

FORM BE-93 (REV. 11-85) U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS

Name and address of reporting company

MANDATORY—CONFIDENTIAL ANNUAL REPORT

INTERNATIONAL TRANSACTIONS IN ROYALTIES, LICENSING FEES, FILM RENTALS, MANAGEMENT FEES, ETC., WITH UNAFFILIATED FOREIGN RESIDENTS

RETURN TO:

U.S. Department of Commerce
Bureau of Economic Analysis (BE-58)
Washington, D.C. 20230

Annual Report for year ending Industry Classification

PLEASE READ ATTACHED INSTRUCTIONS

The filing of reports for this survey is **MANDATORY** under Section 5(b)(2) of the International Investment and Trade in Services Survey Act, Pub. Law No. 472, 94th Congress, 90 Stat. 20259, 22 U.S.C. 3101 through 3108, as amended by Pub. Law 98-573 (hereinafter "the Act"). All replies will be held confidential under Section 5(c) of the Act, and will be used only for analytical and statistical purposes.

This survey has been approved by the Office of Management and Budget under the Paperwork Reduction Act, 44 U.S.C. 3501, et seq.

PENALTIES—Whoever fails to report may be subject to a civil penalty not exceeding \$10,000 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. (See Section 6 of the Act, 22 U.S.C. 3105).

Section A — RECEIPTS FROM UNAFFILIATED FOREIGNERS DURING REPORTING PERIOD

DO NOT USE Cols. 1-8	Foreign Countries (Please use a separate line for each entry)	THOUSANDS OF DOLLARS			
		Total (Col. (c) + (d) + (e))	Royalties, licensing fees, etc.	Movie and TV film and tape licensing fees	Management and administrative fees
Cols. 9-13	(a)	(b)	(c)	(d)	(e)
35706	Argentina				
60208	Australia				
43303	Austria				
23607	Bahamas				
42302	Belgium				
35106	Brazil				
12205	Canada				
33706	Chile				
57010	China				
30106	Colombia				
40912	Denmark				
24706	Dominican Republic				
33106	Ecuador				
40503	Finland				
42702	France				
42802	Germany, Federal Republic				
43912	Greece				
20506	Guatemala				
58210	Hong Kong				
53310	India				
56010	Indonesia				
41912	Ireland				
50810	Israel				
47502	Italy				
24207	Jamaica				
58809	Japan				
58010	Korea				
55710	Malaysia				
20106	Mexico				
42102	Netherlands				
61208	New Zealand				
40303	Norway				
22506	Panama				
33306	Peru				

GENERAL INSTRUCTIONS

Purpose — Reports on this form are required in order to provide reliable and up-to-date information on international transfers of intangible assets and proprietary rights with unaffiliated foreign persons for use in compiling the U.S. balance of payments.

Who Must Report — Reports on Form BE-93 are required from U.S. persons who have entered into agreements with unaffiliated residents, or governments, of foreign countries to buy, sell or use intangible assets or proprietary rights. **NOTE:** Oil royalties and other natural resources (mining) royalties are not reportable on this form.

Filing of Reports — Form BE-93 is an annual report. A single copy of each report should be sent to the Department of Commerce, Bureau of Economic Analysis, Washington, D.C. 20230, **(BE-58)** within 90 days after the close of the calendar or fiscal year.

DUE DATE: A report must be filed within 90 days after the end of the calendar or fiscal year. For assistance, call (202) 523-0989/0993, 9 a.m. - 5 p.m.

Consolidation — Consolidated reports for your company and its domestic affiliates are preferred. Please list on an attachment names of affiliates whose transactions are consolidated on this form. Also list names of affiliates with reportable transactions not consolidated on this form.

For purposes of these statistical reports, a U.S. subsidiary or affiliated company is defined as any U.S. incorporated enterprise in which you hold more than 50% of the voting stock, directly or indirectly.

EXEMPTION — A U.S. person or business firm otherwise required to report is exempt if total receipts and total payments of the types covered by this form are each less than \$500,000 in the reporting year. If either total covered receipts or payments are \$500,000 or more in the reporting year, a report must be filed.

DEFINITIONS

U.S. PERSON — Any person, including corporations, unincorporated business organizations, partnerships, individuals, trusts and estates, under the jurisdiction of the U.S. and ordinarily residing in the U.S., including territories and possessions.

Unaffiliated foreign person — For purposes of these statistical reports, any enterprise, incorporated outside the U.S., in which you hold less than 10% of the capital or voting stock, directly or indirectly, or an equivalent interest in an unincorporated foreign enterprise; also, any foreign enterprise which owns less than 10% of the capital or voting stock of your company or equivalent interest in an unincorporated enterprise.

SPECIFIC INSTRUCTIONS

Enter all amounts in thousands of U.S. dollars. This should be done by dropping the last three digits of the full value as in the following: (Example: \$1,033,642 should be reported as \$1,034). If actual data are not available, please provide your best estimate. Include estimates of dollar equivalent of receipts and payments "in kind". Convert foreign currencies to U.S. dollars using average rate for the period.

Industry Classification

Indicate the numeric code and title for the industry classification which most closely describes your firm's activities. Refer to the following list of industry codes. If more than one code applies, please so state and list the appropriate codes.

Industry Codes

010	Agriculture, Forestry, and Fishing
100	Mining
150	Construction
	Manufacturing:
201	Meat products
202	Dairy products
203	Preserved fruits and vegetables

204	Grain mill products
206	Sugar and confectionery products
208	Beverages
209	Other food and kindred products
210	Tobacco manufactures
220	Textile mill products
230	Apparel and other textile products
240	Lumber and wood products, including furniture
260	Paper and paper products
270	Printing and publishing
281	Industrial chemicals and synthetics
283	Drugs
284	Soaps, cleaners, and toilet goods
285	Paints and allied products
289	Chemical products, nec
290	Petroleum (include both extraction and refining)
300	Rubber, leather, glass, cement, and concrete
330	Primary metal products
340	Fabricated metal products
351	Engines and turbines
352	Farm and garden machinery
353	Construction, mining, and materials handling machinery
354	Metalworking machinery
355	Special industry machinery
356	General industrial machinery
357	Office and computing machines
358	Refrigeration and service industry machines
359	Machinery, except electrical, nec
363	Household appliances
364	Electric lighting and wiring equipment
366	Radio, television, and communication equipment
367	Electronic components and accessories
369	Electrical machinery, nec
371	Motor vehicles and equipment
372	Aircraft and parts
379	Other transportation equipment
380	Scientific, photographic, measuring, and medical instruments
390	Miscellaneous manufacturing industries
440	Transportation
480	Communications
490	Electric, gas, and sanitary services
500	Wholesale trade
540	Retail trade
600	Finance, Insurance, and Real Estate
670	Holding and investment companies
700	Hotels
730	Business services
733	Research and development, and commercial testing, laboratories
780	Motion pictures, including television tape and film
891	Engineering, architectural, and surveying services
893	Accounting, auditing, and bookkeeping services
999	Other (please specify)

SECTION A

Foreign Countries—column (a) — Report countries from which royalties and fees were received or to which payments were made. Report transactions with persons located in areas outside mainland United States, Alaska, Hawaii, and U.S. territories and possessions.

Aggregate transactions for any single country totaling less than \$50,000 may be omitted. Also include in the Worldwide Total any amounts which you are unable to allocate by country. Selected countries have been listed on the form. If your company has reportable transactions with countries not listed, please specify these countries and amounts of receipts or payments individually in the blank spaces provided.

Report in column (b) the total of all receipts (including such receipts calculated as a share of profits) for the use or sale of intangible assets or proprietary rights accrued or actually received during the year (including deposits to your account abroad), after all foreign taxes and other deductions. Total receipts reported in column (b) should be broken down by

type of transaction and reported in columns (c), (d), and (e) as follows:

Report in column (c) that portion of total receipts which represent royalties, licensing fees, etc., for the use or sale of franchises, patents, copyrights, trademarks, designs, know-how, formulae, techniques, processes, manufacturing rights, and other intangible assets and proprietary rights.

Report in column (d) licensing fees derived from the leasing of motion picture and television films and tapes, or proceeds from their outright sale.

Report in column (e) compensation for professional, administrative and management services that are not a part of, or included in, the amounts reported in columns (c) and (d). **NOTE:** Receipts or payments under specific contracts for technical, professional, engineering, or consulting services should be reported on Form BE-47 (please see item 7 under **DO NOT REPORT**).

SECTION B

Report in column (b) the total of all payments for the use or purchase of intangible assets and proprietary rights accrued or actually paid during the year after all U.S. taxes withheld and other deductions. Include payments to foreigners transmitted through your foreign affiliates *for your account*.

Report in column (c) payments for the use or purchase of royalties, license fees, etc., as described in Section A.

Report in Column (d) licensing fees paid for the leasing of motion picture and television films and tapes, or payments for their outright purchase, whether made directly or through an agent.

Report in column (e) payments for professional, administrative and management services as described in Section A.

DO NOT REPORT

1. Your receipts from or payments to U.S. branches and subsidiaries of foreign firms for their own account. However, receipts from and payments to such firms *for the account of the foreign parent firm* are to be reported.

2. Your receipts from or payments to your foreign affiliates. Information on your transactions with your foreign affiliates is collected on Forms BE-577 and BE-605, which should be requested from this office. Reports on these forms are mandatory. For copies, call (202) 523-0661.

3. Receipts from or payments to foreigners made by your foreign branches or subsidiaries *for their own account*.

4. Reciprocal exchange of intangible assets or rights where no monetary or "in kind" compensation is paid.

5. Your receipts from or payments to foreigners for the rental or leasing of tangible assets (machinery, equipment, buildings, etc.)

6. Fees or commissions in connection with the sale of commodities.

7. Fees, profits and other receipts or payments arising from contracts to perform services abroad not in connection with the transfer of intangible assets or rights. Receipts by service firms (such as consulting, management and training, engineering, construction, design, etc.) not in connection with the transfer of patents, copyrights, processes formulae, etc., should be reported on Form BE-47, Foreign Contract Operations of U.S. Construction, Engineering, Consulting, and Other Technical Services Firms, which should be requested from this office. Call (202) 523-0989.

FORM **BE-93**
(REV. 8/96) U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

BEA USE ONLY Control number

1. Name and address of U.S. Reporter - Enter or correct as necessary.

MANDATORY - CONFIDENTIAL
ANNUAL SURVEY OF ROYALTIES, LICENSE FEES, AND OTHER RECEIPTS AND PAYMENTS FOR INTANGIBLE RIGHTS BETWEEN U.S. AND UNAFFILIATED FOREIGN PERSONS

MAIL REPORTS TO

U.S. Department of Commerce
Bureau of Economic Analysis
BE-50 (SSB)
Washington, DC 20230

OR

DELIVER REPORTS TO

U.S. Department of Commerce
Bureau of Economic Analysis, BE-50 (SSB)
Shipping and Receiving Section M-100
1441 L Street, NW
Washington, DC 20005

Assistance - Telephone (202) 606-5588 during office hours - 8:00 a.m. to 4:00 p.m. eastern time.

Due date - A completed report on Form BE-93 shall be due March 31 of the year after the U.S. Reporter's fiscal year covered by the report.

2. Annual report for fiscal year ending 1001

Month	Day	Year

3. Industry classification - Enter 3-digit code from industry classification guide. 1002

1		
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4. Major activity of the U.S. Reporter and product or service involved in that activity

5. Primary Employer Identification (EI) Number used by the U.S. Reporter to file U.S. income or payroll taxes 1003

1									
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Part I U.S. REPORTER'S RECEIPTS FROM UNAFFILIATED FOREIGN PERSONS

Receipts from	REPORT IN THOUSANDS OF U.S. DOLLARS									
	Rights related to -									
	BEA USE ONLY		Industrial processes and products	Books, records, audio tapes, etc.	Trademarks, etc.	Performances and events pre-recorded on motion picture film and TV tape	Broadcast and recording of live performances and events	Business format franchising fees	Other intangibles* (See VI. of the instructions)	
2	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
1. All countries, total 001	1	2	3	4	5	6	7	8	9	
2. Australia 002	1	601	2	3	4	5	6	7	8	9
3. Belgium 003	1	302	2	3	4	5	6	7	8	9
4. Brazil 004	1	202	2	3	4	5	6	7	8	9
5. Canada 005	1	100	2	3	4	5	6	7	8	9
6. France 006	1	307	2	3	4	5	6	7	8	9
7. Germany 007	1	308	2	3	4	5	6	7	8	9
8. Hong Kong 008	1	611	2	3	4	5	6	7	8	9
9. Israel 009	1	504	2	3	4	5	6	7	8	9
10. Italy 010	1	314	2	3	4	5	6	7	8	9
11. Japan 011	1	614	2	3	4	5	6	7	8	9
12. Luxembourg 012	1	316	2	3	4	5	6	7	8	9
13. Mexico 013	1	213	2	3	4	5	6	7	8	9
14. Netherlands 014	1	319	2	3	4	5	6	7	8	9
15. Philippines 015	1	623	2	3	4	5	6	7	8	9
16. Saudi Arabia 016	1	511	2	3	4	5	6	7	8	9
17. South Korea 017	1	626	2	3	4	5	6	7	8	9
18. Spain 018	1	323	2	3	4	5	6	7	8	9
19. Sweden 019	1	324	2	3	4	5	6	7	8	9
20. Switzerland 020	1	325	2	3	4	5	6	7	8	9
21. Taiwan 021	1	628	2	3	4	5	6	7	8	9
22. United Kingdom 022	1	327	2	3	4	5	6	7	8	9
23. Venezuela 023	1	219	2	3	4	5	6	7	8	9
Other countries with which transactions were \$50,000 or more - Specify country (Use supplemental copied sheets as necessary.)	1	2	3	4	5	6	7	8	9	
24. 024	1	2	3	4	5	6	7	8	9	
25. 025	1	2	3	4	5	6	7	8	9	
26. 026	1	2	3	4	5	6	7	8	9	
27. 027	1	2	3	4	5	6	7	8	9	
28. 028	1	2	3	4	5	6	7	8	9	
29. 029	1	2	3	4	5	6	7	8	9	
30. 030	1	2	3	4	5	6	7	8	9	
31. 031	1	2	3	4	5	6	7	8	9	
32. Countries with which transactions were less than \$50,000 each, total 032	1	709	2	3	4	5	6	7	8	9
BEA USE ONLY 033	1	2	3	4	5	6	7	8	9	

*Use "Comments" section on reverse to indicate the nature of any intangible assets reported in column (9).

Part II U.S. REPORTER'S PAYMENTS TO UNAFFILIATED FOREIGN PERSONS

Payments to	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS					Business format franchising fees	Other intangibles* (See VI. of the instructions)
			Rights related to -						
			Industrial processes and products	Books, records, audio tapes, etc.	Trademarks, etc.	Performances and events pre-recorded on motion picture film and TV tape	Broadcast and recording of live performances and events		
3	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1. All countries, total 001	1	2	3	4	5	6	7	8	9
2. Australia 002	1 601	2	3	4	5	6	7	8	9
3. Belgium 003	1 302	2	3	4	5	6	7	8	9
4. Brazil 004	1 202	2	3	4	5	6	7	8	9
5. Canada 005	1 100	2	3	4	5	6	7	8	9
6. France 006	1 307	2	3	4	5	6	7	8	9
7. Germany 007	1 308	2	3	4	5	6	7	8	9
8. Hong Kong 008	1 611	2	3	4	5	6	7	8	9
9. Israel 009	1 504	2	3	4	5	6	7	8	9
10. Italy 010	1 314	2	3	4	5	6	7	8	9
11. Japan 011	1 614	2	3	4	5	6	7	8	9
12. Luxembourg 012	1 316	2	3	4	5	6	7	8	9
13. Mexico 013	1 213	2	3	4	5	6	7	8	9
14. Netherlands 014	1 319	2	3	4	5	6	7	8	9
15. Philippines 015	1 623	2	3	4	5	6	7	8	9
16. Saudi Arabia 016	1 511	2	3	4	5	6	7	8	9
17. South Korea 017	1 626	2	3	4	5	6	7	8	9
18. Spain 018	1 323	2	3	4	5	6	7	8	9
19. Sweden 019	1 324	2	3	4	5	6	7	8	9
20. Switzerland 020	1 325	2	3	4	5	6	7	8	9
21. Taiwan 021	1 628	2	3	4	5	6	7	8	9
22. United Kingdom 022	1 327	2	3	4	5	6	7	8	9
23. Venezuela 023	1 219	2	3	4	5	6	7	8	9
Other countries with which transactions were \$50,000 or more - Specify country (Use supplemental copied sheets as necessary.)	1	2	3	4	5	6	7	8	9
24. 024									
25. 025									
26. 026									
27. 027									
28. 028									
29. 029									
30. 030									
31. 031									
32. Countries with which transactions were less than \$50,000 each, total 032	1 709	2	3	4	5	6	7	8	9
BEA USE ONLY → 033	1	2	3	4	5	6	7	8	9

This historical survey form is no longer valid and is for information purposes only. Current survey forms are at www.bea.gov/help/information-for-survey-respondents.

*Use "Comments" section below to indicate the nature of any intangible assets reported in column (9).

Comments

EXEMPTION CLAIM -
 The U.S. Reporter is not reporting data on this form because it - Mark (X) appropriate box.

Was not in existence at any time during the reporting period.
 Is owned to the extent of more than 50% of its voting stock by another U.S. enterprise. Specify →

Had no transactions with unaffiliated foreign persons in services covered by the survey.
 Had transactions with unaffiliated foreign persons in services covered by this survey, but total receipts and payments were each less than \$500,000.

Name _____
 Address _____
 City _____ State _____ ZIP Code _____

PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT - Enter name and address

CERTIFICATION - The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with V.G. of the **Instructions**, estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.

Authorized official's signature _____

TELEPHONE NUMBER Area code Number Extension Print or type name and title Date

INSTRUCTIONS

Public reporting burden for this BE-93 report is estimated to average 4 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 0608-0017, Washington, DC 20503.

Purpose – Reports on this form are required in order to obtain reliable and up-to-date information on transfers of intangible assets and proprietary rights between U.S. and unaffiliated foreign persons. The information will be used to formulate U.S. policy, and to analyze the impact of that policy and the policies of foreign countries, on international trade in such assets and rights. The data will also be used in compiling the U.S. balance of payments accounts.

Authority – The filing of reports for this survey is authorized by Section 3103 of the International Investment and Trade in Services Survey Act, P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101 to 3108, as amended by P.L. 98-573 and P.L. 101-533 (hereinafter "the Act"). Regulations for the survey may be found in 15 CFR Part 801.

Penalties – Whoever fails to report may 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 participated in such violations, upon conviction, may be punished by a like fine, imprisonment, or both. (See 22 U.S.C. 3105.) Notwithstanding the above, a U.S. person is not subject to any penalty for failure to report if a valid Office of Management and Budget control number is not displayed on the form; such a number (0608-0017) is displayed on this form.

Confidentiality – The Act provides that your report to this Bureau is CONFIDENTIAL. It also provides that your report may be used only for analytical or statistical purposes and CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

I. WHO IS TO REPORT AND GENERAL COVERAGE

A. Who Must Report – Reports on Form BE-93 are required from U.S. persons who have entered into agreements with unaffiliated foreign persons to buy, sell, or use intangible assets or proprietary rights. (See, however, exceptions and qualifications listed under **What Not to Report**, below.)

B. Exemption – A U.S. person otherwise required to report is exempt if total receipts and total payments of the types covered by this form are each less than \$500,000 in the reporting year. A person that receives this form and is exempt must either complete the **Exemption Claim** or report the data on the form. If the total of either covered receipts or payments is \$500,000 or more in the reporting year, a report must be filed.

II. WHAT TO REPORT

- A.** Report all receipts and payments accrued during the reporting period for the use, sale, or purchase of intangible assets or proprietary rights. Report all amounts net of withholding taxes or other deductions.
- B.** Report all covered transactions to which you have assigned a value, irrespective of whether the actual amount received or paid was in terms of money, goods, services, or other intangible assets or rights (e.g., exchanges of patent rights).
- C.** Report receipts from and payments to foreigners made by your foreign affiliates **for your account**.
- D.** Report receipts from and payments to U.S. affiliates of foreign firms **for the account of their foreign parent firm**.
- E.** The specific types of transactions to be reported are listed below in VI., **Specific Item or Column Instructions**.

III. WHAT NOT TO REPORT

- A.** Do **not** report your receipts from or payments to U.S. affiliates of foreign firms for their own account.
- B.** Do **not** report receipts from or payments to your foreign affiliates or your foreign parent. Information on your transactions with such affiliated firms is collected on Forms BE-577 and BE-605, which may be obtained from this office. Reports on these forms are mandatory. For copies of Form BE-577, call (202) 606-5566, and, for copies of Form BE-605, call (202) 606-5577.
- C.** Do **not** report receipts from or payments to foreigners made by your foreign affiliates **for their own account**.
- D.** Do **not** report fees or commissions in connection with the sale of commodities.
- E.** Do **not** report fees and other receipts or payments arising from contracts to perform services abroad not in connection with the transfer or use of intangible assets or rights. Generally, these transactions should be reported on Form BE-20, BE-22, or BE-47, copies of which may be obtained by calling this office at (202) 606-5588.
- F.** Do **not** report copyrights and other intellectual property rights related to computer software. These transactions should be reported on Form BE-20 or BE-22.
- G.** Do **not** report oil royalties and other natural resources (mining) royalties. These data should be reported on Form BE-20 or BE-22.
- H.** Do **not** report fees for professional, administrative, and management services. Such fees should be reported on Form BE-20, BE-22, or BE-47.
- I.** Do **not** report receipts or payments for the use of tangible property, including payments made or received under either financial or operating leases. Rentals of computers should be reported on Form BE-20 or BE-22.

IV. DEFINITIONS

- A. U.S. Reporter** is the U.S. person filing a report in this survey. (If the U.S. person is an incorporated business enterprise, the U.S. Reporter is the fully consolidated U.S. domestic enterprise consisting of the U.S. parent corporation which is not owned to the extent of more than 50 percent of its voting stock by another U.S. corporation and all other domestic corporations in which the parent corporation directly or indirectly owns over 50 percent of the outstanding voting stock.)
- B. United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all the territories and possessions of the United States.
- C. 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.
- D. 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).
 - 1. United States person** means any person resident in the United States or subject to the jurisdiction of the United States.
 - 2. Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.
- E. Business enterprise** means any organization, association, branch or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate. (A business enterprise is a "person" within the definition in paragraph D above.)
- F. Direct investment** means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting stock of an incorporated business enterprise, or an equivalent ownership interest in an unincorporated business enterprise.
- G. Parent** means a person of one country who, directly or indirectly, owns or controls 10 per centum or more of the voting stock of an incorporated business enterprise or an equivalent ownership interest in an unincorporated business enterprise, which is located outside that country.
 - 1. U.S. parent** means the U.S. person that has direct investment in a foreign business enterprise.
 - 2. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.
- H. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 per centum by the person above it.
- I. 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 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.
 - 1. Foreign affiliate** means an affiliate located outside the United States in which a U.S. person has direct investment.
 - 2. U.S. affiliate** means an affiliate located in the United States in which a foreign person has direct investment.
- J. Affiliated foreign person** means, with respect to a given U.S. person, (i) a foreign affiliate of which the U.S. person is a U.S. parent, or (ii) the foreign parent or other member of the affiliated foreign group of which the U.S. person is a U.S. affiliate.
- K. Unaffiliated foreign person** means, with respect to a given U.S. person, any foreign person that is not an affiliated foreign person as defined in paragraph J above.
- L. Fiscal year** is the financial reporting year that has an ending date in a given calendar year. For example, fiscal year 19X1 is the U.S. Reporter's financial reporting year that has an ending date in calendar year 19X1. For a person that does not have a financial reporting year, its fiscal year is deemed to be the same as the calendar year.
- M. Country** means the country of location of the foreign person with whom a transaction has occurred.

V. REPORTING PROCEDURES

- A. Reporting period** – Form BE-93 is an annual report; one report is to be filed for each fiscal year of the U.S. Reporter. The Reporter's fiscal year is its financial reporting year that has an ending date in a given calendar year. (See **Definitions**, IV.L.)
- B. Due date** – Reports are due March 31 of the year after the U.S. Reporter's fiscal year covered by the report.
- C. Extension** – Requests for an extension of the reporting deadline will not normally be granted. However, in a hardship case, a written request for an extension will be considered provided it is received at least 15 days before the due date and enumerates substantive reasons necessitating the extension. BEA will provide a written response to such a request.
- D. For assistance or additional copies of the forms** – Phone (202) 606-5588 between 8:00 a.m. and 4:00 p.m. eastern time.
- E. Response required** – If you received this form directly from BEA, a response is required, by either reporting data or completing the Exemption Claim, and by completing the "Person to Consult" and "Certification" sections of the form and returning the form to BEA.

V. REPORTING PROCEDURES – Continued

- F. Rounding** – Currency amounts should be reported in U.S. dollars rounded to thousands (omitting 000). For example, if the amount is \$1,334,515.00, report it as \$1,335.
- G. Estimates** – If actual figures are not available, estimates should be supplied and labeled as such. When data items cannot be fully subdivided as required, totals and an estimated breakdown of the totals should be supplied.
- H. Original and file copies** – A single original copy of the form must be filed with BEA. Please use the copy with the address label if such a labeled copy has been provided. In addition, each U.S. Reporter must retain a copy of its report for three years to facilitate resolution of problems.

VI. SPECIFIC ITEM OR COLUMN INSTRUCTIONS

Item (2) – Enter ending date for your fiscal year.

Item (3), Industry classification – Enter the 3-digit ISI code, from the **Summary of Industry Classifications**, which best covers the activity of your company. For an incorporated entity, this should be the industry code for the fully consolidated U.S. domestic enterprise (see **Definitions, IV.A.**), and not just the part or subsidiary receiving or paying the royalty or fee.

Item (4) – State the major activity and product or service in which your firm is involved. For example, "manufacturing – food products."

Parts I and II – Report U.S. Reporter's receipts from unaffiliated foreign persons in Part I, and report U.S. Reporter's payments to unaffiliated foreign persons in Part II. All amounts should be reported net of withholding taxes.

Report data opposite country from which royalties and fees were received or to which payments were made; if you had transactions with a country not in the preprinted list, enter the name of the country on one of the blank lines below the preprinted list and give data. Transactions of less than \$50,000 for any single country do not have to be reported by country, but should be included in the "all countries" total in line 1 and also in line 32 for each item.

Column (3), Industrial processes and products – Include license fees, royalties, and other fees received or paid for the use, sale, or purchase of intangible assets, including patents, trade secrets, and other proprietary rights, that are used in connection with, or related to, the production of goods. (For example, include "maintenance" fees paid to foreign governments for the continuation of patent rights.) If the charge for the process, design, etc., is subsumed in a contract for technical or professional services, the receipt or payment generally should be reported on Form BE-20, BE-22, or BE-47.

Column (4), Books, records, audio tapes, etc. – Include royalties and other fees received or paid for the rights to perform, broadcast, reproduce, and sell as books, records, audio tapes, etc., or otherwise use copyrighted material and other intellectual property. Exclude fees for the rights to display, reproduce, or distribute pre-recorded television tape or motion picture film; such charges should be reported separately in column (6). Exclude fees for rights related to computer software; such charges should be reported on Form BE-20 or BE-22.

Column (5), Trademarks, etc. – Include receipts and payments for the rights to sell products under a particular trademark, brand name, or signature. A sponsor of an international sporting event, such as the Olympics, should include payments of sponsorship fees if the right to use a trademark, such as the Olympics logo, in advertising, or to place such a trademark on merchandise, is conveyed. Exclude fees received or paid under a business format franchise (which are reportable under column (8)).

Column (6), Performances and events pre-recorded on motion picture film and TV tape – Include royalties, rentals, license fees, and other funds received or paid, including those from outright sales and purchases, for the rights to display, reproduce, or distribute material pre-recorded on motion picture film or television tape. Include payments and receipts for all uses, including theatrical, cable, broadcast television, and non-theatrical.

Column (7), Broadcast and recording of live performances and events – Include receipts and payments for rights to record and/or broadcast "live" artistic performances, sports events, and other live performances or events. Payments (or receipts) for the acquisition (or sale) of rights to broadcast a major live performance or event, such as the Olympics, often extend over several years prior to the event. The cumulative amount of payments over all years is to be reported on this form as an acquisition or sale of broadcast rights only in the single year in which the event is actually held. The prior-year payments are considered to be deposits with the organization (such as the International Olympic Committee) selling the broadcast rights, and should be reported on the Department of Treasury's TIC C-form. Inquiries about the TIC C-form survey should be directed to the Federal Reserve Bank of New York (as contractor for the Treasury Department) at (212) 720-8243.

Column (8), Business format franchising fees – Fees received and paid by the U.S. Reporter under business format franchising agreements with unaffiliated foreign persons. Business format franchising is characterized by an ongoing business relationship between franchisor and franchisee that includes not only the product, service, and trademark, but the entire business format itself. This may include a marketing strategy and plan, operating manuals and standards, quality control, and continuing two-way communications. Exclude receipts and payments for the use of trademarks (reportable under column (5)), except where such trademarks are part of a business format franchise, even if the fees are nominally considered to be "franchising" fees.

Receipts and payments should be reported net of advertising allowances and other deductions retained by franchisees from gross franchise fees. Include receipts and payments for one-time "up front" charges to new franchisees as well as ongoing fees based upon sales or other measures.

In Part I, U.S. franchisors should report receipts from both unaffiliated foreign outlets and foreign master licensees (i.e., those in which you do not have a 10-percent-or-more equity interest.) In the case of fees received from a foreign master licensee, report only the net fees received from the licensee, not the gross fees received by the licensee from foreign outlets. Exclude fees received by your foreign affiliates as franchisors. Also exclude receipts from "company-owned" outlets abroad, as such outlets are considered foreign affiliates rather than unaffiliated foreign persons; such receipts should be reported in BEA's direct investment survey of transactions between U.S. parents and foreign affiliates (Form BE-577) and not here. Include receipts from jointly owned outlets only if the U.S. Reporter's equity interest is below that required for the entity to qualify as a foreign affiliate.

In Part II, U.S. outlets and master licensees should report payments made directly to unaffiliated foreign franchisors. U.S. outlets should not report payments to U.S. master licensees, as these are domestic (U.S.-to-U.S.) transactions. Do not report payments that are to a U.S. company, rather than directly to an unaffiliated foreign person. Payments by a "company-owned" U.S. outlet to a foreign owner should be reported in BEA's direct investment survey of transactions between U.S. affiliates and foreign parents (Form BE-605) and not here.

Column (9), Other intangibles – Include receipts and payments not classified in one of the preceding categories. Include receipts or payments by communications carriers to secure capacity by indefeasible right of users (IRU's). For entries in this column, please specify in the "Comments" section the type of intangible right involved.

by a foreign person. If the right is conveyed for a multi year period, allocate the payments evenly across the period for which the right is conveyed.

MANDATORY - CONFIDENTIAL
ANNUAL SURVEY OF ROYALTIES, LICENSE FEES, AND OTHER RECEIPTS AND PAYMENTS FOR INTANGIBLE RIGHTS BETWEEN U.S. AND UNAFFILIATED FOREIGN PERSONS

1. Name and address of U.S. Reporter - Enter or correct as necessary.

MAIL REPORTS TO
 U.S. Department of Commerce
 Bureau of Economic Analysis
 BE-50 (SSB)
 Washington, DC 20230

OR

DELIVER REPORTS TO
 U.S. Department of Commerce
 Bureau of Economic Analysis, BE-50 (SSB)
 Shipping and Receiving Section M-100
 1441 L Street, NW
 Washington, DC 20005

Assistance - Telephone (202) 606-5588 during office hours - 8:30 a.m. to 5:00 p.m. eastern time. **Due date** - A completed BE-93 is due on March 31, 2001.

2. Annual report for fiscal year ending 1001 Month Day Year 2 0 0 0
 3. Industry classification - Enter 4-digit ISI code from the Summary of Industry Classifications. 1002 1

4. Major activity of the U.S. Reporter and product or service involved in that activity

5. Primary Employer Identification (EI) Number used by the U.S. Reporter to file U.S. income or payroll taxes 1003 1

Part I U.S. REPORTER'S RECEIPTS FROM UNAFFILIATED FOREIGN PERSONS

Receipts from		BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS							Business format franchising fees (9)	Other intangibles* (See VI. of the instructions) (10)
				Rights related to -								
		(1)	(2)	Industrial processes and products (3)	Books, compact discs, audio tapes, etc. (4)	Trademarks, etc. (5)	Performances and events pre-recorded on motion picture film and TV tape (6)	Broadcast and recording of live performances and events (7)	General use computer software (8)			
2		1	2	3	4	5	6	7	8	9	10	
1. Total lines 2-32 this page 001		1	2	3	4	5	6	7	8	9	10	
2. Australia	002	1 601	2	3	4	5	6	7	8	9	10	
3. Belgium	003	1 302	2	3	4	5	6	7	8	9	10	
4. Brazil	004	1 202	2	3	4	5	6	7	8	9	10	
5. Canada	005	1 100	2	3	4	5	6	7	8	9	10	
6. France	006	1 307	2	3	4	5	6	7	8	9	10	
7. Germany	007	1 308	2	3	4	5	6	7	8	9	10	
8. Hong Kong	008	1 611	2	3	4	5	6	7	8	9	10	
9. Israel	009	1 504	2	3	4	5	6	7	8	9	10	
10. Italy	010	1 314	2	3	4	5	6	7	8	9	10	
11. Japan	011	1 614	2	3	4	5	6	7	8	9	10	
12. Luxembourg	012	1 316	2	3	4	5	6	7	8	9	10	
13. Mexico	013	1 213	2	3	4	5	6	7	8	9	10	
14. Netherlands	014	1 319	2	3	4	5	6	7	8	9	10	
15. Philippines	015	1 623	2	3	4	5	6	7	8	9	10	
16. Saudi Arabia	016	1 511	2	3	4	5	6	7	8	9	10	
17. South Korea	017	1 626	2	3	4	5	6	7	8	9	10	
18. Spain	018	1 323	2	3	4	5	6	7	8	9	10	
19. Sweden	019	1 324	2	3	4	5	6	7	8	9	10	
20. Switzerland	020	1 325	2	3	4	5	6	7	8	9	10	
21. Taiwan	021	1 628	2	3	4	5	6	7	8	9	10	
22. United Kingdom	022	1 327	2	3	4	5	6	7	8	9	10	
23. Venezuela	023	1 219	2	3	4	5	6	7	8	9	10	
Other countries with which transactions were greater than \$50,000 - Specify country (Use supplemental copied sheets as necessary.)												
24.	024	1	2	3	4	5	6	7	8	9	10	
25.	025	1	2	3	4	5	6	7	8	9	10	
26.	026	1	2	3	4	5	6	7	8	9	10	
27.	027	1	2	3	4	5	6	7	8	9	10	
28.	028	1	2	3	4	5	6	7	8	9	10	
29.	029	1	2	3	4	5	6	7	8	9	10	
30.	030	1	2	3	4	5	6	7	8	9	10	
31.	031	1	2	3	4	5	6	7	8	9	10	
32. Countries with which transactions were \$50,000 or less each, total	032	709										

*Use "Comments" section on reverse to indicate the nature of any intangible assets reported in column (10).

Part II U.S. REPORTER'S PAYMENTS TO UNAFFILIATED FOREIGN PERSONS

REPORT IN THOUSANDS OF U.S. DOLLARS

Rights related to -

Payments to	BEA USE ONLY		Rights related to -									
	3	(1)	(2)	Industrial processes and products (3)	Books, compact discs, audio tapes, etc. (4)	Trademarks, etc. (5)	Performances and events pre-recorded on motion picture film and TV tape (6)	Broadcast and recording of live performances and events (7)	General use computer software (8)	Business format franchising fees (9)	Other intangibles* (See VI. of the instructions) (10)	
1. Total lines 2-32 this page	001											
2. Australia	002	1	601	2	3	4	5	6	7	8	9	10
3. Belgium	003	1	302	2	3	4	5	6	7	8	9	10
4. Brazil	004	1	202	2	3	4	5	6	7	8	9	10
5. Canada	005	1	100	2	3	4	5	6	7	8	9	10
6. France	006	1	307	2	3	4	5	6	7	8	9	10
7. Germany	007	1	308	2	3	4	5	6	7	8	9	10
8. Hong Kong	008	1	611	2	3	4	5	6	7	8	9	10
9. Israel	009	1	504	2	3	4	5	6	7	8	9	10
10. Italy	010	1	314	2	3	4	5	6	7	8	9	10
11. Japan	011	1	614	2	3	4	5	6	7	8	9	10
12. Luxembourg	012	1	316	2	3	4	5	6	7	8	9	10
13. Mexico	013	1	213	2	3	4	5	6	7	8	9	10
14. Netherlands	014	1	319	2	3	4	5	6	7	8	9	10
15. Philippines	015	1	623	2	3	4	5	6	7	8	9	10
16. Saudi Arabia	016	1	511	2	3	4	5	6	7	8	9	10
17. South Korea	017	1	626	2	3	4	5	6	7	8	9	10
18. Spain	018	1	323	2	3	4	5	6	7	8	9	10
19. Sweden	019	1	324	2	3	4	5	6	7	8	9	10
20. Switzerland	020	1	325	2	3	4	5	6	7	8	9	10
21. Taiwan	021	1	628	2	3	4	5	6	7	8	9	10
22. United Kingdom	022	1	327	2	3	4	5	6	7	8	9	10
23. Venezuela	023	1	219	2	3	4	5	6	7	8	9	10
Other countries with which transactions were greater than \$50,000 - Specify country (Use supplemental copied sheets as necessary.)		1		2	3	4	5	6	7	8	9	10
24.	024	1		2	3	4	5	6	7	8	9	10
25.	025	1		2	3	4	5	6	7	8	9	10
26.	026	1		2	3	4	5	6	7	8	9	10
27.	027	1		2	3	4	5	6	7	8	9	10
28.	028	1		2	3	4	5	6	7	8	9	10
29.	029	1		2	3	4	5	6	7	8	9	10
30.	030	1		2	3	4	5	6	7	8	9	10
31.	031	1		2	3	4	5	6	7	8	9	10
32. Countries with which transactions were \$50,000 or less each, total	032	1	709	2	3	4	5	6	7	8	9	10

*Use "Comments" section below to indicate the nature of any intangible assets reported in column (10).

Comments

EXEMPTION CLAIM -

The U.S. Reporter is not reporting data on this form because it - Mark (X) in appropriate box.

- 1 Was not in existence at any time during the reporting period.
- 2 Is owned to the extent of more than 50% of its voting stock by another U.S. enterprise. Specify _____
- 3 Had no transactions with unaffiliated foreign persons in services covered by the survey.
- 4 Had transactions with unaffiliated foreign persons in the services covered by this survey, but total receipts and payments were each \$2,000,000 or less. The total amount of the transactions for all the services combined, was approximately _____

Name _____

Address _____

City _____ State _____ ZIP Code _____

Report in thousands of U.S. dollars	
Receipts	Payments
1	2
\$	\$

PERSON TO CONSULT CONCERNING THIS REPORT -
Enter name and address

CERTIFICATION - The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with V.G. of the **Instructions**, estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.

Authorized official's signature

TELEPHONE NUMBER	Area code	Number	Extension	Print or type name and title	Date
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INSTRUCTIONS

BEA estimates that the public reporting burden for this BE-93 report averages 4 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 0608-0017, Washington, DC 20503.

Purpose – Reports on this form are required in order to obtain reliable and up-to-date information on transfers of intangible assets and proprietary rights between U.S. and unaffiliated foreign persons. The information will be used to formulate U.S. policy, and to analyze the impact of that policy and the policies of foreign countries, on international trade in such assets and rights. The data will also be used in compiling the U.S. international transactions accounts.

Mandatory – This survey is being conducted under the authority of the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101 to 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).

Penalties – Whoever fails to report may 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 participated in such violations, upon conviction, may be punished by a like fine, imprisonment, or both. (See 22 U.S.C. 3105.) Notwithstanding the above, a U.S. person is not subject to any penalty for failure to report if a valid Office of Management and Budget control number is not displayed on the form; such a number (0608-0017) is displayed on this form.

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.

I. WHO IS TO REPORT AND GENERAL COVERAGE

A. Who Must Report – Reports on Form BE-93 are required from U.S. persons who have entered into agreements with unaffiliated foreign persons to buy, sell, or use intangible assets or proprietary rights. (See, however, exceptions and qualifications listed under **What Not to Report**, below.)

B. Exemption – A U.S. person otherwise required to report is exempt if total receipts and total payments of the types covered by this form are each \$2,000,000 or less in the reporting year. A person that receives this form and is exempt must either complete the **Exemption Claim** or report the data on the form. If the total of either your covered receipts or covered payments is greater than \$2,000,000 in the reporting year, you must file a report.

C. Consolidation – If the U.S. Reporter is a corporation, Form BE-93 is required to cover reportable transactions for the fully consolidated U.S. domestic enterprise consisting of (i) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and, proceeding down each ownership chain from that U.S. corporation, (ii) any U.S. corporation (including a Foreign Sales Corporation located in the United States) whose voting securities are more than 50-percent owned by the U.S. corporation above it.

The fully consolidated U.S. domestic enterprise excludes foreign branches and other foreign affiliates.

Conditions may exist that would lead a U.S. corporation to exclude certain majority-owned (more than 50-percent owned) domestic subsidiaries from financial statements used in reports to shareholders. If such a subsidiary has covered transactions, it must file a report under its own name, and the subsidiary will be considered the U.S. Reporter for purposes of completing that form. The U.S. owner, however, is responsible for ensuring that the required Forms BE-93, both for itself and for the subsidiary, are filed with BEA on a timely basis. Such a subsidiary's filing deadline is the same as that of its owner.

D. International organizations – Report transactions with international organizations, which, according to balance of payments conventions, are considered unaffiliated foreign persons even if they are headquartered in the United States. Enter the abbreviated designation, "Int'l Org.", as the name of the country the transaction is with.

II. WHAT TO REPORT

A. Report all receipts and payments accrued during the reporting period for the use, sale, or purchase of intangible assets or proprietary rights. Report all amounts net of withholding taxes or other deductions.

B. Report all covered transactions to which you have assigned a value, irrespective of whether the actual amount received or paid was in terms of money, goods, services, or other intangible assets or rights (e.g., exchanges of patent rights).

C. Reporting requirements are determined by who the transactions are with and not by where the services are performed or the location of the buyer or seller at the time of the transaction. Thus, reportable transactions may include those conducted over the Internet or other networks (for example, music or computer software provided to unaffiliated foreign persons over the Internet).

D. Report receipts from and payments to foreigners made by your foreign affiliates **for your account**.

E. Report receipts from and payments to U.S. affiliates of foreign firms **for the account of their foreign parent firm**.

F. The specific types of transactions to be reported are listed below in VI., **Specific Item or Column Instructions**.

III. WHAT NOT TO REPORT

- A.** Do **not** report your receipts from or payments to U.S. affiliates of foreign firms for their own account.
- B.** Do **not** report receipts from or payments to your foreign affiliates or your foreign parent. Information on your transactions with such affiliated firms is collected on Forms BE-577 and BE-605, which may be obtained from this office. Reports on these forms are mandatory. For copies of Form BE-577, call (202) 606-5566, and, for copies of Form BE-605, call (202) 606-5577.
- C.** Do **not** report receipts from or payments to foreigners made by your foreign affiliates **for their own account**.
- D.** Do **not** report fees or commissions in connection with the sale of commodities.
- E.** Do **not** report fees and other receipts or payments arising from contracts to perform services abroad not in connection with the transfer or use of intangible assets or rights. Generally, these transactions should be reported on Form BE-20, BE-22, or BE-47, copies of which may be obtained by calling this office at (202) 606-5588.
- F.** Do **not** report oil royalties and other natural resources (mining) royalties. These data should be reported on Form BE-20 or BE-22.
- G.** Do **not** report fees for professional, administrative, and management services. Such fees should be reported on Form BE-20, BE-22, or BE-47.
- H.** Do **not** report receipts or payments for the use of tangible property, including payments made or received under either financial or operating leases. Rentals of computers should be reported on Form BE-20 or BE-22.

IV. DEFINITIONS

- A. U.S. Reporter** is the U.S. person filing a report in this survey. (If the U.S. person is an incorporated business enterprise, the U.S. Reporter is the fully consolidated U.S. domestic enterprise consisting of the U.S. parent corporation which is not owned to the extent of more than 50 percent of its voting stock by another U.S. corporation and all other domestic corporations in which the parent corporation directly or indirectly owns over 50 percent of the outstanding voting stock.)
- B. United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all the territories and possessions of the United States.
- C. 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.
- D. 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).
- 1. United States person** means any person resident in the United States or subject to the jurisdiction of the United States.
- 2. Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.
- E. Business enterprise** means any organization, association, branch or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate. (A business enterprise is a "person" within the definition in paragraph D above.)
- F. Direct investment** means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting stock of an incorporated business enterprise, or an equivalent ownership interest in an unincorporated business enterprise.
- G. Parent** means a person of one country who, directly or indirectly, owns or controls 10 per centum or more of the voting stock of an incorporated business enterprise or an equivalent ownership interest in an unincorporated business enterprise, which is located outside that country.
- 1. U.S. parent** means the U.S. person that has direct investment in a foreign business enterprise.
- 2. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.
- H. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 per centum by the person above it.
- I. 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 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.
- 1. Foreign affiliate** means an affiliate located outside the United States in which a U.S. person has direct investment.
- 2. U.S. affiliate** means an affiliate located in the United States in which a foreign person has direct investment.
- J. Affiliated foreign person** means, with respect to a given U.S. person, (i) a foreign affiliate of which the U.S. person is a U.S. parent, or (ii) the foreign parent or other member of the affiliated foreign group of which the U.S. person is a U.S. affiliate.

IV. DEFINITIONS – Continued

- K. Unaffiliated foreign person** means, with respect to a given U.S. person, any foreign person that is not an affiliated foreign person as defined in paragraph J above.
- L. Fiscal year** is the financial reporting year that has an ending date in a given calendar year. For example, fiscal year 20XX is the U.S. Reporter's financial reporting year that has an ending date in calendar year 20XX. For a person that does not have a financial reporting year, its fiscal year is deemed to be the same as the calendar year.
- M. Country** means the country of location of the foreign person with whom a transaction has occurred.

V. REPORTING PROCEDURES

- A. Due date** – A completed BE-93 is due on March 31, 2001.
- B. Fiscal year reporting period** – This report covers fiscal year 2000, which is your most recent fiscal year that ended on or before December 31, 2000. If your most recent fiscal year ended after December 31, 2000, please call for assistance.
- C. Extensions** – Delays in filing necessarily affect BEA's already tight processing schedule and, therefore, requests for extension of the reporting deadline will not normally be granted. Nevertheless, a limited number of requests for extension in hardship cases will be considered. They must be in writing and received by BEA at least 15 days before the due date of the report and include substantive reasons for the extension. BEA will provide a written response to such requests.
- D. For assistance or additional copies of the forms** – Phone (202) 606-5588 between 8:30 a.m. and 5:00 p.m. eastern time. Copies of our forms are also available on BEA's web page: www.bea.doc.gov
- E. Number of copies** – File a single original copy of each form. This should be the copy with the address label in Part I, if such a labeled copy has been provided by BEA. (Make your corrections to the address on the label if necessary.) You must also retain a file copy of the report for three years to facilitate resolution of questions. (Both copies are protected by law; see the statement on confidentiality.)
- 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-50(SSB)
Washington, DC 20230

Address reports filed by direct private express delivery to:

U.S. Department of Commerce
Bureau of Economic Analysis, BE-50(SSB)
Shipping & Receiving Section M-100
1441 L Street, N.W.
Washington, DC 20005

- G. Estimates** – If actual figures are not available, report estimates and label them as such. When data items cannot be fully subdivided as required, report totals and an estimated breakdown of the totals.

VI. SPECIFIC ITEM OR COLUMN INSTRUCTIONS

Item (2) – Enter ending date for your fiscal year.

Item (3), Industry classification – Enter the 4-digit ISI code, from the **Summary of Industry Classifications**, which best covers the activity of your company. For an incorporated entity, this should be the industry code for the fully consolidated U.S. domestic enterprise (see **Definitions, IV.A.**), and not just the part or subsidiary receiving or paying the royalty or fee.

Item (4) – State the major activity and product or service in which your firm is involved. For example, "manufacturing – food products."

Parts I and II – Report U.S. Reporter's receipts from unaffiliated foreign persons in Part I, and report U.S. Reporter's payments to unaffiliated foreign persons in Part II. All amounts should be reported net of withholding taxes.

Report data opposite country from which royalties and fees were received or to which payments were made; if you had transactions with a country not in the preprinted list, enter the name of the country on one of the blank lines below the preprinted list and give data. Transactions of less than \$50,000 for any single country do not have to be reported by country, but should be included in line 1 total and also in line 32 for each item.

Column (3), Industrial processes and products – Include license fees, royalties, and other fees received or paid for the use, sale, or purchase of intangible assets, including patents, trade secrets, and other proprietary rights, that are used in connection with, or related to, the production of goods. (For example, include "maintenance" fees paid to foreign governments for the continuation of patent rights.) If the charge for the process, design, etc., is subsumed in a contract for technical or professional services, the receipt or payment generally should be reported on Form BE-20, BE-22, or BE-47.

Column (4), Books, compact discs, audio tapes, etc. – Include royalties and other fees received or paid for the rights to perform, broadcast, reproduce, and sell as books, compact discs, audio tapes, etc., or otherwise use copyrighted material and other intellectual property. Exclude fees for the rights to display, reproduce, or distribute pre-recorded television tape or motion picture film; such charges should be reported separately in column (6). Exclude fees for rights related to computer software; such charges should be reported on column (8) on this form.

Column (5), Trademarks, etc. – Include receipts and payments for the rights to sell products under a particular trademark, brand name, or signature. Include the initial fee and annual fees for domain name registration for the Internet and the receipt or payment from the sale or purchase of a previously registered name. A sponsor of an international sporting event, such as the Olympics, should include payments of sponsorship fees if the right to use a trademark, such as the Olympics logo, in advertising, or to place such a trademark on merchandise, is conveyed. Include fees for sponsorship of other events if the fee is for the right to use the logo or trademark of the payee. Fees paid for the display of the payer's logo or trademark are reported on the Form BE-22 as advertising payments. Exclude fees received or paid under a business format franchise (which are reportable under column (9)).

Column (6), Performances and events pre-recorded on motion picture film and TV tape – Include royalties, rentals, license fees, and other funds received or paid, including those from outright sales and purchases, for the rights to display, reproduce, or distribute material pre-recorded on motion picture film or television tape. Include payments and receipts for all uses, including theatrical, cable, broadcast television, and non-theatrical.

Column (7), Broadcast and recording of live performances and events – Include receipts and payments for rights to record and/or broadcast "live" artistic performances, sports events, and other live performances or events. Payments (or receipts) for the acquisition (or sale) of rights to broadcast a major live performance or event, such as the Olympics, often extend over several years prior to the event. The cumulative amount of payments over all years is to be reported on this form as an acquisition or sale of broadcast rights only in the single year in which the event is actually held. The prior-year payments are considered to be deposits with the organization (such as the International Olympic Committee) selling the broadcast rights, and should be reported on the Department of Treasury's TIC C-form. Inquiries about the TIC C-form survey should be directed to the Federal Reserve Bank of New York (as contractor for the Treasury Department) at (212) 720-8243.

Column (8), General use computer software – Include receipts and payments for the rights to distribute general use software, and rights to reproduce or use general use computer software that was electronically transmitted or made from a master copy. This item includes negotiated licensing fees for reproducing copies of general use software for local area network computer systems, and excludes the value of prepackaged general use software that was physically shipped to or from the United States and included in merchandise trade statistics. Exclude fees for custom software and programming services, which should be reported on Form BE-20 or BE-22.

Column (9), Business format franchising fees – Fees received and paid by the U.S. Reporter under business format franchising agreements with unaffiliated foreign persons. Business format franchising is characterized by an ongoing business relationship between franchisor and franchisee that includes not only the product, service, and trademark, but the entire business format itself. This may include a marketing strategy and plan, operating manuals and standards, quality control, and continuing two-way communications. Exclude receipts and payments for the use of trademarks (reportable under column (5)), except where such trademarks are part of a business format franchise, even if the fees are nominally considered to be "franchising" fees.

Receipts and payments should be reported net of advertising allowances and other deductions retained by franchisees from gross franchise fees. Include receipts and payments for one-time "up front" charges to new franchisees as well as ongoing fees based upon sales or other measures.

In Part I, U.S. franchisors should report receipts from both unaffiliated foreign outlets and foreign master licensees (i.e., those in which you do not have a 10-percent-or-more equity interest). In the case of fees received from a foreign master licensee, report only the net fees received from the licensee, not the gross fees received by the licensee from foreign outlets. Exclude fees received by your foreign affiliates as franchisors. Also exclude receipts from "company-owned" outlets abroad, as such outlets are considered foreign affiliates rather than unaffiliated foreign persons; such receipts should be reported in BEA's direct investment survey of transactions between U.S. parents and foreign affiliates (Form BE-577) and not here. Include receipts from jointly owned outlets only if the U.S. Reporter's equity interest is below that required for the entity to qualify as a foreign affiliate.

In Part II, U.S. outlets and master licensees should report payments made directly to unaffiliated foreign franchisors. U.S. outlets should not report payments to U.S. master licensees, as these are domestic (U.S.-to-U.S.) transactions. Do not report payments that are to a U.S. company, rather than directly to an unaffiliated foreign person. Payments by a "company-owned" U.S. outlet to a foreign owner should be reported in BEA's direct investment survey of transactions between U.S. affiliates and foreign parents (Form BE-605) and not here.

Column (10), Other intangibles – Include receipts and payments not classified in one of the preceding categories. Include receipts or payments by communications carriers to secure capacity by indefeasible right of users (IRU's). For entries in this column, please specify in the "Comments" section the type of intangible right involved.