

Activities of U.S. Affiliates of Foreign Multinational Enterprises: Revised 2014 Statistics

General Notes to the Tables

- A U.S. affiliate is a U.S. business enterprise in which a single foreign person owns or controls, directly or indirectly, 10 percent or more of the voting securities if the enterprise is incorporated or an equivalent interest if the enterprise is unincorporated. “Person” is broadly defined to include any individual, corporation, branch, partnership, associated group, association, estate, trust, or other organization and any government (including any corporation, institution, or other entity or instrumentality of government). A “foreign person” is any person resident outside the United States—that is, outside the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and all U.S. territories and possessions.
- A majority-owned U.S. affiliate is a U.S. affiliate that is owned more than 50 percent by foreign direct investors.
- A foreign parent is the first person outside the United States in a U.S. affiliate’s ownership chain that has a direct investment interest in the affiliate.
- The ultimate beneficial owner (UBO) is the person or entity, proceeding up a U.S. affiliate’s ownership chain, beginning with the foreign parent, that is not owned more than 50 percent by another entity. The UBO ultimately owns or controls, and thus ultimately derives the benefits and assumes the risks from owning or controlling, an affiliate. The country of the UBO is often the same as that of the foreign parent, but it may be a different country or the United States.
- A foreign parent group consists of (1) the foreign parent, (2) any foreign person, proceeding up the foreign parent’s ownership chain, that owns more than 50 percent of the person below it, up to and including the UBO, and (3) any foreign person, proceeding down the ownership chains of each of these members, that is owned more than 50 percent by the person above it.
- The statistics in this report cover the universe of U.S. affiliates of foreign multinational enterprises. The one exception is number of U.S. affiliates, which cover affiliates with total assets, sales, or net income (or loss) of more than \$20 million.
- The statistics are on a fiscal year basis. The fiscal year of an affiliate is defined as the financial reporting year that ended in the calendar year. Unless otherwise specified, all balances are as of the close of fiscal year 2014.

- To ascertain the subindustries in an industry group, see tables I.A 2 and II.A 2.
- To ascertain the countries in a geographical area, see tables I.A 3 and II.A 3.
- The European Union (28) comprises Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.
- OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Angola, Ecuador, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.
- The “United Kingdom Islands, Caribbean” consists of the British Virgin Islands, the Cayman Islands, Montserrat, and the Turks and Caicos Islands.
- In the tables in which the data are disaggregated by state, “other U.S. areas” consists of the U.S. Virgin Islands, Guam, American Samoa, U.S. offshore oil and gas sites, and all other outlying U.S. areas. For employment, the “foreign” category consists of the employees of U.S. affiliates working abroad for more than 1 year. For property, plant, and equipment, the “foreign” category consists primarily of movable fixed assets temporarily located outside the United States; it excludes assets carried on the books of foreign affiliates.
- In the tables in which the data are disaggregated by the industry of the ultimate beneficial owner, the industry “government and government-related entities” consists of foreign governments, government-owned or government-sponsored agencies, quasi-government organizations, and government run pension funds.
- An asterisk “(*)” indicates a nonzero value between –\$500,000 and \$500,000 or fewer than 50 employees.
- Detail may not add to the total, because of rounding.
- A “(D)” indicates that the data have been suppressed to avoid the disclosure of the data of individual companies. For employment cells that have been suppressed, a letter in the data cell indicates an employment size range; the ranges are indicated at the bottom of the tables.