

A Guide To BEA's **Services Surveys**

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Acknowledgments

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Introduction

The Bureau of Economic Analysis (BEA) prepares official U.S. economic statistics, such as the U.S. international transactions accounts, the national income and product accounts, and the input-output accounts.¹ These sets of accounts include statistics on U.S. international trade in goods and services. Most of the statistics on trade in services are based on data collected by BEA through its survey program. BEA conducts 7 services surveys of U.S. businesses and other institutions to collect data on transactions by type of service and by partner country. Surveys are conducted quarterly or annually for a sample of reporters. In addition, three benchmark surveys, which attempt to capture the entire universe of transactions in the services covered by the survey, are conducted every 5 years.

BEA collects data on transport services, financial services, insurance services, and other selected services and intellectual property in the following surveys.

Transport Services

- BE-9** Quarterly Survey of Foreign Airline Operators' Revenues and Expenses in the United States
- BE-29** Annual Survey of Foreign Ocean Carriers' Expenses in the United States
- BE-30** Quarterly Survey of Ocean Freight Revenues and Foreign Expenses of U.S. Carriers

- BE-37** Quarterly Survey of U.S. Airline Operators' Foreign Revenues and Expenses

Financial Services

- BE-180** Benchmark Survey of Financial Services Transactions between U.S. Financial Services Providers and Foreign Persons
- BE-185** Quarterly Survey of Financial Services Transactions between U.S. Financial Services Providers and Foreign Persons

Insurance Services

- BE-140** Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons
- BE-45** Quarterly Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons

Other Selected Services and Intellectual Property

- BE-120** Benchmark Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons
- BE-125** Quarterly Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons

1. The U.S. international transactions accounts are also known as the U.S. balance of payments accounts.

BEA combines data from these surveys with data from other sources to compile the official statistics on trade in services. Other government agencies use these statistics to formulate U.S. trade policy, to analyze the impact of that policy and the policies of foreign countries on international trade in services, and to support trade promotion activities. The trade statistics are also used by companies involved in international trade, researchers, international organizations, and the general public.

The services surveys cover a significant portion of trade in services, an increasingly

important and rapidly growing area of economic activity. As shown in the table below, U.S. exports of services have increased from \$488.4 billion in 2007 to \$797.7 billion in 2017 or an average of 5.0 percent a year, and U.S. imports of services have increased from \$372.6 billion in 2007 to \$543.5 billion in 2017 or an average of 3.8 percent a year. Overall, the U.S. position in international markets for services is strong; in 2017, the United States had a \$255.2 billion surplus on trade in services (exports less imports), compared with a \$752.5 billion deficit on trade in goods.

	Exports			Imports		
	Billions of dollars		Average annual percent change	Billions of dollars		Average annual percent change
	2007	2017		2007	2017	
Total services	488,396	797,690	5.0%	372,575	542,471	3.8%
Maintenance and repair services n.i.e.	10,020	26,430	10.2%	5,209	8,337	4.8%
Transport	65,824	88,598	3.0%	79,326	101,744	2.5%
Travel (for all purposes including education)	119,037	210,747	5.9%	89,235	135,024	4.2%
Insurance services	10,841	18,047	5.2%	47,517	50,665	0.6%
Financial services	61,376	109,642	6.0%	19,197	28,931	4.2%
Charges for the use of intellectual property n.i.e.	97,803	128,364	2.8%	26,479	51,284	6.8%
Telecommunications, computer, and information services	20,192	42,219	7.7%	22,384	40,054	6.0%
Other business services	82,382	154,313	6.5%	54,968	104,385	6.6%
Government goods and services n.i.e.	20,921	19,329	-0.8%	28,260	22,047	-2.5%

Background

Enhancements to BEA's survey program

Over the past 30 years, BEA has continually enhanced its survey program to ensure that the services statistics are relevant for public and private decisionmakers. Many of the enhancements began in the mid-1980s when the legislation that mandated the collection of international investment data—the International Investment Survey Act of 1976—was amended to authorize the collection of data on trade in services and was redesignated the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108), hereinafter “the Act.” The enhancements have taken several forms: (1) surveys that were voluntary have become mandatory; (2) survey coverage of financial services, travel, and other business, professional, and technical services have been improved with the introduction of new surveys; and (3) the definitions of various services have been revised to conform more closely to international guidelines.

In the last 10 years, BEA has made several noteworthy improvements. It has increased the accuracy and timeliness of quarterly and monthly statistics by continuing the collection of data on its quarterly surveys. It has increased the quality and usefulness of the collected statistics by modifying the level of detail collected on some of the surveys to obtain information on additional transaction categories and further align with international guidelines. BEA continues to conduct benchmark surveys of international transactions in financial services and insurance services as well as an improved benchmark survey of other selected services and intellectual property.

Availability of the statistics

BEA publishes its most detailed statistics on services in the October issue of its monthly journal, the *SURVEY OF CURRENT BUSINESS*. The article “U.S. International Services: Trade in Services and Services Supplied Through Affiliates” presents recent developments in

trade in services along with statistics on services supplied through majority-owned U.S. and foreign affiliates of multinational companies.¹ It includes annual statistics for most types of services transactions collected on BEA's surveys and a geographic disaggregation for most types of services transactions.

Less detailed annual and quarterly statistics on services are released in March, June, September, and December as part of the international transactions accounts. These statistics are then published as part of an article on recent developments in the January, April, July, and October issues of the *SURVEY*.

These statistics are also available on BEA's web site at www.bea.gov.

Legal authority and confidentiality

Reporting on BEA's services surveys is mandatory under the Act. The financial services surveys are required by the Act and by section 5408 of the Omnibus Trade and Competitiveness Act of 1988. These acts protect the confidentiality of the data of the companies that report. The assurance of confidentiality is essential to securing the cooperation of reporters and thus to maintaining the integrity of the statistical system.

Without the prior written permission of the reporter, BEA cannot publish or otherwise release the data collected on its surveys in a form that would allow the transactions of an individual reporter to be identified. Therefore, BEA aggregates the survey data to the level of country detail used for publication and performs a rigorous nondisclosure analysis to identify data cells that require suppression

1. Services supplied through affiliates consists of services supplied to foreign residents by majority-owned affiliates of U.S. companies located abroad and services supplied to U.S. residents by majority-owned affiliates of foreign companies located in the United States. Services supplied through affiliates differ from trade in services because these transactions are not between U.S. and foreign residents. Services supplied through affiliates reflect the transmission of services through the channel of direct investment.

in order to ensure the confidentiality of individual reporters' data. If a data cell must be suppressed, a "D" is shown in that data cell in the published tables.

The Act specifies that the survey data may only be used for statistical and analytical purposes. Access to the data is limited to officials and employees (including consultants and contractors and their employees) of government agencies that are designated by the President to perform functions under the Act. Certain other government agencies may be granted access to the data under the Foreign Direct Investment and International Financial Data Improvements Act of 1990, but only for limited statistical purposes. BEA is prohibited from granting another agency access to the data for tax, investigative, or regulatory purposes.

Like all U.S. government data collections, BEA surveys must be approved by the Office of Management and Budget under the Paperwork Reduction Act. As part of the survey design and clearance process, BEA publishes notices about proposed surveys, for both continuous surveys as well as for periodic benchmark surveys, which modify regulatory reporting requirements in the *Federal Register*. In these notices, BEA requests comments from users and respondents on all aspects of the data collection, including BEA's estimate of the burden imposed by the reporting requirements. BEA considers all comments before making final decisions on the scope and design of surveys. BEA makes every effort to balance the needs of data users for complete, accurate, detailed, and timely data and the concerns of respondents about the burden imposed by the reporting requirements.

Survey Methodology

BEA conducts surveys for transport services, financial services, insurance services, and other selected services and intellectual property. For a description of the types of services covered by each survey, see the appendix.

This section presents general information about the surveys for the following:

- The definition of an international transaction
- Survey coverage
- Who is required to report
- The classification system used
- The reporting periods and due dates
- The preparation and revision of the survey-based statistics

Definition of an international transaction

An international transaction in services is a transaction between a U.S. resident and a nonresident or “foreign person.” Thus, a U.S. international transaction is a transaction between a U.S. person and a foreign person, where “person” is used in a broad legal sense to include a company. This definition is the same as that underlying the broader U.S. international transactions accounts.

Affiliates of multinational companies are considered residents of the countries where they are located rather than residents of the countries of their owners. Thus, transactions between U.S. affiliates and their foreign parent companies and between U.S. parent companies and their foreign affiliates are U.S. international transactions. However, services supplied abroad by foreign affiliates of U.S. companies to other foreign persons and services supplied by U.S. affiliates to U.S. persons are not international transactions, because they do not involve transactions between a resident and a nonresident.

If a foreign operation of a parent company is incorporated in a host country, it is regarded as

an affiliate. However, if the foreign operation is unincorporated, several criteria are used to determine if the operation is that of an affiliate. In the following list of criteria, the example used is that of the foreign operation of a U.S. company, but the criteria are analogous for the U.S. operation of a foreign company.

An unincorporated foreign operation of a U.S. company is generally considered to be a foreign affiliate if the operation:

- 1) Pays foreign income taxes,
- 2) Has a substantial physical presence abroad (for example, plant and equipment or employees),
- 3) Maintains financial records so that it can prepare its own financial statements, including an income statement and balance sheet (not just a record of disbursements and receipts),
- 4) Takes title to the goods it sells and receives the revenue from its sales, or
- 5) Receives funds for its own account from customers for the services it performs.

An unincorporated foreign operation of a U.S. company is generally not considered to be a foreign affiliate if the operation:

- 1) Pays no foreign income taxes,
- 2) Has limited physical assets or employees permanently located abroad,
- 3) Has no financial statements,
- 4) Conducts business abroad only for the U.S. company’s account and not for its own account (for example, sales promotion or public relations activities), or
- 5) Receives funds to cover its expenses only from the U.S. person.

In such cases, the operations are considered those of the U.S. company, and its receipts within the country are recorded in the international transactions accounts as exports to that country.

Survey coverage

For most of its surveys, BEA sends notification to a sample of reporters that ensure data is collected from a substantial portion of the entire population of U.S. persons with international transactions in the services covered.¹ For its surveys of financial services, insurance services, and other selected services and intellectual property, BEA uses benchmark, or census, surveys conducted every 5 years to reach the entire population (a 5-year interval is used to reduce the reporting burden in the interim years). BEA sends notifications regarding the requirement to file the benchmark surveys to a relatively large number of potential respondents in an effort to collect complete data and to identify as many transactors as possible. The mailing lists for BEA's benchmark surveys include U.S. persons who have previously filed a report and all U.S. persons who have not previously filed but who are believed to likely have transactions in the covered services. The lists are based on information from government sources, industry associations and publications, business directories, various periodicals, and other publicly available sources.

Benchmark surveys capture virtually the entire universe of transactions in the covered services because it is mandatory for respondents to report their transactions regardless of whether or not they have been contacted by BEA. However, respondents whose transactions fall below a specific threshold for combined sales and/or purchases are not required to report additional details for each covered transaction by transaction type, by country, and by affiliation with the foreign transactor on the related mandatory schedule(s). Instead, these reporters are required to provide more aggregated estimates of their transactions in the covered services.

1. For the purpose of the surveys, a person is defined as 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, financial institution, or other entity or instrumentality, including a government sponsored agency).

BEA periodically reviews reported survey data to determine whether the thresholds are set at appropriate levels.

BEA conducts quarterly surveys that are similar to the benchmark surveys but have higher mandatory reporting thresholds and are only required by respondents that have been notified by BEA about the survey. These thresholds are tested against the results of each benchmark survey and other information to determine whether the thresholds are at an appropriate level to capture most of the value of the universe of transactions.

To ensure that published statistics cover the universe of transactions in nonbenchmark years, BEA adds an amount to the reported quarterly transactions to account for companies that reported on a benchmark survey but are exempt from filing on the related quarterly survey.

Who is required to report?

The respondents are U.S. persons—mainly companies—that engage in transactions with foreign residents on their own behalf or on behalf of others and who meet the criteria for reporting on a survey. Foreign residents include foreign affiliates of the U.S. person, members of the U.S. person's foreign parent group², and unaffiliated foreign persons.

In most cases, the U.S. parties to the transactions report. However, in a few cases, U.S. agents or intermediaries may report the transactions of their U.S. or foreign clients. When a transaction between a U.S. person and a foreign

2. Foreign parent group means all of the following:

- i) the foreign parent, which is the first entity outside the United States in a foreign chain of ownership, that owns at least 10% (based on voting interest), directly or indirectly, of the consolidated domestic U.S. business enterprise.
- ii) any foreign entity proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the entity below it up to and including the entity that is not owned more than 50 percent by another foreign entity,
- iii) any foreign entity, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the entity above it.

person is facilitated by an intermediary, the appropriate counterparty to the transaction is determined on the basis of who the U.S. person considers itself to have a claim on in the case of a receipt, or a liability to in the case of a payment. Therefore, if the U.S. person considers itself to have a claim on, or a liability to, an intermediary that is another U.S. person, then the respondent would not report these transactions to BEA because the transactions are not international transactions.

Classification system

The classification system of services is based on the standard components of services transactions that are recommended in the International Monetary Fund's *Balance of Payments and International Investment Position Manual*.¹

It includes most of the *Manual's* standard components of services transactions, and it includes additional subcomponents as specified in the Extended Balance of Payments Services classification system as recommended in the United Nations publication the *Manual on Statistics of International Trade in Services 2010*.²

When a sale or purchase consists of both goods and services or of several services that cannot be unbundled because the goods or services are not separately valued, the sale or purchase is classified either on the basis of which part of the transaction accounts for most of the value or on the basis of the reporter's customary practice. Although this procedure results in the omission of some transactions and the overstatement of others, the biases are offsetting so that at the aggregate level it is likely that the statistics are relatively unbiased. Because these bundled transactions are not identifiable, it is

1. *Balance of Payments and International Investment Position Manual*, 6th edition (Washington, DC: International Monetary Fund, 2009); unstats.un.org

2. United Nations, International Monetary Fund, Organisation for Economic Co-operation and Development, Statistical Office of the European Union, United Nations Conference on Trade and Development, World Tourism Organization, and World Trade Organization, *Manual on Statistics of International Trade in Services 2010* (New York: United Nations, 2011).

not possible to adjust the data for either services or goods to correct for any bias that may remain.

Reporting periods and due dates

For most of the quarterly surveys, the reporter is required to report data for its fiscal quarter that ends closest to a specified calendar quarter. In most cases, the reporter's fiscal year coincides with the calendar year, so the published statistical aggregates track calendar year activity fairly closely. Using the fiscal quarter versus the calendar quarter is intended to ease the burden on reporters that use fiscal year accounting records in their reports.

The filing deadlines for each services survey are as follows:

- BE-9, BE-30, BE-37: These quarterly surveys are required to be filed within 45 days after the end of each calendar quarter.
- BE-125, BE-185: These quarterly surveys are required to be filed within 45 days of the close of each fiscal quarter (or within 90 days of closing the final quarter of their fiscal year).
- BE-45: This quarterly survey is required to be filed within 60 days of the close of each calendar quarter (or within 90 days of closing the final quarter of their calendar year).
- BE-29: This annual survey is required to be filed within 90 days of the close of each calendar year.
- BE-120, BE-140, BE-180: These benchmark surveys, which are conducted every 5 years, are required to be filed after the end of the calendar year by a date set by BEA. For example, the 2014 BE-180 was required to be filed by June 30, 2015.

Preparation and revision of survey-based statistics

Before BEA incorporates the survey data into the international transactions accounts, it performs a number of data validity or "edit"

checks. The data for a reporter are reviewed for consistency with filings for previous periods, with related data from other parts of the report, with data from related reports, with comparable data reported by other reporters, and with related data from other sources.

For some services, the data obtained from BEA's surveys are combined with information from other government agencies. For example, the statistics on transport services are partly based on information, such as the volume of goods shipped to or from the United States, from the U.S. Census Bureau.

BEA releases preliminary quarterly international transactions accounts statistics in March, June, September, and December about 75 days after the end of the quarter. Preliminary statistics are revised the following quarter to incorporate new source data. No further revisions are made until the following June, when several years and quarters are revised as part of the annual revision of the accounts. The annual revision incorporates newly available and revised source data, changes in definitions and classifications, and changes in estimation methodologies.

The filing deadlines for several of the quarterly services surveys prevent BEA from incorporating the survey data into the preliminary statistics for a quarter. In these cases, BEA extrapolates from the previous quarter using indicator series or by applying growth rates that are based on historical trends. BEA incorporates the survey data into the revised statistics for a quarter, which are published 6 months after the end of the quarter. For example, preliminary statistics for the first quarter of a calendar year, published in June, are extrapolated. Revised estimates that incorporate survey data for the first quarter of a calendar year are published in September of that year.

In addition, data from the Annual Survey of Foreign Ocean Carriers' Expenses in the United States (BE-29) is available with a 1-year lag. For these data, preliminary quarterly statistics are extrapolated from the annual statistics

for the preceding year using indicator series or by applying growth rates that are based on historical trends. When the annual survey data become available, annual statistics are revised and quarterly statistics are interpolated from the annual statistics. Other data on transport services are reported quarterly so these data are used to produce quarterly estimates for some components.

For financial services, insurance services, and other selected services and intellectual property, two procedures are used to prepare the survey-based statistics. The statistics derived from a benchmark survey are calculated as the sum of the transactions reported for the service on the survey and an imputation for late reports. The statistics derived from a quarterly survey are calculated as the sum of the transactions reported for the service on the survey, an imputation for missing reports, and an imputation for transactions that are reported on the benchmark survey but not on the quarterly survey.

In both procedures, the statistics for missing reports are extrapolated from the delinquent reporters' transactions in the previous period, using the growth rate for the reported transactions classified in the same service and geographic area. BEA adjusts the statistics for outliers and nonrecurring transactions.

The principal difference between the first revision when survey data are initially incorporated and subsequent revisions is the size of the estimate for transactions that had not been reported but that are likely to have exceeded the exemption level based on the previous year's transactions. The estimate for missing reports, which ensures that the published statistics are as complete as possible, is largest for the preliminary statistics. In the first revision—as well as in subsequent revisions—the estimate for missing reports is largely replaced by reported transactions, as BEA incorporates reports received after the statistics were previously published. However, even the revised statistics generally include an estimate for missing reports.

Appendix

This section describes each of the mandatory surveys of U.S. international services transactions conducted by BEA.¹ For each survey, information on the frequency, data to be reported, and who must report is provided.

The legal authority for all of the surveys is the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended). The financial services surveys are also authorized by the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4908). Under the International Investment and Trade in Services Survey Act, whoever is required to report but fails to do so may be subject to civil penalties (and/or criminal penalties for willful noncompliance) and to injunctive relief commanding compliance.

1. BEA also conducts mandatory surveys of U.S. direct investment abroad and foreign direct investment in the United States. For information about these surveys, go to www.bea.gov/help/information-for-survey-respondents. For information about the surveys of U.S. direct investment abroad, call 301-278-9418, and for information about the surveys of foreign direct investment in the United States, call 301-278-9247.

Under this same law, responses of individual respondents must remain confidential and may only be used for statistical and analytical purposes.

All U.S. persons meeting the mandatory thresholds in covered transactions with foreign persons must report these transactions to BEA. The term “U.S. person” is defined as 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).

For more information, including frequently asked questions and a printable version of each survey, go to www.bea.gov/ssb or contact the Services Surveys Branch at 301-278-9303.

Appendix

Transport Services

BE-9 Quarterly Survey of Foreign Airline Operators' Revenues and Expenses in the United States

This survey covers the revenues and expenses of foreign air operators for transporting freight, express, and passengers to or from the United States. The data from this survey are used to prepare the transport services statistics for the international transactions accounts.

Notification letters for this survey are mailed to approximately 45 persons each quarter, and the response rate averages approximately 80 percent.

U.S. offices, agents, or other representatives of foreign airline operators that transport passengers or freight and express to or from the United States must report the following data:

- Freight revenue on merchandise exported from or imported into the United States.
- Covered expenses incurred in the United States for:
 - 1) fuel and oil;
 - 2) wages and salaries paid to employees in the United States;
 - 3) agents' and brokers' fees and commissions for arrangement of freight and passenger transportation;
 - 4) aircraft handling and terminal services;
 - 5) aircraft (with crew) leasing expenses; and
 - 6) all other expenses incurred in the United States except aircraft leasing (without crew) expenses.
- Respondents are also asked to report:
 - 1) shipping weights on which freight revenues were earned;
 - 2) the number of passengers transported to/from the United States; and
 - 3) revenues associated with these passengers.

A report is required, if notified by BEA about this survey, if the carrier's total covered revenues OR total covered expenses were \$5 million or more in the previous year or are expected to be \$5 million or more during the

current year. A foreign airline operator that had total covered revenues AND total covered expenses below the reporting threshold is required to complete the survey through the "Determination of reporting status" section, and also has the option of providing additional information, on a voluntary basis, on the remainder of the survey.

A U.S. person that had no transactions of the types covered by the survey is only required to complete the survey through the "Determination of reporting status" section of the survey, if notified by BEA about this survey.

BE-29 Annual Survey of Foreign Ocean Carriers' Expenses in the United States

This survey covers the expenses incurred by foreign ocean carriers in U.S. ports—both those that own and operate vessels and those that operate chartered U.S.-flag and foreign-flag vessels. The data from this survey are used to prepare the transport services statistics for the international transactions accounts.

Notification letters for this survey are mailed to approximately 80 persons each year, and the response rate averages approximately 85 percent.

U.S. agents of foreign ocean carriers operating in the United States must report the carriers' expenses in U.S. ports and shipping weights of cargo handled.

The covered expenses are:

- 1) port call services such as pilotage, towing and tugboat services, harbor fees, and berth fees;
- 2) cargo-related services such as loading, unloading, and storing cargo at U.S. ports;
- 3) fuels and oils (bunkers) purchased in U.S. ports;
- 4) other vessel operating expenses such as stores and supplies, vessel repairs, and personnel expenses in the United States; and
- 5) other expenses such as U.S. agents' and brokers' fees and commissions and expenses

related to maintaining U.S. offices, such as rent, advertising, and wages.

A report is required, if notified by BEA about this survey, by U.S. agents of foreign ocean carriers who handled 40 or more foreign ocean port calls in the reporting period, OR had covered expenses of \$250,000 or more in the reporting period for all foreign ocean vessels handled by the U.S. agent. A U.S. agent of a foreign ocean carrier that handled fewer than 40 port calls in the United States AND had total covered expenses below \$250,000 during the reporting period is only required to complete the survey through the “Determination of reporting status” section, and also has the option of providing additional information, on a voluntary basis, on the remainder of the survey.

A U.S. agent of a foreign ocean carrier that had no transactions of the types covered by the survey is only required to complete the survey through the “Determination of reporting status” section of the survey, if notified by BEA about this survey.

BE-30 Quarterly Survey of Ocean Freight Revenues and Foreign Expenses of U.S. Carriers

This survey covers U.S. ocean carriers’ revenues from the transportation of U.S. exports and imports and associated volumes, revenues from the transportation of cargo between foreign ports, expenses incurred by U.S. ocean carriers—both U.S.-flag and foreign-flag vessels—in foreign countries, and charter hires with crew and space-leasing transactions with foreign residents. The data from this survey are used to prepare the transport services statistics for the international transactions accounts.

Notification letters for this survey are mailed to approximately 70 persons each quarter, and the response rate averages approximately 80 percent.

U.S. ocean freight carriers—owners or operators—must report the following data by foreign country:

- Covered revenues:

- 1) revenue on cargo outbound from U.S. ports and the associated shipping weight;
 - 2) revenue on cargo inbound into the United States and the associated shipping weight;
 - 3) revenue on cross-trade cargoes; and
 - 4) charter hire (with crew) and space leasing revenues from foreign residents.
- Covered expenses:
 - 1) fuel expenses in foreign countries;
 - 2) expenses in foreign countries (other than fuel expenses); and
 - 3) charter hire (with crew) and space leasing payments to foreign residents.

A report is required, if notified by BEA about this survey, if the U.S. ocean carrier (owner and operator) engaged in the international transportation of freight, cargo, and/or passengers between U.S. and foreign ports or between foreign ports, and had total covered revenues OR total covered expenses incurred outside the United States that were \$500,000 or more in the previous year or are expected to be \$500,000 or more during the current year. A U.S. ocean carrier that had total reportable revenues AND total reportable expenses below the reporting threshold is only required to complete the survey through the “Determination of reporting status” section, and also has the option of providing additional information, on a voluntary basis, on the remainder of the survey.

A U.S. ocean carrier that had no transactions of the types covered by the survey is only required to complete the survey through the “Determination of reporting status” section of the survey, if notified by BEA about this survey.

BE-37 Quarterly Survey of U.S. Airline Operators’ Foreign Revenues and Expenses

This survey covers U.S. air carriers’ revenues for transporting U.S. exports to foreign points and for transporting freight between foreign points, expenses incurred by U.S. airline operators in

foreign countries, aircraft leasing expenses, revenues for transporting passengers between foreign points, number of passengers transported to and from the United States, revenues for transporting passengers to and/or from the United States, and interline settlements with foreign airline operators. The data from this survey are used to prepare the transport services statistics for the international transactions accounts.

Notification letters for this survey are mailed to approximately 30 persons each quarter, and the response rate averages approximately 85 percent.

U.S. airline operators engaged in the international transportation of U.S. export freight and the transportation of freight and passengers between foreign points must report the following:

- Covered revenues:
 - 1) revenue derived from carriage of export freight and express from the United States to points outside the United States;
 - 2) revenue derived from carriage of freight and express originating from, and destined to, points outside the United States;
 - 3) revenue derived from transporting passengers originating from, and destined to, points outside the United States;
 - 4) revenue from transporting passengers to and from the United States and the associated number of passengers; and

- 5) interline settlement receipts from foreign airline operators.
- Covered expenses:
 - 1) expenses incurred outside the United States for fuel and oil, station and maintenance bases, wages, and other goods and services purchased abroad (except aircraft leasing expenses);
 - 2) aircraft leasing expenses (with crew); and
 - 3) interline settlement payments to foreign airline operators.

A report is required, if notified by BEA about this survey, if the U.S. airline operator engaged in the international transportation of passengers or of U.S. export freight, or the transportation of freight or passengers between two foreign points, and had total covered revenues OR total covered expenses that were \$500,000 or more in the previous year or are expected to be \$500,000 or more during the current year. A U.S. airline operator that had total covered revenues AND total covered expenses below the reporting threshold is only required to complete the survey through the “Determination of reporting status” section, and also has the option of providing additional information, on a voluntary basis, on the remainder of the survey.

A U.S. airline operator that had no transactions of the types covered by the survey is only required to complete the survey through the “Determination of reporting status” section of the survey, if notified by BEA about this survey.

Appendix

Financial Services

BE-180 Benchmark Survey of Financial Services Transactions between U.S. Financial Services Providers and Foreign Persons

This survey covers information on transactions in financial services between U.S. financial services providers and foreign persons. The data from this survey are used to prepare the financial services statistics for the international transactions accounts.

For the 2014 benchmark survey, approximately 5,600 notification letters were mailed to U.S. firms, and the response rate was over 85 percent.

This survey covers sales to, and purchases from, affiliated and unaffiliated foreign persons for the following financial services:

- Brokerage services related to equity transactions
- Other brokerage services
- Underwriting and private placement services related to equity transactions
- Underwriting and private placement services related to debt transactions
- Financial management services
- Credit-related services except credit card services
- Credit card services
- Financial advisory and custody services
- Securities lending services
- Electronic funds transfer services
- Other financial services (must be specified)

A report was required, regardless of whether or not the U.S. financial services provider was notified by BEA about the survey, if the U.S. person transacted with a foreign person in any of the covered financial services in the fiscal year covered by the survey. If the U.S. person had transactions—sales or purchases—of more than \$3 million in all financial services combined, they were required to disaggregate the totals by country and by relationship to the foreign transactor (foreign affiliate, foreign parent group, or unaffiliated foreign person) on the mandatory schedules. A U.S. person with total transactions below the threshold for

reporting on the mandatory schedules, was required to report total sales and total purchases. In addition, the U.S. person was asked, but not required, to provide an estimate of the total transactions for each type of financial service.

BE-185 Quarterly Survey of Financial Services Transactions between U.S. Financial Services Providers and Foreign Persons

This survey covers transactions in financial services between U.S. financial services providers and foreign persons. The data from this survey are used to prepare the financial services statistics for the international transactions accounts.

Notification letters for this survey are mailed to approximately 715 firms each quarter, and the response rate averages approximately 85 percent.

This survey covers sales to, and purchases from, affiliated and unaffiliated foreign persons for the following financial services:

- Brokerage services related to equity transactions
- Other brokerage related to debt
- Underwriting and private placement services related to debt and equity transactions
- Financial management services
- Credit-related services, except credit card services
- Credit card services
- Financial advisory and custody services
- Securities lending services
- Electronic funds transfer services
- Other financial services (must be specified)

A report is required, if notified by BEA about this survey, if the U.S. person had sales of covered services to foreign persons that exceeded \$20 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year, or if it had purchases of covered services from foreign persons that exceeded \$15 million for the previous fiscal year,

or are expected to exceed that amount during the current fiscal year. A U.S. person with sales of \$20 million or less and with purchases of \$15 million or less in the previous fiscal year that are expected to be at or below these amounts for the current fiscal year is only required to complete the survey through the “Determination of reporting status” section,

and has the option of voluntarily reporting on the remaining questions of the survey.

A U.S. person that was notified by BEA about this survey, but has no transactions of the types of services covered must complete the survey through the “Determination of reporting status” section, if notified by BEA about this survey.

Appendix

Insurance Services

BE-140 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons

This survey is filed by U.S. insurance companies that have engaged in reinsurance transactions with foreign persons, that have earned premiums from, or incurred losses to, foreign persons in the capacity of primary insurers, or that have receipts or payments for international auxiliary insurance services.¹ The data from this survey are used to prepare the insurance services statistics for the international transactions accounts.

The 2013 benchmark survey was mailed to approximately 1,150 U.S. insurance companies, and the response rate was approximately 95 percent.

U.S. insurance companies that have engaged in insurance transactions with foreign persons during the reporting period must report the following data:

- Premiums earned on reinsurance assumed from companies resident abroad
- Losses incurred on reinsurance assumed from companies resident abroad
- Premiums paid for reinsurance ceded to companies resident abroad
- Losses recovered on reinsurance ceded to companies resident abroad
- Premiums earned from direct insurance sold to foreign persons
- Losses incurred on direct insurance sold to foreign persons
- Receipts for auxiliary insurance services
- Payments for auxiliary insurance services

A report was required, regardless of whether or not the U.S. insurance company was notified by BEA about the survey, if the U.S. insurance company had transactions in any of the above items exceeded \$2 million (positive or negative) in the calendar year covered by the survey.

1. Auxiliary insurance services include agent's commissions; insurance brokering and agency services; insurance consulting services; evaluation, loss adjustment expenses, and adjustment services; actuarial services; salvage administration services; and regulatory and monitoring services on indemnities and recovery services.

A U.S. insurance company with transactions in any of these categories that were between -\$2 million and \$2 million was only required to report their totals for each transaction type, and had the option of voluntarily reporting on the remaining questions of the survey.

BE-45 Quarterly Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons

This survey is filed by U.S. insurance companies that have engaged in reinsurance transactions with foreign persons, that have earned premiums from, or incurred losses to, foreign persons in the capacity of primary insurers, or that have receipts or payments for international auxiliary insurance services. The data from this survey are used to prepare the insurance services statistics for the international accounts.

Notification letters for this survey are mailed to approximately 550 firms each quarter, and the response rate averages approximately 95 percent.

U.S. insurance companies that have engaged in insurance transactions with foreign persons during the reporting period must report the following data:

- Reinsurance premiums earned from insurance companies resident abroad
- Reinsurance premiums ceded to insurance companies resident abroad
- Losses on reinsurance assumed from insurance companies resident abroad (required with fourth quarter reporting only)
- Losses recovered on reinsurance ceded to insurance companies resident abroad (required with fourth quarter reporting only)
- Premiums earned from primary insurance sold to foreign persons (required with fourth quarter reporting only)
- Losses incurred on primary insurance sold to foreign persons (required with fourth quarter reporting only)
- Receipts and payments for auxiliary insurance services (required with fourth quarter reporting only)

A report is required, if notified about this survey by BEA, if the U.S. insurance company had transactions with foreign persons, in any of the data items covered by the survey, that exceeded \$8 million (positive or negative) in the prior calendar year, or are expected to exceed that amount during the current calendar year. A U.S. insurance company with transactions in any of these categories that were between -\$8 million and \$8 million is only

required to complete the survey through the “Determination of reporting status” section, and has the option of voluntarily reporting on the remaining questions of the survey.

A U.S. insurance company that has no transactions in the data items covered must complete the survey through the “Determination of reporting status” section, if notified by BEA about this survey.

Appendix

Other Selected Services and Intellectual Property

BE-120 Benchmark Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons

This survey is typically conducted every five years and covers U.S. international transactions in all types of services and intellectual property for which information is not collected on the other BEA surveys and is not available to BEA from other sources. The data from this survey are used to prepare statistics on other selected services and intellectual property for the international transactions accounts.

For the 2017 benchmark survey, approximately 12,500 notification letters were mailed to U.S. persons in April 2018. The preliminary results of the survey will be published in 2019. The 2011 benchmark survey was mailed to about 14,500 persons and the final response rate was approximately 80 percent.

This survey is filed by U.S. persons who had transactions—sales and/or purchases—with affiliated and unaffiliated foreign persons during the reporting period in any the following services categories:

- Accounting, auditing, and bookkeeping services
- Advertising services
- Auxiliary insurance services
- Computer software, including end-user licenses and customization services
- Cloud computing and data storage services
- Other computer services
- Construction services
- News agency services (excludes production costs related to news broadcasters)
- Other information services
- Education services
- Architectural services
- Engineering services
- Surveying, cartography, certification, testing, and technical inspection services
- Financial services
- Industrial engineering services
- Maintenance services
- Installation, alteration, and training services
- Legal services
- Market research services
- Public opinion polling services
- Other management, consulting, and public relations services
- Merchanting services (net receipts)
- Mining services
- Operational leasing
- Trade-related services, other than merchanting services
- Artistic-related services
- Premiums paid on primary insurance
- Losses recovered on primary insurance
- Provision of customized and non-customized research and development services
- Other research and development services
- Telecommunications services
- Health services
- Heritage and recreational services
- Audiovisual and production services
- Contract manufacturing services
- Disbursements for sales promotion and representation
- Photographic services (including satellite photography services)
- Space transport services
- Trade exhibition and sales convention services
- Agricultural services
- Waste treatment and depollution services
- Other selected services n.i.e. (not included elsewhere)

Reporters of sales and/or purchases of:

- Accounting auditing and bookkeeping services
- Advertising services

- Other computer services
- Education services
- Architectural services
- Engineering services
- Surveying
- Cartography
- Certification
- Technical inspection services
- Legal services
- Market research services
- Public opinion and polling services
- Other management, consulting, and public relations services
- Provision of customized and non-customized research and development services
- Other research and development services

are required to provide an estimate, based on percentages of those services performed remotely by or for the foreign transactor.

Reporters of sales or purchases of contract manufacturing services are required to provide a description of materials received or provided for further processing, as well as a description of the manufactured product.

This survey is also filed by U.S. persons that have entered into agreements with affiliated or unaffiliated foreign persons to buy, sell, or use the following types of intellectual property or proprietary rights:

- Patents, processes, and trade secrets
- Books, music, etc.
- Trademarks
- Recorded performances and events such as radio and television programs and motion pictures
- Broadcast and recording of live performances and events
- General use computer software
- Franchise fees
- Other intellectual property

Reporters of intellectual property (IP) transactions are required to distribute their sales and/

or purchases (including accrued receipts and/or payments) for IP transactions according to the types of rights conveyed with each transaction. The covered rights conveyed are: (1) transactions for the rights to use IP, (2) transactions for the rights to reproduce and/or distribute IP, and (3) transactions for the outright sales or purchases of IP.

A report is required, regardless of whether or not the U.S. person was notified by BEA about the survey, if the U.S. person transacted with a foreign person in any of the covered services or intellectual property transactions during its fiscal year. If the U.S. person's combined transactions, on an accrual basis, for all of the categories exceeded \$2 million for sales or \$1 million for purchases, the person is required to disaggregate the totals by country and by relationship to the foreign transactor (foreign affiliate, foreign parent group, or unaffiliated foreign person) on the mandatory schedules. A U.S. person that had combined sales or combined purchases below these thresholds is required to provide data on total sales and/or purchases for each type of transaction in which they engaged. In addition to providing the required total for each type of transaction, the U.S. person is asked to report country and affiliation detail on the applicable schedule(s). Provision of this additional detail is voluntary.

BE-125 Quarterly Survey of Transactions in Selected Services and Intellectual Property With Foreign Persons

This survey covers information on U.S. international transactions in all types of services and intellectual property for which information is not collected on the other BEA surveys and is not available to BEA from other sources. The data from this survey are used to prepare the statistics on other selected services and intellectual property for the international transactions accounts.

Notification letters for this survey are mailed to approximately 2,200 persons each quarter, and the response rate averages approximately 85 percent.

This survey is filed by U.S. persons who had transactions—sales and/or purchases—with affiliated and unaffiliated foreign persons during the reporting period in the following types of services:

- Accounting, auditing, and bookkeeping services
- Advertising services
- Artistic related services
- Audiovisual and production services
- Auxiliary insurance services (except by U.S. insurance companies)
- Computer and data processing services
- Construction services
- Database and other information services
- Educational and training services
- Engineering, architectural, and surveying services
- Financial services by nonfinancial firms (payments only)
- Health services
- Heritage and recreational services
- Industrial engineering services
- Industrial-type maintenance, installation, alteration, and training services
- Legal services
- Management, consulting, and public relations services (including receipts from foreign affiliates for allocated expenses)
- Merchanting services (net receipts only)
- Mining services
- Operational leasing services
- Premiums paid or losses recovered on primary insurance (payments only)
- Research and development services
- Telecommunications services
- Trade-related services excluding merchanting services
- Other selected services (must be specified)

This survey is also filed by U.S. persons that have entered into agreements with affiliated or unaffiliated foreign persons to buy, sell, or use

the following types of intellectual property or proprietary rights:

- Patents, processes, and trade secrets
- Books, music, etc.
- Trademarks
- Recorded performances and events such as radio and television programs and motion pictures
- Broadcast and recording of live performances and events
- General use computer software
- Franchises fees
- Other intellectual property

Reporters of intellectual property (IP) transactions are required to distribute their sales and/or purchases (including accrued receipts and/or payments) for IP transactions according to the types of rights conveyed with each transaction. The covered rights conveyed are: (1) transactions for the rights to use IP, (2) transactions for the rights to reproduce and/or distribute IP, and (3) transactions for the outright sales or purchases of IP.

A report is required, if notified about this survey by BEA, if the U.S. person had sales of covered services or intellectual property to foreign persons that exceeded \$6 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year, or if it had purchases of covered services or intellectual property from foreign persons that exceeded \$4 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year. A U.S. person with total transactions in all of these categories that were, or are expected to be, \$6 million or less for sales and \$4 million or less for purchases, is only required to complete the survey through the “Determination of reporting status” section, and has the option of voluntarily reporting on the remaining questions of the survey.

A U.S. person that has no transactions of the types of services covered must complete the survey through the “Determination of reporting status” section, if notified by BEA about the survey.

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