

Introduction

This publication presents preliminary data on the financial structure and operations of U.S. multinational companies (MNCs) and their foreign affiliates from the 2009 benchmark survey of U.S. direct investment abroad, conducted by the Bureau of Economic Analysis (BEA).

Benchmark surveys are BEA's most comprehensive surveys of U.S. direct investment abroad in terms of both coverage of companies and subject matter. The 2009 survey covered the entire universe of U.S. direct investment abroad. The preliminary results presented in this volume are based on reported or estimated data for 2,347 U.S. parent companies and for 26,961 foreign affiliates (of which, 25,424 were majority owned by their U.S. parents). The survey collected detailed information on the financial structure and operations of U.S. parent companies and their foreign affiliates and on the transactions and positions between parents and their affiliates (which are not included in this report). A forthcoming comprehensive final report on the 2009 benchmark survey will include data on transactions and positions between affiliates and parents as well as data on the overall operations of affiliates and parents.

For U.S. parents and foreign affiliates, the financial and operating data from the benchmark survey extend annual estimates that begin with the year 1982 and that are derived from both annual and benchmark surveys. In addition, the benchmark data will be used in preparing annual estimates of the operations of U.S. MNCs in subsequent nonbenchmark years; these estimates are derived by extrapolating forward the benchmark survey data by the data reported in BEA's annual sample surveys of U.S. direct investment abroad.

The industry classifications used in the 2009 benchmark survey is based on the 2007 North American Industry Classification System (NAICS).

Except for the change in industrial classification, the concepts and definitions that underlie these estimates

are very similar to those used for BEA's 2004 benchmark surveys. They are described in *U.S. Direct Investment Abroad: 2004 Final Benchmark Data*.

Every foreign affiliate was required to report in the benchmark survey. Benchmark survey reports that collected data on all of the major aspects of operations were required for any foreign affiliate with total assets, sales, or net income of more than \$25 million and for the affiliate's U.S. parent(s). Affiliates that were too small to meet one of these criteria were required to complete a highly abbreviated survey report that collected just a few major data items (including assets, sales, and employment) indicating the overall size of their operations. These data were included in the estimates presented in this article and were also used as a basis for estimating other items covered by the survey.

To reduce the reporting burden of small enterprises, the threshold for the standard benchmark survey report was raised to \$25 million from \$10 million for the 2004 benchmark survey. This change has virtually no effect on the published totals, because the aggregate value of the data for these small enterprises is negligible. To further reduce the burden on respondents, detailed benchmark survey reports were required only for U.S. parents and foreign affiliates with assets, sales, or net income of more than \$300 million and \$80 million, respectively. Less detailed standard reports were required for smaller parents and affiliates.

The scheme that is used for the titles of the tables for 2009 is similar to that used for the tables for 2004–2008. To aid in making comparisons between these years, see the guide below that provides cross references for the table titles for 2004 and those for 2005–2008.

For additional information about the preliminary 2009 data, call Ray Mataloni of the Balance of Payments Division's Research Branch at 202–606–9867 or send e-mail to raymond.mataloni@bea.gov.

Comparison of Tables for All (Bank and Nonbank) U.S. Parents and Foreign Affiliates in This Report With Those for Nonbank Parents and Affiliates in the 2004 Benchmark Survey Report and in the Reports for 2005–2008—Continues

Table for all (bank and nonbank) parents and affiliates in 2009 benchmark survey report	Comparable table for nonbank parents and affiliates in 2004 benchmark survey report	Comparable table for nonbank parents and affiliates in 2005–2008 reports
All Foreign Affiliates		
Group A. Selected Data		
I.A 1 I.A 2	II.A 1 II.A 2	II.A 1 II.A 2
Group B. Balance Sheet		
I.B 5 I.B 6 I.B 13	II.B 5 II.B 6 II.B 13	II.B 5 II.B 6 II.B 13
Group E. Income Statement		
I.E 3 I.E 4 I.E 6 I.E 7 I.E 9	II.E 3 II.E 4 II.E 6 II.E 7 II.E 9	II.E 3 II.E 4 II.E 6 II.E 7 II.E 9
Group H. Employment and Compensation of Employees		
I.H 3 I.H 4 I.H 5 I.H 6 I.H 10	II.H 3 II.H 4 II.H 5 II.H 6 II.H 10	II.H 3 II.H 4 II.H 5 II.H 6 II.H 10
Group I. U.S. Trade in Goods		
I.I 3 I.I 4 I.I 11 I.I 12	II.I 3 II.I 4 II.I 11 II.I 12	II.I 3 II.I 4 II.I 11 II.I 12
U.S. Parents		
Group M. Selected Data		
I.M 1	II.M 1	II.M 1
Group N. Balance Sheet		
I.N 1–2	II.N 1–II.N 2	n.a.
Group P. Income Statement		
I.P 1	II.P 1	n.a.
Group Q. Sales		
I.Q 1 I.Q 2	II.Q 1 II.Q 2	II.Q 1 II.Q 2
Group R. Value Added		
I.R 1	II.R 1	II.R 1
Group T. U.S. Trade in Goods		
I.T 1 I.T 2	II.T 1 II.T 2	II.T 1 II.T 2
Group U. Technology		
I.U 1	II.U 1	n.a.
Majority-Owned Foreign Affiliates		
Group A. Selected Data		
II.A 1 II.A 2	III.A 1 III.A 2	III.A 1 III.A 2

Comparison of Tables for All (Bank and Nonbank) U.S. Parents and Foreign Affiliates in This Report With Those for Nonbank Parents and Affiliates in the 2004 Benchmark Survey Report and in the Reports for 2005–2008—Table Ends

Table for all (bank and nonbank) parents and affiliates in 2009 benchmark survey report	Comparable table for nonbank parents and affiliates in 2004 benchmark survey report	Comparable table for nonbank parents and affiliates in 2005–2008 reports
Group B. Balance Sheet		
II.B 1–2 II.B 3–4 II.B 5 II.B 6 II.B 7 II.B 11–12 II.B 13	III.B1–III.B2 III.B3–III.B4 III.B5 III.B6 III.B7 III.B11–III.B12 III.B13	III.B1–2 III.B3–4 III.B5 III.B6 III.B7 n.a. III.B13
Group D. Property, Plant, and Equipment		
II.D 1 II.D 6 II.D 7 II.D 8	III.D 1 III.D 6 III.D 7 III.D 8	n.a. III.D 6 III.D 7 III.D 8
Group E. Income Statement		
II.E 1 II.E 2 II.E 3 II.E 4 II.E 5 II.E 6 II.E 7 II.E 8 II.E 9	III.E 1 III.E 2 III.E 3 III.E 4 III.E 5 III.E 6 III.E 7 III.E 8 III.E 9	III.E 1 III.E 2 III.E 3 III.E 4 III.E 5 III.E 6 III.E 7 III.E 8 III.E 9
Group F. Sales		
II.F 1 II.F 2 II.F 3 II.F 4 II.F 7 II.F 8 II.F 9 II.F 10 II.F 13 II.F 14 II.F 15 II.F 16 II.F 18 II.F 20 II.F 22	III.F 1 III.F 2 III.F 3 III.F 4 III.F 7 III.F 8 III.F 9 III.F 10 III.F 13 III.F 14 III.F 15 III.F 16 III.F 18 III.F 20 III.F 22	III.F 1 III.F 2 III.F 3 III.F 4 III.F 7 III.F 8 III.F 9 n.a. III.F 13 III.F 14 III.F 15 III.F 16 III.F 18 III.F 20 III.F 22
Group H. Employment and Compensation of Employees		
II.H 3 II.H 4 II.H 5 II.H 6 II.H 10	III.H 3 III.H 4 III.H 5 III.H 6 III.H 10	III.H3 III.H4 III.H5 III.H6 III.H10
Group I. U.S. Trade In Goods		
II.I 3 II.I 4 II.I 11 II.I 12 II.I 13	III.I 3 III.I 4 III.I 11 III.I 12 III.I 13	III.I 3 III.I 4 III.I 11 III.I 12 III.I 13
Group J. Technology		
II.J 1 II.J 2 II.J 3 II.J 5	III.J 1 III.J 2 III.J 3 III.J 5	n.a. n.a. III.J 3 n.a.
Group K. Other Financial and Operating Data		
II.K 1 II.K 2	III.K 1 III.K 2	III.K 1 III.K 2

General Notes to the Tables

- 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 2009.
- Detail may not add to totals because of rounding.
- An asterisk “(*)” indicates a value between -\$500,000 and +\$500,000, or fewer than 50 employees, as appropriate.
- A “(D)” indicates that the data in the cell have been suppressed to avoid disclosure of data of individual companies.
- A “U.S. parent company” is the person, resident in the United States, that owns or controls 10 percent or more of the voting securities of an incorporated foreign business enterprise or an equivalent interest in an unincorporated foreign business enterprise. “Person” is broadly defined to include any individual, branch, partnership, associated group, association, estate, trust, corporation or other organization (whether or not organized under the laws of any state), or any government entity. If incorporated, the U.S. parent is the fully consolidated U.S. enterprise consisting of (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 within the United States) whose voting securities are more than 50 percent owned by the U.S. corporation above it. A U.S. parent comprises the domestic (U.S.) operations of a U.S. multinational company.
- A “foreign affiliate” is a foreign business enterprise in which there is U.S. direct investment, that is, in which a U.S. person owns or controls 10 percent of the voting securities or the equivalent. Foreign affiliates comprise the foreign operations of a U.S. multinational company over which the U.S. parent is presumed to have a degree of managerial influence.
- 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.
- The designation “by country” in a table title indicates that data are disaggregated by country of foreign affiliate.
- Unless otherwise specified, the designation “by industry” in a table title indicates that the data are disaggregated by industry of foreign affiliate.
- Not all tables show each country in a group, such as “Other Europe,” or each industry in a group, such as “Other industries.” For these countries, see table I.A 1 or II.A 1. For the industries, see table I.A 2 or II.A 2; see also BEA’s *Guide to Industry and Foreign Trade Classifications for International Surveys*.
- The European Union (27) comprises Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.
- OPEC is the Organization of Petroleum Exporting Countries. In 2009, its members were Algeria, Angola, Ecuador, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.
- All footnotes follow the last table.