

*In Focus*

# Global Supply Chains

## U.S. Multinationals' Services Trade by Industry and Employment Size Class

*By Scott Wingo | March 20, 2025*

U.S. firms across many industries engage in international trade in services. Many firms operate in industries traditionally associated with services—for example, in information or in finance and insurance.<sup>1</sup> At the same time, predominantly goods-producing firms, such as manufacturers, also transact in services by, for example, trading the rights to use industrial designs or advertising services. Across all these industries, firms of many sizes participate in international services trade.

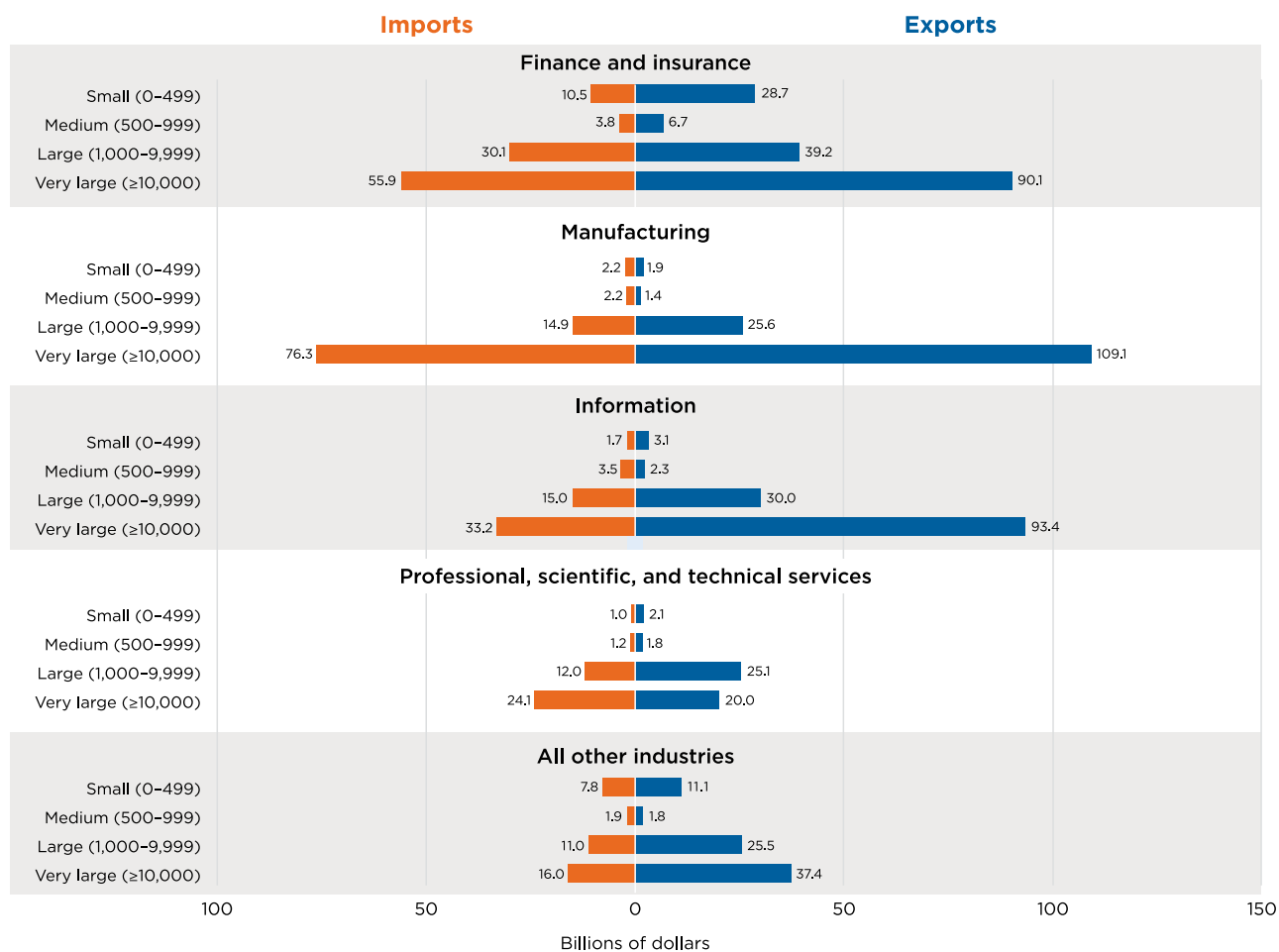
The U.S. Bureau of Economic Analysis' (BEA's) services trade by enterprise characteristics (STEC) statistics provide insights on the types of U.S. firms that trade in a “selected” subset of services that covers most international services traded between businesses. For services traders that are multinational enterprises (MNEs), which accounted for 88 percent of U.S. selected services exports and 87 percent of U.S. imports in 2021, the STEC statistics provide greater detail via a link between BEA's trade in services surveys and activities of multinational enterprises (AMNE) surveys.<sup>2</sup> For more information on firm coverage and on the types of services included in selected services, see the box [“Services Trade Covered by this Article.”](#)

This article examines how firm size is related to U.S. trade in selected services within major industry sectors. It is organized into two parts, first providing a snapshot for 2021 and then examining historical trends for 2006 to 2021.

# U.S. Selected Services Trade, 2021

Chart 1 illustrates MNEs'—both U.S. parents' and majority-owned U.S. affiliates'—U.S. trade in selected services by industry and by U.S. employment size class for 2021.<sup>3</sup>

**Chart 1. MNEs' U.S. Trade in Selected Services by Industry and U.S. Employment Size Class, 2021**



MNEs Multinational enterprises  
U.S. Bureau of Economic Analysis

Chart 1 presents selected services trade by MNEs for the four largest major industry sectors as well as “all other industries,” a grouping of the remaining industries, in 2021.<sup>4</sup> In almost all of these sectors, very large MNEs (10,000 or more U.S. employees) accounted for the largest share of both exports and imports. Small MNEs (499 or fewer U.S. employees) accounted for notable portions of selected services trade in finance and insurance and in all other industries.

In finance and insurance, small MNEs accounted for 17 percent of MNEs' exports and 11 percent of imports. Within this sector, firms in finance accounted for more than three-quarters of exports in each of the four employment size classes, while insurance firms accounted for the majority of imports in each size class except very large firms.

In all other industries, small MNEs accounted for 15 percent of MNEs' selected services exports, led by firms in management of companies and enterprises, and 21 percent of imports, led by firms in construction. The largest proportion of services trade in all other industries was conducted by very large MNEs, with the majority of both their exports and imports accounted for by firms in retail or wholesale trade.

In contrast, in the manufacturing; information; and professional, scientific, and technical services sectors, small MNEs accounted for only 4 percent or less of selected services trade in either direction. Very large MNEs accounted for a larger share of services trade in the manufacturing sector than in any other sector. In manufacturing, very large MNEs accounted for 79 percent of exports of selected services, led by firms in chemicals, and 80 percent of imports, led by firms in computers and electronic products. Among small MNEs in the manufacturing sector, firms in computers and electronic products were the largest selected services exporters, while firms in primary metals were the largest selected services importers.

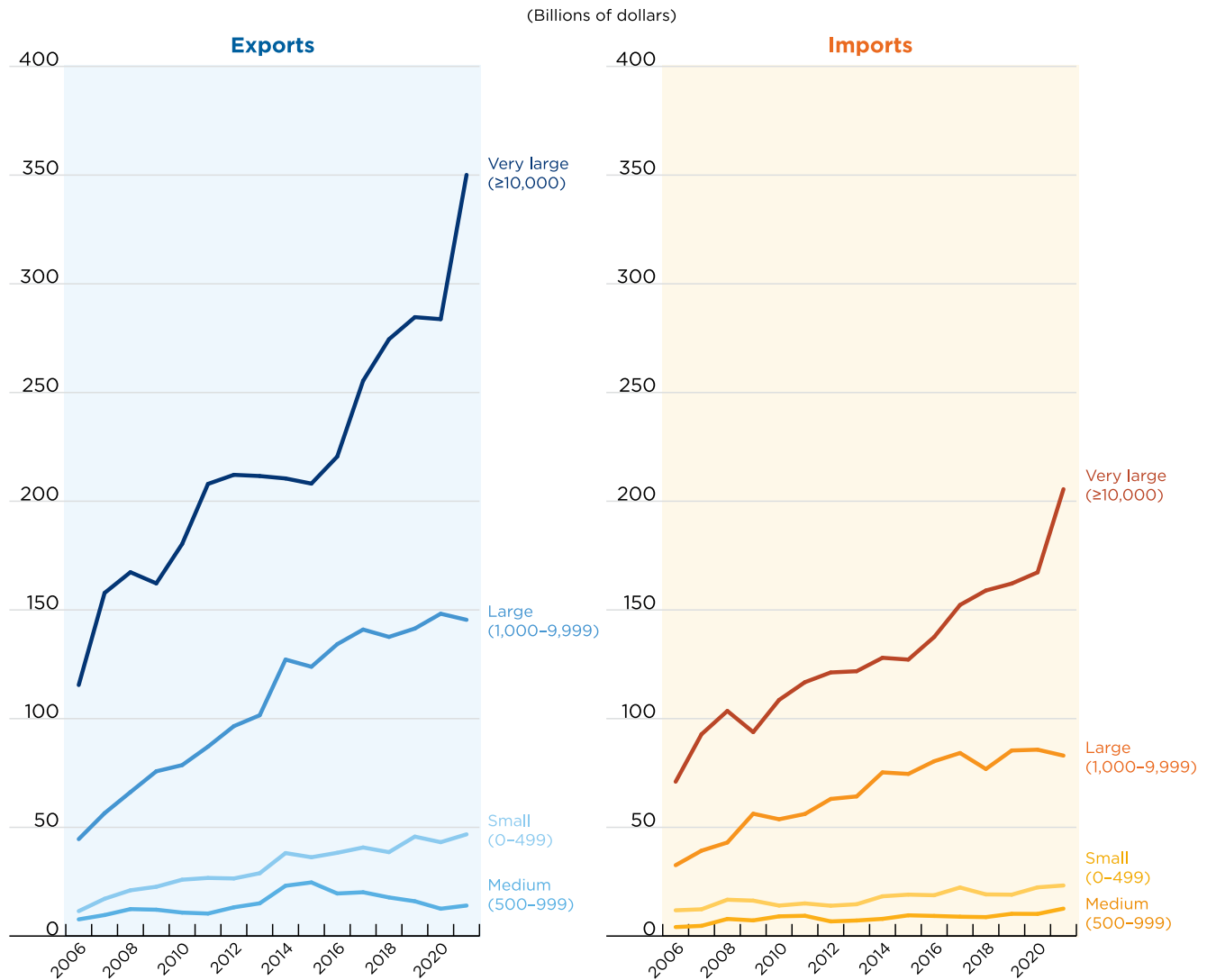
In the information sector, very large MNEs accounted for 73 percent of exports, led by software publishers, and 62 percent of imports, led by firms in "other information services" (reflecting trade by operators of web search portals and publishers of content exclusive to the internet). Among small MNEs in information, telecommunications firms accounted for the majority of exports and imports.

Professional, scientific, and technical services was the only sector in which very large MNEs were not the largest exporters by employment size class. Large MNEs (1,000–9,999 U.S. employees) were the largest exporting size class, led by legal services firms. Very large MNEs were the second-largest exporting size class, led by firms in computer systems design and related services. For imports, on the other hand, very large MNEs accounted for more trade than large MNEs. Firms in computer systems design and related services were the largest importers among both very large and large MNEs. Among small MNEs in this sector, firms in scientific research and development services led both selected services exports and imports.

## Trends in U.S. Selected Services Trade, 2006–2021

Chart 2 displays U.S. MNEs' trade in selected services by employment size class from 2006 to 2021. The year-to-year changes in the value of trade for each employment size class can be attributed to both changing levels of trade by MNEs within a size class and to firms moving between size classes from one year to another. MNEs may move between size classes due to hiring or dismissal of employees or due to mergers and acquisitions. Some firms may also move to or from MNE status between years.

**Chart 2. MNEs' U.S. Trade in Selected Services by U.S. Employment Size Class, 2006–2021**

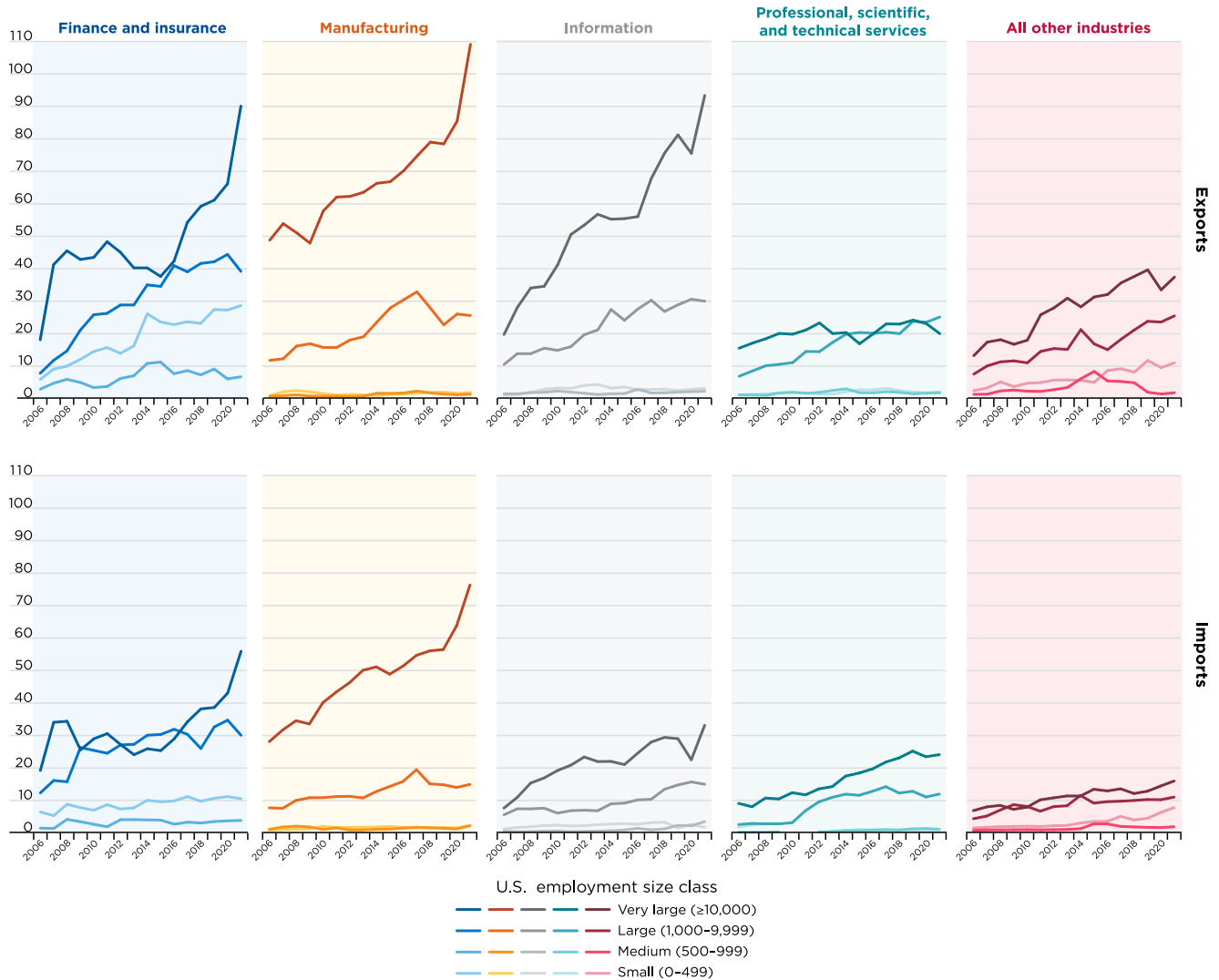


The ranking of employment size classes was constant for 2006–2021 in both directions of trade. Very large and large MNEs' trade grew at approximately the same average rate from 2006–2021 but exhibited different growth rates at different points in time. Very large MNEs' exports and imports spiked in 2021 in particular, while growth in large MNEs' trade decelerated in more recent years. Small MNEs' trade grew more rapidly than medium MNEs' (500–999 U.S. employees) for exports but not for imports.

Chart 3 shows that certain changes were driven by specific industries. Specifically, the 2021 jump in very large MNEs' trade in both directions was concentrated in the finance and insurance, manufacturing, and information sectors. Within finance and insurance, a majority of very large MNEs' 2021 increase in trade was attributable to firms in finance (as opposed to insurance). Within manufacturing, the pharmaceuticals and medicine industry accounted for over half of the increase in exports, while firms in computers and peripheral equipment accounted for over half of the increase in imports. In the information sector, MNEs in other information services accounted for more than half of the increase in trade in both directions.

**Chart 3. MNEs' U.S. Trade in Selected Services by Industry and U.S. Employment Size Class, 2006-2021**

(Billions of dollars)



MNEs Multinational enterprises

Note. The above chart does not include values for 2010 and 2011 imports by small and medium firms in professional, scientific, and technical services. These were suppressed to avoid the disclosure of data of individual companies.

U.S. Bureau of Economic Analysis

Examining trends in trade by employment size class within each industry sector also reveals year-to-year changes less visible in the aggregate. Very large MNEs' trade in certain sectors decreased notably in 2020, the first year of the COVID-19 pandemic. In the information sector, the 2020 decrease in very large MNEs' trade was concentrated in motion picture and sound recording industries for exports and in other information services for imports. In all other industries, the decrease in very large MNEs' exports was concentrated in rental and leasing (except real estate).

Certain sectors presented notable exceptions to large MNEs' trend toward slowing growth in trade in services. While large MNEs' exports overall grew by an annualized 2 percent from 2018 to 2021, exports by large MNEs in professional, scientific, and technical services grew at an annualized 8 percent over that time period, with over half of growth coming from firms in computer systems design and related services. Similarly, large MNE exports in all other industries grew at an annualized 6 percent over the same time period, with the majority of growth coming from firms in wholesale trade. Small MNEs' long-term growth in trade was concentrated in finance and insurance and in all other industries. Within finance and insurance, MNEs in finance accounted for a majority of growth in both directions of trade. Within all other industries, MNEs in construction accounted for approximately one-third of increases in both exports and imports.

### Data Availability

The statistics presented in this article expand the scope of BEA's STEC statistics by presenting a cross-tabulation of services trade by industry and by employment size class for MNEs. BEA's standard presentation of the STEC statistics provides annual statistics, starting with 2006, on characteristics of U.S. services traders. It includes some characteristics of services traders other than those covered in this article. The STEC statistics can be accessed through BEA's [international services Interactive Data Application](#). For more information on the most recent STEC statistics, see Jennifer Bruner and Alexis Grimm, "A Profile of U.S. Service Traders, 2006–2022," *Survey of Current Business* (May 31, 2024).

Trade in services surveys conducted by BEA collect little information on the characteristics of services-trading firms besides their primary industry. Employment figures in this article were reported on the AMNE surveys and linked to data provided on trade in services surveys. Details on how the STEC statistics are compiled, including how the link between surveys was established, are available in the FAQ "[What information does the Bureau of Economic Analysis publish on services trade by enterprise characteristics \(STEC\)?](#)" on BEA's website.

## Services Trade Covered by This Article

This article presents statistics on trade in **selected services** for services-trading U.S. firms that are part of **multinational enterprises** (MNEs) about which BEA collects detailed financial and operating data on its surveys of activities of MNEs. Selected services represent a subset of the services types included in BEA's standard presentation of international trade in services.

The service types included in selected services are construction; insurance services; financial services; charges for the use of intellectual property not included elsewhere (n.i.e.); telecommunications, computer, and information services; “other business services”; and personal, cultural, and recreational services. The service types not included in selected services are maintenance and repair services n.i.e., transport, travel (for all purposes including education), and government goods and services n.i.e. Selected services accounted for 78 percent of total U.S. services exports and 66 percent of total U.S. services imports in 2021.

MNEs are enterprise groups in which an entity (the “parent”) resident in one country has a direct investment interest—that is, control of 10 percent or more of the voting ownership of a business enterprise (the “affiliate”) in another country. Trade by MNEs in this article reflects a combined total for firms that are U.S. parents (U.S. entities that own 10 percent or more of a foreign business enterprise) and/or majority-owned U.S. affiliates (U.S. business enterprises that are more than 50 percent owned by foreign parent(s)). This article does not include data on trade by U.S. affiliates that are minority-owned (U.S. business enterprises that are at least 10 percent and no more than 50 percent owned by foreign parent(s)) or U.S. business enterprises that are not in a direct investment relationship with a foreign resident.

1. In this article, the industry attributed to the U.S. services-trading firm is the industry in which U.S. operations' consolidated sales were the largest. Firms can operate in multiple industries, in some cases including both goods-producing and services-producing industries.
2. This article features statistics for 2006 to 2021, the most recent year for which BEA's AMNE data on number of employees are linked to BEA's trade-in-services data. See the box “[Data Availability](#)” for more information on these statistics.
3. Employment figures in this article only include employees of MNEs' U.S. business units; they exclude any employment by affiliated entities abroad.
4. MNEs' shares of selected services exports in these sectors varied from 98 percent in manufacturing to 77 percent in professional, scientific, and technical services in 2021. For imports, MNEs' share of selected services trade ranged from 97 percent in manufacturing to 78 percent in all other industries in 2021.



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