under "Mineral Fuels") – include stone, sand and gravel, sulfur, industrial diamonds, natural abrasives, salt, and asbestos
- Ferrous and nonferrous metal ores, concentrates, waste, and scrap
- Bones and unworked ivory
- Natural resins and gums
- Ginseng roots
- Seeds, nursery stock, and cut flowers

MINERAL FUELS, LUBRICANTS, AND RELATED MATERIALS

(SITC code 3)

Include, for example:

- Coal, lignite, peat, coke, and briquets thereof
- Crude and partly refined petroleum
- Gasoline, kerosene, distillate, and residual fuel oils
- Lubricating oils and greases
- Petroleum jelly and mineral waxes
- Petroleum coke
- Asphalt and paving mixtures
- Gas, natural and manufactured
- Electric current

Part II — FOREIGN TRADE CLASSIFICATIONS — Continued

CHEMICALS AND RELATED PRODUCTS

(SITC code 5)

Include, for example:

Organic and inorganic chemical elements and compounds (include nuclear feed materials and fuels, and radioactive materials)

Dyeing, tanning, and coloring materials, natural and synthetic (include color lakes, tannins, printing inks, paints, enamels, and lacquers)

Medicinal and pharmaceutical products

Perfumes, cosmetics, and toilet preparations

Soap, cleansing and polishing preparations

Fertilizers, manufactured (mineral or chemical)

Explosives and pyrotechnic products--exclude ordnance and all other ammunition (which are classified under "Other Products")

Artificial resins and plastic materials, and cellulose esters and ethers

Plastic tubes, pipes, hoses, plates, sheet, film and strip

Insecticides and herbicides

Starches (include corn starch)

Disinfectants

Glues and adhesives

Wood and resin-based chemical products

Artificial waxes

Artificial graphite

NOTE – Exclude synthetic rubber (which is classified under "Crude Materials") and photographic chemicals and cellulosic and noncellulosic manmade fibers (which are classified under "Other Products").

INDUSTRIAL MACHINERY AND EQUIPMENT

(SITC codes 71-74)

Include, for example:

Power-generating machinery, equipment and parts

Internal combustion engines for road vehicles and other transportation equipment, when not shipped with the vehicle

Nuclear reactors

Agricultural machinery (include tractors and parts)

Civil engineering and contractors' plant, equipment and parts

Mining and oil and gas field equipment and parts

Textile and leather machinery and parts

Paper and pulp mill machinery, paper cutting machines, and parts

Printing and bookbinding machinery and parts

Food-processing machines and parts

Metalworking and metalforming machinery, machine tools, and parts

Heating and cooling equipment and parts

Pumps, air compressors, and fans

Mechanical handling equipment and parts

Ball or roller bearings

Transmission shafts, gears and gearing, flywheels and pulleys, and parts

NOTE – Includes some types of parts for road vehicles and other transportation equipment. See description of vehicle parts under "Road Vehicles and Parts", to determine which parts are included in this category.

OFFICE MACHINES AND AUTOMATIC DATA PROCESSING MACHINES

(SITC code 75)

Include, for example:

Typewriters, word-processing machines, and parts

Electronic calculators, accounting machines, cash registers, and parts

Photo-copying and duplicating machines and parts

Automatic data processing machines (mainframe, desktop, and portable computers)

Computer keyboards, monitors and display units, and printers

Magnetic disk drives

Optical scanners and magnetic ink recognition devices

Part II — FOREIGN TRADE CLASSIFICATIONS — Continued

TELECOMMUNICATIONS, SOUND EQUIPMENT, AND OTHER ELECTRICAL MACHINERY AND PARTS

(SITC codes 76 and 77)

Include, for example:

- Telephone switchboards
- Teleprinters
- Telephone sets
- Modems
- Facsimile machines
- TV and radio receivers
- Video and tape recorders, phonographs, CD players, and VCR's
- Microphones and loudspeakers
- Radar and radio navigation equipment
- Electrical transformers and other electric power machinery and parts
- Printed circuits, electrical resistors, fuses, automatic circuit breakers, and numerical control panels
- Insulated wire and cable
- Electrical apparatus for medical purposes and radiological apparatus
- Electrical equipment for internal combustion engines, when not shipped with a vehicle
- Electron tubes, transistors, semiconductors, and integrated circuits
- Batteries
- Electrical hand tools
- Electric household equipment, appliances and parts, and their nonelectric counterparts, but exclude nonelectric cooking stoves and ranges (which are classified under "Other Products")

NOTE – Includes some types of parts for road vehicles and other transportation equipment. See description of vehicle parts under "Road Vehicles and Parts", to determine which parts are included in this category.

ROAD VEHICLES (INCLUDING AIR CUSHION VEHICLES) AND PARTS (SEE DESCRIPTION OF PARTS BELOW)

(SITC code 78)

Include, for example:

- New and used passenger cars
- Buses
- Motorcycles, motorscooters, bicycles, and other cycles, motorized and nonmotorized
- Trucks, except wheeled armored fighting vehicles (which are classified under "Other Products")
- Road tractors for semi-trailers
- Truck trailers
- Travel trailers and campers
- Wheel- or truck-mounted power cranes, draglines, and shovels (except railway cranes)
- Nonmilitary vehicles which operate in whole or in part on runners or skis
- Motor vehicle stampings

Vehicle Parts – Include in this category all vehicle parts that are shipped with the vehicle. Classification of parts that are shipped separately depends on the type of part. Parts for road vehicles such as bodies, chassis, shock absorbers, bumpers, brakes, gear boxes, axles, radiators, mufflers, tailpipes, clutches, seat belts, and motor vehicle air bags are classified in this category, whether or not shipped with the vehicles. These types of parts for railway vehicles, aircraft, and ships and boats are classified in "Other Transport Equipment," whether or not shipped with the transport equipment. Other types of parts are classified in the same category as the vehicles only when shipped with the vehicles; when shipped separately, such parts are classified in other categories, according to the type of material or the general function of the part. As examples, if shipped separately from vehicles: tires and tubes, gaskets, automotive glass and mirrors, springs, locks, hinges, and other automotive hardware are in "Other Products;" internal combustion piston engines and parts, turbines and parts, fuel-injection pumps, fans and blowers, air conditioners, and transmission shafts and cranks are in "Industrial Machinery and Equipment;" and radios, storage batteries, lighting and signaling equipment, windshield wipers, spark plugs, and electrical equipment for engines and vehicles are in "Telecommunications, Sound Equipment, and Other Electrical Machinery and Parts."

OTHER TRANSPORT EQUIPMENT

(SITC code 79)

Include, for example:

- Railway vehicles, new and rebuilt (include railway cranes, railway and tramway track fixtures and fittings, and hover trains)
- Aircraft and associated equipment and parts
- Ships, boats (include hovercraft), and floating structures

NOTE – Includes some types of parts for railway vehicles, aircraft, and ships and boats. See the discussion of vehicle parts under "Road Vehicles and Parts" to determine which are included in this category.

Part II — FOREIGN TRADE CLASSIFICATIONS — Continued

OTHER PRODUCTS

(SITC codes 4, 6, 8, and 9)

Include, for example:

- Animal and vegetable oils, fats, and waxes
- Leather, leather manufactures, and dressed furskins (include composition leather with a basis of leather and manufactures of such composition leather)
- Rubber manufactures, finished and semifinished (include sheet and plate materials, hardened rubber items, tires and tubes, hygienic and pharmaceutical articles)
- Cork manufactures, agglomerated cork, and cork products
- Wood veneers, plywood, improved or reconstructed wood, and other worked wood (include cooperage, millwork, household utensils of wood)
- Paper, paperboard, and articles of paper pulp, of paper, or of paperboard
- Textile yarn, thread, and fabrics of manmade or natural fibers – exclude scouring and combing mill products (which are classified under "Crude Materials")
- Made up articles of textile materials, apparel, clothing accessories, and related products
- Footwear
- Floor coverings (include linoleum, carpets, mats, etc.)
- Nonmetallic mineral manufactures, such as glass and glass products, pottery, lime, cement, and fabricated construction materials, refractory materials, clay, and construction materials
- Iron and steel products of blast furnaces, steel works, rolling mills and finishing mills
- Cast iron articles, except ingot molds and railway car wheels
- Nonferrous metal castings and forgings
- Fabricated metal products (except machinery, transportation equipment, and insulated electrical items), such as structures and parts of structures, metal containers, wire products, pipes and tubes, nails, screws, nuts and bolts, hand and edge tools, dies and cutting tools, metal Venetian blinds, hardware, table flatware and cutlery, utensils and household equipment made of base metal
- Nonelectric cooking stoves and ranges
- Sanitary and plumbing fixtures and fittings
- Heating and lighting fixtures and fittings
- Furniture and parts
- Travel goods, luggage, and handbags
- Optical goods, instruments and apparatus
- Medical and dental instruments and appliances
- Meters, counters, and measuring, checking, analyzing, and controlling instruments
- Photographic and motion picture apparatus, equipment, and supplies (include prepared photographic film and chemicals)
- Watches, clocks, and parts thereof
- Phonographic records and record blanks
- Magnetic tape and disks, magnetic tape recordings, recorded video discs, and laser disc sound recordings
- Printed matter, including books, magazines, newspapers, and commercial printing
- Baby carriages, toys, games, and sporting goods
- Office and stationery supplies
- Works of art, collector's pieces, antiques
- Jewelry and related articles
- Musical instruments and parts and accessories
- Arms and ammunition, military and nonmilitary
- Tanks and other armored fighting vehicles
- Coin (other than gold coin), except legal tender
- Gold, non-monetary

NOTE – Includes some types of parts for road vehicles and other transportation equipment. See description of vehicle parts under "Road Vehicles and Parts", to determine which parts are included in this category.