

U.S. International Services

Cross-Border Trade in 2004 and Sales Through Affiliates in 2003

By Erin Nephew, Jennifer Koncz, Maria Borga, and Michael Mann

IN this presentation of U.S. international sales and purchases of services, the Bureau of Economic Analysis (BEA) takes a broad perspective that includes both transactions in services that cross borders through exports and imports, which are recorded in the international transactions accounts, and transactions in services through direct investment. This perspective recognizes the extent that multinational companies (MNCs) use their affiliates that are located in—but owned outside—the markets that they serve. It reflects the way that MNCs fashion their worldwide operations and the importance of proximity to customers in the delivery of services. Sales through affiliates have accounted for most of the services sold to foreign markets by U.S. companies and in the United States by foreign companies for many years (table A and chart 1).

Table A. Sales of Services to Foreign and U.S. Markets
[Billions of dollars]

	U.S. sales to foreign markets		Foreign sales to the U.S. market	
	Across border	Through foreign affiliates	Across border	Through U.S. affiliates
2002	279	424	209	368
2003	292	477	225	381
2004	323	n.a.	258	n.a.

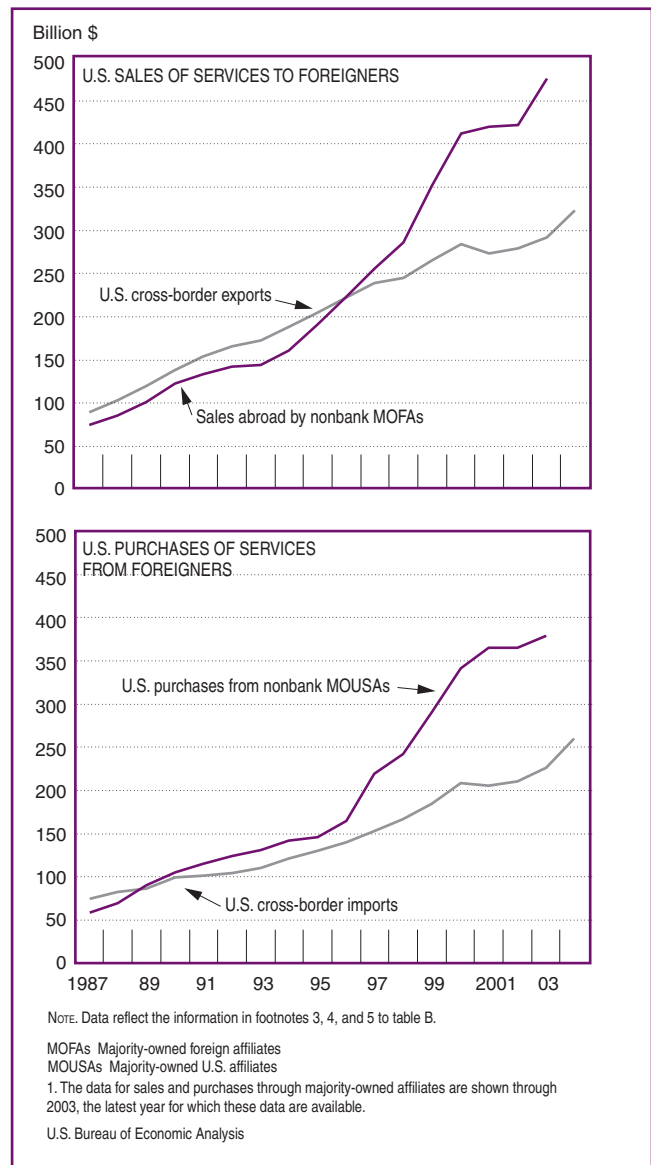
n.a. Not available

In 2004, U.S. exports of private services, at \$323.4 billion, continued to exceed imports, resulting in a surplus of \$65.3 billion on cross-border trade in services, slightly below the \$66.9 billion surplus in 2003. Historically, the United States has run surpluses in cross-border trade in services, in contrast to the persistent and growing deficit on trade in goods, which reached \$665.4 billion in 2004. U.S. sales of services abroad through foreign affiliates of U.S. companies have regularly exceeded U.S. purchases of services from U.S. affiliates of foreign companies. In 2003, the most recent year for which data are available, U.S. sales of services abroad through foreign affiliates, at \$477.5 billion, exceeded U.S. purchases of services from U.S. affiliates by \$96.1 billion.

Michael Mann and Erin Nephew prepared the section on cross-border trade, and Marie Borga and Jennifer Koncz prepared the section on sales through affiliates.

In 2004, cross-border exports of services increased 11 percent, to \$323.4 billion, after a 4-percent increase in 2003 (table B). The increase was mostly accounted for by increases in travel and “other private services” (such as education, financial services, insurance, and business, professional, and technical services). Cross-border imports increased 15 percent, to \$258.1 billion,

Chart 1. U.S. International Sales and Purchases of Private Services, 1987–2004¹



in 2004 after a 7-percent increase in 2003. All major categories of services imports increased sharply in 2004 (table C). Exports and imports of travel services both increased in 2004, marking a turnaround from 3 straight years of declines from peaks reached in 2000. Travel continues to be the largest category of services exported and imported by the United States, and it had the largest increases of all services in 2004.

In 2003, sales of services abroad through foreign affiliates of U.S. companies increased 13 percent—the largest increase since a 17-percent increase

Table B. Sales of Services to Foreign and U.S. Markets Through Cross-Border Trade and Through Affiliates

	Through cross-border trade ¹		Through nonbank majority-owned affiliates ²	
	U.S. exports (receipts)	U.S. imports (payments)	Sales to foreign persons by foreign affiliates of U.S. companies ³	Sales to U.S. persons by U.S. affiliates of foreign companies
	Billions of dollars			
1986	77.5	64.7	60.5	n.a.
1987	87.0	73.9	72.3	62.6
1988	101.0	81.0	83.8	73.2
1989	117.9	85.3	99.2	94.2
1990	137.2	98.2	121.3	109.2
1991	152.4	99.9	131.6	119.5
1992	164.0	103.5	140.6	128.0
1993	171.6	109.4	142.6	134.7
1994	186.7	120.3	159.1	145.4
1995	203.7	128.7	190.1	149.7
1996	222.1	138.8	223.2	168.4
1997	238.5	151.5	255.3	(⁴) 223.1
1998	244.4	165.6	286.1	245.5
1999	265.1	183.0	(⁵) 353.2	293.5
2000	284.0	207.4	413.5	344.4
2001	272.8	204.1	421.7	367.6
2002	279.2	209.2	423.5	367.6
2003	291.5	224.6	477.5	381.4
2004	323.4	258.1	n.a.	n.a.
	Percent change from prior year			
1987	12.2	14.2	19.5	.....
1988	16.0	9.5	15.9	17.0
1989	16.8	5.3	18.4	28.7
1990	16.4	15.1	22.2	15.9
1991	11.1	1.8	8.5	9.5
1992	7.6	3.5	6.8	7.1
1993	4.6	5.8	1.5	5.3
1994	8.8	9.9	11.6	8.0
1995	9.1	7.0	19.4	2.9
1996	9.0	7.8	17.4	12.5
1997	7.4	9.1	14.4	(⁴)
1998	2.5	9.4	12.0	10.1
1999	8.5	10.5	(⁵)	19.6
2000	7.1	13.3	17.1	17.3
2001	-3.9	-1.6	2.0	6.7
2002	2.3	2.5	0.4	(⁶)
2003	4.4	7.4	12.7	3.7
2004	10.9	14.9	n.a.	n.a.

* Less than 0.05 percent.
n.a. Not available

1. The estimates for 1992–2003 are revised from those published in last year's article in this series. See Christopher L. Bach, "Annual Revision of the U.S. International Accounts, 1991–2004," Survey 85 (July 2005): 54–119. Additionally, the estimates for 1997–2004 have been revised from those presented in the "Annual Revision" in the July Survey. See the box "Revisions to the Estimates of International Services" for details.

2. The estimates for 2002 are revised from those published in last year's article. The estimates for 2003 are preliminary.

3. The estimates for 1986–88 have been adjusted, for the purposes of this article, to be consistent with those for 1989 forward, which reflect definitional and methodological improvements made in the 1989 Benchmark Survey of U.S. Direct Investment Abroad. The primary improvement was that investment income of affiliates in finance and insurance was excluded from sales of services. The adjustment was made by assuming that investment income of finance and insurance affiliates in 1986–88 accounted for the same share of sales of services plus investment income as in 1989.

4. Beginning in 1997, sales by U.S. affiliates were classified as goods or services based on industry codes derived from the North American Industry Classification System (NAICS); the estimates for prior years were based on codes derived from the 1987 Standard Industrial Classification (SIC). This change resulted in a redefinition of sales of services by affiliates, which resulted in a net shift of sales from goods to services. See the box "Changes in the Definition and Classification of Sales of Services by U.S. Affiliates" in the October 1999 Survey, 61: <www.bea.gov>.

5. Beginning in 1999, sales by foreign affiliates were classified as goods or services based on industry codes derived from NAICS; the estimates for prior years were based on codes derived from the 1987 SIC. This change resulted in a redefinition of sales of services by affiliates, which resulted in a net shift of sales from goods to services. See the box "Changes in the Definition and Classification of Sales of Services by Foreign Affiliates" in the November 2001 Survey, 58: <www.bea.gov>.

**Table C. Cross-Border Services
Percent Change from the Preceding Year**

	Exports		Imports	
	2003	2004	2003	2004
Private services	4	11	7	15
Travel	-3	16	-2	14
Passenger fares	-8	20	5	13
Other transportation	7	18	16	21
Royalties and license fees	8	9	0	23
Other private services	8	6	13	10

in 2000—after a 0.4-percent increase in 2002. Most of the growth in 2003 was attributable to existing affiliates; in 2000, much of the growth was accounted for by new affiliates that were acquired during the wave of cross-border mergers. In 2003, the growth in sales of services abroad partly reflected strong growth in U.S. direct investment abroad; the U.S. direct investment position abroad increased 11 percent in 2003, largely in services industries, including nonbank finance and insurance. Increases in sales of services were widespread across industries, partly reflecting the depreciation of the U.S. dollar against most major currencies, which boosted the dollar value of affiliates' foreign-currency-denominated revenues.

In 2003, U.S. purchases of services from U.S. affiliates of foreign companies grew 4 percent. In 2002, sales by U.S. affiliates were flat, reflecting the resolution of reporting issues involving U.S. affiliates in insurance.¹ In 2003, growth in sales by U.S. affiliates was relatively slow despite an increase in outlays for new investment in the United States for the first time in 3 years and a pickup in U.S. economic growth. A decrease in sales of services by manufacturing affiliates with secondary activities in utilities and finance partly offset increases in sales by affiliates in other industries, particularly in insurance; much of the overall growth in other industries in 2003 was attributable to sales by new affiliates.

Comparisons between services delivered through cross-border trade and through nonbank majority-owned affiliates cannot be precise, because of differences in coverage, measurement, and classification. For example, data on cross-border trade are generally classified by type of service, but data on affiliates'

1. The 2002 estimate of U.S. affiliates' sales of services was revised down, resulting in virtually unchanged sales for 2001–2002. The revision was mostly attributable to a one-time correction of reports by affiliates in insurance. Excluding the effects of these corrections, sales of services by U.S. affiliates grew 4 percent in 2002. The estimates for earlier years were not revised. Data provided by survey respondents may change because of the correction of errors, omissions, and changes in financial accounting rules. These changes will be reflected in the estimates for the most recent year and perhaps for the immediately preceding year, but not in the estimates for earlier years. In addition, when such changes occur, it often is not possible to quantify their effect on the estimates, whether for the most recent year or the preceding year. For more information, see the box "Revisions to the Estimates of International Services" on page 28.

sales are classified by primary industry of the affiliate.² Despite these differences, the large gap between sales through cross-border trade transactions and sales through affiliates suggests that the latter is the larger channel for both U.S. sales and U.S. purchases of pri-

2. One source of difference in coverage has been the inclusion of services provided by banks in cross-border exports and imports but not in sales through affiliates, which cover only nonbank affiliates. In order to address this gap in coverage, BEA collected data on sales of services through bank affiliates in its most recent benchmark surveys for U.S. direct investment abroad (covering 2004) and foreign direct investment in the United States (covering 2002). Insurance services is an example of a difference in measurement that is being addressed by BEA with the collection of new data items from insurance affiliates, beginning with the latest benchmark surveys. For more information, see the box "New Data on Insurance, Wholesale and Retail Trade, and Banking Services Sold through Affiliates."

vate services (charts 2 and 3).

The remainder of this article is organized in two major sections and includes an appendix. The first section presents preliminary estimates of U.S. cross-border exports and imports of private services for 2004 and revised estimates for 1992–2003, which represent international trade in the conventional sense of transactions between U.S. residents and foreign residents. These estimates are recorded in summary form in the U.S. international transactions accounts.³

3. In the quarterly articles on U.S. international transactions, table 1 presents cross-border exports of private services in lines 6–10 and cross-border imports in lines 23–27; table 3 provides additional details.

Chart 2. U.S. Sales and Purchases of Services by Major Area in 2003

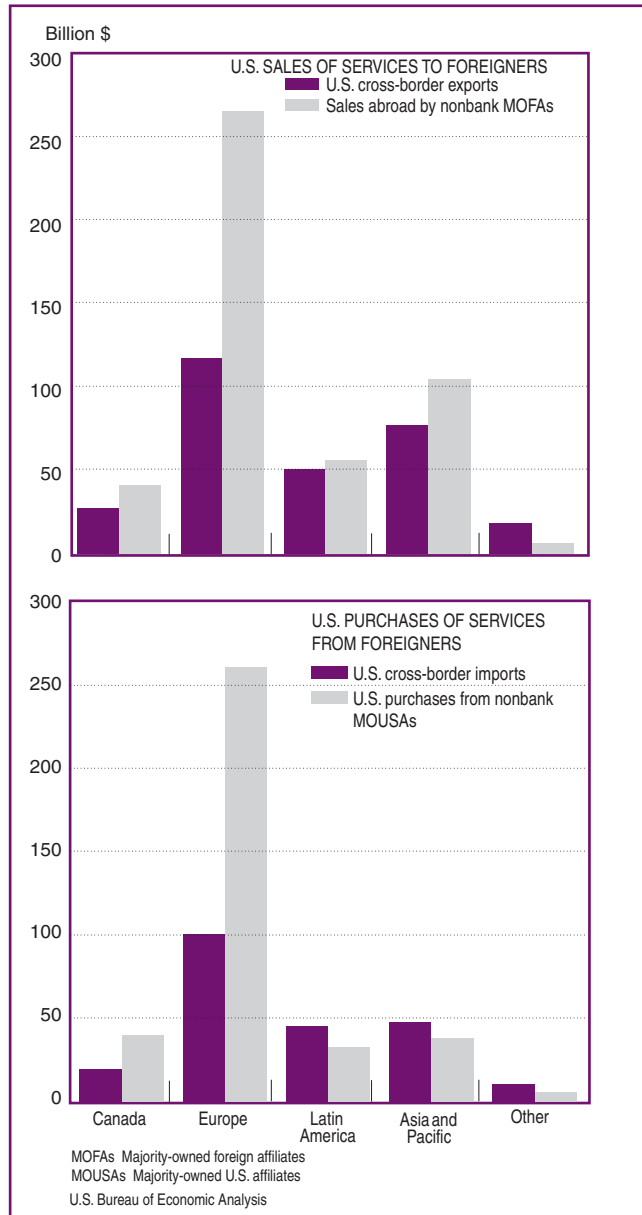
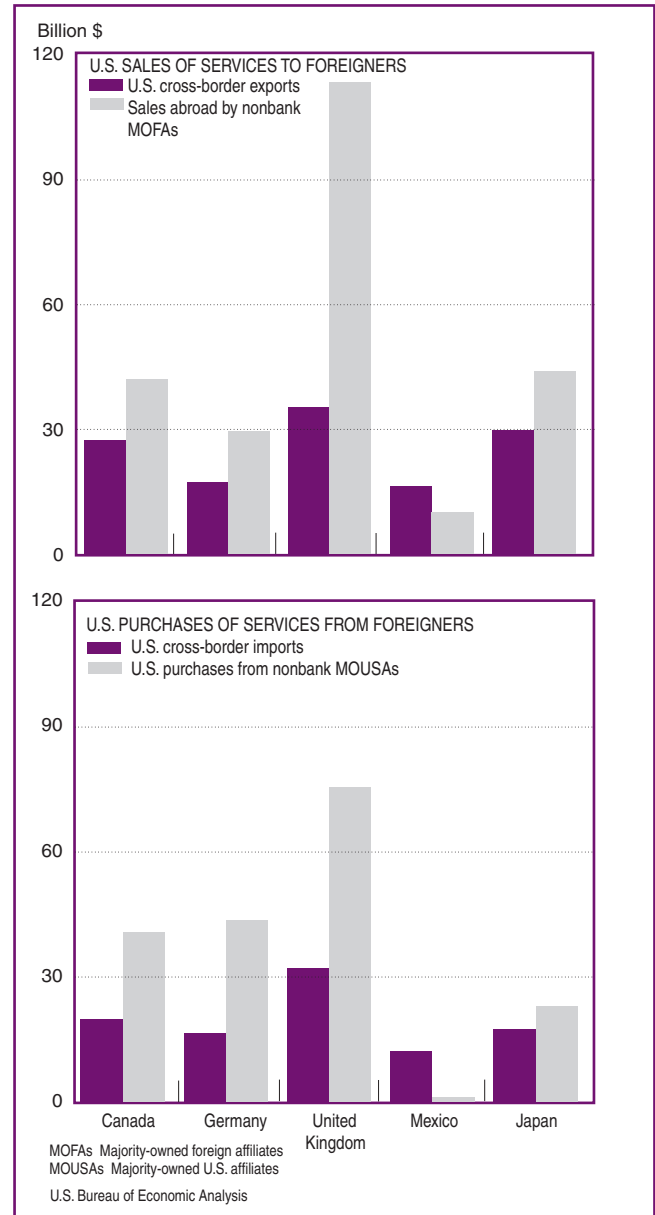


Chart 3. U.S. Sales and Purchases of Services by Major Country in 2003



Revisions to the Estimates of International Services

The estimates of cross-border transactions and the estimates of sales through affiliates that were presented in the October 2004 SURVEY OF CURRENT BUSINESS have been revised.

Cross-border trade

Cross-border exports of services in 2003 were revised down \$2.5 billion, or 1 percent, and cross-border imports were revised down \$3.6 billion, or 2 percent, from the October 2004 presentation. These revisions reflect both special revisions and the regular annual revisions that are released in June and are published in the international transactions accounts in the July SURVEY. As a result of the special out-of-sequence revision, the estimates of cross-border trade in services presented here differ, for the first time, from those in the July SURVEY.

Special revisions. Estimates of affiliated “other private services” for 1997–2004 were revised to remove the duplication of transactions that were reported on BEA surveys of U.S. affiliates (and that should have been excluded) and other surveys. As a result, cross-border exports for 2003 were revised down \$4.0 billion, or 1 percent, from the July 2005 presentation, and cross-border imports for 2003 were revised down \$3.6 billion, or 2 percent. (Revisions to the estimates for 2004 and for earlier years will be incorporated into the international transactions accounts and into the monthly estimates of goods and services at their next scheduled annual revision in June 2006.)

Regular annual revisions. The annual revision to the estimates of cross-border trade in services for 1992–2003 reflected the incorporation of regular source data and statistical and methodological improvements; the revision also incorporated data from the new quarterly surveys of services transactions conducted by the Bureau of Economic Analysis (BEA).

In addition, BEA continues to address gaps in coverage. For the estimates for 2002–2003, BEA extended the coverage of payments for education services to include estimates of tuition and expenses paid by U.S. students enrolled in degree-granting programs at foreign universities in the United Kingdom and Australia. As a result of the expanded coverage, education services payments were revised up \$0.3 billion for 2002, up \$0.3 billion for 2003, and up \$0.4 billion for 2004. For the estimates for 1992–2004, BEA also introduced new estimates of payments by U.S. residents for medical services abroad as a component of business, professional, and technical services. The new estimates cover payments by U.S. residents who require incidental medical care while traveling abroad and payments by U.S. residents who travel to Canada and Mexico for medical purposes. The new estimates for 1992 begin at \$0.1 billion and rise to \$0.2 billion for 2004.

Sales through affiliates

The estimates of sales of services through affiliates for 2003 are preliminary. The estimates for 2002 have been revised and arise from the regular annual revision of the data on the activities of

multinational companies. Estimates for earlier years are unchanged. Revisions may reflect the incorporation of newly available and improved source data, the correction of errors and omissions, or changes in financial accounting rules. Estimates of sales through affiliates for the year immediately preceding the most recent year may be revised to reflect such changes, but it is not possible to revise the estimates for earlier years.

Sales of services through nonbank majority-owned foreign affiliates of U.S. multinational companies in 2002 were revised up \$22.4 billion, to \$423.5 billion. The revision reflects the incorporation of newly available and improved source data. Sales of services to U.S. persons by U.S. affiliates of foreign companies in 2002 were revised down \$19.1 billion, to \$367.6 billion; this revision mainly resulted from a one-time correction to reporting errors by affiliates in insurance, some of which had been reporting sales in a manner more consistent with accounting standards in the country of their owner rather than on the requested basis of U.S. generally accepted accounting principles. The resolution of this issue resulted in a drop in the estimates of sales of services through insurance affiliates for 2001–2002. Incorporation of new data also contributed to the downward revision to sales of services by U.S. affiliates in 2002. The use of foreign accounting standards resulted in elevated sales levels for years prior to 2002, which were not revised.

Revision policy. BEA prepares one preliminary estimate and one revised estimate of the operations of multinational companies, including their sales of services. The preliminary estimate is usually released about 20 months after the end of the reference year, and the revised estimate is usually released about a year later.

Thus, when the financial accounting rules used by respondents for reporting their data change, BEA’s estimates for the most recent year (and perhaps its estimates for the immediately preceding year) will reflect the new accounting rules, but its estimates for earlier years will not. In addition, when BEA identifies and corrects reporting errors and when it improves survey coverage, the estimates for these 2 years will be improved, but not those for earlier years.

When BEA becomes aware of the presence of a factor that affects sales of services by multinational companies, the factor will be described in the article. Whenever possible, BEA will also provide information on the effect of the factor on the time series presented.

BEA has adopted this policy largely for practical reasons. When financial accounting rules change, multinational companies often will not have estimates of the effect of the new rule on data for earlier years, and BEA has no reliable means of revising the data if its survey respondents do not provide this information. In addition, errors, omissions, and changes in financial accounting rules that substantially affect the historical time series rarely occur.

The second section presents preliminary estimates of sales of services through nonbank majority-owned affiliates of multinational companies for 2003 and re-

vised estimates for 2002; these sales represent international sales of services through the channel of direct investment (see the box “Channels of Delivery of

New Data on Insurance, Wholesale and Retail Trade, and Banking Services Sold Through Affiliates

As part of its continuing efforts to improve the data on sales of services through affiliates, the Bureau of Economic Analysis (BEA) collected several new data items in the 2002 benchmark survey of foreign direct investment in the United States (FDIUS) that will provide the basis for improved estimates of insurance services, of the distributive services of wholesalers and retailers, and of banking services provided by majority-owned U.S. affiliates. BEA also included these data items in the 2004 benchmark survey of U.S. direct investment abroad (USDIA), which is currently being processed. In addition, the data items for insurance and wholesale and retail trade are included on the follow-on annual surveys of FDIUS and will be included on the annual surveys of USDIA.

The improved estimates of insurance, distributive, and banking services and the methodologies used to prepare them will be presented in an article in the *SURVEY OF CURRENT BUSINESS*.

The data that have been collected are used here to provide an early indication of how the improved estimates will affect the estimates of insurance, wholesale and retail trade, and banking services sold through U.S. affiliates.

Insurance. Currently, the estimates of sales of insurance services through U.S. affiliates represent revenues generated by affiliates' operations in the insurance industry. These estimates mainly consist of premiums earned with no deduction for losses. In contrast, cross-border trade in insurance services is measured as premiums earned, premium supplements (investment income earned on technical reserves), and auxiliary insurance services less “normal” losses (see the box “Types of Cross-Border Services: Coverage and Definitions” on page 38 for more detail). Including premium supplements raises the value of cross-border receipts and payments for insurance services relative to sales through affiliates, but this rise is more than offset by the lack of deductions for losses from the sales of services through insurance affiliates.

The preliminary results for the companies that reported the data on premiums earned and claims paid indicate that premiums account for the majority of sales in insurance—for 83 percent of sales in 2002 and for 65 percent in 2003. Claims paid were 69 percent of premiums in both 2002 and 2003. Thus, the deduction of a measure of losses would result in a substantial reduction in the measure of sales of services by affiliates with insurance operations. This deduction would be partly offset by the possible inclusion of an estimate of the premium supplement for these affiliates.

However, deducting these losses would not affect auxiliary insurance services, such as claims adjustment or actuarial services. In addition, sales of services in secondary, noninsurance industries by affiliates classified in insurance would be unaffected.

Wholesale and retail trade. The wholesale and retail trade

industries provide distributive services—selling, or arranging for the sale of, goods to intermediate and final users. In BEA's data on sales through affiliates, the value of distributive services provided by affiliates' wholesale and retail trade operations is excluded because it is embedded in the value of the goods sold through affiliates. In the national income and product accounts and in BEA's industry accounts, distributive services in wholesale and retail trade are measured as trade margins—wholesale or retail sales of goods less the cost of the goods resold.

To provide a basis for the estimation of the value of the distributive services of affiliates, BEA collected data on the cost of goods purchased for resale and on the inventories of these goods. The preliminary results from the firms that reported the data indicate that distributive services accounted for 21 cents of every dollar of goods sold by wholesale and retail trade operations in 2002 and for 17 cents of every dollar of goods sold in 2003. The sales of goods by wholesale and retail trade operations were \$699 billion in 2002 and \$736 billion in 2003, so including distributive services in the estimates of sales of services through affiliates would substantially raise the estimates.¹

Banks. Currently, the estimates of sales of services through affiliates exclude services provided by bank affiliates. BEA collects only limited data on sales through bank affiliates because most of the information on bank affiliates that is needed for policymaking is already collected by other U.S. Government agencies. However, the absence of estimates of services provided through bank affiliates causes a potentially significant gap in the coverage of sales of financial services through affiliates. To close this gap, BEA collected new data items on sales of services through bank affiliates in the 2002 benchmark survey of FDIUS.

Specifically, BEA collected data on explicit commissions and fees charged for services. In 2002, U.S. bank affiliates reported \$14.1 billion in services sold to U.S. residents.

In addition to explicit fees and commission, banks may charge implicitly for services that they provide by paying lower interest rates to those who lend them money in the form of deposits and loans than they charge to those who borrow from them. The resulting net receipts of interest are used to defray expenses and provide an operating surplus. BEA collected data on the total interest paid and total interest received by U.S. bank affiliates to provide a basis for imputing the value of services provided without an explicit charge. In 2002, majority-owned U.S. bank affiliates received \$100.6 billion in interest and paid \$78.5 billion in interest in 2002.

1. The estimates of cross-border trade in services do not include estimates of the distributive services provided by wholesalers and retailers who arrange for the exports or imports of goods because those services are included in the value of trade in goods. See the appendix “New Data and Other Improvements to the Estimates of Cross-Border Trade in Services.”

Services Sold in International Markets” on this page).⁴ The estimates of affiliates’ sales of services are drawn from larger data sets on the operations of U.S. multinational companies and of U.S. affiliates of foreign companies, which are described in annual articles.⁵

In addition, the appendix “New Data and Other Improvements to the Estimates of Cross-Border Trade in Services” discusses BEA’s recent improvements in data collection and methodology to the data on cross-border trade. The box “New Data on Insurance, Wholesale and Retail Trade, and Banking Services Sold through Affiliates” discusses new data items that BEA has recently begun to collect. The box “Revisions to the Estimates of International Services” discusses revisions to the estimates of cross-border trade and of sales through affiliates.

4. These data cover *all* the sales of services by nonbank majority-owned affiliates, irrespective of the percentage of ownership. The data are limited to nonbank affiliates because bank affiliates were not required to report annual data on sales of services to the Bureau of Economic Analysis.

5. See Raymond J. Mataloni, Jr., “U.S. Multinational Companies: Operations in 2003,” *SURVEY OF CURRENT BUSINESS* 85 (July 2005): 9–29, and William J. Zeile, “U.S. Affiliates of Foreign Companies: Operations in 2003,” *SURVEY* 85 (August 2005): 198–214.

U.S. Cross-Border Trade in 2004

U.S. exports of private services (receipts) increased 11 percent, to \$323.4 billion, in 2004 after a 4-percent increase in 2003. U.S. imports of private services (payments) increased 15 percent, to \$258.1 billion, in 2004 after a 7-percent increase in 2003. For both exports and imports of private services, growth increased substantially in 2004. The step-up in exports in 2004 was strongly influenced by accelerating economic growth in major trading partners of the United States and by changes in the value of the dollar, which depreciated sharply in 2004 after depreciating in 2003. The step-up in imports was influenced by stronger economic growth in the United States.

Rates of growth in real gross domestic product (GDP) in several key partner countries accelerated, but these growth rates fell short of the strong economic growth in the United States in 2004. In the United States, real GDP grew 4.2 percent in 2004, up from 2.7 percent in 2003. In the United Kingdom, real GDP grew 3.2 percent in 2004, up from 2.5 percent in 2003; in the euro area, it grew 2.1 percent, up from 0.7 percent; in Canada, it grew 2.8 percent, up from 2.0 percent; and, in Japan, it grew 2.7 percent in 2004, up

Channels of Delivery of Services Sold in International Markets

Services are sold in international markets through two distinct channels. In the first channel, the residents of one country sell services to the residents of another country. These transactions—cross-border trade—include both trade within multinational companies (intrafirm trade) and trade between unaffiliated parties.¹ They are recorded in the international transactions accounts of both countries—as exports of services by the seller’s country and as imports of services by the buyer’s country.

The second channel of delivery is sales through foreign affiliates of multinational companies, which from the U.S. viewpoint, are sales to foreigners by foreign affiliates of U.S. companies and sales to U.S. residents by the U.S. affiliates of foreign companies. These sales are not considered U.S. international transactions, because under the residency principle of balance-of-payments accounting, affiliates of multinational companies are regarded as residents of the countries where they are located rather than of the countries of their owners. Thus, sales abroad by foreign affiliates are transactions between foreign residents, and sales in the United States by U.S. affiliates are transactions between U.S. residents. (However, the direct

investors’ shares of the profits earned on these sales are recorded as U.S. international transactions.) To obtain a complete picture of the services transactions of affiliates, it would be necessary to examine not only their sales of services but also their purchases of services, both in their countries of location and elsewhere. However, the only available data on their purchases of services are those that are discussed in the section on cross-border trade.

The two channels of delivery typically differ in their effects on an economy. For example, U.S. cross-border exports usually have a greater effect on the U.S. economy than the equivalent sales through foreign affiliates, because most, or all, of the income generated by the production generally accrues to U.S.-supplied labor and capital. In contrast, for sales through foreign affiliates, only the U.S. parent company’s share in profits accrues to the United States (and is recorded as a U.S. international transaction); the other income generated by production—including compensation of employees—typically accrues to foreigners.

Some services can be delivered equally well through either channel, but the type of service often determines the channel of delivery. For example, many travel services are inherently delivered through the cross-border channel, but many business, professional, and technical services are mainly delivered through the affiliate channel because of the need for close, continuing contact between the service providers and their customers.

1. The term “cross-border trade” differs from the term “cross-border mode of supply” that is used in the General Agreement on Trade in Services to refer to the provision of a service by a resident of one country to a resident of another country without either the producer or the consumer traveling to the country of the other (for example, a consultant sending a report electronically or by mail).

from 1.4 percent.

U.S. cross-border trade in services was also affected by changes in the foreign-currency value of the dollar. In 2004, the dollar depreciated 11 percent against the British pound, 9 percent against the euro, and 7 percent against the Canadian dollar and the Japanese yen. Since 2002, the dollar has depreciated 24 percent against the euro, 18 percent against the British pound, 17 percent against the Canadian dollar, and 14 percent against the Japanese yen.⁶

The sizable increase in total exports of private services in 2004 was mostly accounted for by increases in travel, in “other private services” (especially business, professional, and technical services), and in financial services (table C). The sizable increase in total imports of private services was mostly accounted for by increases in travel and in “other transportation.”

Europe and Asia together accounted for two-thirds of total U.S. cross-border exports and imports of private services in 2004 (chart 4). The shares by area were virtually unchanged from those in 2003. Japan, the United Kingdom, Canada, and Mexico continue to be the largest services trading partners of the United States (table D).

Trade within multinational companies (affiliated trade) accounted for \$85.8 billion, or 26 percent, of total exports of private services in 2004 and for \$54.7 billion, or 21 percent, of total imports of private services (table E, page 33). Affiliated exports of private services increased 7 percent in 2004 after a 9-percent increase

in 2003. Affiliated imports of private services increased 13 percent in 2004 after an 8-percent increase in 2003.

Cross-border trade in private services in the U.S. international transactions accounts consists of travel, passenger fares, “other transportation,” royalties and license fees, and “other private services.”

Travel

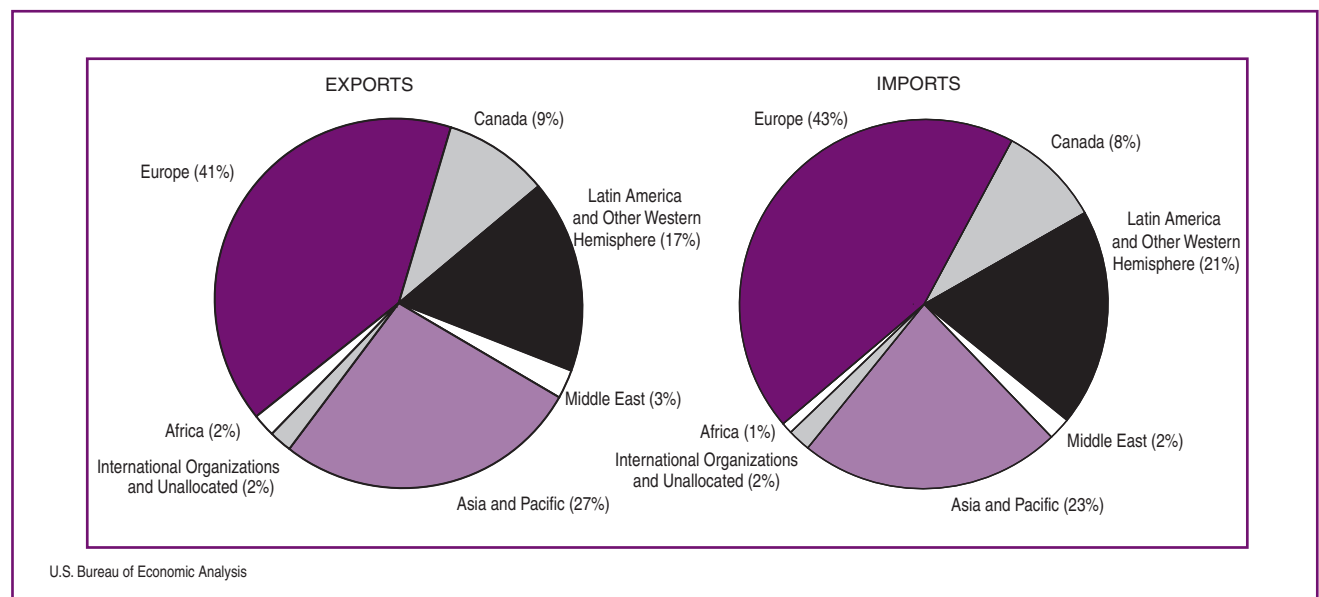
Receipts. Travel receipts increased 16 percent, to \$74.5 billion, in 2004 after a 3-percent decrease in 2003. The increase was attributable to accelerating economic growth abroad and to the depreciation of the U.S. dollar; travel accounted for more of the dollar increase in U.S. exports of private services than any other component. The increase marks a turnaround from 3 years of declines since the peak in 2000 that were largely in response to the September 11th attacks in 2001, fears about terrorism, and concerns about the start of the war in Iraq and severe acute respiratory syndrome (SARS) in early 2003. The turnaround began in the last half of 2003, when travel receipts increased 13 percent in the third quarter and 11 percent in the fourth quarter.

Travel receipts from overseas (excluding Canada and Mexico) increased 16 percent in 2004 after decreasing 5 percent in 2003. Visitors from overseas increased 13 percent in 2004 after falling 6 percent in 2003. The number of visitors from Europe increased 9 percent, and the number of visitors from Asia increased 16 percent primarily because of an 18-percent increase in the number from Japan.

Travel receipts from Canada increased 16 percent in

6. Annual exchange rates are period averages.

Chart 4. U.S. Cross-Border Services Transactions: Share by Area in 2004



2004 after increasing 9 percent in 2003, spurred by a strong Canadian economy and a 7-percent depreciation of the U.S. dollar against the Canadian dollar. For the past several years, four out of five Canadian visitors have traveled to the United States by automobile rather than by air. In 2004, Canadian visitors arriving by air increased 10 percent, and those arriving by auto increased 5 percent. Although air travelers accounted for a relatively small share of total travelers, they largely accounted for the increase in receipts in 2004 because of their longer stay.

Travel receipts from Mexico increased 10 percent in 2004 after increasing 2 percent in 2003. Most of the increase was due to receipts from visitors to the border area. A record number of Mexicans visited the United States in 2004; the number of visitors to the interior of the United States increased 12 percent, and the number of visitors to the border area increased 4 percent. Although almost 95 percent of Mexican travelers to the United States visited only the border area, receipts in the border area accounted for only 65 percent of travel receipts from Mexico.

Payments. Travel payments increased 14 percent, to \$65.6 billion, in 2004 after a 2-percent decrease in 2003. The increase reflected the pickup in U.S. economic growth in 2004. Like the increase in travel receipts, the increase in payments in 2004 marks a turnaround from 3 years of annual declines since the peak in 2000. The turnaround began in the last half of 2003, when travel payments increased 13 percent in the

third quarter and 5 percent in the fourth quarter. Travel payments had been dampened by the combined effects of September 11th, the start of the war in Iraq, and SARS, which disrupted travel from 2001 to 2003.

Travel payments to overseas countries (excluding Canada and Mexico) increased 15 percent in 2004 after decreasing 4 percent in 2003. The number of U.S. travelers to Europe increased 10 percent in 2004 after increasing 3 percent in 2003. The number of U.S. travelers to Asia increased 25 percent after an 11-percent decrease. U.S. travelers spent considerably more money in Japan than in any other country in Asia, but travel payments to Hong Kong, China, and India each increased more than 50 percent in 2004; travel payments to China now rank second in payments to Asia and the Pacific, having surpassed payments to Australia.

Travel payments to Canada increased 13 percent in 2004 after decreasing 2 percent in 2003. The average expenditure of U.S. visitors to Canada increased 15 percent in 2004, partly reflecting the depreciation of the U.S. dollar. Like Canadian visitors to the United States, most U.S. travelers to Canada (four out of five) traveled by automobile rather than by air. Auto travelers account for most travel payments, but U.S. travelers by air typically spend more because of their longer stay. An 11-percent increase in travelers by air accounted for most of the increase in payments. The number of travelers by auto decreased 5 percent in 2004, a smaller decrease than the 14-percent decrease in 2003, which was

Table D. Cross-Border Services Exports and Imports by Type and Country, 2004

[Millions of dollars]

	Total private services	Travel	Passenger fares	Other transportation	Royalties and license fees	Other private services
Exports						
All countries	323,362	74,481	18,858	36,862	52,643	140,518
10 largest countries ¹	187,574	44,402	12,619	20,336	30,357	79,860
United Kingdom.....	40,096	9,576	3,079	2,999	4,519	19,923
Japan.....	35,197	10,051	3,043	3,693	7,670	10,740
Canada.....	29,698	7,930	2,506	2,744	3,575	12,943
Germany.....	18,943	3,636	1,051	2,643	3,485	8,128
Mexico.....	17,978	6,257	1,367	1,158	1,254	7,942
France.....	12,827	2,008	660	1,150	2,339	6,670
Korea, Republic of.....	9,113	2,218	64	2,412	1,657	2,762
Switzerland.....	8,746	670	240	666	3,415	3,755
Netherlands.....	7,737	1,162	388	1,067	1,515	3,605
China.....	7,239	894	221	1,804	928	3,392
Other countries	135,788	30,079	6,239	16,526	22,286	60,658
Imports						
All countries	258,069	65,635	23,701	54,169	23,901	90,663
10 largest countries ¹	152,001	32,956	11,382	26,916	19,226	61,521
United Kingdom.....	32,945	6,071	3,784	3,699	2,209	17,182
Canada.....	20,027	7,178	442	4,057	766	7,584
Japan.....	19,637	2,467	910	5,832	6,055	4,373
Germany.....	17,677	2,511	1,990	3,797	2,529	6,850
Bermuda.....	15,517	330	0	1,138	1,108	12,941
Mexico.....	13,465	9,317	860	1,049	243	1,996
France.....	11,637	3,129	1,301	1,574	1,992	3,641
Switzerland.....	8,820	411	394	732	2,751	4,532
Netherlands.....	6,531	791	712	1,579	1,537	1,912
Taiwan.....	5,745	751	989	3,459	36	510
Other countries	106,068	32,679	12,319	27,253	4,675	29,142

1. Ranked by dollar value of total exports or imports.

especially sharp. In 2003, the SARS outbreak in Toronto, which is within driving distance of many major U.S. cities, affected travel by auto more than travel by air.

Travel payments to Mexico increased 13 percent in 2004 after increasing 7 percent in 2003. U.S. travel payments to the border area of Mexico increased 8 percent; U.S. travel payments to the interior of Mexico increased 15 percent. Because border area visits are typically day trips and trips to the Mexican interior are

often longer and involve overnight stays, a relatively small increase in the number of visitors to the interior creates a relatively large increase in travel payments.

Passenger fares

Receipts. Receipts for passenger fares increased 20 percent, to \$18.9 billion, in 2004 after an 8-percent decrease in 2003. The increase reflected a 13-percent increase in the number of visitors to the United States from overseas, an increase in the share of passengers

Table E. Intrafirm Trade in Services by Type, 1997–2004

(Billions of dollars)

	Total private services	Transportation ¹	Royalties and license fees ²	Other private services									
				Total ³	Financial services	Business, professional, and technical services					Film and television tape rentals		
						Total	Computer and information services	Management and consulting services	Research and development and testing services	Operational leasing		Other business, professional, and technical services ⁴	
Total receipts:													
1997	51.8	0.4	24.5	26.9	2.2	22.3	1.6	(⁵)	(⁶)	1.5	19.2	2.4	
1998	54.6	0.4	26.3	27.9	2.7	22.7	1.3	(⁵)	(⁶)	1.7	19.7	2.5	
1999	62.0	0.5	29.3	32.3	4.0	25.8	1.2	(⁵)	(⁶)	2.2	22.4	2.4	
2000	66.0	0.5	30.5	35.0	3.8	28.9	1.2	(⁵)	(⁶)	2.1	25.7	2.2	
2001	66.8	0.6	29.2	37.0	4.1	30.7	1.3	2.2	5.7	2.2	19.4	2.2	
2002	73.4	0.7	32.8	39.9	4.3	32.8	1.7	2.5	6.5	2.3	19.8	2.8	
2003	79.9	0.7	35.9	43.3	5.2	35.1	2.1	2.5	7.6	2.5	20.4	3.0	
2004	85.6	0.8	39.0	45.7	5.5	37.2	1.9	2.5	8.5	2.8	21.5	3.0	
By U.S. parents from their foreign affiliates:													
1997	40.8	0.4	23.1	17.3	1.4	13.5	1.4	(⁵)	(⁶)	1.2	10.9	2.4	
1998	42.9	0.4	24.4	18.1	1.8	13.9	1.3	(⁵)	(⁶)	1.4	11.2	2.5	
1999	50.3	0.5	27.6	22.2	2.5	17.3	1.1	(⁵)	(⁶)	1.9	14.3	2.4	
2000	51.9	0.5	28.3	23.1	2.8	18.1	1.1	(⁵)	(⁶)	1.8	15.2	2.2	
2001	52.1	0.6	27.2	24.3	3.2	18.9	1.2	1.3	2.2	1.8	12.4	2.2	
2002	55.0	0.7	29.7	24.6	3.1	18.7	1.4	1.4	1.9	2.0	12.0	2.8	
2003	60.1	0.7	32.5	27.0	3.5	20.5	1.7	1.6	2.0	2.1	13.0	3.0	
2004	64.2	0.8	35.1	28.3	4.0	21.3	1.6	1.6	1.8	2.5	13.8	3.0	
By U.S. affiliates from their foreign parents:⁷													
1997	11.0	(*)	1.4	9.6	0.9	8.8	0.2	(⁵)	(⁶)	0.3	8.3	(*)	
1998	11.7	(*)	2.0	9.7	0.9	8.8	0.1	(⁵)	(⁶)	0.3	8.4	(*)	
1999	11.7	(*)	1.7	10.0	1.5	8.5	0.1	(⁵)	(⁶)	0.4	8.1	(*)	
2000	14.1	(*)	2.2	11.9	1.0	10.8	0.1	(⁵)	(⁶)	0.3	10.5	(*)	
2001	14.7	(*)	2.0	12.7	0.9	11.8	0.1	0.9	3.5	0.3	7.0	(*)	
2002	18.4	(*)	3.1	15.3	1.2	14.1	0.3	1.1	4.6	0.4	7.8	(*)	
2003	19.7	(*)	3.4	16.3	1.7	14.6	0.4	0.9	5.6	0.3	7.4	(*)	
2004	21.4	(*)	3.9	17.5	1.5	16.0	0.3	1.0	6.7	0.3	7.7	(*)	
Total payments:													
1997	24.2	0.4	6.7	17.1	2.8	14.3	0.8	(⁵)	(⁶)	0.9	12.6	(*)	
1998	27.7	0.4	8.5	18.7	4.2	14.5	0.9	(⁵)	(⁶)	0.9	12.6	(*)	
1999	35.9	0.4	10.4	25.1	6.0	19.0	3.0	(⁵)	(⁶)	1.1	15.0	0.1	
2000	40.1	0.4	12.5	27.2	7.2	20.0	2.6	(⁵)	(⁶)	1.0	16.3	(*)	
2001	41.4	0.5	13.2	27.7	6.7	21.0	2.9	1.8	1.7	1.0	13.7	(*)	
2002	45.0	0.7	15.1	29.2	5.4	23.8	2.9	2.6	1.6	0.8	15.9	(*)	
2003	48.6	1.2	15.7	31.7	5.6	26.1	3.5	2.8	3.1	0.7	16.0	(*)	
2004	54.7	1.5	18.8	34.4	6.2	28.2	3.8	3.5	2.9	1.0	17.0	(*)	
By U.S. parents to their foreign affiliates:													
1997	10.8	0.4	1.4	9.0	2.5	6.5	0.5	(⁵)	(⁶)	0.1	5.9	(*)	
1998	12.6	0.4	1.8	10.4	3.3	7.1	0.6	(⁵)	(⁶)	0.1	6.4	(*)	
1999	18.2	0.4	2.3	15.5	4.7	10.7	2.7	(⁵)	(⁶)	0.1	7.9	0.1	
2000	19.2	0.4	2.5	16.3	5.4	10.9	2.4	(⁵)	(⁶)	0.1	8.4	(*)	
2001	19.6	0.5	2.5	16.6	5.2	11.4	2.6	0.5	0.6	0.1	7.6	(*)	
2002	20.6	0.7	2.9	17.0	4.6	12.4	2.5	0.5	0.8	0.1	8.5	(*)	
2003	22.9	1.2	2.7	19.0	4.6	14.3	2.9	0.7	1.1	0.1	9.6	(*)	
2004	26.0	1.5	2.9	21.6	5.5	16.1	3.4	0.9	1.2	0.1	10.6	(*)	
By U.S. affiliates to their foreign parents:⁷													
1997	13.4	(*)	5.4	8.1	0.3	7.7	0.2	(⁵)	(⁶)	0.8	6.7	(*)	
1998	15.1	(*)	6.8	8.3	0.9	7.4	0.2	(⁵)	(⁶)	0.8	6.3	(*)	
1999	17.7	(*)	8.1	9.6	1.3	8.4	0.3	(⁵)	(⁶)	1.0	7.1	(*)	
2000	21.0	(*)	10.1	10.9	1.8	9.1	0.2	(⁵)	(⁶)	1.0	7.9	(*)	
2001	21.8	(*)	10.7	11.1	1.5	9.6	0.3	1.3	1.1	0.9	6.0	(*)	
2002	24.4	(*)	12.2	12.2	0.8	11.4	0.4	2.1	0.8	0.7	7.4	(*)	
2003	25.7	(*)	13.0	12.7	1.0	11.7	0.6	2.0	2.0	0.6	6.5	(*)	
2004	28.7	(*)	15.8	12.8	0.7	12.1	0.4	2.5	1.8	1.0	6.5	(*)	

* Less than \$50 million.

1. Equal to "affiliated other transportation" in table 1.

2. Equal to "affiliated royalties and license fees" in table 1.

3. Equal to "affiliated other private services" in table 1.

4. Includes affiliated telecommunications and insurance transactions; see footnotes 4 and 5 in table 1.

5. Prior to 2001, management and consulting services were included in "other" services. Beginning in 2001, data on management and consulting services were collected as a separate type of service.

6. Prior to 2001, research and development and testing services were included in "other" services. Beginning

in 2001, data on research and development and testing services were collected as a separate type of service.

7. In addition to transactions with its foreign parent, a U.S. affiliate's receipts and payments include transactions with other members of its foreign parent group. The foreign parent group is defined as (1) the foreign parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the foreign person below it, up to and including the ultimate beneficial owner, and (3) any foreign person, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the person above it.

on U.S.-flag carriers, and an increase in airline ticket prices due to higher fuel costs. The increase in the number of visitors from overseas was driven by the same factors that affected travel—accelerated economic growth abroad and the absence of major disruptions to travel. Most of the increase in receipts was accounted for by passenger fare receipts from Europe, particularly from the United Kingdom. Receipts from Asia also increased significantly, particularly receipts from Japan. This increase reflected both an increase in airline ticket prices due to higher fuel costs and recovery from the effects of SARS on the number of travelers from Asia. The effect of higher fuel prices on passenger fares was greater on Asian-Pacific routes than on Atlantic routes due to the longer distances and resulting higher fuel consumption for trans-Pacific flights. Like the increase in travel receipts, the increase in passenger fare receipts in 2004 marks a turnaround from 3 years of annual declines since 2000.

Payments. Payments for passenger fares increased 13 percent, to \$23.7 billion, in 2004 after a 5-percent increase in 2003. The increase in 2004 reflected a 12-percent increase in the number of U.S. visitors overseas and an increase in airline ticket prices due to higher fuel costs; the share of U.S. travelers on foreign-

flag carriers changed little. After peaking in 2000, passenger fare payments fell in 2001 and 2002 and then partly recovered in 2003. In 2004, passenger fare payments almost regained their 2000 level.

Other transportation

Receipts. Receipts for “other transportation” services increased 18 percent, to \$36.9 billion, in 2004 after a 7-percent increase in 2003. Both freight receipts and port services receipts increased, reflecting increases in the volume of both imports and exports (the volume of exports increased 9 percent in 2004 after increasing 2 percent in 2003, and the volume of imports increased 11 percent after increasing 5 percent). The increase in freight receipts reflected an increase in ocean freight rates, particularly freight rates for U.S.-operated tramp and tanker vessels.

The increase in port services receipts reflected the stepped-up volume of exports and imports, a 13-percent increase in the number of foreign visitors from overseas to the United States, and a 28-percent increase in jet fuel prices.

By area, much of the increase in receipts for “other transportation” services was from Europe, mainly from the United Kingdom, Germany, and France.

Delivery of Computer Services to Foreign Markets

The delivery of computer-related services and of many other types of services may be further divided within the two major channels of cross-border trade and sales through affiliates. As a result, the total value of these services may be scattered across several categories of cross-border trade and sales by affiliates in the tables. In addition, some computer-related services may be embedded in goods that are exported to foreign markets, or they may be delivered in ways that result in entries in the U.S. international transactions accounts under income rather than under trade in goods and services.

Cross-border receipts from unaffiliated foreigners for “computer and data processing services” and “database and other information services” are shown under “business, professional, and technical services” in table 1.¹ Computer-related services that are delivered to foreign markets through cross-border software-licensing agreements, such as on site licenses are shown under “royalties and license fees.”² More specifically, receipts through agreements with unaffiliated foreign persons are shown in “general-use computer software” in table 4. Receipts through agreements with affiliated foreigner persons

(intrafirm trade) are included in affiliated royalty and license fee transactions in table 1, but their value cannot be separately identified. Intrafirm receipts of computer and information services, which consist of computer and data processing services and of database and other information services, are shown in table 1 and table E.

The wages of U.S. residents who provide computer services to nonresidents are included in “compensation receipts” in the international transactions accounts (ITAs) (table 1, line 17), but their value cannot be separately identified. Compensation covers the earnings of U.S. individuals who are employees of nonresident firms and the earnings of certain independent individuals who provide services to nonresidents; it is classified in the ITAs as “income” rather than in services. If a U.S. resident goes abroad to provide these services, the length of stay must be less than 1 year; otherwise, the individual is considered a foreign resident.

Sales of computer-related services to foreign residents through foreign affiliates exceeded cross-border exports of these services in 2003, reflecting the advantages of a local presence when delivering these services to foreign customers (table 10.2). The available data on sales through affiliates are classified by the primary industry of the affiliate rather than by type of service, but computer-related services may also be sold through affiliates in several other industries, particularly machinery manufacturing and wholesale trade.

1. For detailed estimates of receipts for these services by country and by area, see table 7.

2. Receipts and payments for general-use software that is packaged and physically shipped to or from the United States are included in trade in goods. The value of software that is preinstalled on computer equipment and peripherals is captured in the value of this hardware and thus is also included in trade in goods.

However, receipts from Japan, China, and other countries in Asia also increased substantially. The increases reflected higher trade volumes with these countries.

Payments. Payments for “other transportation” services increased 21 percent, to \$54.2 billion, in 2004 after a 16-percent increase in 2003. The increase in 2004 primarily reflected an increase in ocean freight payments, which resulted from increases in the volume of imports and in ocean freight rates. West Coast ports reported record volumes on liner vessels from July through November when imports from Asia surged. Moreover, carriers negotiated large rate increases with shippers early in the year on the basis of forecasts of continued strong import volumes.

Payments for port services also increased. Payments for air port services increased as a result of a 28-percent increase in jet fuel prices, an 8-percent increase in the volume of goods exports transported by U.S. air carriers, and a 12-percent increase in the number of U.S. travelers overseas; the increase in these payments was slightly offset by a decrease in payments for ocean port services.

By area, most of the increase in “other transportation” payments was accounted for by payments to Asia. Payments to Japan and China increased significantly, reflecting increased export and import volume with these countries. Payments to Europe also contributed, reflecting large increases in payments to Germany, the United Kingdom, and Norway.

Royalties and license fees

Receipts. U.S. receipts of royalties and license fees increased 9 percent, to \$52.6 billion, in 2004 after an 8-percent increase in 2003. Most of the increase was accounted for by U.S. parents’ receipts from their foreign affiliates; affiliated receipts accounted for nearly 75 percent of receipts for royalties and license fees in 2004, about the same share as in other recent years. Affiliated transactions in royalties and license fees tend to predominate; firms with marketable intellectual property usually prefer to exercise some degree of control over the distribution of this property because it may be instrumental to the firm’s competitive position in the global market.⁷ Of these affiliated receipts, 90 percent were accounted for by U.S. parents’ receipts from their foreign affiliates and 85 percent of affiliated payments were accounted for by U.S. affiliates’ payments to their foreign parents. The size of these shares reflects the fact that within multinational firms, the parent companies

rather than the affiliates are generally the holders of intellectual property. U.S. parents’ receipts from their foreign affiliates increased 8 percent in 2004, mostly from affiliates in information services and transportation equipment manufacturing.

U.S. companies’ receipts from unaffiliated foreign companies increased 11 percent, to \$13.6 billion in 2004. The increase was mostly accounted for by receipts for the use of industrial processes, including patents and trade secrets, which are used in connection with the production of goods. The increase was also attributable to receipts for trademarks—the rights to use products under a particular trademark, brand name, or signature. Unaffiliated receipts for the rights to distribute and use general-use computer software changed little in 2004 after decreasing in 2003. Additional receipts from software licensing agreements were transacted through affiliated channels, but the value of these receipts cannot be separately identified (see the “Delivery of Computer Services to Foreign Markets”).

Payments. U.S. payments for royalties and license fees increased 23 percent, to \$23.9 billion, in 2004 after remaining nearly flat in 2003. Affiliated payments for royalties and license fees accounted for most U.S. payments in 2004. Of this affiliated trade, 85 percent was accounted for by U.S. affiliates’ payments to their foreign parents, a share that has been increasing since 2001 after decreasing throughout the 1990s. U.S. affiliates’ payments increased 22 percent. Much of the increase was attributable to payments by affiliates in manufacturing, particularly in chemicals (including drug companies) and petroleum, in information services, and in wholesale trade, mainly to foreign parents in the United Kingdom, the Netherlands, and Germany.

U.S. companies’ payments of royalties and license fees to unaffiliated foreigners tend to spike in years that include major international sporting events, as U.S. companies pay international sports organizations for the rights to broadcast and record the live events and for the rights to use logos and other trademarks associated with the events. The latest such spike occurred in 2004—an Olympic year.

Other private services

Receipts for “other private services” increased 6 percent, to \$140.5 billion, in 2004 after an 8-percent increase in 2003. The largest dollar increases were in financial services and in “other business, professional, and technical services” (table 1 and tables 5–8). Payments for “other private services” increased 10 percent, to \$90.7 billion, after a 13-percent increase. The largest dollar increases were in insurance services, “other

7. Lee Bransetter, Raymond Fisman, and C. Fritz Foley “Do Stronger Intellectual Property Rights Increase International Technology Transfer? Empirical Evidence from U.S. Firm-Level Data” (National Bureau of Economic Research working paper no. 11516, July 2005); <papers.nber.org/papers/w11516.pdf>.

business, professional, and technical services,” and financial services (table 1). “Other private services” consists of education, financial services, insurance services, telecommunications services, and business, professional, and technical services.

Education

Receipts. Receipts for education increased 2 percent, to \$13.5 billion, in 2004 after a 5-percent increase in 2003. The increase in 2004 resulted from higher tuition rates: Tuition rates at U.S. public colleges and universities increased 14 percent in academic year 2003–2004, tuition rates at U.S. private colleges and universities increased 6 percent, and tuition rates at U.S. 2-year colleges increased 14 percent.⁸ These higher rates were partly offset by a 2.4-percent decrease in the number of foreign students enrolled in U.S. higher education institutions in 2004 after a small increase in 2003. Most of the decrease was attributable to a 5-percent decrease in the number of undergraduate students; the number of graduate students increased 2.5 percent. The decrease in foreign students resulted from real and perceived difficulties in obtaining student visas, rising U.S. tuition rates, less expensive educational opportunities abroad, and recruitment activities by colleges and universities in other English-speaking nations.⁹

India continues as the top source of foreign students. The number of students from India increased 7 percent in 2004, to nearly 80,000; the increase partly offset drops in students from other countries. The number of students from China, the second largest source of students, fell 5 percent, to 62,000. The number of students from other Asian countries, Europe, and the Middle East also fell. The decrease in the number of students from the Middle East was not as sharp as in 2003, but the number of students from most countries with majority Muslim populations—such as

Saudi Arabia, Kuwait, and Jordan—decreased 15 to 17 percent. Beginning in 2002, the number of students from majority Muslim countries has decreased at an average annual rate of 10 percent.

Payments. Payments for education increased 11 percent, to \$3.5 billion, in 2004 after an 18-percent increase in 2003. More U.S. students are studying abroad, but for shorter periods; more than 50 percent of U.S. students who study abroad select summer, January term, and other programs of 8 weeks or less.¹⁰ Education payments by U.S. students enrolled in degree programs in Canada, the United Kingdom, and Australia—the top destinations for foreign study—increased 10 percent in 2004.

Financial services

Receipts. Financial services receipts increased 13 percent, to \$27.4 billion, in 2004 after a 10-percent increase in 2003. The increase in 2004 was almost entirely due to an increase in unaffiliated receipts, which rose in all major categories (table F). Brokerage commissions were higher as foreigners increased their trading in outstanding U.S. bonds; trading in U.S. stocks changed little. Private placement and underwriting services were virtually unchanged, as new issues of stocks and bonds in the United States were flat. Fees for financial advisory services changed little, while fees for financial management services benefited from strong performance by managers and strong increases in the value of assets under management. Credit card and other credit-related services increased, as the volume of credit card transactions continued to increase. “Other financial services” receipts increased because of gains in fees for securities lending, electronic funds transfers, and all other financial services.

Payments. Financial services payments increased 14 percent, to \$11.2 billion, in 2004 after a 13-percent increase in 2003. The increase in 2004 resulted from increases in both unaffiliated payments, up 17 percent, and affiliated payments, up 11 percent. The increase in

8. *Trends in College Pricing 2003* (Princeton, NJ: The College Board); <www.collegeboard.com/press/article/0,3183,29541,00.html>.

9. “Open Doors 2004: Report on International Education Exchange, 2004” (New York: Institute of International Education); <www.opendoors.iienetwork.org>.

10. “Open Doors 2004.”

Table F. Unaffiliated Financial Services Transactions, 1994–2004

[Millions of dollars]

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total receipts	5,763	7,029	8,229	10,243	11,327	13,410	16,026	15,498	17,746	19,081	21,897
Securities transactions ¹	2,527	3,253	3,917	4,715	4,690	4,833	5,459	5,021	6,203	6,987	7,400
Management and advisory ²	1,479	1,665	1,886	2,553	3,219	4,687	6,610	5,675	6,343	6,211	7,388
Credit card and other credit-related.....	1,093	1,423	1,472	1,839	2,030	1,959	2,206	2,520	2,832	2,804	3,425
Other ³	664	688	954	1,136	1,388	1,931	1,751	2,282	2,368	3,079	3,684
Total payments	1,654	2,472	2,907	3,347	3,590	3,418	4,840	4,489	4,160	4,232	4,968
Securities transactions ¹	956	1,506	1,654	1,943	1,949	1,748	2,402	1,918	1,595	1,477	1,636
Management and advisory ²	327	348	401	406	545	627	718	495	482	520	619
Credit card and other credit-related.....	204	327	372	390	403	407	459	607	674	669	744
Other ³	167	291	480	608	693	636	1,261	1,469	1,409	1,566	1,969

1. Includes brokerage, underwriting, and private placement services.

2. Includes financial management, financial advisory, and custody services.

3. Includes securities lending, electronic funds transfer, and other financial services.

unaffiliated payments was attributable to increases across all major categories (table F). Brokerage commissions rose as U.S. investors increased their trading in foreign stocks, and private placement and underwriting services rose because of increased levels of U.S. securities issued abroad. Management and financial advisory services both increased. Credit card and other credit-related services increased as credit card companies expanded their networks abroad. "Other financial services" payments increased because of gains in securities lending, electronic funds transfers, and other financial services.

Insurance

Receipts. Insurance services receipts increased 4 percent, to \$6.1 billion, in 2004 after a 32-percent increase in 2003. In 2004, an increase in receipts for primary insurance was partly offset by a decrease in receipts for reinsurance. In 2003 and the several preceding years, receipts for both primary insurance and for reinsurance increased.

Payments. Insurance services payments increased 13 percent, to \$29.9 billion, in 2004 after a 20-percent increase in 2003. The increase was more than attributable to an increase in payments for reinsurance services. The increase in reinsurance payments reflected an increase in premium rates and an increase in the amount of insurance ceded to foreign reinsurance companies. Premiums paid have accelerated since 2000 because the volume of reinsurance purchased from abroad has increased and reinsurers have raised premiums rates, partly to recoup investment losses from the downturn in bond and stock markets in 2000 and catastrophic property-casualty losses, including those stemming from the September 11th 2001, attacks.

The increase in reinsurance payments contributed significantly to the increase in the deficit in insurance transactions in 2004 and was a major factor in the continued decline in the surplus in total private services.

Telecommunications

Receipts. Receipts for telecommunications services decreased 3 percent, to \$4.4 billion, in 2004 after a 16-percent increase in 2003. Cross-border trade in telecommunications services is partly conducted under a system in which telecommunications carriers negotiate bilateral fees for carrying and terminating international traffic. The decrease in receipts for telecommunications services in 2004 is partly due to the growing use of call completion methods that circumvent the traditional system by routing international traffic over leased lines that are attached to low-cost public networks; increased use of Internet telephony (known as "Voice-over-Internet-Protocol") also contributed. In addition, efforts by many U.S. carriers to route traffic to networks that they own have also reduced the use of the traditional international settlement system.¹¹

Payments. Payments for telecommunications services increased 2 percent, to \$4.4 billion, in 2004 after a 1-percent increase in 2003. Payments for telecommunications services have been affected by increased call volume and by higher calling rates for calls that terminate on foreign mobile networks, which are generally more expensive than calls that terminate on foreign fixed-line networks. Reflecting higher connection fees for mobile phones than for fixed-line communica-

11. *Recent Trends in U.S. Services Trade: 2004 Annual Report* (U.S. International Trade Commission, June 2004): 10-1 and 10-2.

Data Sources

The estimates in this article are primarily based on data from the surveys that are conducted by the Bureau of Economic Analysis (BEA), but the estimates of some services are based on data from a variety of other sources, including U.S. Customs and Border Protection, surveys conducted by other Federal Government agencies, private sources, and partner countries.

BEA conducts several mandatory surveys of services; some surveys are targeted to specific services industries and for intrafirm transactions, to specific types of investment. These surveys of services are available on BEA's Web site at <www.bea.gov/bea/surveys>.

The data on intrafirm trade in services and on sales by majority-owned affiliates are collected in BEA's surveys of U.S. direct investment abroad and of foreign direct investment in the United States. For the methodologies

for these surveys, see *Foreign Direct Investment in the United States: Final Results From the 1997 Benchmark Survey* and *U.S. Direct Investment Abroad: Final Results From the 1999 Benchmark Survey*. For additional information on the methodology used to prepare the estimates of both affiliated and unaffiliated cross-border trade, see *The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures*. These publications and other detailed information on the changes in the methodology since 1990 can be accessed on BEA's Web site at <www.bea.gov/bea/mp_international.htm>.

For a summary of the changes since 1990, see "Improvements to BEA's Estimates of U.S. International Services, 1990-2003," in Borga and Mann, SURVEY 83 (October 2003): 74-76. The SURVEY articles for 1994-2004 are available at <www.bea.gov/bea/pubs.htm>.

tions, the increase in mobile calling volume has contributed to the increase in telecommunications payments in 2004. The decrease in calling rates for fixed-line communications dampened the increase in telecommunications payments.

Business, professional, and technical services

Business, professional, and technical (BPT) services receipts increased 7 percent, to \$71.0 billion, in 2004 after a 7-percent increase in 2003. BPT services consists of five major categories: Computer and information services; management and consulting services; research, development and testing services; operational leasing services; and "other BPT services." Both affiliated and unaffiliated BPT receipts increased in 2004; most of the increase was attributable to "other BPT services."

Receipts. Receipts for *computer and information services* were flat, at \$8.5 billion, in 2004. An increase in unaffiliated receipts was offset by a decrease in affiliated receipts. Receipts for *management and consulting*

services also were flat, at \$4.5 billion. Both unaffiliated receipts and affiliated receipts were virtually unchanged. Receipts for *research, development, and testing services* increased 12 percent, to \$9.8 billion. Most of the increase in receipts was attributable to affiliated transactions, which account for 90 percent of research, development, and testing services receipts. (Like for royalties and license fees, affiliated transactions account for most research, development, and testing services, because companies prefer to maintain control over intellectual property.) Receipts for *operational leasing services* increased 4 percent, to \$8.2 billion as a result of an increase in affiliated receipts.¹²

Receipts for "other BPT services" increased 8 percent, to \$40.0 billion, in 2004. "Other BPT services" include a variety of services that are not recorded in other categories of BPT services and other costs that

12. This category covers rentals of transportation equipment (such as ships, aircraft, and railcars) without crews or operators; if crews or operators are provided, the transaction is included under "other transportation" services.

Types of Cross-Border Services: Coverage and Definitions—Continues

The estimates of cross-border transactions cover both affiliated and unaffiliated transactions between U.S. residents and foreign residents. Affiliated transactions consist of intrafirm trade within multinational companies—specifically, the trade between U.S. parent companies and their foreign affiliates and the trade between U.S. affiliates and their foreign parent groups. Unaffiliated transactions are with foreigners that neither own, nor are owned by, the U.S. party to the transaction.

Cross-border trade in private services is classified in the same five broad categories that are used in the U.S. international transactions accounts—travel, passenger fares, "other transportation," royalties and license fees, and "other private services."

Travel. These accounts cover purchases of goods and services by U.S. persons traveling abroad and by foreign travelers in the United States for business or personal reasons. These goods and services include food, lodging, recreation, gifts, entertainment, local transportation in the country of travel, and other items incidental to a foreign visit. U.S. travel transactions with both Canada and Mexico include border transactions, such as day trips for shopping and sightseeing.

A "traveler" is a person who stays less than a year in a country and is not a resident of that country. Diplomats and military and civilian government personnel are excluded regardless of their length of stay; their expenditures are included in other international transactions accounts. Students' educational expenditures and living expenses and medical patients' expenditures for medical care are included in "other private services."

Passenger fares. These accounts cover the fares

received by U.S. air carriers from foreign residents for travel between the United States and foreign countries and between two foreign points, the fares received by U.S. vessel operators for travel on cruise vessels, and the fares paid by U.S. residents to foreign air carriers for travel between the United States and foreign countries and to foreign vessel operators for travel on cruise vessels.

"Other transportation." These accounts cover U.S. international transactions arising from the transportation of goods by ocean, air, land (truck and rail), pipeline, and inland waterway carriers to and from the United States and between two foreign points. The accounts cover freight charges for transporting exports and imports of goods and expenses that transportation companies incur in U.S. and foreign ports. Freight charges cover the receipts of U.S. carriers for transporting U.S. exports of goods and for transporting goods between two foreign points and the payments to foreign carriers for transporting U.S. imports of goods. (Freight insurance on goods exports and imports is included in insurance in the "other private services" accounts.)

Port services consist of the value of the goods and services purchased by foreign carriers in U.S. ports and by U.S. carriers in foreign ports.

Royalties and license fees. These accounts cover transactions with nonresidents that involve patented and unpatented techniques, processes, formulas, and other intangible assets and proprietary rights used in the production of goods; transactions involving trademarks, copyrights, franchises, broadcast rights, and other intangible rights; and the rights to distribute, use, and reproduce general-use computer software.

parent firms charge to their affiliates that are not further disaggregated by type of service.¹³ Most of the increase in 2004 was accounted for by unaffiliated receipts, mostly for legal services, other trade-related services, and architectural, engineering and other technical services. Other trade-related services, which include Internet and online sales services, have increased sevenfold since 1999; these services include auction services, which include online auctions and fees for business-to-business exchanges conducted over the Internet.

13. BEA collects and publishes as part of "other BPT services" additional details on transactions with unaffiliated foreign persons that cover more than a dozen types of services (see the addenda to table 1). The costs of research and development services and management services sometimes are separately identified and charged, and when they are, the values are recorded in the categories provided for those services. When they cannot be separately identified and charged, the values are recorded under "other BPT services."

Payments. Payments for BPT services increased 9 percent, to \$40.7 billion, in 2004 after a 12-percent increase in 2003. Affiliated payments, which accounted for 70 percent of BPT payments in 2004, increased 8 percent; unaffiliated payments increased 10 percent.

Payments for *computer and information services* increased 2 percent, to \$5.8 billion, in 2004. An increase in affiliated payments was partly offset by a decrease in unaffiliated payments. Payments for *management and consulting services* increased 26 percent, to \$5.0 billion. Payments for *research, development, and testing services* increased 7 percent, to \$4.7 billion. Like for receipts, affiliated trade accounts for most payments for research, development, and testing services, but a \$0.2 billion decrease in affiliated payments was more than offset by a \$0.5 billion increase in unaffiliated payments. Payments for *operational leasing services* increased 44 percent, to \$1.2 billion. Affiliated payments

Types of Cross-Border Services: Coverage and Definitions

"Other private services." These accounts consist of education; financial services; insurance; telecommunications; business, professional, and technical services; and "other services."

Education consists of expenditures for tuition and living expenses by foreign students enrolled in U.S. colleges and universities and by U.S. students for study abroad. Education excludes fees for distance-learning technologies and for educational and training services provided on a contract or fee basis; these transactions are included in training services in "other business, professional, and technical services" in table 1.

Financial services include funds management and advisory services, credit card services, fees and commissions on transactions in securities, fees paid and received on bond trading, fees on credit-related activities, and other financial services.

Insurance services consist of the portion of premiums remaining after provision for expected or "normal" losses, an imputed premium supplement that represents the investment income of insurance companies on funds that are treated as belonging to policyholders, and auxiliary insurance services.¹ Primary insurance mainly con-

sists of life insurance and property and casualty insurance, and each type may be reinsured.²

Telecommunications consists of receipts and payments between U.S. and foreign communications companies for the transmission of messages between the United States and other countries; channel leasing; telex, telegram, and other jointly provided basic services; value-added services, such as electronic mail, video conferencing, and online access services (including Internet backbone services, router services, and broadband access services); and telecommunications support services.

Business, professional, and technical services cover a variety of services, such as legal services, accounting services, and advertising services (see the list in table 1).

"Other services" receipts consist mainly of expenditures (except employee compensation) by foreign governments in the United States for services such as maintaining their embassies and consulates; noncompensation-related expenditures by international organizations, such as the United Nations and the International Monetary Fund, that are headquartered in the United States; expenditures of foreign residents employed temporarily in the United States; and receipts from foreigners for the display, reproduction, or distribution of motion pictures and television programs. "Other services" payments consist primarily of payments by U.S. distributors to foreign residents for the display, reproduction, or distribution of foreign motion pictures and television programs.

1. The portion of total premiums required to cover "normal losses" is estimated by BEA on the basis of the relationship between actual losses and premiums averaged over several years. Auxiliary insurance services include agents' commissions, actuarial services, insurance brokering and agency services, and salvage administration services. For a detailed description of the imputed premium supplement, see Christopher L. Bach, "Annual Revision of the U.S. International Transactions Accounts, 1989-2003," SURVEY 84 (July 2004): 60-62. For a description of other components of insurance services, see Christopher L. Bach, "Annual Revision of the U.S. International Transactions Accounts, 1992-2002," SURVEY 83 (July 2003): 35-37.

2. Reinsurance is the ceding of a portion of a premium to another insurer who then assumes a corresponding portion of the risk. It provides coverage for events with such a high degree of risk or liability that a single insurer is unwilling or unable to underwrite insurance against their occurrence.

accounted for nearly all of the increase. Payments for “other BPT services” increased 7 percent, to \$24.0 billion. Affiliated payments accounted for most of the increase. Unaffiliated payments also increased, and nearly a third of the increase was attributable to a 27-percent jump in accounting, auditing, and book-keeping services. One reason for the increase may be that in order to comply with the Sarbanes-Oxley Act of 2002—which starting in 2004, requires stricter accounting and auditing standards and increased personal accountability on the part of senior executives for company financial statements—U.S. companies have increasingly sought out independent auditors and accountants abroad, both of which are in short supply domestically.

Film and television tape rentals

Receipts. Receipts for film and television tape rentals increased 3 percent, to \$10.5 billion, in 2004 after a 9-percent increase in 2003. These services cover the rights to display, reproduce, and distribute U.S. motion pictures and television programming abroad.

Payments. Payments for film and television tape rentals increased 49 percent, to \$0.3 billion in 2004, after a 53-percent increase in 2003. Unaffiliated payments to Australia accounted for most of the increases in 2004 and in 2003. Although payments have been increasing rapidly, they continue to be only a small fraction of receipts.

Sales Through Affiliates in 2003

In 2003, the latest year for which data are available, worldwide sales of services by U.S. multinational companies through their nonbank majority-owned foreign affiliates to both foreign and U.S. persons were \$507.5 billion, up 13 percent from sales in 2002 (table G).¹⁴ Worldwide sales by foreign multinational companies through their nonbank majority-owned U.S. affiliates were \$407.9 billion, up 3 percent.

Affiliates’ sales of both goods and services are predominantly local transactions. In 2003, local sales—that is, transactions with parties located in the same country as the affiliate—accounted for 78 percent of the worldwide sales of services by foreign affiliates of U.S. companies; local sales accounted for 61 percent of the worldwide sales of goods. The larger share for services reflects the importance of proximity to the customer in the delivery of services. Local sales accounted for 94 percent of worldwide sales of services by U.S. affiliates of foreign companies and for an esti-

14. In this section, sales of services are generally defined as sales of outputs that are intangible; these outputs are typically associated with particular industry sectors, which are listed in the note to table G.

mated 91 percent of their worldwide sales of goods, partly reflecting the large U.S. market.¹⁵

Both the sales of services to foreign persons by foreign affiliates of U.S. companies (that is, their local sales and their sales to other foreign countries) and the sales of services to U.S. persons by U.S. affiliates of foreign companies (that is, their local sales) represent services delivered to international markets through the channel of direct investment. These sales are presented by country of foreign affiliate or by country of the U.S. affiliates’ ultimate beneficial owner (UBO) for 1996–2003 in table 9.¹⁶ Sales by primary industry of the foreign affiliate cross-classified by country for 2002 and 2003 are presented in tables 10.1 and 10.2. Sales by primary industry of the U.S. affiliate cross-classified by country of UBO for 2002 and 2003 are presented in tables 11.1 and 11.2.

15. The local and foreign shares of sales of goods by U.S. affiliates have been estimated from data on exports of goods shipped by affiliates, because the data on these sales are not disaggregated by destination. In 2003, U.S. affiliates’ exports represented 9 percent of their total sales of goods.

16. The UBO of a U.S. affiliate is that person (in the broad legal sense, including a company), proceeding up the affiliate’s ownership chain beginning with the foreign parent, that is not owned more than 50 percent by another person. The UBO ultimately owns or controls the affiliate and derives the benefits associated with ownership or control. Unlike the foreign parent, the UBO of a U.S. affiliate may be located in the United States.

Table G. Sales of Services by U.S. MNCs Through Their Nonbank MOFAs and by Foreign MNCs Through Their Nonbank MOUSAs, 2002–2003
[Millions of dollars]

	2002	2003
Sales through MOFAs		
Total	448,152	507,508
To affiliated persons.....	64,213	72,471
To unaffiliated persons.....	383,940	435,038
To U.S. persons.....	24,644	30,053
To U.S. parents.....	19,745	23,035
To unaffiliated U.S. persons.....	4,898	7,018
To foreign persons.....	423,508	477,455
To other foreign affiliates.....	44,467	49,436
To unaffiliated foreign persons.....	379,041	428,020
Local sales.....	355,262	394,353
To other foreign affiliates.....	12,477	14,035
To unaffiliated foreigners.....	342,786	380,318
Sales to other countries.....	68,246	83,102
To other foreign affiliates.....	31,991	35,401
To unaffiliated foreigners.....	36,256	47,701
Sales through MOUSAs		
Total	395,040	407,881
To U.S. persons	367,614	381,389
To foreign persons	27,426	26,492
To the foreign parent group.....	9,785	10,976
To foreign affiliates.....	3,259	1,109
To other foreigners.....	14,382	14,407

NOTE. Depository institutions are excluded because data are not available.

In this table, sales of services through affiliates are those typical of establishments in the following industries derived from the North American Industry Classification System: Utilities; transportation and warehousing; information; finance and insurance; real estate and rental and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and support, waste management, and remediation services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; support activities for agriculture and forestry; support activities for oil and gas operations; support activities for mining; and other services.

MNCs Multinational companies
MOFAs Majority-owned foreign affiliates
MOUSAs Majority-owned U.S. affiliates

Foreign affiliates' sales to foreign persons

In 2003, sales of services to foreign persons by nonbank majority-owned foreign affiliates of U.S. companies were \$477.5 billion. By area, sales by affiliates in Europe accounted for 56 percent of total sales; affiliates in Asia and Pacific accounted for 22 percent; affiliates in Latin America and Other Western Hemisphere, for 12 percent; and affiliates in Canada, for 9 percent. By country, the United Kingdom accounted for the largest share of sales, followed by Japan, Canada, Germany, and France.

By industry sector, sales of services were largest in “finance (except depository institutions) and insurance,” in information, and in professional, scientific, and technical services.¹⁷ In nonbank finance and insurance, the majority of sales were accounted for by affiliates in insurance, and much of the remainder were accounted for by “securities, commodity contracts, and other intermediation and related activities” (securities and commodity brokers and dealers). In information, affiliates in broadcasting and telecommunications had the largest sales, followed by affiliates in publishing industries, and affiliates in information services and data processing services. In professional, scientific, and technical services, affiliates in computer systems design and related services accounted for a large share of total sales of services.

Sales of services abroad by foreign affiliates increased 13 percent in 2003 after increasing 0.4 percent in 2002. Foreign affiliates' sales grew strongly in 2003 despite the modest pickup in economic growth—and in some cases, despite the falloff in growth—in many important markets that the affiliates serve.¹⁸ Increases in affiliates' sales were widespread across industry sectors, and much of the increase was accounted for by existing affiliates. The depreciation of the U.S. dollar contributed to the increased dollar value of affiliates' sales, particularly in Europe. The largest increases were by affiliates in nonbank finance and insurance (particularly insurance) and in information. In insurance, higher premiums in primary and reinsurance markets, particularly for nonlife insurance, led to widespread

17. Holding companies (included in “management of companies and enterprises”) constitute by far the largest industry in the U.S. direct investment position abroad and account for the largest share of direct investment income. However, this industry accounts for a relatively small share of sales of services by foreign affiliates, because most of the operating revenues of holding companies, which consist largely of income from equity investments, are recorded as investment income and not as sales of services, even though a significant portion of the income in this industry is ultimately attributable to sales of services by affiliates owned by the holding companies (those sales that are recorded in the country and industry of the affiliates being held).

18. In 2003, real economic growth picked up in some markets, including the United Kingdom and Japan, while growth slowed or virtually ceased in other markets, such as Canada, France, Germany, the Netherlands, and Switzerland.

increases in sales of services by affiliates.¹⁹ In information, the increase was widespread among subsectors; affiliates in publishing industries, particularly software publishers, accounted for the largest share of the increase. In contrast, sales of services in utilities decreased for the second consecutive year in 2003, as U.S. companies sold off or liquidated their foreign affiliates in energy generation, distribution, and trading activities in order to reduce their debt and to improve their balance sheets following the business failures that disrupted energy trading markets in 2002.

Sales of services abroad by foreign affiliates increased in every major area in 2003. Affiliates in Europe had the largest increase, accounting for 72 percent of the increase in total sales, followed by affiliates in Asia and Pacific and in Latin America and Other Western Hemisphere. Within Europe, the United Kingdom had the largest increase. In the United Kingdom, increases were widespread across several industry sectors; the largest increases were for affiliates in transportation and warehousing, in insurance (except life insurance), in publishing industries, and in motion picture and sound recording industries. In Asia and Pacific, affiliates in Australia had the largest increase in sales, accounting for about 40 percent of the area's increase. In Australia, the largest increases were by securities and commodity brokers and dealers, mostly reflecting new affiliates and acquisitions by existing affiliates. In Latin America and Other Western Hemisphere, affiliates in insurance and in utilities contributed to the increase.

By industry sector, the largest increases in sales of services abroad were by affiliates in “finance (except depository institutions) and insurance” and by affiliates in information. In nonbank finance and insurance, the increase was largely attributable to affiliates with primary activities in insurance (except life insurance) and to securities and commodity brokers and dealers. Increases for the affiliates in insurance (mainly property and casualty insurers) were widespread; the largest increases were by affiliates in the United Kingdom and Japan. An increase by securities and commodity brokers and dealers was attributable to several factors, including increased sales in precious metals trading, acquisitions, and expansion of affiliates' secondary activities in “other financial investment activities and exchanges.” In information, most of the increase was accounted for by increases in

19. The estimate of sales of services through affiliates in insurance primarily consists of premiums earned, with no deduction for losses, unlike the measurement of insurance services in cross-border trade. For more information on BEA's efforts to address this difference in measurement, see the box “New Data on Insurance, Wholesale and Retail Trade, and Banking Services Sold Through Affiliates.”

software publishing, in motion picture and video industries, and in telecommunications by existing affiliates in Europe. Sales of services abroad by affiliates in utilities decreased significantly for the second consecutive year; the decrease was accounted for by affiliates in Canada, the Netherlands, and the United Kingdom, as affiliates were sold or liquidated in 2003.

U.S. affiliates' sales in the United States

In 2003, sales of services to U.S. persons by nonbank majority-owned U.S. affiliates of foreign companies were \$381.4 billion. By area, affiliates with ultimate beneficial owners (UBOs) in Europe accounted for the largest share of total sales, at 69 percent; Canada accounted for 11 percent; Asia and Pacific, for 10 percent; and Latin America and Other Western Hemisphere, for 9 percent. By country of UBO, the United Kingdom accounted for the largest share of sales, followed by France, Germany, and Canada.

By industry sector, sales of services were largest in "finance (except depository institutions) and insurance" and in information. Affiliates in insurance accounted for over 75 percent of sales in nonbank finance and insurance. In information, affiliates in publishing industries and in telecommunications had the largest shares of sales of services.

Sales of services to U.S. persons by U.S. affiliates of foreign companies increased 4 percent in 2003. The slow growth occurred despite a pickup in growth in the U.S. economy and despite spending by foreign multinational companies to acquire or establish U.S. businesses, which increased for the first time since 2000.²⁰ Although spending for new investment increased, acquisitions of U.S. companies in 2003 were well below

20. According to data from BEA's survey of new foreign direct investment in the United States (FDIUS), outlays to acquire or to establish U.S. businesses increased from \$54.5 billion in 2002 to \$63.6 billion in 2003; see Thomas W. Anderson, "Foreign Direct Investment in the United States: New Investment in 2004," SURVEY 85 (June 2005): 30–37. These data cover only transactions involving U.S. businesses that are newly acquired or established by foreign direct investors. For additional information about FDIUS and about operations of both new and existing U.S. affiliates, see Zeile, "U.S. Affiliates of Foreign Companies: Operations in 2003," and Maria Borga and Daniel R. Yorgason, "Direct Investment Positions for 2003: Country and Industry Detail," SURVEY 84 (July 2004): 40–51.

Data Availability

The estimates of cross-border trade for 1986–2004 and the estimates of sales through majority-owned affiliates for 1989–2003 are available as files that can be downloaded from BEA's Web site. To access these files, go to <www.bea.gov>; under "International," click on "Trade in Goods and Services," and then look under "International Services" for "Detailed Estimates."

the levels during 1998–2001 when they fueled rapid growth in sales of services in several industries. In 2003, sales of services by affiliates in manufacturing with secondary activities in utilities and finance, which had accounted for much of the sales growth in 2002, fell sharply. In 2003, sales of services reported by U.S. companies involved in utilities, specifically those involved in energy trading, were negatively affected by the implementation of practices consistent with new accounting guidelines.²¹ The decrease for manufacturing affiliates held down total sales growth by offsetting increases for affiliates in other industries, such as nonbank finance and insurance, professional, scientific, and technical services, and information. Sales of services to U.S. persons grew strongly in finance and insurance industries, as foreign companies continued to seek access to the large and open U.S. market through acquisitions; the increased sales were also attributable to corporate restructuring by some affiliates and to higher premiums in insurance markets. Acquisitions also contributed to growth in professional, scientific, and technical services, in information, and in transportation and warehousing. Sales of services by affiliates with primary activities in utilities increased significantly in 2003, in contrast to the decrease in sales by manufacturing affiliates with activities in utilities. The increase primarily resulted from increases in distribution activities that were partly offset by the effect of the new accounting guidance on energy trading activities.

Sales of services in the United States by U.S. affiliates with UBOs in all the major areas except Africa increased. The largest increases in sales were by affiliates with UBOs in Europe, Asia and Pacific, and Latin America and Other Western Hemisphere. Within Europe, the largest increases in sales were by affiliates with UBOs in the United Kingdom and affiliates with UBOs in France. For the United Kingdom, the majority of the increase was accounted for by affiliates in utilities. Sales of services by British-owned affiliates in computers and electronic products manufacturing also

21. In 2003, sales by U.S. affiliates with energy trading activities were affected by changes in the recommended methods of accounting for transactions involving derivative instruments held for trading purposes. In particular, the Emerging Issues Task Force (EITF), an organization established by the Financial Accounting Standards Board (FASB) to assist the FASB in the improvement of financial reporting, released *Issues Involved in Accounting for Derivative Contracts Held for Trading Purposes and Involved in Energy Trading and Risk Management Activities* (EITF no. 02–3). Under this guidance, gains and losses from derivative instruments that are held for trading purposes should be shown on a net basis in energy trading firms' income statements, which affects sales of services reported to BEA. The effect of this accounting guidance on manufacturing affiliates with secondary activities in utilities that were heavily involved in energy trading was significant. The development of this new guidance may be related to the collapse of energy trading operations in 2002, which prompted a review of then existing guidance and practices.

increased, reflecting some affiliates' restructuring of operations to expand their service activities and new acquisitions. For France, the increase was accounted for by an increase in business, professional, and technical services that was due to acquisitions of affiliates in advertising and related services. Sales of services by affiliates with UBOs in the Netherlands and in Germany decreased. For the Netherlands, the decrease was more than accounted for by affiliates in petroleum and coal products manufacturing with secondary activities in natural gas distribution and in electric power generation, transmission, and distribution. For Germany, the decrease was more than accounted for by affiliates in transportation equipment manufacturing with secondary activities in leasing and finance.

For Asia and Pacific, the increase was mainly accounted for by affiliates with UBOs in Japan. For Latin America and Other Western Hemisphere, the increase was mostly accounted for by insurance affiliates with UBOs in the British islands in the Caribbean and in Bermuda.

By industry sector, affiliates in "finance (except depository institutions) and insurance" had the largest increase, followed by affiliates in professional, scientific, and technical services and in information. The increase in nonbank finance and insurance was mostly accounted for by insurance (except life insurance) and nondepository credit intermediation and related services. In professional, scientific, and technical services, most of the increase was in advertising and related services. In information, the increase was accounted for by affiliates in wireless telecommunications and in "internet service providers, web search portals, and data processing services." In contrast, sales of services by affiliates in manufacturing decreased because of affiliates' secondary activities in utilities (who were affected by the new accounting rule related to energy derivatives) and in finance.

Appendix: New Data and Other Improvements to the Estimates of Cross-Border Trade in Services

As part of its continuing efforts to improve the data on international services, BEA has recently initiated several changes in methodology and data collection for cross-border trade in services.²² Some of these improvements have already been implemented; others are underway. For a discussion of changes to the estimates of sales of services through affiliates, see the box "New Data on Insurance, Wholesale and Retail Trade, and Banking Services Sold through Affiliates" on page 29.

Quarterly surveys. Receipts and payments for "other private services" now incorporate data from new quarterly surveys that BEA conducts on many of the largest, most volatile types of services in U.S. international trade; previously, the estimates were based mainly on data from annual surveys.²³ Data from these quarterly surveys cover nearly a quarter of the value of private services transactions. The frequency of the surveys has increased, but the categories of data collected in the new quarterly surveys are the same as those in the annual surveys they replace. The response rates to the quarterly surveys have been similar to the response rates to the annual surveys.

Education payments. Payments of "other private services" for 2002–2004 incorporate new estimates of payments by U.S. residents for certain education services abroad that are based on foreign source data. The new estimates now include U.S. students enrolled in

22. For a list of improvements implemented from 1990 to 2004, see the appendix in Maria Borgia and Michael Mann, "U.S. International Services: Cross-Border Trade in 2003 and Sales Through Affiliates in 2002," *SURVEY* 83 (October 2003): 74–76 and the appendix in Borgia and Mann, *SURVEY* 84 (October 2004): 41–43.

23. For a detailed explanation of the new quarterly surveys and the quarterly pattern for the major components of "other private services," see Christopher L. Bach "Annual Revision of the U.S. International Transactions Accounts, 1991–2004," *SURVEY* 85 (July 2005): 66–67.

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Royalties and license fees and "other private services," affiliated—Gregory G. Fouch (for transactions of U.S. affiliates) and Mark W. New (for transactions of U.S. parents)

Royalties and license fees and "other private services," unaffiliated—Christopher J. Emond, Pamela Aiken, Neary Alguard, Felix Anderson, Stacey Ansell, Damon C.

Battaglia, Annette Boyd, Faith M. Brannam, Rafael I. Font, Hope R. Jones, Eddie L. Key, Kiesha Middleton, Steven J. Muno, Mark Samuel, John A. Sondheimer, Robert A. Becker, Erin Nephew, and Matthew J. Argersinger

The estimates of sales of services through majority-owned affiliates were prepared by staff members of the International Investment Division.

The information in tables 1, 2, 3, and 5 was consolidated by John A. Sondheimer. Computer programming for data estimation and the generation of the other tables were provided by Marie Colosimo, Carole J. Henry, Neeta B. Kapoor, Fritz H. Mayhew, Xia Ouyang, and Diane I. Young.

degree-granting programs at universities in the United Kingdom and Australia. Previously, estimates of payments for education services consisted only of U.S. students studying in nondegree-granting programs in foreign countries and students studying in degree-granting programs in Canada. (The top destinations for U.S. students who enroll in degree-granting programs in foreign universities are Canada, the United Kingdom, and Australia—all English speaking countries.)

Medical payments. Payments of “other private services” for 1992–2004 incorporate new estimates of payments by U.S. residents for medical services abroad that are based on foreign source data. These payments are now included as a component of business, professional, and technical services; previously, these payments were not covered. The new estimates cover payments by U.S. residents who require incidental medical care while traveling abroad and payments by U.S. residents who travel to Mexico and Canada for medical purposes, such as cosmetic surgery and dental procedures.

Wholesale and retail trade services. The wholesale and retail trade industries are important services industries in the U.S. economy. These industries provide distributive services—that is, selling, or arranging for the sale of, goods to intermediate and final users. However, the value of cross-border trade in services do not include estimates of these services, because these services are embedded in the value of trade in goods. Exports of goods are valued at the f.a.s. (free alongside

ship) value of the merchandise at the U.S. port of exportation, including inland freight, insurance, and other charges incurred in placing the merchandise alongside the carrier at the U.S. port. Thus, any distributive services (as well as the value of other services that facilitate trade, such as transportation from the factory to the port) are included in the accounts for cross-border trade in goods, but not in those for cross-border trade in services. See Obie G. Whichard and Maria Borga, “Selected Issues in the Measurement of U.S. International Services,” SURVEY 82 (June 2002): 45–46.

Comprehensive review. BEA has adopted long-term objectives for improving its estimates of cross-border trade in services. As a result, it is comprehensively reviewing its survey data and estimating procedures. BEA has several initiatives underway to improve its estimates, including an external review of its statistical procedures for estimating unreported transactions, an external review of the clarity of its surveys and instructions, and increased outreach to survey respondents. BEA has also been working with the Census Bureau and Internal Revenue Service to expand BEA’s access to Census Bureau information that would help BEA expand its mailing list of companies who receive BEA surveys. BEA also plans to consider consolidating its survey forms covering cross-border transactions so that transactions with affiliated and unaffiliated foreign residents are reported on the same form.

Tables 1 through 11.2 follow.

Table 1. Trade in Private Services, 1992–2004—Continues
[Millions of dollars]

	Exports												
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total Private Services	164,024	171,566	186,721	203,722	222,115	238,457	244,427	265,106	284,028	272,814	279,169	291,534	323,362
Unaffiliated	131,540	139,061	146,620	160,380	174,628	186,668	189,860	203,081	218,079	206,030	205,796	211,677	237,814
Affiliated	32,482	32,501	40,100	43,342	47,487	51,789	54,568	62,025	65,949	66,784	73,373	79,857	85,548
Travel ¹	54,742	57,875	58,417	63,395	69,809	73,426	71,325	74,801	82,400	71,893	66,605	64,348	74,481
Passenger fares ²	16,618	16,528	16,997	18,909	20,422	20,868	20,098	19,785	20,687	17,926	17,046	15,693	18,858
Other transportation	21,531	21,958	23,754	26,081	26,074	27,006	25,604	26,916	29,803	28,442	29,195	31,329	36,862
Unaffiliated	n.a.	n.a.	n.a.	n.a.	n.a.	26,606	25,204	26,416	29,303	27,842	28,495	30,629	36,062
Affiliated	n.a.	n.a.	n.a.	n.a.	n.a.	400	400	500	500	600	700	700	800
Royalties and license fees	20,841	21,695	26,712	30,289	32,470	33,228	35,626	39,670	43,233	40,696	44,489	48,137	52,643
Unaffiliated	5,182	6,007	6,437	7,430	7,914	8,763	9,314	10,395	12,754	11,532	11,738	12,252	13,619
Affiliated	15,659	15,688	20,275	22,859	24,556	24,465	26,313	29,275	30,479	29,164	32,751	35,885	39,024
Other private services	50,292	53,510	60,841	65,048	73,340	83,929	91,774	103,934	107,905	113,857	121,834	132,027	140,518
Unaffiliated	33,467	36,693	41,015	44,565	50,409	57,005	63,919	71,684	72,935	76,837	81,912	88,755	94,794
Affiliated	16,823	16,813	19,825	20,483	22,931	26,924	27,855	32,250	34,970	37,020	39,922	43,272	45,724
Education ³	6,186	6,738	7,174	7,515	7,887	8,346	9,036	9,616	10,348	11,476	12,626	13,261	13,523
Financial services	n.a.	n.a.	n.a.	n.a.	n.a.	12,443	14,027	17,410	19,826	19,598	22,046	24,281	27,397
Unaffiliated	4,034	4,999	5,763	7,029	8,229	10,243	11,327	13,410	16,026	15,498	17,746	19,081	21,897
Affiliated	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	2,200	2,700	4,000	3,800	4,100	4,300	5,200	5,500
Insurance services ⁴	1,016	994	1,039	1,250	1,651	2,130	3,002	3,053	3,631	3,423	4,467	5,880	6,125
Telecommunications ⁵	2,885	2,785	2,865	3,228	3,301	3,918	5,567	4,549	3,883	4,332	3,890	4,514	4,374
Business, professional, and technical services	n.a.	n.a.	n.a.	n.a.	n.a.	43,862	45,315	53,517	54,289	58,913	62,036	66,552	71,009
Unaffiliated	11,722	12,958	15,330	16,078	19,466	21,547	22,676	27,700	25,318	28,169	29,230	31,473	33,773
Affiliated	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	22,315	22,639	25,817	28,971	30,744	32,806	35,079	37,236
Computer and information services ⁶	n.a.	n.a.	n.a.	n.a.	n.a.	5,090	5,005	6,643	6,822	6,723	7,093	8,504	8,501
Unaffiliated	1,417	1,680	2,332	2,418	2,775	3,490	3,705	5,443	5,622	5,423	5,393	6,404	6,601
Affiliated	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	1,600	1,300	1,200	1,200	1,300	1,700	2,100	1,900
Management and consulting services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4,220	4,039	4,436	4,452
Unaffiliated	728	826	1,134	1,489	1,460	1,632	1,888	1,832	1,670	2,020	1,539	1,936	1,952
Affiliated	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	2,200	2,500	2,500	2,500
Research and development and testing services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6,746	7,642	8,752	9,807
Unaffiliated	611	464	522	638	681	893	867	994	910	1,046	1,142	1,152	1,307
Affiliated	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	5,700	6,500	7,600	8,500
Operational leasing	n.a.	n.a.	n.a.	n.a.	n.a.	3,551	4,041	4,918	5,184	5,883	7,448	7,929	8,234
Unaffiliated	854	834	925	978	1,482	2,012	2,367	2,671	3,086	3,726	5,104	5,445	5,439
Affiliated	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	1,539	1,674	2,247	2,098	2,157	2,344	2,484	2,795
Other business, professional, and technical services	n.a.	n.a.	n.a.	n.a.	n.a.	32,696	33,515	39,133	39,703	35,340	35,813	36,932	40,018
Unaffiliated	8,113	9,156	10,415	10,558	13,069	13,520	13,850	16,763	14,030	15,953	16,051	16,537	18,477
Affiliated	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	19,176	19,665	22,370	25,673	19,387	19,762	20,395	21,541
Other services	8,266	9,316	10,947	11,644	12,021	13,230	14,827	15,790	15,928	16,115	16,770	17,541	18,089
Unaffiliated	7,625	8,219	8,845	9,465	9,875	10,821	12,311	13,357	13,729	13,939	13,954	14,548	15,101
Affiliated	641	1,097	2,102	2,179	2,146	2,409	2,516	2,433	2,199	2,176	2,816	2,993	2,988
Film and television tape rentals	2,562	3,276	4,305	4,739	4,982	5,943	7,076	8,061	8,578	8,795	9,350	10,146	10,480
Unaffiliated	1,921	2,179	2,203	2,560	2,836	3,534	4,560	5,628	6,379	6,618	6,534	7,153	7,492
Affiliated	641	1,097	2,102	2,179	2,146	2,409	2,516	2,433	2,199	2,176	2,816	2,993	2,988
Other	5,704	6,040	6,642	6,905	7,039	7,287	7,751	7,729	7,350	7,321	7,420	7,395	7,609
Unaffiliated	5,704	6,040	6,642	6,905	7,039	7,287	7,751	7,729	7,350	7,321	7,420	7,395	7,609
Affiliated													
Addenda: Detail on transactions with unaffiliated foreigners in other business, professional, and technical services: ⁸	8,113	9,156	10,415	10,558	13,069	13,520	13,850	16,763	14,030	15,953	16,051	16,537	18,477
Accounting, auditing, and bookkeeping services	164	164	132	181	222	316	412	294	366	413	288	234	299
Advertising	315	338	487	425	543	607	445	481	496	533	466	532	489
Agricultural, mining, and on-site processing services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	573	591	306	378	273	265
Agricultural and mining services ⁹	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	573	591	306	353	241	252
Waste treatment and depollution services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	25	32	45	45
Architectural, engineering, and other technical services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,541	2,620	1,459	1,896	1,679	2,003
Construction, architectural, engineering, and mining services ¹⁰	1,935	2,407	2,474	2,550	3,553	3,503	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Construction	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	793	2,643	673	824	568	557
Industrial engineering	212	268	575	726	870	1,186	1,271	1,865	673	822	806	904	842
Installation, maintenance, and repair of equipment	2,744	2,978	3,497	3,218	3,648	3,369	3,189	3,491	4,249	5,053	5,287	5,006	5,117
Legal services	1,358	1,442	1,617	1,667	1,943	2,223	2,406	2,465	3,103	2,966	3,099	3,291	3,923
Medical services	708	750	794	856	1,005	1,113	1,204	1,353	1,501	1,479	1,460	1,571	1,661
Miscellaneous disbursements ¹¹	97	222	222	251	333	144	148	109	151	212	607	247	274
Sports and performing arts	43	77	86	116	149	149	99	131	141	176	170	172	139
Trade-related services ¹²	n.a.	n.a.	n.a.	n.a.	175	166	183	188	98	297	578	705	1,308
Training services	320	319	388	421	388	447	396	389	433	491	602	578	662
Other business, professional and technical services ¹³	217	191	143	147	240	297	190	143	381	413	168	440	507

See the footnotes at the end of the table.

Table 1. Trade in Private Services, 1992–2004

[Millions of dollars]

	Imports												
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total Private Services	103,469	109,439	120,280	128,731	138,806	151,463	165,642	183,034	207,392	204,074	209,235	224,616	258,069
Unaffiliated	90,428	95,375	103,896	109,841	117,852	127,234	137,983	147,137	167,280	162,664	164,212	176,042	203,376
Affiliated	13,036	14,063	16,384	18,890	20,954	24,229	27,659	35,897	40,112	41,410	45,023	48,574	54,693
Travel ¹	38,552	40,713	43,782	44,916	48,078	52,051	56,483	58,963	64,705	60,200	58,715	57,444	65,635
Passenger fares ²	10,603	11,410	13,062	14,663	15,809	18,138	19,971	21,315	24,274	22,633	19,969	20,957	23,701
Other transportation	23,767	24,524	26,019	27,034	27,403	28,959	30,363	34,139	41,425	38,682	38,407	44,705	54,169
Unaffiliated	n.a.	n.a.	n.a.	n.a.	n.a.	28,559	29,963	33,739	41,025	38,182	37,707	43,505	52,669
Affiliated	n.a.	n.a.	n.a.	n.a.	n.a.	400	400	400	400	500	700	1,200	1,500
Royalties and license fees	5,161	5,032	5,852	6,919	7,837	9,161	11,235	13,107	16,468	16,538	19,335	19,390	23,901
Unaffiliated	1,766	1,646	1,919	1,663	2,431	2,412	2,688	2,733	3,932	3,297	4,219	3,707	5,151
Affiliated	3,396	3,386	3,933	5,256	5,406	6,749	8,547	10,374	12,536	13,241	15,116	15,683	18,750
Other private services	25,386	27,760	31,565	35,199	39,679	43,154	47,590	55,510	60,520	66,021	72,809	82,120	90,663
Unaffiliated	15,740	17,082	19,114	21,565	24,131	26,074	28,878	30,387	33,344	38,352	43,602	50,429	56,220
Affiliated	9,640	10,677	12,451	13,634	15,548	17,080	18,712	25,123	27,176	27,669	29,207	31,691	34,443
Education ³	767	857	972	1,125	1,253	1,396	1,587	1,807	2,031	2,031	2,701	3,184	3,525
Financial services	n.a.	n.a.	n.a.	n.a.	n.a.	6,147	7,790	9,418	12,040	11,189	9,560	9,832	11,168
Unaffiliated	986	1,371	1,654	2,472	2,907	3,347	3,590	3,418	4,840	4,489	4,160	4,232	4,968
Affiliated	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	2,800	4,200	6,000	7,200	6,700	5,400	5,600	6,200
Insurance services ⁴	4,221	4,402	5,029	5,126	5,395	5,891	7,957	9,389	11,284	16,706	22,150	26,561	29,882
Telecommunications ⁵	6,052	6,365	6,928	7,305	8,290	8,346	7,682	6,601	5,428	4,770	4,233	4,259	4,365
Business, professional, and technical services	n.a.	n.a.	n.a.	n.a.	n.a.	20,814	22,023	27,636	29,098	30,418	33,492	37,464	40,737
Unaffiliated	3,216	3,618	3,982	4,940	5,670	6,539	7,531	8,589	9,129	9,452	9,688	11,393	12,519
Affiliated	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	14,275	14,492	19,047	19,969	20,966	23,804	26,071	28,218
Computer and information services ⁶	n.a.	n.a.	n.a.	n.a.	n.a.	1,564	1,969	4,494	4,435	4,599	4,554	5,706	5,804
Unaffiliated	143	211	224	286	422	764	1,069	1,494	1,835	1,799	1,654	2,206	2,004
Affiliated	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	800	900	3,000	2,600	2,800	2,900	3,500	3,800
Management and consulting services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,630	3,517	3,982	5,023
Unaffiliated	243	287	321	465	497	687	872	842	702	830	917	1,182	1,523
Affiliated	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁵)	(¹⁵)	(¹⁵)	(¹⁵)	1,800	2,600	2,800	3,500
Research and development and testing services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,425	2,628	4,427	4,727
Unaffiliated	225	239	294	364	379	564	637	749	787	725	1,028	1,327	1,827
Affiliated	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁵)	(¹⁵)	(¹⁵)	(¹⁵)	1,700	1,600	3,100	2,900
Operational leasing	n.a.	n.a.	n.a.	n.a.	n.a.	1,084	1,122	1,224	1,223	1,154	1,003	825	1,184
Unaffiliated	337	356	401	407	325	189	175	173	188	199	171	158	161
Affiliated	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	895	947	1,051	1,035	955	832	667	1,023
Other business, professional, and technical services	n.a.	n.a.	n.a.	n.a.	n.a.	16,914	17,425	20,324	21,950	19,609	21,790	22,525	24,000
Unaffiliated	2,269	2,523	2,742	3,422	4,047	4,334	4,780	5,328	5,616	5,898	5,918	6,521	7,005
Affiliated	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)	12,580	12,645	14,996	16,334	13,711	15,872	16,004	16,995
Other services	498	481	582	625	623	560	550	659	639	639	674	821	987
Unaffiliated	498	469	550	597	616	555	530	583	632	636	671	801	962
Affiliated	*	12	32	28	7	5	20	76	7	3	3	20	25
Film and television tape rentals	76	74	166	196	183	158	141	195	137	124	140	229	341
Unaffiliated	76	62	134	168	176	153	121	119	130	121	137	209	316
Affiliated	*	12	32	28	7	5	20	76	7	3	3	20	25
Other	422	407	416	429	440	402	409	464	502	515	534	592	646
Unaffiliated	422	407	416	429	440	402	409	464	502	515	534	592	646
Affiliated													
Addenda: Detail on transactions with unaffiliated foreigners in other business, professional, and technical services ⁸	2,269	2,523	2,742	3,422	4,047	4,334	4,780	5,328	5,616	5,898	5,918	6,521	7,005
Accounting, auditing, and bookkeeping services	104	103	130	170	218	279	403	592	531	507	489	568	720
Advertising	450	646	728	833	971	773	912	881	909	1,027	786	863	923
Agricultural, mining, and on-site processing services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	301	259	304	350	283	366
Agricultural and mining services ⁹	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	301	259	304	347	267	349
Waste treatment and depollution services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	3	16	17	18
Architectural, engineering, and other technical services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	54	19	18	66	112	71
Construction, architectural, engineering, and mining services ¹⁰	261	319	280	345	465	463	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Construction	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	208	237	184	179	204	241	374
Industrial engineering	112	142	100	160	197	211	206	262	241	148	183	195	162
Installation, maintenance, and repair of equipment	191	175	164	160	239	307	242	315	821	566	668	675	673
Legal services	311	321	383	469	615	539	655	742	893	740	820	926	754
Medical services	114	114	114	118	123	132	139	141	156	157	153	167	185
Miscellaneous disbursements ¹¹	395	371	538	843	750	1,075	1,136	1,351	1,120	1,361	1,481	1,638	1,599
Sports and performing arts	145	156	122	120	200	260	228	206	85	168	110	121	160
Trade-related services ¹²	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	31	48	71	92
Training services	101	101	137	145	140	153	168	162	205	346	370	401	510
Other business, professional and technical services ¹³	85	75	46	59	129	142	128	163	149	252	211	218	253

NOTE: See the box "Types of Cross-Border Services: Coverage and Definitions" in the text.
n.a. Not available.

1. Travel consists of expenditures by individuals who travel to foreign countries, so these transactions are between unaffiliated parties.

2. Passenger fares consist of fares paid by residents of one country to airline and vessel operators (carriers) that reside in another country, so they are transactions between unaffiliated parties.

3. Education consists of expenditures for tuition and living expenses by students studying in foreign countries, so these are transactions between unaffiliated parties.

4. Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies because the services are deemed to be provided to the policyholders who pay the insurance premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated trade in insurance services are included in affiliated "other business, professional, and technical services."

5. Transactions in basic telecommunications services are deemed to be unaffiliated, even when the services flow through affiliated channels, because they represent the distribution of revenues collected from unaffiliated customers. Other types of telecommunications services, such as value-added services, may flow through either affiliated or unaffiliated channels. For the latter, unaffiliated telecommunications transactions are included under "telecommunications"; data on affiliated transactions are not separately available and are included in affiliated "other business, professional, and technical services."

6. Includes computer and data processing services and database and other information services. For unaffiliated transactions, estimates of each of these services are shown in table 7.

7. See footnotes 4 and 5. For 1997–2000, this category also included affiliated management and consulting services and research and development and testing services.

8. Only data on transactions with unaffiliated foreign persons are identifiable.

9. For 1992–1997, mining services are included in construction, architectural, engineering, and mining services; agricultural services are included in "other business, professional and technical services."

10. For 1998–2003, mining services are included in agricultural and mining services; the other services are included in "architectural, engineering, and other technical services" and in construction services.

11. Miscellaneous disbursements include transactions such as outlays to fund news-gathering costs of broadcasters and of print media, outlays to fund production costs of motion pictures, outlays to fund production costs of broadcast program material other than news, outlays to maintain government tourism and business promotion offices, and outlays for sales promotion and representation.

12. Trade-related services consist of auction services, Internet or online sales services, and services provided by independent sales agents. For exports, "merchandise" services are also included;

Table 2. Private Services Trade by Area and Country, 1992–2004—Continues
 [Millions of dollars]

	Exports												
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
All countries.....	164,024	171,566	186,721	203,722	222,115	238,457	244,427	265,106	284,028	272,814	279,169	291,534	323,362
Canada	17,363	17,016	17,082	17,868	19,453	20,450	19,393	22,578	24,560	24,346	24,920	27,376	29,698
Europe.....	60,655	62,370	67,469	73,332	81,296	86,185	94,198	101,287	107,629	103,700	109,849	117,636	131,052
Belgium-Luxembourg	2,310	2,198	2,762	2,820	2,851	2,837	2,993	3,328	3,307	3,338	4,254	3,994	4,241
France.....	7,001	6,833	6,716	7,920	8,883	9,293	9,655	9,963	10,554	10,063	11,046	11,179	12,827
Germany.....	10,858	11,356	11,532	12,687	13,321	13,824	14,889	16,144	15,925	14,599	15,716	17,238	18,943
Italy.....	4,503	4,083	4,262	4,517	4,862	4,978	5,592	5,296	5,457	5,094	5,198	5,641	5,813
Netherlands.....	3,737	4,103	5,472	6,109	7,038	7,355	6,611	6,970	7,059	6,902	7,378	7,455	7,737
Norway.....	1,128	1,245	1,149	1,213	1,378	1,404	1,410	1,433	1,403	1,487	1,479	1,509	1,689
Spain.....	2,452	2,271	2,664	2,991	3,099	3,424	3,524	3,916	3,818	3,330	3,564	3,728	4,278
Sweden.....	1,763	1,739	1,744	1,890	2,466	2,382	2,580	2,364	3,486	3,173	3,177	3,460	3,627
Switzerland.....	2,889	3,006	3,706	3,906	4,357	4,343	4,869	4,834	5,705	6,342	6,385	7,424	8,746
United Kingdom.....	16,173	17,257	17,889	18,912	20,226	23,774	26,634	29,913	31,972	30,734	32,413	35,277	40,096
Other.....	7,843	8,278	9,571	10,365	12,814	12,570	15,441	17,123	18,945	18,638	19,237	20,732	23,055
Latin America and Other Western Hemisphere.....	26,673	28,985	32,467	32,919	35,610	42,205	46,703	50,773	54,418	52,937	51,455	50,501	54,665
South and Central America.....	23,158	25,126	27,836	27,561	29,772	35,050	38,419	39,738	42,653	41,119	38,689	37,477	40,305
Argentina.....	1,784	2,130	2,459	2,394	2,759	3,383	3,596	3,655	3,624	3,233	1,630	1,599	1,709
Brazil.....	2,500	2,944	3,732	4,994	5,208	6,408	6,620	5,641	6,309	5,826	5,005	4,795	4,997
Chile.....	614	773	1,151	982	1,180	1,431	1,367	1,551	1,439	1,302	1,191	1,054	1,116
Mexico.....	10,458	10,394	11,321	8,691	9,429	10,795	11,639	12,827	14,325	15,159	16,104	16,298	17,978
Venezuela.....	1,988	2,425	2,139	2,492	2,399	2,681	3,073	3,282	3,309	3,290	2,837	2,133	2,396
Other.....	5,817	6,462	7,036	8,009	8,796	10,354	12,127	12,783	13,649	12,309	11,927	11,596	12,108
Other Western Hemisphere.....	3,513	3,857	4,630	5,359	5,838	7,154	8,282	11,034	11,765	11,818	12,763	13,027	14,359
Bermuda.....	436	509	601	782	822	869	1,113	1,417	1,568	2,326	3,090	3,305	3,593
Other.....	3,075	3,348	4,030	4,577	5,016	6,287	7,169	9,617	10,196	9,491	9,672	9,724	10,768
Africa, Middle East, and Asia and Pacific.....	54,767	58,430	64,719	74,242	79,941	83,877	77,990	84,352	91,210	86,120	87,083	90,600	102,193
Africa.....	2,230	2,325	2,581	2,866	3,036	3,481	4,118	4,723	4,947	5,128	5,134	5,865	6,399
South Africa.....	464	493	624	798	843	1,003	1,068	1,317	1,425	1,308	1,181	1,211	1,326
Other.....	1,769	1,833	1,957	2,069	2,194	2,477	3,051	3,406	3,523	3,820	3,952	4,655	5,073
Middle East.....	3,994	4,147	5,050	5,782	6,675	6,847	7,458	7,795	6,899	6,983	6,435	7,273	8,244
Israel.....	923	1,107	1,484	1,634	1,898	1,929	2,061	2,266	2,421	2,356	2,283	2,266	2,617
Saudi Arabia.....	1,359	1,238	1,862	2,083	1,689	1,910	1,975	2,389	1,813	1,917	1,520	1,702	1,745
Other.....	1,713	1,801	1,702	2,065	3,089	3,006	3,420	3,140	2,666	2,709	2,633	3,304	3,882
Asia and Pacific.....	48,542	51,959	57,089	65,594	70,230	73,549	66,414	71,834	79,364	74,009	75,513	77,461	87,550
Australia.....	3,470	3,541	3,780	4,239	4,504	4,908	4,802	5,201	5,573	4,870	5,279	6,051	6,850
China.....	1,570	1,916	2,051	2,512	3,167	3,612	3,958	4,029	5,207	5,639	6,048	6,010	7,239
Hong Kong.....	2,260	2,357	2,795	2,984	3,329	3,630	3,466	3,534	3,797	3,478	3,296	3,360	3,554
India.....	1,093	1,138	1,224	1,317	1,495	1,596	1,880	2,040	2,539	3,003	3,255	3,783	4,606
Indonesia.....	771	893	874	1,154	1,415	1,791	1,475	1,486	1,115	1,009	1,089	1,192	1,126
Japan.....	25,446	26,654	28,780	33,086	33,341	33,790	29,746	30,888	33,414	30,228	30,175	29,779	35,197
Korea, Republic of.....	3,369	3,647	4,602	5,684	7,435	7,110	4,757	5,463	7,284	6,854	8,025	8,304	9,113
Malaysia.....	604	677	886	1,030	1,279	1,259	1,050	1,110	1,118	1,193	1,167	1,212	1,156
New Zealand.....	761	788	825	986	1,173	1,246	1,231	1,183	1,254	1,082	1,017	1,015	1,127
Philippines.....	968	1,241	1,182	1,057	1,235	1,500	1,320	1,654	1,613	1,607	1,490	1,382	1,533
Singapore.....	2,147	2,414	2,644	3,153	3,852	4,092	3,820	5,148	6,078	5,882	5,575	5,988	5,550
Taiwan.....	3,163	3,467	4,167	4,424	4,057	4,753	4,016	4,932	4,922	4,882	4,912	4,875	5,493
Thailand.....	749	1,015	1,016	1,184	1,214	1,240	1,162	1,137	1,175	1,058	1,159	1,077	1,139
Other.....	2,167	2,206	2,266	2,784	2,734	3,019	3,729	4,028	4,275	3,222	3,029	3,434	3,864
International organizations and unallocated.....	4,564	4,762	4,986	5,359	5,814	5,737	6,147	6,116	6,210	5,709	5,864	5,421	5,761
Addenda:													
European Union ¹	51,601	52,508	55,826	64,094	70,368	74,979	82,193	88,884	94,228	89,674	95,881	102,038	114,832

See the footnotes at the end of the table.

Table 2. Private Services Trade by Area and Country, 1992-2004

[Millions of dollars]

	Imports												
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
All countries.....	103,469	109,439	120,280	128,731	138,806	151,463	165,642	183,034	207,392	204,074	209,235	224,616	258,069
Canada	8,484	9,106	9,877	11,004	12,415	13,716	15,015	16,063	17,711	17,203	18,013	19,526	20,027
Europe	42,346	45,190	49,885	53,379	55,920	62,399	71,069	77,798	89,820	89,582	92,152	101,062	110,728
Belgium-Luxembourg	1,057	1,072	1,259	1,470	1,499	1,718	1,946	2,288	2,396	2,279	2,123	2,338	2,521
France	4,868	4,969	5,684	5,903	6,053	6,654	7,517	8,088	10,645	9,934	10,084	10,137	11,637
Germany	6,768	6,980	7,310	7,592	7,872	8,095	9,429	10,371	12,404	12,571	15,238	16,303	17,677
Italy	3,185	3,155	3,442	3,769	3,531	3,702	4,104	4,729	5,061	5,186	4,506	4,799	5,539
Netherlands	2,477	2,228	2,639	3,205	3,171	3,575	4,335	4,711	5,693	6,114	6,010	6,203	6,531
Norway	1,046	1,410	1,184	1,158	1,282	1,292	785	863	922	1,325	1,113	1,385	1,974
Spain	1,283	1,081	1,136	1,106	1,300	1,452	1,872	2,187	2,562	2,262	2,372	2,681	2,763
Sweden	829	967	863	799	950	887	891	1,213	1,465	1,375	1,379	1,300	1,942
Switzerland	1,933	2,182	2,604	2,660	3,140	3,154	3,836	4,398	5,536	6,102	7,429	7,453	8,820
United Kingdom	12,082	13,929	15,067	16,307	17,251	21,398	23,805	26,472	28,301	27,453	27,268	31,881	32,945
Other	6,820	7,223	8,649	9,412	9,869	10,473	12,555	12,479	14,835	14,985	14,629	16,579	18,380
Latin America and Other Western Hemisphere	20,596	21,124	23,021	23,558	26,397	28,775	30,878	33,838	38,090	40,194	41,506	45,754	54,525
South and Central America	13,493	13,627	14,894	15,548	17,737	19,229	19,768	20,445	22,358	21,137	21,836	22,567	25,518
Argentina	458	469	575	575	784	875	865	903	978	753	582	727	754
Brazil	688	744	917	1,176	1,403	1,775	1,962	1,726	1,953	1,856	1,723	1,841	1,913
Chile	332	364	416	429	520	540	569	824	887	857	734	651	687
Mexico	7,291	7,428	7,865	7,948	8,940	9,857	9,839	9,506	11,026	10,559	11,632	12,135	13,465
Venezuela	636	715	762	701	768	715	738	720	608	667	459	378	529
Other	4,086	3,907	4,362	4,720	5,322	5,464	5,793	6,767	6,906	6,445	6,705	6,839	8,171
Other Western Hemisphere	7,104	7,496	8,127	8,012	8,659	9,546	11,111	13,392	15,732	19,056	19,671	23,187	29,002
Bermuda	1,691	1,712	1,925	1,944	2,175	2,614	3,977	5,540	6,315	9,998	10,901	12,881	15,517
Other	5,413	5,783	6,200	6,067	6,484	6,931	7,136	7,857	9,415	9,060	8,771	10,308	13,488
Africa, Middle East, and Asia and Pacific	29,328	32,080	35,620	38,689	41,824	44,704	46,319	53,297	57,824	53,725	54,120	54,664	67,274
Africa	1,479	1,537	1,919	1,955	2,388	2,556	2,541	2,634	2,768	2,881	2,721	3,276	3,679
South Africa	202	231	296	400	543	728	858	866	855	872	754	1,027	1,097
Other	1,279	1,307	1,623	1,555	1,844	1,831	1,684	1,767	1,912	2,008	1,967	2,249	2,582
Middle East	2,078	2,190	2,261	2,686	3,162	3,246	3,697	3,865	3,307	3,267	3,250	3,633	5,028
Israel	1,026	1,069	1,197	1,178	1,363	1,510	1,436	1,601	2,011	1,699	1,557	1,829	2,167
Saudi Arabia	349	351	319	572	451	590	872	890	499	561	565	348	432
Other	701	769	745	940	1,350	1,144	1,386	1,375	798	1,006	1,129	1,457	2,428
Asia and Pacific	25,771	28,353	31,440	34,048	36,274	38,902	40,081	46,798	51,749	47,577	48,149	47,755	58,566
Australia	2,230	2,163	1,912	2,129	2,572	2,663	2,985	3,326	3,493	3,665	3,065	3,234	3,874
China	1,055	1,307	1,477	1,683	1,937	2,225	2,302	2,683	3,259	3,643	4,120	3,940	5,615
Hong Kong	1,493	1,535	1,985	2,029	3,052	3,043	3,240	4,011	4,318	3,734	3,611	2,965	4,561
India	639	691	761	854	1,096	1,225	1,542	1,520	1,898	1,815	1,809	1,976	2,751
Indonesia	437	432	443	448	554	550	310	379	440	294	286	288	323
Japan	10,599	11,808	12,732	13,419	12,982	13,565	13,408	16,018	17,405	16,484	17,040	17,207	19,637
Korea, Republic of	2,050	2,356	2,803	3,586	4,125	4,543	4,164	4,305	4,625	4,026	4,435	4,373	4,826
Malaysia	265	301	357	454	458	535	374	382	387	525	493	516	616
New Zealand	526	538	569	603	658	691	940	1,104	1,163	1,353	928	1,139	1,328
Philippines	788	852	1,039	1,124	1,363	1,463	1,245	1,197	1,540	1,493	1,328	1,299	1,736
Singapore	749	948	1,164	1,240	1,823	2,106	1,860	2,353	2,363	1,900	2,036	2,236	2,722
Taiwan	1,974	2,380	2,654	2,860	2,710	3,369	2,910	3,465	4,223	4,460	5,038	4,889	5,745
Thailand	393	379	478	678	804	761	800	924	929	869	805	718	903
Other	2,574	2,661	3,064	2,943	2,141	2,162	4,001	5,132	5,706	3,313	3,151	2,977	3,926
International organizations and unallocated	2,707	1,940	1,887	2,099	2,251	1,867	2,358	2,036	3,946	3,370	3,443	3,611	5,520
Addenda:													
European Union ¹	35,282	37,185	40,816	45,589	47,038	53,319	60,912	67,642	77,872	77,154	78,688	86,445	96,284

1. The European Union includes Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, and the United Kingdom; beginning with 1995, it also includes Austria, Finland, and Sweden; and beginning with 2004, it also includes Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland,

Slovakia, and Slovenia. (Estimates for 2004 reflect the addition of the last 10 countries beginning in the second quarter of 2004, when they joined the Union.)

Table 3.1. Travel, Passenger Fares, and Other Transportation, 2002
[Millions of dollars]

	Receipts											Payments											
	Travel	Pas- senger fares	Other transportation								Travel	Pas- senger fares	Other transportation										
			Total	Freight			Port services						Total	Freight			Port services						
				Total	Ocean	Air	Other	Total	Ocean	Air				Other	Total	Ocean	Air	Other	Total	Ocean	Air	Other	
All countries.....	66,605	17,046	29,195	12,289	3,724	5,787	2,778	16,906	8,533	8,183	190	58,715	19,969	38,407	25,973	18,622	4,878	2,473	12,434	1,656	10,668	110	
Canada	6,268	1,717	2,544	1,937	136	87	1,714	607	74	343	190	6,489	594	3,471	2,705	238	51	2,416	766	132	524	110	
Europe	21,693	6,379	9,838	3,404	1,122	2,010	272	6,434	3,363	3,071	.....	20,785	9,984	13,757	9,004	7,379	1,580	45	4,753	514	4,239	.....
Belgium-Luxembourg	413	288	471	333	218	110	5	138	41	97	.....	282	29	637	177	94	83	.....	460	110	350	.....
France	1,974	778	875	470	64	279	127	405	87	318	.....	2,919	1,003	1,091	424	181	198	45	667	14	653	.....
Germany	2,934	1,001	2,020	490	165	310	15	1,530	738	792	.....	2,275	1,531	2,560	1,807	1,471	336	.....	753	92	661	.....
Italy	1,107	404	392	149	43	101	5	243	88	155	.....	2,504	495	487	270	199	71	.....	217	78	139	.....
Netherlands	1,024	413	836	372	148	191	33	464	282	182	.....	852	526	1,231	802	614	188	.....	429	42	387	.....
Norway	334	51	309	12	4	8	.....	297	297	.....	129	0	706	702	702	.....	.....	.....	4	3	1	.....
Spain	804	213	317	199	79	71	49	118	6	112	.....	1,333	206	139	50	29	21	.....	89	42	47	.....
Sweden	500	0	208	40	19	21	.....	168	59	109	.....	140	84	170	160	114	46	.....	10	4	6	.....
Switzerland	696	195	353	62	1	61	.....	291	207	84	.....	619	530	422	413	390	23	.....	9	.....	9	.....
United Kingdom	8,177	2,813	2,027	905	201	693	11	1,122	225	897	.....	5,561	3,290	2,658	1,069	576	493	.....	1,589	50	1,539	.....
Other	3,730	223	2,030	372	180	165	27	1,658	1,333	325	.....	4,171	2,290	3,656	3,130	3,009	121	.....	526	79	447	.....
Latin America and Other																							
Western Hemisphere	18,294	4,726	3,301	1,901	432	1,109	360	1,400	461	939	.....	17,985	2,665	3,407	1,436	1,261	163	12	1,971	157	1,814	.....
South and Central America	15,348	4,042	2,619	1,634	343	1,015	276	985	171	814	.....	13,425	2,044	2,133	560	391	157	12	1,573	108	1,465	.....
Argentina	379	269	77	27	4	23	.....	50	2	48	.....	238	55	87	8	5	3	.....	79	4	75	.....
Brazil	1,373	526	386	205	20	185	.....	181	8	173	.....	662	276	193	51	19	32	.....	142	2	140	.....
Chile	368	121	203	56	4	52	.....	147	40	107	.....	282	74	197	139	73	66	.....	58	5	53	.....
Mexico	5,565	1,329	790	404	93	247	64	386	68	318	.....	7,732	794	993	142	126	7	9	851	18	833	.....
Venezuela	1,374	262	131	98	19	68	11	33	20	13	.....	173	37	136	54	54	.....	82	51	31	.....	
Other	6,289	1,535	1,032	844	203	440	201	188	33	155	.....	4,338	808	527	166	114	49	3	361	28	333	.....
Other Western Hemisphere	2,946	684	682	267	89	94	84	415	290	125	.....	4,560	621	1,274	876	870	6	.....	398	49	349	.....
Bermuda	16	10	217	58	5	8	45	159	159	.....	563	0	455	454	454	.....	.....	.....	1	1	.....	.....
Other	2,930	674	465	209	84	86	39	256	131	125	.....	3,997	621	819	422	416	6	.....	397	48	349	.....
Africa	1,114	19	562	281	221	52	8	281	20	261	.....	1,048	455	217	93	68	25	.....	124	103	21	.....
South Africa	248	9	119	20	8	4	8	99	10	89	.....	250	227	51	35	27	8	.....	16	4	12	.....
Other	866	10	443	261	213	48	.....	182	10	172	.....	798	228	166	58	41	17	.....	108	99	9	.....
Middle East	1,455	177	1,265	534	410	124	.....	731	209	522	.....	987	347	892	544	406	138	.....	348	128	220	.....
Israel	753	174	485	193	139	54	.....	292	182	110	.....	308	209	522	435	353	82	.....	87	64	23	.....
Saudi Arabia	228	0	156	94	76	18	.....	62	27	35	.....	232	35	130	81	53	28	.....	49	33	16	.....
Other	474	3	624	247	195	52	.....	377	0	377	.....	447	103	240	28	0	28	.....	212	31	181	.....
Asia and Pacific	17,781	4,028	11,000	4,209	1,380	2,405	424	6,791	3,744	3,047	.....	11,421	5,924	14,863	10,391	7,470	2,921	.....	4,472	622	3,850	.....
Australia	1,473	339	314	200	45	109	46	114	5	109	.....	997	641	192	70	38	32	.....	122	4	118	.....
China	958	227	1,437	416	184	220	12	1,021	660	361	.....	1,124	292	2,256	1,850	1,268	582	.....	406	193	213	.....
Hong Kong	414	214	516	460	111	349	.....	56	56	.....	884	529	591	135	135	.....	.....	.....	456	86	370	.....
India	1,093	52	238	143	109	34	.....	95	21	74	.....	703	164	130	77	69	8	.....	53	33	20	.....
Indonesia	178	116	76	73	64	9	.....	3	1	2	.....	151	0	31	2	1	1	.....	29	20	9	.....
Japan	8,492	2,809	2,825	1,236	328	813	95	1,589	865	724	.....	2,874	1,051	4,169	2,299	1,737	562	.....	1,870	119	1,751	.....
Korea, Republic of	2,175	13	2,063	317	102	215	.....	1,746	782	964	.....	888	1,110	1,875	1,743	1,514	229	.....	132	42	90	.....
Malaysia	150	0	208	143	45	98	.....	65	29	36	.....	168	81	100	90	77	13	.....	10	9	1	.....
New Zealand	422	51	119	25	.....	10	15	94	.....	94	.....	417	332	81	22	.....	.....	.....	59	.....	59	.....
Philippines	646	76	248	125	68	57	.....	123	26	97	.....	537	298	156	78	54	24	.....	78	25	53	.....
Singapore	332	40	546	300	75	225	.....	246	90	156	.....	496	227	656	483	248	235	.....	173	20	153	.....
Taiwan	794	65	1,695	273	58	215	.....	1,422	1,194	228	.....	992	881	2,830	2,651	2,283	368	.....	179	35	144	.....
Thailand	246	23	104	64	25	39	.....	40	2	38	.....	484	72	117	90	5	85	.....	27	12	15	.....
Other	408	3	611	434	166	12	256	177	13	164	.....	706	246	1,679	801	41	760	.....	878	24	854	.....
International organizations and unallocated .....	.....	.....	685	23	23	.....	.....	662	.....	.....	.....	.....	1,800	1,800	1,800	.....	.....	.....	.....	.....	.....	.....
Addenda:																							
European Union 1	18,804	6,049	8,617	3,162	1,005	1,900	257	5,455	2,585	2,870	.....	17,942	8,841	11,569	7,062	5,505	1,512	45	4,507	448	4,059	.....

1. See table 2, footnote 1.

Table 3.2. Travel, Passenger Fares, and Other Transportation, 2003

[Millions of dollars]

	Receipts												Payments											
	Travel	Pas- senger fares	Other transportation										Travel	Pas- senger fares	Other transportation									
			Total	Freight			Port services				Total	Freight			Port services									
				Total	Ocean	Air	Other	Total	Ocean	Air					Other	Total	Ocean	Air	Other					
All countries.....	64,348	15,693	31,329	14,037	4,393	6,869	2,775	17,292	8,361	8,737	194	57,444	20,957	44,705	31,772	24,172	5,018	2,582	12,933	1,711	11,127	95		
Canada	6,844	2,114	2,525	1,958	168	104	1,686	567	64	309	194	6,376	406	3,618	2,851	291	59	2,501	767	107	565	95		
Europe	21,976	5,699	10,587	3,949	1,398	2,384	167	6,638	3,469	3,169	.....	19,923	11,063	17,030	12,001	10,304	1,632	65	5,029	569	4,460	.....	
Belgium-Luxembourg	435	280	536	414	290	118	6	122	49	73	.....	232	18	648	211	131	80	.....	437	128	309	.....	
France	1,739	529	745	376	64	303	9	369	126	243	2,528	1,089	1,230	573	304	206	63	657	10	647	
Germany	2,953	850	2,158	607	221	369	17	1,551	702	849	.....	2,320	1,825	3,028	2,174	1,828	346	.....	854	95	759	.....	
Italy	1,130	350	332	174	54	114	6	158	60	98	.....	2,400	464	603	255	191	64	.....	348	99	249	.....	
Netherlands	1,022	338	935	442	183	222	37	493	275	218	.....	691	553	1,434	977	746	231	.....	457	47	410	.....	
Norway	346	0	330	17	8	9	.....	313	313	.....	.....	113	22	908	904	904	.....	.....	4	4	.....	.....
Spain	846	214	287	165	77	88	.....	122	17	105	.....	1,430	218	198	107	71	36	.....	91	38	53	.....	
Sweden	513	0	216	50	23	27	.....	166	56	110	.....	145	82	206	177	122	55	.....	29	5	24	.....	
Switzerland	624	185	474	101	5	96	.....	373	257	116	.....	570	351	525	233	522	1	.....	2	.....	2	.....	
United Kingdom	8,579	2,680	2,395	1,089	244	833	12	1,306	314	992	.....	5,446	3,981	3,189	1,635	1,123	512	.....	1,554	51	1,503	.....	
Other	3,789	273	2,179	514	229	205	80	1,665	1,300	365	4,048	2,460	5,061	4,465	4,362	101	2	596	92	504	
Latin America and Other	16,927	4,275	3,616	2,120	537	1,185	398	1,496	397	1,099	.....	19,591	2,896	3,650	1,665	1,474	175	16	1,985	215	1,770	.....	
Western Hemisphere	14,267	3,588	2,887	1,775	381	1,088	306	1,112	142	970	.....	14,010	2,240	2,126	572	385	171	16	1,554	137	1,417	.....	
South and Central America	404	241	64	42	5	37	.....	22	1	21	.....	342	76	99	9	5	4	.....	90	3	87	.....	
Argentina	1,214	474	424	231	20	211	.....	193	8	185	.....	720	261	293	66	26	40	.....	227	7	220	.....	
Brazil	267	94	215	59	4	55	.....	156	37	119	.....	258	93	145	141	84	57	.....	4	2	2	.....	
Chile	5,700	1,158	911	438	139	228	71	473	77	8,235	862	1,028	190	169	7	14	838	33	805	
Mexico	964	219	111	86	20	54	.....	12	25	11	.....	169	29	99	33	33	.....	.....	66	40	26	.....	
Venezuela	5,718	1,402	1,162	919	193	503	223	243	8	4,286	919	462	133	68	63	2	329	52	277	
Other	2,660	687	729	345	156	97	.....	92	384	255	.....	5,581	656	1,524	1,093	1,089	4	.....	431	78	353	.....	
Other Western Hemisphere	35	21	247	59	1	9	49	188	188	.....	306	0	679	678	678	.....	.....	.....	1	.....	1	.....	
Bermuda	2,625	666	482	286	155	88	.....	43	196	67	.....	5,275	656	845	415	411	4	.....	430	78	352	.....	
Other	1,097	49	748	383	305	68	10	365	22	343	.....	1,070	512	508	396	104	292	.....	112	92	20	.....	
Africa	252	20	151	22	8	4	10	129	10	119	.....	360	247	64	41	30	11	.....	23	8	15	.....	
South Africa	845	29	597	361	297	64	.....	236	12	224	.....	710	265	444	355	74	281	.....	89	84	5	.....	
Other	1,352	180	1,513	765	570	195	.....	748	176	572	.....	836	520	1,092	762	446	316	.....	330	109	221	.....	
Middle East	732	171	512	250	181	69	.....	262	154	108	.....	304	302	558	466	378	88	.....	92	43	49	.....	
Israel	172	0	162	112	91	21	.....	50	19	31	.....	99	22	102	76	56	20	.....	26	26	.....	.....
Saudi Arabia	448	9	839	403	298	105	.....	436	3	433	.....	433	196	432	220	12	208	.....	212	40	172	.....	
Other	16,152	3,376	11,663	4,841	1,394	2,933	514	6,822	3,577	3,245	.....	9,648	5,560	16,248	11,538	8,994	2,544	.....	4,710	619	4,091	.....	
Asia and Pacific	1,502	312	336	254	58	145	51	82	1	81	.....	1,037	648	185	46	20	26	.....	139	5	134	.....	
Australia	690	168	1,364	441	180	261	.....	923	534	389	.....	994	161	2,223	1,813	1,264	549	.....	410	210	200	.....	
China	360	141	504	447	80	367	.....	57	56	1	.....	541	406	646	208	208	.....	.....	438	62	376	.....	
Hong Kong	1,180	26	250	168	125	43	.....	82	15	67	.....	723	167	147	81	74	7	.....	66	55	11	.....	
India	169	110	77	76	66	10	.....	1	0	1	.....	111	0	57	1	.....	.....	.....	56	21	35	.....	
Indonesia	7,595	2,422	3,103	1,469	309	1,026	.....	1,634	865	769	.....	2,323	966	4,763	2,745	2,195	550	.....	2,018	88	1,930	.....	
Japan	2,151	48	2,177	393	138	255	.....	1,784	758	1,026	.....	709	1,051	2,148	2,013	1,785	228	.....	135	41	94	.....	
Korea, Republic of	106	0	229	172	40	132	.....	57	21	36	.....	123	86	105	87	78	9	.....	18	16	2	.....	
Malaysia	396	12	154	25	1	8	.....	129	.....	129	.....	473	439	69	23	.....	.....	.....	46	2	44	.....	
New Zealand	452	53	249	125	69	56	.....	124	26	98	.....	526	301	145	92	70	22	.....	53	18	35	.....	
Philippines	313	21	663	366	67	299	.....	297	152	145	.....	271	195	995	807	558	249	.....	188	20	168	.....	
Singapore	659	27	1,695	327	54	273	.....	1,368	1,111	257	.....	634	788	3,141	3,010	2,598	412	.....	131	28	103	.....	
Taiwan	208	24	107	70	26	44	.....	37	1	36	.....	422	57	124	96	3	93	.....	28	12	16	.....	
Thailand	371	12	755	508	181	14	.....	313	247	210	.....	761	295	1,500	516	141	375	.....	984	41	943	.....	
Other	International organizations and unallocated .....	.....	677	21	21	.....	.....	656	656	.....	.....	.....	2,559	2,559	2,559	.....	.....	.....	.....	.....	.....	.....
Addenda:	European Union 1	19,124	5,392	9,123	3,576	1,247	2,227	102	5,547	2,633	2,914	17,160	10,046	13,893	9,135	7,475	1,597	63	4,758	493	4,265	.....	

1. See table 2, footnote 1.

Table 3.3. Travel, Passenger Fares, and Other Transportation, 2004
[Millions of dollars]

	Receipts											Payments											
	Travel	Pas- senger fares	Other transportation									Travel	Pas- senger fares	Other transportation									
			Total	Freight			Port services			Total	Freight			Port services									
				Total	Ocean	Air	Other	Total	Ocean		Air			Other	Total	Ocean	Air	Other					
All countries.....	74,481	18,858	36,862	15,814	5,010	7,639	3,165	21,048	9,612	11,267	169	65,635	23,701	54,169	39,225	30,489	5,978	2,758	14,944	1,641	13,225	78	
Canada	7,930	2,506	2,744	2,165	204	114	1,847	579	80	330	169	7,178	442	4,057	3,183	414	33	2,736	874	149	647	78	
Europe	24,995	6,946	12,693	4,563	1,345	2,924	294	8,130	3,882	4,248	.....	22,038	11,737	20,142	14,326	12,426	1,898	2	5,816	480	5,336	.....
Belgium-Luxembourg	506	345	536	422	258	158	6	114	59	55	.....	229	22	746	257	162	95	.....	489	137	352	.....
France	2,008	660	1,150	479	59	358	62	671	204	467	.....	3,129	1,301	1,574	751	510	241	.....	823	7	816	.....
Germany	3,636	1,051	2,643	730	225	487	18	1,913	847	1,066	.....	2,511	1,990	3,797	2,753	2,355	398	.....	1,044	88	956	.....
Italy	1,335	451	385	201	54	141	6	184	90	94	.....	2,704	622	705	418	357	61	.....	287	52	235	.....
Netherlands	1,162	388	1,067	547	201	306	40	520	267	253	.....	791	712	1,579	1,044	774	270	.....	535	59	476	.....
Norway	359	143	391	23	8	15	.....	368	368	.....	.....	199	8	1,353	1,350	1,350	.....	.....	3	3	.....	.....
Spain	1,077	258	369	198	49	113	36	171	19	152	.....	1,317	249	221	142	116	26	.....	79	10	69	.....
Sweden	677	0	248	58	24	34	.....	190	54	136	.....	145	89	266	233	170	63	.....	33	4	29	.....
Switzerland	670	240	666	114	2	112	.....	552	305	247	.....	411	394	732	731	730	1	.....	1	.....	1	.....
United Kingdom	9,576	3,079	2,999	1,216	266	938	12	1,783	291	1,492	.....	6,071	3,784	3,699	1,860	1,229	631	.....	1,839	56	1,783	.....
Other	3,989	331	2,239	575	199	262	114	1,664	1,378	286	4,531	2,566	5,470	4,787	4,673	112	2	683	64	619
Latin America and Other	18,577	4,826	4,336	2,456	614	1,408	434	1,880	540	1,340	.....	20,981	3,535	4,801	2,547	2,323	204	20	2,254	243	2,011	.....
Western Hemisphere	15,670	4,034	3,506	2,150	488	1,308	354	1,356	175	1,181	.....	16,053	2,424	2,384	717	497	200	20	1,667	115	1,552	.....
South and Central America	506	261	120	50	3	47	.....	70	.....	70	.....	358	63	125	6	1	5	.....	119	.....	119	.....
Argentina	1,375	495	525	316	19	271	26	209	5	204	.....	687	250	352	71	25	46	.....	281	1	280	.....
Brazil	283	105	200	67	5	62	.....	133	48	85	.....	235	108	176	174	118	56	.....	2	1	1	.....
Chile	6,257	1,367	1,158	500	182	242	76	658	80	578	.....	9,317	860	1,049	219	191	8	20	830	21	809	.....
Mexico	1,110	214	163	127	16	98	13	36	18	18	.....	256	38	152	71	71	.....	81	26	55	.....	
Venezuela	6,139	1,592	1,340	1,090	263	588	239	250	24	226	.....	5,200	1,105	530	176	91	85	.....	354	66	288	.....
Other	2,907	792	830	306	126	100	80	524	365	159	.....	4,928	1,111	2,417	1,830	1,826	4	.....	587	128	459	.....
Other Western Hemisphere	44	24	285	44	.....	8	36	241	241	.....	330	0	1,138	1,136	1,136	.....	.....	2	.....	2	.....	.....
Bermuda	2,863	768	545	262	126	92	44	283	124	159	.....	4,598	1,111	1,279	694	690	4	.....	585	128	457	.....
Other	1,128	45	1,012	717	638	67	12	295	17	278	.....	1,407	518	355	250	67	183	.....	105	88	17	.....
Africa	275	8	133	37	16	9	12	96	14	82	.....	414	239	67	46	38	8	.....	21	4	17	.....
South Africa	853	37	879	680	622	58	.....	199	3	196	.....	993	279	288	204	29	175	.....	84	84	.....	.....
Other	1,626	270	1,986	1,053	796	257	.....	933	192	741	.....	1,555	682	1,252	826	531	295	.....	426	111	315	.....
Middle East	832	258	640	334	250	84	.....	306	150	156	.....	381	380	572	458	384	74	.....	114	63	51	.....
Israel	174	0	222	155	134	21	.....	67	22	45	.....	160	26	100	83	60	23	.....	17	.....	.....	.....
Saudi Arabia	620	12	1,124	564	412	152	.....	560	20	540	.....	1,014	276	580	285	87	198	.....	295	31	264	.....
Other	20,225	4,265	13,285	4,839	1,392	2,869	578	8,446	4,116	4,330	.....	12,476	6,787	20,057	14,588	11,223	3,365	.....	5,469	570	4,899	.....
Asia and Pacific	2,074	480	366	285	83	150	52	81	3	78	.....	1,128	718	277	93	26	67	.....	184	3	181	.....
Australia	894	221	1,804	472	196	276	.....	1,332	731	601	.....	1,637	353	3,030	2,508	1,862	646	.....	522	216	306	.....
China	390	183	483	370	68	302	.....	113	111	2	.....	1,020	802	943	474	474	.....	469	52	417	.....	
Hong Kong	1,367	24	326	210	180	30	.....	116	20	96	.....	1,112	160	207	124	112	12	.....	83	61	22	.....
India	191	131	85	83	73	10	.....	2	0	2	.....	144	0	58	2	1	1	.....	56	19	37	.....
Indonesia	10,051	3,043	3,693	1,648	222	1,216	210	2,045	972	1,073	.....	2,467	910	5,832	3,337	2,674	663	.....	2,495	67	2,428	.....
Japan	2,218	64	2,412	288	65	223	.....	2,124	806	1,318	.....	904	1,108	2,336	2,212	1,952	260	.....	124	18	106	.....
Korea, Republic of	141	0	171	104	35	69	.....	67	26	41	.....	181	69	134	122	114	8	.....	12	12	.....	.....
Malaysia	469	2	185	24	.....	8	16	161	.....	161	.....	572	534	73	30	.....	30	.....	43	.....	43	.....
New Zealand	509	73	285	108	58	50	.....	177	35	142	.....	710	402	202	131	109	22	.....	71	15	56	.....
Philippines	385	16	615	298	70	228	.....	317	140	177	.....	333	272	1,157	921	594	327	.....	236	15	221	.....
Singapore	885	22	1,889	302	46	256	.....	1,587	1,175	412	.....	751	989	3,459	3,352	2,839	513	.....	107	27	80	.....
Taiwan	239	6	128	78	42	36	.....	50	6	44	.....	557	51	179	125	21	104	.....	54	18	36	.....
Thailand	412	0	843	569	254	15	300	274	91	183	.....	960	419	2,170	1,157	445	712	.....	1,013	47	966	.....
Other	International organizations and unallocated .....	.....	806	21	21	.....	.....	785	785	.....	.....	.....	3,505	3,505	3,505	.....	.....	.....	.....	.....	.....	.....
Addenda:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
European Union ¹	22,730	6,449	11,285	4,170	1,222	2,752	196	7,115	3,097	4,018	.....	20,032	10,948	17,320	11,807	9,944	1,863	0	5,513	426	5,087	.....

1. See table 2, footnote 1.

Table 4.1. Royalties and License Fees, 2002—Continues

[Millions of dollars]

	Receipts											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	44,489	32,751	29,656	3,095	11,738	4,039	516	296	542	1,284	4,408	651
Canada	3,114	2,408	2,338	70	707	138	53	23	60	126	306	0
Europe	21,276	17,129	14,807	2,321	4,148	1,370	317	121	202	437	1,686	15
Belgium-Luxembourg	703	596	595	1	108	49	6	1	6	21	25	0
France	2,074	1,538	1,442	96	535	193	36	21	13	52	219	0
Germany	3,121	2,048	1,630	418	1,073	389	59	22	31	46	526	(*)
Italy	1,076	750	733	17	325	101	30	18	19	47	106	5
Netherlands	1,501	(D)	1,234	(D)	(D)	26	16	5	4	(D)	89	0
Norway	138	(D)	72	(D)	(D)	3	4	(*)	9	(D)	23	0
Spain	499	378	378	(*)	120	11	23	7	17	24	39	0
Sweden	449	(D)	236	(D)	(D)	40	7	9	8	(D)	39	0
Switzerland	2,077	(D)	1,495	(D)	(D)	123	9	2	2	(D)	52	(*)
United Kingdom	4,307	3,401	2,342	1,059	906	236	83	22	53	102	411	0
Other	5,332	4,791	4,651	140	541	199	44	12	42	78	157	9
Latin America and Other Western Hemisphere	3,862	(D)	3,092	(D)	(D)	82	30	(D)	64	112	206	(*)
South and Central America	2,460	(D)	1,930	(D)	(D)	63	27	(D)	46	103	200	0
Argentina	132	108	108	0	23	1	2	2	1	4	14	0
Brazil	574	442	442	(*)	132	10	(D)	(D)	2	11	89	0
Chile	64	40	39	(*)	25	2	1	6	3	7	6	0
Mexico	1,352	(D)	1,126	(D)	(D)	40	11	17	18	46	66	0
Venezuela	129	85	85	0	44	5	2	12	4	10	12	0
Other	209	130	130	(*)	79	6	(D)	(D)	19	26	13	0
Other Western Hemisphere	1,402	(D)	1,161	(D)	(D)	19	3	(D)	19	8	6	(*)
Bermuda	267	264	(D)	(D)	3	(*)	(*)	(*)	(*)	(*)	2	(*)
Other	1,135	(D)	(D)	1	(D)	19	3	(D)	18	8	5	0
Africa	299	(D)	193	(D)	(D)	16	5	4	(D)	9	25	0
South Africa	191	(D)	106	(D)	(D)	13	4	3	(D)	6	18	0
Other	108	87	87	0	21	3	1	(*)	7	3	7	0
Middle East	282	(D)	104	(D)	(D)	33	8	6	(D)	15	40	29
Israel	112	46	46	1	66	16	5	5	(D)	6	21	(D)
Saudi Arabia	99	52	52	(*)	46	5	2	(*)	10	3	8	18
Other	71	(D)	6	(D)	(D)	12	2	1	26	5	11	(D)
Asia and Pacific	13,432	(D)	7,641	(D)	(D)	2,399	104	(D)	162	585	2,146	21
Australia	828	(D)	574	(D)	(D)	37	18	7	14	37	85	0
China	758	550	550	(*)	208	33	5	1	4	21	138	6
Hong Kong	443	356	353	2	88	18	4	1	16	22	26	0
India	90	44	41	3	46	13	1	(*)	1	6	25	(*)
Indonesia	71	30	30	0	41	19	1	1	9	3	7	(*)
Japan	6,342	3,107	2,886	221	3,236	1,273	51	(D)	37	420	1,402	(D)
Korea, Republic of	1,194	(D)	252	(D)	(D)	613	9	(D)	29	35	240	(D)
Malaysia	204	168	168	0	36	10	2	(*)	13	3	8	0
New Zealand	72	46	46	(*)	26	4	1	8	4	3	7	0
Philippines	112	87	87	(*)	25	3	1	1	7	6	7	0
Singapore	2,406	2,337	2,335	2	69	28	2	(*)	7	5	25	2
Taiwan	774	230	221	9	544	336	8	3	12	15	169	0
Thailand	111	79	79	0	32	13	1	1	5	6	6	(*)
Other	28	20	20	0	8	(*)	(*)	1	4	2	1	0
International organizations and unallocated	2,222	1,636	1,482	154	586	0	0	0	0	0	0	586
Addenda:												
European Union ¹	18,596	14,814	12,915	1,899	3,782	1,232	286	109	173	401	1,571	10

See the footnotes at the end of the table.

Table 4.1. Royalties and License Fees, 2002

[Millions of dollars]

	Payments											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents to their foreign affiliates	By U.S. affiliates to their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	19,335	15,116	2,925	12,191	4,219	2,049	301	906	3	283	487	190
Canada	1,060	(D)	(D)	296	(D)	140	34	4	2	12	(D)	2
Europe	9,903	7,277	1,269	6,007	2,626	1,454	238	(D)	1	122	(D)	(D)
Belgium-Luxembourg	214	(D)	(D)	107	(D)	31	1	(*)	(*)	(D)	1	0
France	1,395	707	214	493	688	(D)	8	6	(*)	14	(D)	(*)
Germany	1,996	1,728	162	1,566	268	224	8	(*)	(*)	9	(D)	(D)
Italy	128	57	25	31	71	8	3	(D)	(*)	(D)	(*)	0
Netherlands	1,512	1,479	(D)	(D)	34	27	4	(*)	(*)	1	1	0
Norway	91	(D)	4	(D)	(D)	(D)	(*)	(*)	(*)	(*)	1	0
Spain	26	13	11	1	13	2	3	8	(*)	(*)	(*)	0
Sweden	231	(D)	12	(D)	(D)	108	4	(*)	(*)	(*)	(D)	(*)
Switzerland	2,121	(D)	69	(D)	(D)	(D)	6	235	(*)	9	2	1
United Kingdom	1,477	965	144	821	512	204	190	45	(*)	47	26	0
Other	712	303	56	247	409	350	11	(D)	(*)	16	(D)	1
Latin America and Other Western Hemisphere	1,550	1,515	(D)	(D)	36	6	9	1	(*)	2	2	16
South and Central America	154	128	51	77	26	(D)	8	1	(*)	2	2	(D)
Argentina	8	6	6	0	1	(*)	1	(*)	(*)	(*)	(*)	0
Brazil	12	8	4	4	4	1	1	(*)	(*)	1	1	0
Chile	3	3	3	(*)	(*)	0	0	0	(*)	(*)	(*)	0
Mexico	122	103	31	72	19	(D)	5	1	(*)	(*)	(*)	(D)
Venezuela	4	3	3	0	1	(*)	(*)	0	(*)	(*)	(*)	0
Other	6	5	4	1	1	(*)	1	(*)	(*)	(*)	(*)	0
Other Western Hemisphere	1,396	1,386	(D)	(D)	10	(D)	1	(*)	(*)	(*)	(*)	(D)
Bermuda	1,364	1,357	(D)	(D)	7	(D)	0	0	(*)	(*)	(*)	(D)
Other	32	29	(D)	(D)	2	1	1	(*)	(*)	(*)	(*)	0
Africa	11	6	6	1	4	2	(*)	(*)	0	(*)	1	0
South Africa	4	2	2	(*)	3	1	(*)	(*)	0	(*)	1	0
Other	7	5	4	1	2	1	(*)	(*)	0	(*)	(*)	0
Middle East	31	24	23	1	7	3	(*)	(*)	(*)	2	1	0
Israel	30	23	22	1	7	3	(*)	(*)	(*)	2	1	0
Saudi Arabia	(*)	(*)	(*)	(*)	(*)	(*)	0	0	0	0	0	0
Other	1	1	1	0	(*)	(*)	(*)	0	0	(*)	(*)	0
Asia and Pacific	5,284	(D)	141	(D)	(D)	443	20	2	(*)	12	(D)	(D)
Australia	126	(D)	30	(D)	(D)	7	8	(*)	(*)	1	(D)	0
China	20	10	10	0	10	6	(*)	(*)	(*)	(*)	3	0
Hong Kong	24	22	21	1	2	(*)	1	(*)	(*)	1	(D)	0
India	12	1	1	0	11	2	(*)	(*)	(*)	(*)	(D)	(D)
Indonesia	4	3	3	0	(*)	(*)	(*)	0	0	(*)	(*)	0
Japan	4,959	4,519	22	4,497	440	419	9	1	(*)	9	2	0
Korea, Republic of	71	65	8	57	6	5	(*)	(*)	(*)	1	(*)	0
Malaysia	3	3	3	(*)	(*)	(*)	0	0	0	0	0	0
New Zealand	2	(*)	(*)	(*)	2	1	1	(*)	(*)	(*)	1	0
Philippines	1	1	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	0
Singapore	24	23	22	1	1	1	(*)	(*)	(*)	(*)	(*)	0
Taiwan	33	(D)	16	(D)	(D)	1	1	(*)	(*)	(*)	(D)	0
Thailand	5	4	4	(*)	1	(*)	(*)	0	(*)	(*)	(D)	0
Other	(*)	(*)	(*)	0	(*)	(*)	0	0	0	(*)	0	0
International organizations and unallocated	1,496	661	127	534	835	1	(*)	(D)	(*)	133	(*)	(D)
Addenda:												
European Union ¹	7,527	5,482	1,191	4,290	2,045	1,131	231	117	1	111	(D)	(D)

(*) Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. See table 2, footnote 1.

Table 4.2. Royalties and License Fees, 2003—Continues

[Millions of dollars]

	Receipts											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	48,137	35,885	32,464	3,421	12,252	4,627	543	260	538	1,363	4,257	663
Canada	3,642	2,925	2,684	241	716	142	49	9	53	137	327	(*)
Europe	23,193	19,024	16,833	2,191	4,169	1,578	376	132	191	369	1,520	3
Belgium-Luxembourg	769	(D)	602	(D)	(D)	44	7	1	7	(D)	21	0
France	2,229	1,753	1,623	130	475	155	44	29	16	43	188	(*)
Germany	3,261	2,079	1,880	199	1,182	471	66	31	22	52	540	1
Italy	1,194	905	883	22	289	88	38	12	20	36	95	(*)
Netherlands	1,576	(D)	1,312	(D)	(D)	39	20	6	4	(D)	68	(*)
Norway	163	(D)	99	(D)	(D)	4	2	2	7	(D)	18	0
Spain	593	463	457	6	129	13	22	14	13	21	48	0
Sweden	464	(D)	259	(D)	(D)	20	10	5	7	(D)	30	0
Switzerland	2,814	2,479	1,725	754	335	267	10	1	2	18	36	0
United Kingdom	4,242	3,391	2,742	649	851	266	114	24	47	72	327	(*)
Other	5,890	(D)	5,252	(D)	(D)	212	43	7	45	(D)	147	2
Latin America and Other Western Hemisphere	3,910	(D)	3,026	(D)	(D)	72	26	(D)	74	100	190	0
South and Central America	2,330	(D)	1,858	(D)	(D)	57	24	(D)	37	91	183	0
Argentina	133	114	114	0	19	3	2	1	(*)	4	10	0
Brazil	580	(D)	458	(D)	(D)	10	10	(D)	2	10	73	0
Chile	66	35	35	(*)	31	3	1	3	3	7	14	0
Mexico	1,213	1,048	1,026	21	165	29	8	15	15	40	58	0
Venezuela	103	77	77	0	26	6	1	5	1	5	9	0
Other	234	(D)	148	(D)	(D)	6	3	(D)	16	25	20	0
Other Western Hemisphere	1,580	(D)	1,168	(D)	(D)	16	2	(D)	37	9	7	0
Bermuda	471	458	(D)	(D)	12	9	(*)	(*)	(*)	(*)	2	0
Other	1,110	(D)	(D)	1	(D)	6	2	(D)	37	9	4	0
Africa	370	(D)	265	(D)	(D)	20	4	(D)	24	11	39	0
South Africa	232	(D)	160	(D)	(D)	14	3	(D)	7	8	32	0
Other	138	105	105	0	33	6	1	(*)	16	3	7	0
Middle East	357	(D)	139	(D)	(D)	58	5	(D)	44	24	40	(D)
Israel	132	67	67	(*)	66	25	3	(D)	6	8	15	(D)
Saudi Arabia	112	61	59	1	51	(D)	1	(*)	12	8	15	(D)
Other	113	(D)	13	(D)	(D)	(D)	1	(*)	27	8	10	(D)
Asia and Pacific	14,260	8,312	7,894	418	5,949	2,757	84	(D)	152	722	2,143	(D)
Australia	968	736	643	93	232	27	15	7	10	52	120	(*)
China	842	(D)	602	(D)	(D)	102	3	3	5	(D)	94	7
Hong Kong	484	363	361	2	121	22	4	1	18	63	14	0
India	119	60	57	3	59	24	1	(*)	1	5	28	1
Indonesia	73	35	35	1	38	16	1	(*)	11	7	4	0
Japan	6,596	3,264	3,024	241	3,332	1,353	48	(D)	27	455	1,402	(D)
Korea, Republic of	1,316	285	282	4	1,031	757	6	6	21	48	192	1
Malaysia	216	167	166	1	49	10	(*)	(*)	16	11	12	0
New Zealand	100	57	57	(*)	43	22	(*)	4	2	3	12	0
Philippines	129	94	94	(*)	35	11	1	2	8	10	3	0
Singapore	2,392	2,291	2,230	61	101	50	1	(*)	8	14	24	4
Taiwan	853	(D)	235	(D)	(D)	341	3	2	12	(D)	232	0
Thailand	132	90	90	0	42	15	1	2	6	9	4	5
Other	39	20	20	0	19	8	(*)	(*)	7	2	1	0
International organizations and unallocated	2,405	1,793	1,622	171	612	(*)	0	0	0	0	0	612
Addenda:												
European Union ¹	19,660	16,004	14,617	1,386	3,656	1,274	348	125	164	317	1,427	1

See the footnotes at the end of the table.

Table 4.2. Royalties and License Fees, 2003

[Millions of dollars]

	Payments											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents to their foreign affiliates	By U.S. affiliates to their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	19,390	15,683	2,668	13,015	3,707	2,034	365	182	1	283	680	163
Canada	818	533	153	381	285	177	57	1	(*)	11	38	(*)
Europe	10,500	7,991	1,365	6,626	2,509	1,345	259	157	(*)	138	609	(*)
Belgium-Luxembourg	252	(D)	(D)	101	(D)	37	1	(*)	(*)	2	(D)	0
France	1,775	1,034	193	842	741	305	10	12	(*)	(D)	(D)	(*)
Germany	2,153	(D)	(D)	1,728	(D)	214	8	2	(*)	(D)	(D)	(*)
Italy	126	64	29	35	62	16	(D)	(D)	(*)	25	1	0
Netherlands	1,240	(D)	(D)	555	(D)	129	5	(*)	(*)	2	(D)	(*)
Norway	101	(D)	(*)	(D)	(D)	7	(*)	1	(*)	(*)	(D)	0
Spain	51	30	15	21	5	7	(*)	8	(*)	(*)	2	0
Sweden	177	110	12	98	67	47	3	(*)	(*)	7	9	0
Switzerland	2,075	1,859	92	1,767	216	171	(D)	(D)	(*)	1	2	(*)
United Kingdom	1,918	1,245	177	1,068	672	215	193	66	(*)	50	149	(*)
Other	633	(D)	29	(D)	(D)	201	16	(D)	(*)	(D)	28	(*)
Latin America and Other Western Hemisphere	1,219	(D)	(D)	302	(D)	(D)	10	(D)	(*)	3	6	0
South and Central America	171	(D)	57	(D)	(D)	(D)	9	(D)	(*)	3	4	0
Argentina	9	7	7	(*)	2	1	1	0	(*)	(*)	0	0
Brazil	32	(D)	9	(D)	(D)	(D)	1	(D)	(*)	2	3	0
Chile	4	4	3	(*)	(*)	0	0	0	(*)	(*)	0	0
Mexico	118	107	35	72	11	4	6	1	(*)	(*)	1	0
Venezuela	2	1	1	0	1	1	1	0	(*)	(*)	0	0
Other	6	4	2	3	2	(*)	1	0	(*)	(*)	0	0
Other Western Hemisphere	1,049	1,026	(D)	(D)	23	19	1	(*)	(*)	(*)	2	0
Bermuda	993	(D)	(D)	(D)	(D)	(D)	0	0	(*)	(*)	(*)	0
Other	56	(D)	22	(D)	(D)	(D)	1	(*)	(*)	(*)	2	0
Africa	9	7	6	1	2	1	(*)	(*)	0	(*)	(*)	0
South Africa	4	3	3	(*)	2	1	(*)	(*)	0	(*)	(*)	0
Other	5	5	4	1	(*)	(*)	(*)	(*)	0	(*)	(*)	0
Middle East	64	30	30	1	34	26	1	(*)	(*)	2	5	0
Israel	60	30	29	1	30	22	1	(*)	(*)	2	5	0
Saudi Arabia	4	(*)	(*)	(*)	4	4	(*)	0	(*)	(*)	(*)	0
Other	(*)	(*)	(*)	0	(*)	0	0	0	(*)	0	(*)	0
Asia and Pacific	5,831	(D)	(D)	5,135	(D)	445	36	(D)	(*)	33	21	1
Australia	111	70	27	42	41	14	8	(D)	(*)	1	(D)	(*)
China	36	10	10	0	25	(D)	(*)	(*)	(*)	(*)	(D)	0
Hong Kong	46	30	29	(*)	16	1	(D)	(*)	(*)	1	(D)	0
India	16	1	1	0	16	1	(*)	(D)	(*)	(*)	(D)	0
Indonesia	1	1	1	0	(*)	0	0	0	(*)	0	0	0
Japan	5,495	5,063	15	5,048	431	390	10	(*)	(*)	28	3	(*)
Korea, Republic of	54	(D)	9	(D)	(D)	(D)	(D)	(*)	(*)	(*)	1	0
Malaysia	5	3	3	0	1	1	0	0	(*)	0	(*)	0
New Zealand	3	(*)	(*)	(*)	3	(*)	1	1	(*)	0	(*)	0
Philippines	1	(*)	(*)	0	(*)	(*)	(*)	0	(*)	(*)	(*)	0
Singapore	25	23	22	1	2	1	(*)	0	(*)	(*)	1	0
Taiwan	34	31	(D)	(D)	3	1	(*)	0	(*)	(*)	1	0
Thailand	3	2	2	0	1	(*)	(*)	0	(*)	(*)	(*)	0
Other	3	(*)	(*)	0	3	1	(*)	(*)	0	2	(*)	0
International organizations and unallocated	947	686	117	569	261	2	1	(*)	(*)	96	(*)	162
Addenda:												
European Union ¹	8,060	5,956	1,271	4,685	2,104	1,010	240	122	(*)	135	596	(*)

(*) Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. See table 2, footnote 1.

Table 4.3. Royalties and License Fees, 2004—Continues

[Millions of dollars]

	Receipts											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	52,643	39,024	35,084	3,940	13,619	5,560	613	305	534	1,596	4,261	750
Canada	3,575	2,904	2,829	76	670	161	57	6	35	128	279	4
Europe	25,239	20,870	18,278	2,593	4,369	1,700	444	125	238	525	1,328	10
Belgium-Luxembourg	764	(D)	616	(D)	(D)	35	9	3	(D)	21	13	1
France	2,339	1,952	1,820	132	387	181	60	22	16	37	72	(*)
Germany	3,485	2,203	1,996	207	1,282	474	76	12	28	83	607	1
Italy	1,273	986	965	21	287	70	46	13	15	37	105	1
Netherlands	1,515	1,382	1,291	91	133	27	25	3	6	14	57	(*)
Norway	185	(D)	121	(D)	(D)	5	4	(*)	(D)	4	10	(*)
Spain	687	(D)	522	(D)	(D)	10	19	29	(D)	21	46	(*)
Sweden	619	(D)	298	(D)	(D)	87	12	2	(D)	10	24	(*)
Switzerland	3,415	3,084	1,941	1,143	331	265	10	2	2	14	38	(*)
United Kingdom	4,519	3,783	3,171	612	736	231	126	27	62	59	231	(*)
Other	6,438	5,640	5,538	102	798	314	59	12	59	225	124	6
Latin America and Other Western Hemisphere	4,507	(D)	3,242	(D)	(D)	76	26	64	(D)	114	200	1
South and Central America	2,505	2,034	1,996	38	471	60	25	60	28	106	192	1
Argentina	152	129	129	0	23	1	2	6	(*)	6	8	0
Brazil	647	516	513	3	131	21	10	8	1	11	81	(*)
Chile	69	39	39	0	29	3	1	4	2	10	9	0
Mexico	1,254	1,091	1,059	32	162	22	7	18	11	39	65	1
Venezuela	130	97	94	3	33	9	1	(D)	(D)	6	6	(*)
Other	253	161	161	(*)	92	5	3	(D)	(D)	33	23	(*)
Other Western Hemisphere	2,001	(D)	1,246	(D)	(D)	16	1	4	20	9	9	(*)
Bermuda	887	883	(D)	(D)	4	(*)	0	(*)	(*)	1	3	0
Other	1,114	(D)	(D)	(D)	(D)	16	1	4	(D)	8	6	(*)
Africa	407	307	305	2	101	15	5	3	32	16	31	(*)
South Africa	238	175	174	1	62	10	4	1	8	11	28	0
Other	169	131	131	(*)	38	5	(*)	2	24	5	3	(*)
Middle East	302	134	123	11	168	49	3	9	48	18	23	18
Israel	104	48	47	1	56	16	2	7	5	7	13	5
Saudi Arabia	121	65	64	1	56	26	(*)	1	13	3	3	10
Other	77	21	11	10	56	6	1	(*)	31	8	7	3
Asia and Pacific	15,982	(D)	8,555	(D)	(D)	3,560	79	98	(D)	794	2,400	36
Australia	1,051	(D)	789	(D)	(D)	41	20	15	(D)	53	(D)	1
China	928	696	695	(*)	232	129	2	8	7	34	51	2
Hong Kong	515	386	383	3	130	15	2	5	13	68	25	(*)
India	166	93	90	2	73	32	(*)	(*)	4	7	29	1
Indonesia	76	38	38	0	38	18	1	(*)	10	8	(*)	(*)
Japan	7,670	3,587	3,325	262	4,083	1,865	42	51	21	523	1,568	12
Korea, Republic of	1,657	332	328	3	1,325	1,053	6	1	18	41	202	5
Malaysia	208	166	165	1	42	13	1	0	13	8	7	(*)
New Zealand	84	68	68	0	16	1	1	2	2	4	6	0
Philippines	132	96	96	0	36	11	(*)	7	6	8	2	0
Singapore	2,276	2,214	2,212	2	63	17	1	(*)	7	6	26	4
Taiwan	1,043	(D)	237	(D)	(D)	356	2	6	10	13	(D)	10
Thailand	150	117	117	0	33	7	(*)	2	6	13	3	1
Other	26	12	12	0	14	1	(*)	(*)	6	6	1	(*)
International organizations and unallocated	2,631	1,950	1,753	197	681	0	(*)	0	0	(*)	0	681
Addenda:												
European Union ¹	21,244	17,361	15,968	1,394	3,883	1,422	418	119	206	478	1,236	6

See the footnotes at the end of the table.

Table 4.3 Royalties and License Fees, 2004
[Millions of dollars]

	Payments											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents to their foreign affiliates	By U.S. affiliates to their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	23,901	18,750	2,913	15,837	5,151	2,554	233	1,038	1	494	589	244
Canada	766	(D)	(D)	417	(D)	173	29	(*)	(*)	8	12	(D)
Europe	13,084	10,173	1,546	8,628	2,910	1,684	177	(D)	(*)	246	562	(D)
Belgium-Luxembourg	322	296	103	193	26	23	1	0	0	1	1	(*)
France	1,992	1,096	220	876	896	(D)	30	4	0	21	(D)	(*)
Germany	2,529	2,259	195	2,063	271	223	8	5	0	20	11	4
Italy	149	(D)	(D)	29	(D)	11	4	(D)	0	27	0	(*)
Netherlands	1,537	(D)	(D)	883	(D)	35	2	(*)	(*)	3	(D)	1
Norway	119	(D)	1	(D)	(D)	4	(*)	1	0	(*)	(D)	1
Spain	62	(D)	20	(D)	(D)	7	4	1	0	(*)	(D)	(D)
Sweden	658	295	14	281	362	(D)	2	1	0	9	(D)	(D)
Switzerland	2,751	2,435	100	2,335	316	214	3	87	0	13	(*)	(*)
United Kingdom	2,209	1,625	205	1,420	584	205	118	53	(*)	145	52	11
Other	757	(D)	(D)	407	(D)	260	5	(D)	0	9	8	5
Latin America and Other Western Hemisphere	1,697	(D)	(D)	430	(D)	(D)	8	5	(*)	96	(*)	(D)
South and Central America	288	155	70	85	133	(D)	8	4	0	96	(*)	(D)
Argentina	6	5	5	(*)	1	(*)	(*)	0	0	(*)	(*)	0
Brazil	17	13	10	3	4	(*)	1	2	0	(*)	(*)	0
Chile	4	3	3	0	1	1	(*)	0	0	(*)	(*)	0
Mexico	243	130	49	81	113	(D)	5	2	0	83	0	(D)
Venezuela	2	1	1	0	1	(*)	(*)	0	0	(*)	(*)	(*)
Other	17	3	2	1	14	0	1	(*)	(*)	13	(*)	(*)
Other Western Hemisphere	1,408	(D)	(D)	345	(D)	(D)	(*)	(*)	(*)	(*)	(*)	(*)
Bermuda	1,108	1,106	(D)	(D)	2	2	0	0	0	0	0	(*)
Other	300	(D)	31	(D)	(D)	(D)	(*)	(*)	(*)	(*)	(*)	0
Africa	7	5	3	2	2	1	1	(*)	0	(*)	(*)	0
South Africa	4	3	2	1	1	1	(*)	(*)	0	(*)	(*)	0
Other	3	2	1	1	1	(*)	(*)	(*)	0	(*)	(*)	0
Middle East	62	41	40	1	21	16	1	(*)	0	(*)	3	1
Israel	61	41	40	1	20	16	1	(*)	0	(*)	3	(*)
Saudi Arabia	(*)	(*)	(*)	0	(*)	(*)	(*)	0	0	(*)	0	(*)
Other	1	0	0	0	1	(*)	(*)	0	0	0	(*)	-1
Asia and Pacific	6,379	5,805	137	5,668	574	479	18	(D)	(*)	41	11	(D)
Australia	151	117	15	102	33	10	5	(D)	(*)	(*)	3	(D)
China	15	11	11	0	5	3	(*)	2	0	(*)	(*)	(*)
Hong Kong	41	35	29	6	6	5	(*)	0	0	(*)	(*)	1
India	10	1	1	0	9	(*)	3	0	0	(*)	6	0
Indonesia	1	1	1	0	(*)	(*)	(*)	0	0	(*)	0	0
Japan	6,055	5,559	29	5,530	496	450	7	(*)	(*)	37	1	2
Korea, Republic of	30	(D)	5	(D)	(D)	10	(D)	(*)	0	1	(*)	1
Malaysia	4	4	4	0	(*)	(*)	(*)	0	0	(*)	0	0
New Zealand	3	(*)	(*)	0	2	(*)	1	1	0	(*)	1	0
Philippines	6	6	6	0	(*)	(*)	0	0	0	(*)	0	(*)
Singapore	22	22	19	3	(*)	(*)	(*)	0	0	(*)	0	(*)
Taiwan	36	(D)	16	(D)	(D)	1	(D)	0	0	(*)	0	(*)
Thailand	3	1	1	0	1	(*)	(*)	0	0	(*)	(*)	-1
Other	3	(*)	(*)	0	3	(*)	(*)	(*)	0	2	0	(*)
International organizations and unallocated	1,907	819	127	692	1,088	0	0	(D)	0	103	0	(D)
Addenda:												
European Union ¹	10,023	7,622	1,443	6,180	2,401	1,281	173	129	(*)	233	560	24

(*) Less than \$500,000.
D Suppressed to avoid disclosure of data of individual companies.
1. See table 2, footnote 1.

Table 5.1. Other Private Services, 2002

	Receipts							Payments						
	Total	Education	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services	Total	Education	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services
Total	121,834	12,626	22,046	4,467	3,890	62,036	16,770	72,809	2,701	9,560	22,150	4,233	33,492	674
Affiliated.....	39,922		4,300	(²)	(³)	32,806	2,816	29,207		5,400	(²)	(³)	23,804	3
Unaffiliated.....	81,912	12,626	17,746	4,467	3,890	29,230	13,954	43,602	2,701	4,160	22,150	4,233	9,688	671
Unaffiliated by Country:														
Canada	6,513	617	1,089	454	571	3,049	734	3,507	42	173	554	242	2,325	171
Europe	28,495	2,053	7,796	1,878	1,092	11,241	4,435	21,130	1,616	2,594	11,915	809	4,039	156
(D)	21	1,043	30	56	358	(D)	17	69	71	20	93	(D)	17	4
Belgium-Luxembourg.....	2,664	164	536	256	96	1,204	408	1,738	174	202	892	95	358	17
France.....	3,133	213	555	219	145	1,321	680	4,295	69	195	3,472	70	465	25
Germany.....	1,626	74	474	36	71	507	464	542	243	80	31	48	136	5
Italy.....	1,253	40	399	29	68	586	131	541	24	123	142	49	198	6
Netherlands.....	400	51	145	33	15	109	47	111	4	33	12	17	44	1
Norway.....	1,313	87	246	27	36	377	540	502	246	67	21	38	125	5
Spain.....	706	88	132	14	33	312	126	293	9	54	69	13	147	1
Sweden.....	1,428	37	573	58	29	674	57	2,811	15	312	2,316	18	138	12
Switzerland.....	9,441	195	3,013	955	391	3,705	1,182	7,572	600	1,169	3,848	196	1,699	60
United Kingdom.....	(D)	1,085	680	219	151	2,086	(D)	(D)	218	290	1,039	246	636	(D)
Latin America and Other Western Hemisphere	18,126	1,462	5,425	1,168	1,010	4,483	4,578	12,957	600	501	9,462	1,559	775	60
South and Central America.....	12,258	1,161	1,501	385	880	3,843	4,488	2,931	523	267	79	1,330	682	50
Argentina.....	640	73	164	38	31	282	51	152	23	9	22	17	78	4
Brazil.....	1,822	191	303	39	102	993	194	314	26	45	9	80	143	11
Chile.....	377	35	72	37	40	152	41	90	37	6	2	30	13	2
Mexico.....	5,968	267	387	124	429	903	3,859	1,309	201	94	16	746	235	17
Venezuela.....	826	120	83	14	26	511	73	79	2	10	4	30	29	3
Other.....	2,628	475	492	134	253	1,003	270	986	233	103	26	428	183	13
Other Western Hemisphere.....	5,866	301	3,924	782	129	640	90	10,027	78	234	9,383	229	93	10
Bermuda.....	(D)	11	1,466	442	8	240	(D)	(D)	2	125	7,499	7	32	(D)
Other.....	(D)	290	2,458	340	121	399	(D)	(D)	75	109	1,884	223	61	(D)
Africa	(D)	818	188	22	158	1,246	(D)	(D)	82	125	4	185	283	(D)
South Africa.....	545	54	69	7	46	232	137	(D)	27	23	0	17	65	(D)
Other.....	(D)	764	119	16	111	1,014	(D)	556	56	102	4	168	218	8
Middle East	(D)	530	547	52	132	1,400	(D)	(D)	25	87	3	146	287	(D)
Israel.....	641	75	99	39	54	282	92	159	23	20	0	20	90	5
Saudi Arabia.....	(D)	121	82	1	24	613	(D)	165	0	26	0	37	83	18
Other.....	1,343	334	366	11	54	505	74	(D)	2	41	3	89	114	(D)
Asia and Pacific	20,308	7,147	2,687	781	927	7,290	1,476	4,594	335	680	205	1,229	1,979	166
Australia.....	1,585	67	382	86	125	659	267	539	169	104	11	43	200	12
China.....	(D)	1,165	152	34	68	800	(D)	224	17	6	2	49	143	7
Hong Kong.....	868	143	213	48	72	331	61	288	2	62	3	34	142	44
India.....	1,719	1,232	52	19	96	295	25	679	3	26	4	357	288	(D)
Indonesia.....	539	214	70	11	9	207	27	97	0	7	12	21	51	6
Japan.....	5,357	980	818	440	104	2,402	613	1,130	47	268	144	68	559	44
Korea, Republic of.....	2,218	904	260	43	114	797	100	305	3	74	7	61	156	5
Malaysia.....	417	136	54	4	17	186	19	50	0	9	0	10	28	3
New Zealand.....	325	26	32	5	39	170	52	58	24	2	1	8	21	2
Philippines.....	(D)	61	46	4	65	98	(D)	(D)	0	14	7	171	45	(D)
Singapore.....	(D)	76	300	33	53	406	(D)	(D)	1	51	4	18	125	(D)
Taiwan.....	1,257	533	176	34	59	395	60	172	1	39	10	35	80	8
Thailand.....	524	214	46	18	11	204	31	83	4	11	0	27	37	5
Other.....	(D)	1,397	86	3	94	340	(D)	(D)	64	7	1	327	103	(D)
International organizations and unallocated	2,957	0	14	113	(*)	522	2,308	147	0	0	6	63	(*)	78
Addenda:														
European Union ⁴	23,796	911	6,866	1,734	963	9,340	3,982	17,352	1,476	2,115	9,564	591	3,479	127

1. See table 1, footnote 3.

2. Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies, because the services are deemed to be provided to the policyholders who pay the insurance premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated trade in insurance services are included in affiliated "other business, professional, and technical services."

3. Transactions in basic telecommunications services are deemed to be unaffiliated, even when the services flow through affiliated channels, because they represent the distribution of revenues collected from unaffiliated customers. Other types of telecommunications services, such as value-added services, may flow through either affiliated or unaffiliated channels. For the latter, unaffiliated telecommunications transactions are included under "telecommunications"; data on affiliated transactions are not separately available and are included in affiliated "other business, professional, and technical services."

4. See table 2, footnote 1.

Table 5.2. Other Private Services, 2003

	Receipts							Payments						
	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services
Total	132,027	13,261	24,281	5,880	4,514	66,552	17,541	82,120	3,184	9,832	26,561	4,259	37,464	821
Affiliated.....	43,272		5,200	(²)	(³)	35,079	2,993	31,691		5,600	(²)	(³)	26,071	20
Unaffiliated.....	88,755	13,261	19,081	5,880	4,514	31,473	14,548	50,429	3,184	4,232	26,561	4,259	11,393	801
Unaffiliated by Country:														
Canada	7,326	644	1,156	753	684	3,262	826	4,652	58	191	501	381	3,319	203
Europe	32,217	2,061	8,286	3,002	1,437	12,461	4,970	23,813	1,955	2,560	13,541	1,100	4,455	201
Belgium-Luxembourg.....	1,188	21	543	64	46	376	137	347	20	67	96	30	127	7
France.....	3,118	167	815	134	109	1,374	519	1,482	200	203	599	120	338	21
Germany.....	3,974	216	577	647	192	1,359	984	4,615	79	241	3,625	120	519	31
Italy.....	1,938	76	662	38	97	599	466	742	280	103	35	126	170	29
Netherlands.....	1,431	39	378	56	99	718	142	619	27	120	166	80	218	7
Norway.....	411	34	134	31	24	137	51	130	5	26	7	22	69	1
Spain.....	1,350	110	297	32	47	388	475	571	285	84	18	35	138	10
Sweden.....	739	81	150	15	41	283	169	263	12	53	46	20	130	1
Switzerland.....	1,613	34	573	66	61	809	70	2,971	21	142	2,601	31	163	13
United Kingdom.....	11,026	203	3,367	1,597	485	4,099	1,276	9,140	764	1,200	4,980	235	1,899	63
Other.....	5,427	1,080	790	324	235	2,318	680	2,930	260	321	1,367	279	683	20
Latin America and Other Western Hemisphere	18,653	1,584	6,087	1,141	1,036	4,182	4,623	15,888	676	602	12,294	1,360	903	52
South and Central America.....	12,507	1,240	1,721	492	863	3,667	4,524	2,904	583	276	51	1,147	800	47
Argentina.....	652	84	165	28	31	279	66	150	25	8	11	13	91	2
Brazil.....	1,762	192	304	44	93	915	213	322	30	46	11	52	171	12
Chile.....	376	39	81	37	43	139	36	(D)	41	11	2	30	16	(D)
Mexico.....	6,219	293	460	187	352	1,071	3,856	1,156	224	94	5	538	278	16
Venezuela.....	639	122	203	21	23	189	80	55	3	1	4	19	24	4
Other.....	2,858	509	508	173	322	1,073	273	(D)	260	116	18	495	221	(D)
Other Western Hemisphere.....	6,149	345	4,366	651	173	515	99	12,983	93	326	12,242	214	103	5
Bermuda.....	2,039	16	1,449	433	15	125	1	10,420	3	127	10,215	43	31	1
Other.....	4,111	329	2,917	218	158	391	98	2,564	91	199	2,028	171	72	4
Africa	2,836	905	244	30	169	1,304	185	(D)	83	152	1	198	365	(D)
South Africa.....	488	52	59	9	53	221	94	195	34	26	0	18	115	3
Other.....	2,349	852	185	21	116	1,083	91	(D)	49	126	1	180	250	(D)
Middle East	3,280	481	462	44	186	1,933	174	(D)	20	73	5	152	332	(D)
Israel.....	640	79	106	26	69	296	64	166	19	14	1	35	92	5
Saudi Arabia.....	(D)	94	79	2	52	653	(D)	119	0	16	1	36	43	23
Other.....	(D)	308	277	16	65	983	(D)	(D)	1	43	3	82	197	(D)
Asia and Pacific	22,105	7,586	2,838	800	1,003	8,297	1,582	4,549	393	654	205	1,069	2,019	209
Australia.....	1,871	70	459	151	112	790	289	638	216	77	15	57	239	35
China.....	2,564	1,248	194	16	78	916	111	249	16	14	1	45	132	40
Hong Kong.....	1,020	156	245	142	68	354	55	292	2	59	3	44	157	27
India.....	2,094	1,438	59	6	91	470	30	647	3	22	1	191	428	2
Indonesia.....	655	201	71	8	17	327	31	116	0	8	1	28	73	6
Japan.....	5,590	992	811	322	149	2,640	676	1,020	54	181	151	109	476	49
Korea, Republic of.....	2,328	993	263	49	113	794	116	288	3	83	8	85	104	5
Malaysia.....	(D)	127	56	7	27	208	(D)	54	0	9	1	18	23	3
New Zealand.....	334	27	54	9	21	158	65	131	31	45	0	14	37	4
Philippines.....	(D)	69	47	3	106	153	(D)	(D)	0	20	8	154	45	(D)
Singapore.....	792	81	276	37	40	321	37	200	1	62	5	33	95	4
Taiwan.....	1,293	540	210	39	76	381	47	185	1	44	8	44	80	8
Thailand.....	472	192	43	7	17	183	29	75	4	14	1	28	24	5
Other.....	(D)	1,453	50	2	88	602	(D)	(D)	62	16	0	221	107	(D)
International organizations and unallocated	2,339	0	8	108	(*)	34	2,189	105	0	0	15	0	0	90
Addenda:														
European Union ⁴	27,061	989	7,325	2,829	1,235	10,259	4,424	19,814	1,778	2,227	10,915	868	3,855	171

1. See table 1, footnote 3.

2. Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies, because the services are deemed to be provided to the policyholders who pay the insurance premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated trade in insurance services are included in affiliated "other business, professional, and technical services."

3. Transactions in basic telecommunications services are deemed to be unaffiliated, even when the services flow through affiliated channels, because they represent the distribution of revenues collected from unaffiliated customers. Other types of telecommunications services, such as value-added services, may flow through either affiliated or unaffiliated channels. For the latter, unaffiliated telecommunications transactions are included under "telecommunications"; data on affiliated transactions are not separately available and are included in affiliated "other business, professional, and technical services."

4. See table 2, footnote 1.

Table 5.3. Other Private Services, 2004

	Receipts							Payments						
	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services
Total	140,518	13,523	27,397	6,125	4,374	71,009	18,089	90,663	3,525	11,168	29,882	4,365	40,737	987
Affiliated.....	45,724		5,500	(²)	(³)	37,236	2,988	34,443		6,200	(²)	(³)	28,218	25
Unaffiliated.....	94,794	13,523	21,897	6,125	4,374	33,773	15,101	56,220	3,525	4,968	29,882	4,365	12,519	962
Unaffiliated by Country:														
Canada	7,677	671	1,223	751	753	3,305	974	4,375	64	226	644	337	2,873	232
Europe	35,318	2,092	10,244	3,047	1,436	13,474	5,025	23,717	2,202	2,942	12,051	1,130	5,224	168
Belgium-Luxembourg.....	1,298	21	727	56	41	350	103	357	28	72	93	29	129	7
France.....	3,506	167	897	310	106	1,378	648	1,485	215	264	547	107	328	24
Germany.....	4,141	214	670	809	212	1,498	739	4,008	91	215	2,875	185	616	26
Italy.....	1,712	81	489	29	119	567	427	777	307	106	55	131	173	5
Netherlands.....	1,496	37	450	37	126	712	134	573	30	136	39	69	292	7
Norway.....	414	36	168	32	18	101	60	152	11	26	6	29	79	1
Spain.....	1,444	90	362	35	46	376	535	640	336	89	22	32	156	5
Sweden.....	763	77	190	18	35	285	158	389	15	52	85	13	223	1
Switzerland.....	1,581	38	568	65	109	756	45	3,523	11	158	3,104	36	201	13
United Kingdom.....	12,121	214	4,303	1,315	421	4,605	1,264	8,320	862	1,363	3,488	212	2,335	60
Other.....	6,842	1,119	1,420	341	203	2,846	913	3,494	297	461	1,739	287	691	18
Latin America and Other Western Hemisphere	19,326	1,671	6,271	1,178	912	4,396	4,899	20,733	744	541	16,952	1,384	1,055	57
South and Central America.....	12,684	1,303	1,577	494	767	3,745	4,798	3,117	639	281	72	1,179	903	43
Argentina.....	564	88	174	27	26	196	53	145	43	18	16	15	51	2
Brazil.....	1,607	188	307	54	101	748	209	379	62	13	58	175	9	
Chile.....	(D)	39	85	55	43	160	(D)	(D)	49	15	2	34	22	(D)
Mexico.....	6,837	326	387	152	295	1,586	4,092	1,176	243	88	15	479	334	17
Venezuela.....	687	134	90	22	33	290	117	54	3	3	2	15	26	5
Other.....	(D)	528	534	184	269	765	(D)	(D)	239	95	23	579	297	(D)
Other Western Hemisphere.....	6,641	369	4,694	684	145	650	100	17,617	105	260	16,880	205	152	15
Bermuda.....	1,950	14	1,305	466	10	154	0	12,478	4	110	12,319	27	16	2
Other.....	4,693	354	3,389	218	136	496	100	5,138	101	150	4,561	178	135	13
Africa	(D)	899	255	36	151	1,523	(D)	(D)	90	175	22	204	490	(D)
South Africa.....	593	52	68	17	52	276	128	208	36	24	13	17	116	3
Other.....	(D)	847	187	19	99	1,247	(D)	(D)	54	151	9	187	374	(D)
Middle East	(D)	445	627	51	188	1,860	(D)	(D)	8	93	4	181	557	(D)
Israel.....	700	82	154	35	66	293	70	272	1	15	1	35	214	5
Saudi Arabia.....	(D)	83	134	2	36	529	(D)	(D)	1	24	0	44	48	(D)
Other.....	1,837	280	339	14	86	1,038	80	463	5	54	2	102	294	6
Asia and Pacific	23,704	7,744	3,258	992	934	9,170	1,606	5,421	418	991	209	1,125	2,320	358
Australia.....	1,973	71	506	175	84	758	379	834	228	100	26	51	222	208
China.....	2,882	1,260	165	23	90	1,216	127	255	18	20	0	54	154	9
Hong Kong.....	1,107	150	288	177	72	378	42	459	2	227	1	71	126	32
India.....	(D)	1,627	83	6	70	725	(D)	(D)	23	43	2	183	528	(D)
Indonesia.....	537	181	55	11	11	236	43	(D)	3	15	4	25	63	(D)
Japan.....	5,722	944	875	401	163	2,786	552	1,173	63	284	137	123	514	52
Korea, Republic of.....	2,482	1,071	295	69	112	838	97	314	15	97	11	71	116	4
Malaysia.....	(D)	132	59	11	25	168	(D)	59	2	14	1	16	24	3
New Zealand.....	357	25	52	18	20	150	92	126	33	15	1	15	61	2
Philippines.....	(D)	71	50	5	88	181	(D)	(D)	1	25	9	202	48	(D)
Singapore.....	(D)	81	278	32	36	408	(D)	188	1	65	3	28	87	4
Taiwan.....	1,333	534	239	45	58	410	46	366	8	58	12	84	197	8
Thailand.....	466	182	53	9	15	168	38	80	3	22	1	20	30	5
Other.....	2,565	1,414	260	5	90	747	48	(D)	20	6	0	182	150	(D)
International organizations and unallocated	2,324	0	19	74	0	48	2,182	108	0	0	4	3	0	101
Addenda:														
European Union ⁴	29,969	1,274	9,028	2,868	1,227	11,070	4,501	19,302	2,022	2,605	8,942	906	4,684	143

1. See table 1, footnote 3.

2. Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies, because the services are deemed to be provided to the policyholders who pay the insurance premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated trade in insurance services are included in affiliated "other business, professional, and technical services."

3. Transactions in basic telecommunications services are deemed to be unaffiliated, even when the services flow through affiliated channels, because they represent the distribution of revenues collected from unaffiliated customers. Other types of telecommunications services, such as value-added services, may flow through either affiliated or unaffiliated channels. For the latter, unaffiliated telecommunications transactions are included under "telecommunications"; data on affiliated transactions are not separately available and are included in affiliated "other business, professional, and technical services."

4. See table 2, footnote 1.

Table 6.1. Insurance, 2002

[Millions of dollars]

	Insurance sold to foreigners						Insurance purchased from foreigners					
	Receipts for insurance services			Supplemental detail			Payments for insurance services			Supplemental detail		
	Total ¹	Reinsurance	Primary and other insurance	Premiums received		Losses paid ²	Total ³	Reinsurance	Primary and other insurance	Premiums paid		Losses recovered ⁴
				Reinsurance	Primary insurance					Reinsurance	Primary insurance	
All countries	4,467	3,390	1,078	10,311	1,593	8,314	22,150	17,949	4,202	44,104	4,052	31,165
Canada	454	337	117	1,025	206	752	554	204	350	(D)	(D)	638
Europe	1,878	1,478	400	4,494	457	4,187	11,915	9,036	2,879	22,204	2,767	20,049
Belgium-Luxembourg	30	30	1	90	1	140	71	66	5	164	2	57
France	256	241	15	733	26	344	892	597	296	1,466	299	1,084
Germany	219	168	51	511	53	542	3,472	3,423	50	8,410	20	6,913
Italy	36	30	6	90	9	14	31	28	3	68	(*)	58
Netherlands	29	22	7	68	12	34	142	66	76	162	2	118
Norway	33	21	12	64	19	69	12	2	10	4	11	21
Spain	27	22	5	68	7	52	21	14	8	34	6	11
Sweden	14	10	4	31	7	31	69	55	13	(D)	(D)	176
Switzerland	58	38	21	114	16	112	2,316	2,278	39	5,599	35	5,098
United Kingdom	955	777	179	2,362	237	2,519	3,848	1,491	2,357	3,664	2,365	3,539
Other	219	119	100	362	70	330	1,039	1,016	23	(D)	(D)	2,974
Latin America and Other Western Hemisphere	1,168	918	250	2,791	410	2,267	9,462	8,530	932	(D)	(D)	10,247
South and Central America	385	284	101	863	184	612	79	30	49	(D)	(D)	103
Argentina	38	27	11	83	20	28	22	18	4	44	1	33
Brazil	39	31	8	93	15	202	9	-3	12	-8	(*)	44
Chile	37	28	8	86	15	58	2	0	2	(*)	(*)	(*)
Mexico	124	98	26	297	47	138	16	10	6	25	3	19
Venezuela	14	9	4	28	8	21	4	0	4	1	1	(*)
Other	134	91	44	276	79	166	26	5	21	(D)	(D)	7
Other Western Hemisphere	782	634	148	1,929	226	1,655	9,383	8,500	883	(D)	(D)	10,144
Bermuda	442	425	17	1,292	8	1,117	7,499	6,673	827	16,403	833	8,808
Other	340	210	130	637	218	538	1,884	1,828	56	(D)	(D)	1,336
Africa	22	16	6	49	11	32	4	0	4	(*)	1	4
South Africa	7	6	1	17	3	17	0	0	0	(*)	(*)	2
Other	16	11	5	32	9	15	4	0	4	(*)	1	2
Middle East	52	45	7	137	11	96	3	1	2	2	1	3
Israel	39	36	4	108	7	77	0	0	0	(*)	(*)	2
Saudi Arabia	1	1	1	2	1	1	0	0	0	0	0	(*)
Other	11	9	3	26	3	19	3	1	2	2	1	(*)
Asia and Pacific	781	574	207	1,746	334	854	205	171	34	419	8	246
Australia	86	43	42	132	77	245	11	7	4	18	3	11
China	34	8	26	24	43	42	2	1	1	3	(*)	-3
Hong Kong	48	14	34	(D)	(D)	40	3	2	1	6	(*)	-4
India	19	18	1	56	1	9	4	1	3	2	(*)	1
Indonesia	11	11	1	32	1	25	12	8	4	(D)	1	(D)
Japan	440	393	47	1,195	55	335	144	136	8	354	2	211
Korea, Republic of	43	22	21	67	37	37	7	6	1	15	(*)	13
Malaysia	4	4	1	11	1	7	0	0	0	(*)	(*)	(*)
New Zealand	5	3	3	8	5	9	1	0	1	(*)	(*)	1
Philippines	4	2	2	7	3	2	7	6	1	(D)	(*)	(D)
Singapore	33	15	18	(D)	(D)	31	4	1	3	3	(*)	(*)
Taiwan	34	22	12	66	16	49	10	1	9	2	1	-3
Thailand	18	16	2	(D)	(D)	12	0	0	0	(*)	(*)	(*)
Other	3	2	1	7	1	10	1	1	0	3	(*)	1
International organizations and unallocated	113	23	90	69	164	125	6	6	0	15	0	-21
Addenda:												
European Union ⁵	1,734	1,389	345	4,214	385	3,898	9,564	6,735	2,828	16,550	2,720	14,951

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. The \$4,467 million in receipts for insurance services in 2002 consisted of the share of premiums that represents charges for insurance services of \$2,863 million (total premiums were \$11,905 million and premiums for settlement of normal losses were \$9,041 million), auxiliary insurance services of \$200 million, and premium supplements of \$1,406 million. (See note below.)

2. The \$22,150 million in payments for insurance services in 2002 consisted of the share of premiums that represents charges for insurance services of \$15,934 million (total premiums were \$48,156 million and premiums for settlement of normal losses were \$32,222 million), auxiliary insurance services of \$428 million, and premium supplements of \$5,789 million. (See note below.)

3. The \$8,314 million in losses paid in 2002 consisted of \$7,426 million paid on reinsurance and \$888 million paid on primary insurance.

4. The \$31,165 million in losses recovered in 2002 consisted of \$30,914 million recovered on reinsurance and \$251 million recovered on primary insurance.

5. See table 2, footnote 1.

NOTE: Insurance services consist of: (1) A share of premiums (the remaining share is for settlement of "normal" losses, where normal losses are inferred from the relationship between actual losses and premiums, averaged over several years), (2) auxiliary insurance services, such as agents' commissions, actuarial services, brokering and agency services, and salvage administration services, and (3) premium supplements, representing income on funds held by insurance companies on which policyholders have a claim. This income is treated as accruing to the policyholders, who pay it back to insurers as premium supplements to cover part of the cost of insurance services. Differences between the portion of premiums allocated to loss settlement and the amount of losses actually incurred or recovered—sometimes termed "net insurance settlements"—are recorded in unilateral current transfers in the U.S. international transactions accounts. A positive (negative) amount for net insurance settlements would occur if losses paid are less (greater) than normal and/or if losses recovered are greater (less) than normal. In 2002, net insurance settlements were -\$240 million (losses paid were \$727 million less than normal and losses recovered were \$967 million less than normal).

Table 6.2. Insurance, 2003
[Millions of dollars]

	Insurance sold to foreigners						Insurance purchased from foreigners					
	Receipts for insurance services			Supplemental detail			Payments for insurance services			Supplemental detail		
	Total ¹	Reinsurance	Primary and other insurance	Premiums received		Losses paid ²	Total ³	Reinsurance	Primary and other insurance	Premiums paid		Losses recovered ⁴
				Reinsurance	Primary insurance					Reinsurance	Primary insurance	
All countries	5,880	4,335	1,542	13,563	2,205	11,146	26,561	22,408	4,155	53,741	3,864	34,953
Canada	753	503	250	1,573	430	1,238	501	298	203	714	208	629
Europe	3,002	2,386	617	7,464	598	6,397	13,541	10,908	2,633	26,161	2,405	19,716
Belgium-Luxembourg	64	59	5	184	11	192	96	91	6	217	4	190
France	134	108	26	338	38	145	599	421	178	1,010	173	765
Germany	647	579	68	1,813	67	1,791	3,625	3,420	205	8,201	27	4,875
Italy	38	30	8	92	12	71	35	33	2	78	(*)	-2
Netherlands	56	37	18	116	29	57	166	86	81	205	2	(D)
Norway	31	11	20	35	35	28	7	1	6	3	4	7
Spain	32	25	8	78	5	39	18	15	3	37	2	118
Sweden	15	10	5	31	6	33	46	40	7	95	7	7
Switzerland	66	50	17	156	13	44	2,601	2,542	59	6,096	58	7,487
United Kingdom	1,537	1,299	298	4,064	270	3,665	4,980	2,902	2,079	6,959	2,126	4,128
Other	324	178	145	557	111	334	1,367	1,358	9	3,258	3	(D)
Latin America and Other Western Hemisphere	1,141	879	262	2,751	446	2,190	12,294	11,000	1,294	26,382	1,243	14,172
South and Central America	492	366	126	1,144	238	690	51	13	39	31	7	47
Argentina	28	18	10	56	20	24	11	7	4	(D)	(*)	(D)
Brazil	44	24	20	76	40	81	11	1	10	3	(*)	17
Chile	37	26	12	81	23	67	2	0	2	1	(*)	(*)
Mexico	187	159	28	496	51	249	5	2	3	5	1	15
Venezuela	21	16	5	51	10	67	4	0	4	1	1	(*)
Other	173	123	50	384	94	202	18	2	16	(D)	5	(D)
Other Western Hemisphere	651	514	137	1,607	208	1,500	12,242	10,987	1,254	26,351	1,236	14,126
Bermuda	433	422	11	1,319	12	1,192	10,215	9,030	1,185	21,657	1,177	11,391
Other	218	92	126	288	196	307	2,028	1,957	70	4,694	59	2,735
Africa	30	22	9	68	17	64	1	0	1	-1	(*)	1
South Africa	9	7	3	21	5	23	0	0	0	(*)	(*)	(*)
Other	21	15	6	48	12	40	1	0	1	-1	(*)	1
Middle East	44	32	12	99	24	79	5	2	3	4	2	7
Israel	26	23	3	72	6	77	1	0	1	(*)	1	1
Saudi Arabia	2	1	1	3	1	(*)	1	1	0	2	(*)	3
Other	16	8	9	24	17	1	3	1	2	2	1	4
Asia and Pacific	800	496	304	1,549	511	1,093	205	186	20	445	5	415
Australia	151	87	64	271	70	458	15	13	1	32	(*)	48
China	16	10	6	32	8	-1	1	0	1	1	(*)	-1
Hong Kong	142	16	126	(D)	(D)	57	3	2	1	4	(*)	-6
India	6	6	1	17	1	-5	1	1	0	3	(*)	4
Indonesia	8	7	1	23	1	24	1	0	1	-1	1	(*)
Japan	322	273	49	854	63	373	151	148	3	355	1	312
Korea, Republic of	49	33	16	102	33	69	8	8	0	20	(*)	40
Malaysia	7	6	1	18	2	4	1	1	0	3	(*)	2
New Zealand	9	7	2	(D)	(D)	26	0	0	0	(*)	(*)	(*)
Philippines	3	2	1	7	2	2	8	8	0	(D)	(*)	(D)
Singapore	37	18	20	(D)	(D)	39	5	3	2	7	(*)	1
Taiwan	39	25	14	79	27	37	8	1	7	2	(*)	3
Thailand	7	4	4	12	7	6	1	1	0	2	(*)	(*)
Other	2	2	1	5	1	4	0	0	0	(D)	(*)	(D)
International organizations and unallocated	108	18	90	57	180	85	15	15	0	36	0	12
Addenda:												
European Union ⁵	2,829	2,281	548	7,137	485	6,228	10,915	8,347	2,569	20,018	2,344	12,193

* Less than \$500,000

D Suppressed to avoid disclosure of data of individual companies

1. The \$5,880 million in receipts for insurance services in 2003 consisted of the share of premiums that represents charges for insurance services of \$3,679 million (total premiums were \$15,768 million and premiums for settlement of normal losses were \$12,089 million), auxiliary insurance services of \$442 million, and premium supplements of \$1,757 million. (See note below.)

2. The \$26,561 million in payments for insurance services in 2003 consisted of the share of premiums that represents charges for insurance services of \$19,446 million (total premiums were \$57,606 million and premiums for settlement of normal losses were \$38,160 million), auxiliary insurance services of \$532 million, and premium supplements of \$6,583 million. (See note below.)

3. The \$11,146 million in losses paid in 2003 consisted of \$10,365 million paid on reinsurance and \$780 million paid on primary insurance.

4. The \$34,953 million in losses recovered in 2003 consisted of \$34,876 million recovered on reinsurance and \$77 million recovered on primary insurance.

5. See table 2, footnote 1.

NOTE: Insurance services consist of: (1) A share of premiums (the remaining share is for settlement of "normal" losses, where normal losses are inferred from the relationship between actual losses and premiums, averaged over several years), (2) auxiliary insurance services, such as agents' commissions, actuarial services, brokering and agency services, and salvage administration services, and (3) premium supplements, representing income on funds held by insurance companies on which policyholders have a claim. This income is treated as accruing to the policyholders, who pay it back to insurers as premium supplements to cover part of the cost of insurance services. Differences between the portion of premiums allocated to loss settlement and the amount of losses actually incurred or recovered—sometimes termed "net insurance settlements"—are recorded in unilateral current transfers in the U.S. international transactions accounts. A positive (negative) amount for net insurance settlements would occur if losses paid are less (greater) than normal and/or if losses recovered are greater (less) than normal. In 2003, net insurance settlements were -\$2,262 million (losses paid were \$944 million less than normal and losses recovered were \$3,207 million less than normal).

Table 6.3. Insurance, 2004

[Millions of dollars]

	Insurance sold to foreigners						Insurance purchased from foreigners					
	Receipts for insurance services			Supplemental detail			Payments for insurance services			Supplemental detail		
	Total ¹	Reinsurance	Primary and other insurance	Premiums received		Losses paid ²	Total ³	Reinsurance	Primary and other insurance	Premiums paid		Losses recovered ⁴
				Reinsurance	Primary insurance					Reinsurance	Primary insurance	
All countries	6,125	4,248	1,878	14,985	2,989	10,936	29,882	26,192	3,690	63,684	3,421	35,039
Canada	751	442	309	1,559	597	1,357	644	328	315	796	281	530
Europe	3,047	2,218	829	7,824	991	6,477	12,051	9,698	2,350	23,579	2,126	16,188
Belgium-Luxembourg	56	49	7	174	13	160	93	85	6	207	4	115
France	310	231	79	814	30	554	547	367	179	892	145	927
Germany	809	673	136	2,376	114	2,350	2,875	2,636	239	6,410	33	4,707
Italy	29	21	8	74	16	74	55	53	2	129	(*)	69
Netherlands	37	24	13	85	26	33	39	37	1	90	1	5
Norway	32	9	22	33	43	19	6	2	3	(D)	(D)	(D)
Spain	35	31	4	110	8	66	22	20	2	(D)	1	(D)
Sweden	18	14	3	50	6	31	85	82	3	198	3	164
Switzerland	65	38	27	135	14	96	3,104	3,051	53	(D)	(D)	7,567
United Kingdom	1,315	947	369	3,340	598	2,609	3,488	1,640	1,846	3,988	1,881	1,934
Other	341	180	161	634	122	485	1,739	1,723	16	4,200	7	659
Latin America and Other Western Hemisphere	1,178	868	309	3,060	562	1,681	16,952	15,965	987	38,816	999	17,935
South and Central America	494	350	143	1,235	279	574	72	45	27	110	2	-5
Argentina	27	12	15	41	30	94	16	12	4	(D)	(*)	(D)
Brazil	54	24	30	85	58	40	13	5	8	11	(*)	-34
Chile	55	41	14	146	27	40	2	0	2	1	(*)	(*)
Mexico	152	139	12	491	48	217	15	13	3	36	1	11
Venezuela	22	16	7	55	13	25	2	-1	3	-2	1	(*)
Other	184	119	65	418	103	158	23	15	7	(D)	(*)	(D)
Other Western Hemisphere	684	517	166	1,825	283	1,107	16,880	15,920	960	38,707	997	17,940
Bermuda	466	417	50	1,469	78	707	12,319	11,412	907	27,714	942	14,836
Other	218	101	117	356	206	401	4,561	4,508	53	10,993	55	3,104
Africa	36	31	6	108	11	45	22	17	5	42	(*)	2
South Africa	17	16	2	55	3	27	13	13	0	(D)	(*)	(*)
Other	19	15	4	53	8	18	9	5	4	(D)	(*)	2
Middle East	51	40	11	141	21	91	4	1	3	2	1	9
Israel	35	31	4	108	8	70	1	-1	2	-3	1	2
Saudi Arabia	2	1	1	4	1	3	0	0	0	(*)	0	3
Other	14	8	6	28	12	18	2	2	1	4	(*)	4
Asia and Pacific	992	633	359	2,230	700	1,200	209	180	29	438	12	360
Australia	175	115	60	404	117	581	26	21	5	51	(*)	50
China	23	11	13	37	25	26	0	0	0	1	(*)	-1
Hong Kong	177	16	161	58	313	57	1	0	2	-1	(*)	2
India	6	5	1	17	2	5	2	1	1	3	(*)	5
Indonesia	11	9	2	31	4	18	4	3	1	7	1	(*)
Japan	401	367	35	1,295	68	331	137	132	5	321	4	282
Korea, Republic of	69	41	28	144	55	98	11	10	1	25	1	9
Malaysia	11	9	3	31	5	15	1	0	0	1	0	2
New Zealand	18	4	14	13	28	25	1	0	1	0	0	(*)
Philippines	5	3	2	11	4	7	9	9	0	(D)	0	7
Singapore	32	12	20	(D)	(D)	5	3	2	1	4	(*)	3
Taiwan	45	34	12	118	23	19	12	1	11	2	6	0
Thailand	9	5	4	18	8	10	1	0	0	(D)	0	(*)
Other	5	3	2	(D)	(D)	4	0	0	0	(*)	(*)	(*)
International organizations and unallocated	74	18	56	64	109	88	4	4	0	9	0	16
Addenda:												
European Union ⁵	2,868	2,129	740	7,509	854	6,236	8,942	6,648	2,294	16,154	2,073	8,606

* Less than \$500,000

D Suppressed to avoid disclosure of data of individual companies

1. The \$6,125 million in receipts for insurance services in 2004 consisted of the share of premiums that represents charges for insurance services of \$3,989 million (total premiums were \$17,974 million and premiums for settlement of normal losses were \$13,985 million), auxiliary insurance services of \$346 million, and premium supplements of \$1,790 million. (See note below.)

2. The \$29,882 million in payments for insurance services in 2004 consisted of the share of premiums that represents charges for insurance services of \$22,415 million (total premiums were \$67,105 million and premiums for settlement of normal losses were \$44,689 million), auxiliary insurance services of \$496 million, and premium supplements of \$6,971 million. (See note below.)

3. The \$10,936 million in losses paid in 2004 consisted of \$9,893 million paid on reinsurance and \$1,045 million paid on primary insurance.

4. The \$35,039 million in losses recovered in 2004 consisted of \$34,840 million recovered on reinsurance and \$199 million recovered on primary insurance.

5. See table 2, footnote 1.

Note. Insurance services consist of: (1) A share of premiums (the remaining share is for settlement of "normal" losses, where normal losses are inferred from the relationship between actual losses and premiums, averaged over several years), (2) auxiliary insurance services, such as agents' commissions, actuarial services, brokering and agency services, and salvage administration services, and (3) premium supplements, representing income on funds held by insurance companies on which policyholders have a claim. This income is treated as accruing to the policyholders, who pay it back to insurers as premium supplements to cover part of the cost of insurance services. Differences between the portion of premiums allocated to loss settlement and the amount of losses actually incurred or recovered—sometimes termed "net insurance settlements"—are recorded in unilateral current transfers in the U.S. international transactions accounts. A positive (negative) amount for net insurance settlements would occur if losses paid are less (greater) than normal and/or if losses recovered are greater (less) than normal. In 2004, net insurance settlements were -\$6,601 million (losses paid were \$3,049 million less than normal and losses recovered were \$9,650 million less than normal).

Table 7.1. Business, Professional, and Technical Services, 2002—Continues
[Millions of dollars]

	Receipts												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering, services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	62,036	466	7,093	2,988	2,405	7,642	4,039	3,099	2,248	806	5,287	7,448	23,908
Affiliated.....	32,806	(²)	1,700	(³)	(⁴)	6,500	2,500	(⁵)	(⁶)	(⁷)	(⁸)	2,344	(⁹) 19,762
Unaffiliated	29,230	466	5,393	2,988	2,405	1,142	1,539	3,099	2,248	806	5,287	5,104	(⁹) 4,146
Unaffiliated by Country:													
Canada	3,049	89	729	376	354	93	150	308	188	32	411	529	521
Europe	11,241	204	2,811	1,712	1,099	571	592	1,608	586	229	1,590	2,189	859
Belgium-Luxembourg	358	3	76	48	29	28	10	46	(D)	4	93	30	(D)
France	1,204	28	220	119	101	61	30	209	20	5	219	327	83
Germany	1,321	46	238	129	110	120	76	266	43	27	308	117	79
Italy	507	24	159	51	107	9	12	43	6	(D)	101	103	(D)
Netherlands	586	4	148	63	85	15	34	83	9	(D)	99	145	(D)
Norway	109	(*)	21	11	10	3	3	13	2	5	19	29	11
Spain	377	3	54	25	28	7	33	29	52	(D)	43	87	(D)
Sweden	312	3	62	34	28	15	18	69	(D)	3	58	11	(D)
Switzerland.....	674	20	127	58	69	127	31	136	15	(D)	65	87	(D)
United Kingdom.....	3,705	64	1,436	1,041	395	142	121	560	94	40	383	571	295
Other	2,086	9	270	133	137	44	222	153	246	(D)	202	683	(D)
Latin America and Other Western Hemisphere	4,483	81	513	173	340	48	236	212	567	174	886	747	1,020
South and Central America	3,843	69	463	156	307	36	165	150	471	(D)	743	647	(D)
Argentina	282	6	38	13	25	2	3	13	27	(D)	10	34	(D)
Brazil	993	15	127	39	88	11	15	33	233	39	150	237	133
Chile	152	2	23	5	18	1	2	8	2	(D)	15	70	(D)
Mexico	903	35	171	55	115	10	32	52	26	(D)	240	196	(D)
Venezuela.....	511	5	37	13	24	4	7	12	83	6	271	(D)	(D)
Other	1,003	6	68	31	37	9	106	32	100	12	57	(D)	(D)
Other Western Hemisphere	640	12	50	18	32	12	71	62	96	(D)	143	100	(D)
Bermuda.....	240	7	11	4	7	(D)	(D)	32	1	(*)	(D)	9	(D)
Other	399	5	39	14	26	(D)	(D)	30	95	(D)	(D)	91	71
Africa	1,246	4	175	124	51	21	188	31	115	27	124	160	401
South Africa	232	1	116	86	29	3	22	15	9	(*)	20	(D)	(D)
Other	1,014	3	60	37	22	18	166	16	105	27	104	(D)	(D)
Middle East	1,400	7	208	101	107	57	115	78	129	40	387	152	226
Israel	282	3	69	47	22	11	34	52	10	(D)	32	12	(D)
Saudi Arabia.....	613	1	68	35	33	33	45	17	43	19	293	2	94
Other	505	4	71	19	52	13	37	9	76	(D)	63	137	(D)
Asia and Pacific	7,290	81	957	503	454	344	256	859	663	303	1,888	1,328	611
Australia	659	6	197	120	76	17	13	62	9	(D)	154	114	(D)
China	800	3	40	17	23	14	12	44	98	(D)	174	346	(D)
Hong Kong	331	9	65	33	31	3	6	47	25	4	79	67	27
India	295	2	52	17	35	4	13	8	7	14	27	61	107
Indonesia.....	207	1	7	3	4	2	22	3	77	4	15	55	21
Japan.....	2,402	32	328	178	150	263	46	581	101	34	757	107	153
Korea, Republic of.....	797	9	67	45	22	15	15	57	225	37	185	150	39
Malaysia	186	5	18	7	11	1	6	3	5	22	74	41	10
New Zealand	170	(*)	21	6	16	1	1	5	-7	(*)	35	101	11
Philippines.....	98	2	15	10	4	1	29	3	-9	4	30	8	16
Singapore	406	7	74	41	34	4	(D)	16	13	16	164	69	(D)
Taiwan	395	2	27	10	16	9	1	28	85	(D)	116	72	(D)
Thailand	204	2	24	12	12	6	8	1	17	(D)	59	1	(D)
Other	340	1	22	3	18	3	(D)	2	18	5	20	136	(D)
International organizations and unallocated	522	(*)	(*)	(*)	(*)	8	2	3	1	(*)	(*)	0	508
Addenda:													
European Union ⁶	9,340	179	2,574	1,594	980	427	368	1,392	389	163	1,414	1,790	645

See the footnotes at the end of the table.

Table 7.1. Business, Professional, and Technical Services, 2002

[Millions of dollars]

	Payments												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering, services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	33,492	786	4,554	1,440	214	2,628	3,517	820	317	183	667	1,003	19,017
Affiliated.....	23,804	(²)	2,900	(²)	(²)	1,600	2,600	(²)	(²)	(²)	(²)	832	(²) 15,872
Unaffiliated	9,688	786	1,654	1,440	214	1,028	917	820	317	183	667	171	(²) 3,145
Unaffiliated by Country:													
Canada	2,325	76	89	1,036	17	141	111	57	57	30	149	11	640
Europe	4,039	410	278	125	153	640	370	461	122	81	307	64	1,306
Belgium-Luxembourg	93	7	6	3	2	13	15	12	9	(²)	3	1	29
France	358	33	(D)	16	(D)	42	19	31	8	10	64	(D)	90
Germany	465	66	24	16	8	96	64	59	7	10	21	7	111
Italy	136	26	2	(²)	1	15	12	10	1	4	3	3	61
Netherlands	198	13	20	2	18	23	12	12	5	3	26	1	82
Norway	44	3	(²)	(²)	(²)	3	1	5	(²)	(D)	5	(²)	(D)
Spain	125	23	(D)	(²)	(D)	3	3	11	8	3	2	(D)	33
Sweden	147	5	3	2	2	19	(D)	9	17	1	43	(²)	(D)
Switzerland.....	138	13	9	5	4	52	8	21	1	1	2	1	32
United Kingdom.....	1,699	191	98	57	41	290	166	242	12	34	116	10	539
Other	636	30	25	24	1	83	(D)	50	54	(D)	23	(D)	(D)
Latin America and Other Western Hemisphere	775	63	20	15	5	32	101	79	39	2	54	13	372
South and Central America	682	58	15	13	2	27	(D)	67	37	2	52	(D)	349
Argentina	78	5	(²)	(²)	(²)	7	3	8	(²)	(²)	(²)	1	54
Brazil	143	23	4	4	1	6	12	15	1	(²)	(D)	4	(D)
Chile	13	2	(²)	(²)	(²)	1	1	3	(²)	(²)	(²)	1	5
Mexico	235	20	9	8	1	6	9	21	15	1	8	4	142
Venezuela.....	29	2	1	1	(²)	1	3	5	2	(²)	(²)	1	14
Other	183	6	1	1	1	7	(D)	15	18	(²)	(D)	(D)	(D)
Other Western Hemisphere	93	5	5	2	2	5	(D)	12	2	1	2	(D)	23
Bermuda.....	32	1	2	1	(²)	3	4	6	(²)	1	1	(D)	12
Other	61	3	3	1	2	2	(D)	6	2	(²)	(²)	(²)	11
Africa	283	5	9	9	1	48	45	9	7	1	4	2	153
South Africa.....	65	3	8	8	(²)	16	5	4	1	(²)	(²)	(²)	28
Other	218	2	1	1	(²)	32	40	5	6	(²)	4	2	125
Middle East	287	21	2	2	(²)	9	46	18	31	5	12	2	141
Israel	90	2	2	2	(²)	8	10	6	21	4	2	(²)	34
Saudi Arabia.....	83	1	(²)	(²)	(²)	(²)	29	8	2	(²)	1	2	40
Other	114	19	(²)	(²)	(²)	1	7	4	7	(²)	9	(²)	67
Asia and Pacific	1,979	211	291	253	39	158	245	195	61	65	141	79	533
Australia	200	17	2	2	1	12	8	26	1	(²)	15	9	110
China.....	143	8	5	2	3	5	4	17	1	2	34	(²)	68
Hong Kong	142	11	17	14	4	5	16	20	1	8	7	1	57
India	288	4	201	199	2	15	12	5	5	11	1	(D)	(D)
Indonesia.....	51	1	1	(²)	(²)	5	8	8	1	(²)	2	(²)	26
Japan.....	559	117	24	6	17	23	114	69	8	6	39	(D)	(D)
Korea, Republic of.....	156	15	4	1	4	4	15	19	(D)	(D)	(D)	(²)	19
Malaysia	28	3	(²)	(²)	(²)	1	9	2	(²)	(²)	(²)	(²)	9
New Zealand	21	4	(²)	(²)	(²)	3	2	3	(²)	(²)	1	(²)	8
Philippines.....	45	6	8	5	3	2	17	3	1	(²)	(²)	(²)	7
Singapore	125	9	(D)	(D)	1	(D)	6	7	1	(D)	7	(D)	22
Taiwan	80	10	(D)	(D)	3	13	6	10	2	(²)	(D)	(²)	18
Thailand	37	3	2	2	(²)	2	14	4	2	(²)	(²)	(²)	11
Other	103	3	(²)	(²)	(²)	(D)	16	4	(D)	(²)	4	1	52
International organizations and unallocated	(²)	0	0	0	0	0	(²)	(²)	0	0	0	0	(²)
Addenda:													
European Union ⁶	3,479	382	265	117	148	544	335	406	96	69	295	61	1,027

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Receipts for construction, architectural, and engineering services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2002, total net receipts of \$2,248 million were derived as gross operating revenues of \$6,000 million less merchandise exports of \$482 million and foreign expenses of \$3,270 million. The components of the total are as follows: Construction services—net receipts of \$568 million were derived as gross operating revenues of \$3,068 million less merchandise exports of \$285 million and foreign expenses of \$2,215 million. Architectural, engineering, and other technical services—net receipts of \$1,679 million were derived as gross operating revenues of \$2,932 million less merchandise exports of \$197 million and foreign expenses of \$1,055 million. Payments for construction, architectural, and engineering services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

2. Data for this type of affiliated services are not separately available. However, these data are included in "other" affiliated services and in total affiliated services.

3. Data for this type of affiliated services are not separately available. However, these data are included in total computer and information services and in total affiliated services.

4. Consists of affiliated services except for the following services that are shown in the adjacent columns: computer and information services; research, development and testing services; management, consulting, and public relations services; and operational leasing services.

5. Consists of accounting, auditing, and bookkeeping services; agricultural, mining, and on-site processing services; medical services; miscellaneous disbursements (see footnote 11 table 1); sports and performing arts; trade-related services (see footnote 12 table 1); training services; and other business, professional, and technical services (see footnote 13 table 1). Receipts for mining services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2002, mining services net receipts of \$101 million were derived as gross operating revenues of \$593 million less merchandise exports of \$7 million and foreign expenses of \$485 million. Payments for mining services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

6. See table 2, footnote 1.

Table 7.2. Business, Professional, and Technical Services, 2003—Continues
[Millions of dollars]

	Receipts												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	66,552	532	8,504	3,397	3,007	8,752	4,436	3,291	2,560	904	5,006	7,929	24,638
Affiliated.....	35,079	(?)	2,100	(?)	(?)	7,600	2,500	(?)	(?)	(?)	(?)	2,484	(?) 20,395
Unaffiliated	31,473	532	6,404	3,397	3,007	1,152	1,936	3,291	2,560	904	5,006	5,445	(?) 4,243
Unaffiliated by Country:													
Canada	3,262	92	1,152	755	397	100	104	364	92	40	365	461	492
Europe	12,461	233	3,154	1,769	1,385	637	636	1,645	705	188	1,757	2,349	1,156
Belgium-Luxembourg	376	5	78	44	34	16	11	50	(D)	20	108	29	(D)
France	1,374	22	231	134	97	47	22	229	33	8	221	427	136
Germany	1,359	33	323	156	167	149	44	253	38	19	246	170	84
Italy	599	23	262	34	229	11	11	47	7	(D)	77	110	(D)
Netherlands	718	7	215	152	63	15	19	91	7	6	153	155	50
Norway	137	1	25	14	11	4	1	16	2	4	28	40	17
Spain	388	17	54	27	27	9	16	32	56	(D)	49	114	(D)
Sweden	283	3	59	30	29	18	8	62	(D)	3	46	11	(D)
Switzerland	809	19	152	63	89	118	24	182	9	7	96	116	87
United Kingdom	4,099	81	1,465	1,010	454	188	129	549	73	37	518	640	421
Other	2,318	24	291	104	186	64	349	132	398	47	215	537	261
Latin America and Other Western Hemisphere	4,182	93	544	179	365	44	328	224	432	104	413	807	1,192
South and Central America	3,667	69	489	145	343	35	244	150	392	84	386	696	1,122
Argentina	279	6	38	11	28	3	14	44	7	25	14	124	(D)
Brazil	915	16	144	45	99	5	6	25	(D)	10	68	265	(D)
Chile	139	2	24	8	15	1	2	7	6	5	15	62	17
Mexico	1,071	36	177	46	131	16	23	54	33	(D)	226	244	(D)
Venezuela	189	3	32	9	23	2	11	16	26	6	5	9	79
Other	1,073	6	74	26	48	8	198	34	(D)	(D)	47	103	529
Other Western Hemisphere	515	24	55	34	21	9	84	74	41	20	28	111	69
Bermuda	125	(D)	12	5	7	6	(D)	38	1	(*)	4	(*)	11
Other	391	(D)	43	29	14	3	(D)	36	40	20	24	110	59
Africa	1,304	4	148	56	92	11	203	28	178	32	107	170	424
South Africa	221	1	89	34	(D)	2	24	10	5	(*)	19	(D)	53
Other	1,083	3	59	22	(D)	9	179	18	172	32	88	(D)	371
Middle East	1,933	7	239	80	159	35	345	82	321	157	319	212	215
Israel	296	4	50	26	25	16	43	48	6	8	38	12	71
Saudi Arabia	653	(*)	98	(D)	(D)	2	115	17	50	(D)	232	0	(D)
Other	983	2	91	(D)	(D)	18	188	16	265	(D)	49	200	(D)
Asia and Pacific	8,297	102	1,167	558	609	316	319	948	832	383	2,045	1,446	738
Australia	790	13	261	112	149	13	21	72	7	11	225	104	63
China	916	6	37	12	25	14	10	36	186	(D)	157	385	(D)
Hong Kong	354	13	45	16	29	2	14	54	14	(D)	79	85	(D)
India	470	3	142	97	44	7	15	12	8	(D)	23	48	(D)
Indonesia	327	2	19	12	7	(*)	50	1	63	(D)	20	119	(D)
Japan	2,640	38	423	189	234	236	55	624	69	87	848	102	159
Korea, Republic of	794	10	34	12	22	25	14	63	189	67	215	142	34
Malaysia	208	1	24	17	7	2	2	3	2	(D)	82	49	(D)
New Zealand	158	1	21	6	15	(*)	1	3	(*)	(*)	29	91	12
Philippines	153	1	9	5	4	1	34	6	26	1	36	18	21
Singapore	321	4	56	29	27	3	11	12	5	5	149	(D)	(D)
Taiwan	381	3	34	14	20	10	1	50	77	(D)	97	58	(D)
Thailand	183	1	23	15	8	2	9	2	(D)	(D)	63	5	16
Other	602	6	40	19	21	2	81	10	(D)	(D)	22	(D)	98
International organizations and unallocated	34	(*)	(*)	(*)	(*)	8	2	(*)	0	(*)	(*)	0	25
Addenda:													
European Union ⁶	10,259	196	2,893	1,647	1,247	487	397	1,376	410	151	1,533	1,885	929

See the footnotes at the end of the table.

Table 7.2. Business, Professional, and Technical Services, 2003
[Millions of dollars]

	Payments												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering, services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	37,464	863	5,706	1,994	212	4,427	3,982	926	312	195	676	825	19,552
Affiliated.....	26,071	(²)	3,500	(²)	(²)	3,100	2,800	(²)	(²)	(²)	(²)	667	(²) 16,004
Unaffiliated	11,393	863	2,206	1,994	212	1,327	1,182	926	312	195	676	158	(²) 3,548
Unaffiliated by Country:													
Canada	3,319	90	1,411	1,396	15	185	300	69	169	31	206	13	844
Europe	4,455	421	352	182	170	809	421	527	70	104	263	60	1,426
Belgium-Luxembourg	127	7	12	10	2	23	15	20	1	(²)	3	(D)	(D)
France	338	34	76	(D)	(D)	46	16	32	(²)	14	12	7	100
Germany	519	65	35	25	10	128	34	83	3	9	21	8	135
Italy	170	27	1	(²)	(²)	14	20	13	4	2	4	4	81
Netherlands	218	20	17	4	13	29	22	12	7	4	15	2	91
Norway	69	3	3	3	(²)	10	3	6	4	1	5	(²)	35
Spain	138	29	48	4	44	3	4	12	1	1	6	3	30
Sweden	130	5	1	1	(²)	20	20	10	4	(D)	38	1	(D)
Switzerland.....	163	15	26	7	19	48	16	13	3	(²)	2	1	40
United Kingdom.....	1,899	179	113	82	30	382	179	273	23	55	128	9	558
Other	683	38	21	(D)	(D)	106	93	53	21	(D)	29	(D)	302
Latin America and Other Western Hemisphere	903	92	17	14	3	96	158	101	16	11	60	10	342
South and Central America	800	87	13	11	2	91	121	89	14	11	58	10	306
Argentina.....	91	7	(²)	(²)	(²)	18	3	11	1	(²)	(²)	(²)	52
Brazil.....	171	31	5	5	(²)	31	13	17	2	4	31	2	33
Chile.....	16	2	1	1	1	3	2	3	(²)	(²)	(²)	(²)	4
Mexico.....	278	36	4	4	(²)	24	49	33	(D)	6	(D)	6	102
Venezuela.....	24	2	(²)	(²)	(²)	1	4	4	(²)	1	(²)	1	12
Other	221	10	1	1	(²)	14	50	21	(D)	(²)	(D)	(²)	103
Other Western Hemisphere	103	5	4	3	1	5	37	12	2	(²)	2	(²)	36
Bermuda.....	31	2	3	2	1	2	(D)	6	1	(²)	(²)	(²)	(D)
Other	72	3	1	1	(²)	3	(D)	6	1	(²)	1	(²)	(D)
Africa	365	6	7	7	(²)	58	57	11	(D)	3	(D)	2	207
South Africa.....	115	5	5	5	(²)	8	7	4	(²)	(²)	9	(²)	76
Other	250	1	2	1	(²)	50	50	8	(D)	3	(D)	2	131
Middle East	332	4	7	6	1	16	62	13	(D)	17	(D)	1	190
Israel.....	92	2	6	5	(²)	14	10	5	6	16	2	(²)	29
Saudi Arabia.....	43	(²)	(²)	(²)	(²)	(²)	3	3	(²)	(²)	1	(²)	35
Other	197	2	1	1	(²)	2	49	5	(D)	1	(D)	(²)	126
Asia and Pacific	2,019	249	412	389	23	163	183	205	43	28	125	72	539
Australia.....	239	34	4	3	(²)	22	16	35	1	(²)	8	(D)	(D)
China.....	132	9	6	5	1	7	6	21	2	5	14	(²)	62
Hong Kong.....	157	12	(D)	(D)	1	14	13	19	1	7	(D)	4	58
India.....	428	3	340	334	6	18	22	5	3	5	3	(²)	27
Indonesia.....	73	1	1	1	(²)	(D)	(D)	3	1	(²)	5	(²)	23
Japan.....	476	148	15	5	10	33	30	72	10	1	20	(D)	(D)
Korea, Republic of.....	104	11	2	1	1	4	5	19	17	7	7	(²)	33
Malaysia.....	23	1	5	5	(²)	(²)	7	1	(²)	(²)	4	(²)	4
New Zealand.....	37	4	(²)	(²)	(²)	7	3	2	(²)	(²)	1	(²)	20
Philippines.....	45	2	8	8	(²)	1	20	3	1	(²)	(²)	(²)	10
Singapore.....	95	5	5	2	3	16	9	5	(²)	2	26	(²)	27
Taiwan.....	80	9	(D)	(D)	(²)	15	2	11	1	(²)	17	(²)	(D)
Thailand.....	24	2	(²)	(²)	(²)	4	(²)	4	(²)	1	(²)	(²)	12
Other	107	8	3	3	(²)	(D)	(D)	3	7	1	(D)	1	49
International organizations and unallocated	0	0	0	0	0	0	0	0	0	0	0	0	0
Addenda:													
European Union ⁶	3,855	387	319	168	151	705	329	481	43	100	255	59	1,178

¹ Less than \$500,000

D Suppressed to avoid disclosure of data of individual companies

1. Receipts for construction, architectural, and engineering services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2003, total net receipts of \$2,560 million were derived as gross operating revenues of \$5,440 million less merchandise exports of \$428 million and foreign expenses of \$2,452 million. The components of the total are as follows: Construction services—net receipts of \$557 million were derived as gross operating revenues of \$2,425 million less merchandise exports of \$293 million and foreign expenses of \$1,575 million. Architectural, engineering, and other technical services—net receipts of \$2,003 million were derived as gross operating revenues of \$3,015 million less merchandise exports of \$135 million and foreign expenses of \$877 million. Payments for construction, architectural, and engineering services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

2. Data for this type of affiliated services are not separately available. However, these data are included in "other" affiliated services and in total affiliated services.

3. Data for this type of affiliated services are not separately available. However, these data are included in total computer and information services and in total affiliated services.

4. Consists of affiliated services except for the following services that are shown in the adjacent columns: computer and information services; research, development and testing services; management, consulting, and public relations services; and operational leasing services.

5. See table 7.1, footnote 5. Receipts for mining services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2003, mining services net receipts of \$86 million were derived as gross operating revenues of \$297 million less merchandise exports of \$14 million and foreign expenses of \$197 million. Payments for mining services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

6. See table 2, footnote 1.

Table 7.3. Business, Professional, and Technical Services, 2004—Continues
[Millions of dollars]

	Receipts												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering, services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	71,009	489	8,501	3,987	2,614	9,807	4,452	3,923	2,991	842	5,117	8,234	26,656
Affiliated.....	37,236	(²)	1,900	(³)	(³)	8,500	2,500	(⁴)	(⁵)	(⁶)	(⁷)	2,795	(⁸) 21,541
Unaffiliated	33,773	489	6,601	3,987	2,614	1,307	1,952	3,923	2,991	842	5,117	5,439	(⁹) 5,115
Unaffiliated by Country:													
Canada	3,305	91	1,145	767	377	85	143	340	126	51	273	411	641
Europe	13,474	221	3,281	1,957	1,324	691	653	2,004	942	231	1,654	2,441	1,356
Belgium-Luxembourg	350	4	64	38	26	20	41	68	24	(D)	66	28	(D)
France	1,378	28	199	121	77	60	26	287	39	16	181	395	148
Germany	1,498	28	317	155	162	136	63	312	43	47	314	111	127
Italy	567	24	174	43	132	10	15	50	18	(D)	112	103	(D)
Netherlands	712	16	114	59	55	19	39	123	29	13	97	179	82
Norway	101	2	27	16	11	4	1	16	1	3	9	26	12
Spain	376	6	51	19	32	11	6	30	59	(D)	21	143	(D)
Sweden	285	3	65	35	30	17	6	53	38	4	19	54	27
Switzerland.....	756	12	132	71	61	160	36	167	13	(D)	27	89	(D)
United Kingdom.....	4,605	74	1,765	1,269	496	194	185	711	87	39	467	660	423
Other	2,846	25	374	131	243	60	235	186	592	50	341	653	330
Latin America and Other Western Hemisphere	4,396	74	621	265	356	63	277	264	306	118	567	751	1,355
South and Central America	3,745	60	546	212	334	62	182	157	200	94	534	651	1,259
Argentina	196	6	48	20	28	10	3	13	16	6	46	17	32
Brazil	748	13	150	61	88	5	5	38	-25	(D)	199	275	(D)
Chile	160	2	20	4	16	(*)	3	6	22	(D)	22	56	(D)
Mexico	1,586	30	183	59	124	18	28	53	79	25	170	228	773
Venezuela.....	290	3	50	23	27	18	6	13	59	(D)	43	2	(D)
Other	765	7	95	44	51	11	137	35	49	11	54	73	293
Other Western Hemisphere	650	14	75	54	22	1	95	107	106	23	32	100	96
Bermuda.....	154	4	14	9	5	(*)	(D)	70	1	(*)	(*)	4	(D)
Other	496	10	62	45	17	1	(D)	37	106	23	32	96	(D)
Africa	1,523	4	177	137	40	24	189	144	157	19	78	190	542
South Africa	276	1	118	95	23	14	14	(D)	5	5	22	31	(D)
Other	1,247	3	59	42	17	10	175	(D)	152	14	55	159	(D)
Middle East	1,860	11	165	84	81	69	285	95	328	97	339	220	249
Israel	293	8	38	15	23	12	36	60	13	2	48	10	65
Saudi Arabia.....	529	(*)	72	43	30	19	17	20	62	(D)	226	0	(D)
Other	1,038	3	55	26	29	38	233	15	253	(D)	65	209	(D)
Asia and Pacific	9,170	88	1,212	777	435	355	403	1,076	1,132	325	2,206	1,427	945
Australia	758	8	306	209	97	18	32	74	(*)	23	130	104	62
China	1,216	6	48	33	15	14	53	60	328	(D)	199	415	(D)
Hong Kong	378	10	43	25	18	2	19	68	19	(D)	54	93	(D)
India	725	4	226	209	18	20	22	14	107	21	61	44	207
Indonesia.....	236	2	20	17	2	5	30	7	27	9	19	85	34
Japan.....	2,786	30	326	109	218	236	47	658	71	148	1,011	85	174
Korea, Republic of.....	838	12	54	39	15	31	14	91	198	45	184	158	51
Malaysia	168	1	17	13	5	1	2	4	16	5	74	25	22
New Zealand	150	1	16	8	9	2	1	4	1	(*)	35	78	13
Philippines.....	181	1	(D)	(D)	2	3	32	5	8	3	41	21	(D)
Singapore.....	408	5	46	28	18	5	16	17	15	9	194	36	65
Taiwan	410	4	20	11	9	10	2	69	67	(D)	99	100	(D)
Thailand	168	1	25	22	3	9	11	1	20	5	70	10	16
Other	747	5	(D)	(D)	7	1	122	5	256	1	37	173	(D)
International organizations and unallocated	48	0	0	0	0	20	1	(*)	0	0	0	0	27
Addenda:													
European Union ⁶	11,070	197	3,057	1,823	1,234	504	409	1,752	418	194	1,470	2,029	1,040

See the footnotes at the end of the table.

Table 7.3. Business, Professional, and Technical Services, 2004

[Millions of dollars]

	Payments												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering, services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	40,737	923	5,804	1,719	283	4,727	5,023	754	462	162	673	1,184	21,026
Affiliated.....	28,218	(²)	3,800	(²)	(²)	2,900	3,500	(²)	(²)	(²)	(²)	1,023	(²) 16,995
Unaffiliated	12,519	923	2,004	1,719	283	1,827	1,523	754	462	162	673	161	(²) 4,031
Unaffiliated by Country:													
Canada	2,873	89	1,189	1,165	24	172	336	58	75	18	191	18	731
Europe	5,224	416	401	193	207	1,274	584	442	171	97	269	28	1,543
Belgium-Luxembourg	129	5	7	7	(²)	24	17	16	4	2	5	(²)	48
France	328	34	62	(D)	(D)	40	19	27	3	13	17	2	111
Germany	616	63	60	48	12	149	98	62	5	10	15	1	154
Italy	173	25	3	3	(²)	31	19	12	5	1	6	(²)	72
Netherlands	292	20	20	(D)	(D)	78	20	12	4	3	9	(²)	128
Norway	79	4	1	1	(²)	10	2	5	1	(²)	30	1	26
Spain	156	23	48	4	44	5	5	8	2	7	7	(²)	51
Sweden	223	5	1	1	(²)	34	(D)	8	75	11	22	(D)	(D)
Switzerland.....	201	22	22	4	18	52	12	12	4	(²)	2	(²)	73
United Kingdom.....	2,335	175	137	70	67	734	226	233	31	39	140	7	613
Other	691	39	40	39	1	117	(D)	48	38	10	16	(D)	(D)
Latin America and Other Western Hemisphere	1,055	124	6	5	1	91	207	84	38	9	55	11	432
South and Central America	903	123	5	4	1	83	165	73	35	9	54	11	345
Argentina.....	51	7	(²)	(²)	(²)	9	4	21	1	(²)	(²)	(²)	9
Brazil	175	39	2	1	(²)	26	22	12	1	1	(D)	1	(D)
Chile	22	7	(²)	(²)	(²)	3	1	2	(²)	0	1	(²)	7
Mexico	334	58	2	2	(²)	29	85	18	12	8	20	9	93
Venezuela.....	26	2	(²)	(²)	(²)	5	5	3	1	(²)	(²)	(²)	9
Other	297	11	1	1	(²)	16	48	15	17	(²)	(D)	(²)	(D)
Other Western Hemisphere	152	1	2	1	1	8	41	11	3	(²)	(²)	(²)	86
Bermuda.....	16	(²)	1	1	(²)	(²)	6	5	(²)	(²)	(²)	0	5
Other	135	1	1	1	(²)	8	35	6	3	0	(²)	(²)	81
Africa	490	10	1	(²)	1	80	69	6	14	(²)	14	1	296
South Africa.....	116	9	1	(²)	(²)	9	6	3	(²)	0	10	(²)	79
Other	374	1	1	(²)	(²)	71	63	3	14	(²)	4	1	217
Middle East	557	12	8	7	2	13	112	14	80	21	9	0	286
Israel	214	2	7	7	(²)	11	10	6	29	21	4	0	124
Saudi Arabia.....	48	(²)	1	0	1	(²)	1	3	3	(²)	1	0	38
Other	294	9	(²)	(²)	(²)	2	101	5	48	(²)	5	0	123
Asia and Pacific	2,320	273	399	351	48	198	215	151	85	17	135	103	744
Australia	222	35	9	3	6	23	16	26	1	2	7	9	94
China	154	18	7	6	1	17	8	16	7	2	19	(²)	60
Hong Kong	126	10	13	11	2	2	14	16	1	(²)	6	3	61
India	528	4	316	306	9	47	21	5	42	10	2	(D)	(D)
Indonesia.....	63	2	(²)	(²)	(²)	7	14	2	2	0	10	(²)	26
Japan.....	514	148	15	7	8	36	52	48	5	1	31	(D)	(D)
Korea, Republic of.....	116	17	7	(²)	7	9	7	13	8	(²)	11	0	44
Malaysia	24	2	1	1	(²)	2	8	1	(²)	0	6	(²)	3
New Zealand	61	4	4	3	(²)	8	3	2	(²)	0	6	(²)	34
Philippines.....	48	2	14	4	10	2	14	2	(²)	(²)	(²)	0	14
Singapore	87	5	4	1	4	8	7	3	3	1	21	(²)	35
Taiwan	197	18	5	5	1	19	9	11	4	(²)	13	0	117
Thailand	30	3	(²)	0	(²)	(D)	1	3	2	(²)	(²)	0	(D)
Other	150	3	3	3	(²)	(D)	44	3	10	(²)	4	1	(D)
International organizations and unallocated	0	0	0	0	0	0	0	0	0	0	0	0	0
Addenda:													
European Union ⁶	4,684	381	373	184	189	1,173	479	405	150	91	235	27	1,373

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Receipts for construction, architectural, and engineering services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2004, total receipts were \$2,991 million for construction, architectural, and engineering services. The components of the total are as follows: Construction services—receipts of \$396 million were derived as gross operating revenues of \$2,279 million less merchandise exports of \$260 million and foreign expenses of \$1,623 million. Architectural and engineering services—receipts of \$2,595 million were derived as gross operating revenues of \$3,893 million less a BEA estimate of \$1,298 million for merchandise exports and foreign expenses. Payments for construction, architectural, and engineering services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

2. Data for this type of affiliated services are not separately available. However, these data are included in "other" affiliated services and in total affiliated services.

3. Data for this type of affiliated services are not separately available. However, these data are included in total computer and information services and in total affiliated services.

4. Consists of affiliated services except for the following services that are shown in the adjacent columns: computer and information services; research, development and testing services; management, consulting, and public relations services; and operational leasing services.

5. See table 7.1, footnote 5. In 2004, mining services receipts were \$13 million. Receipts and payments for mining services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

6. See table 2, footnote 1.

Table 8.1. Other Private Services by Affiliation of Transactors, 2002

[Millions of dollars]

	Receipts						Payments					
	Total	Affiliated			Unaffiliated	Addendum: Film and television tape rentals ¹	Total	Affiliated			Unaffiliated	Addendum: Film and television tape rentals ²
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents				Total	Total	By U.S. parents to their foreign affiliates			By U.S. affiliates to their foreign parents	Total
All countries	121,834	39,922	24,624	15,298	81,912	9,350	72,809	29,207	17,001	12,206	43,602	140
Canada	11,277	4,764	3,405	1,358	6,513	716	6,399	2,892	1,073	1,819	3,507	21
Europe	50,663	22,168	12,352	9,816	28,495	6,125	37,723	16,593	9,188	7,405	21,130	48
Belgium-Luxembourg	2,379	(D)	431	(D)	(D)	184	961	(D)	509	(D)	(D)	1
France	5,345	2,681	1,189	1,492	2,664	693	3,676	1,938	747	1,191	1,738	6
Germany	6,640	3,507	1,549	1,959	3,133	907	6,876	2,581	885	1,696	4,295	5
Italy	2,219	593	467	127	1,626	529	892	350	224	126	542	1
Netherlands	3,604	2,351	1,510	841	1,253	752	1,889	1,348	471	877	541	1
Norway	647	247	138	109	400	36	187	76	22	54	111	0
Spain	1,731	418	299	119	1,313	652	668	166	135	31	502	1
Sweden	2,020	1,314	162	1,152	706	124	754	461	246	216	293	0
Switzerland	3,064	1,636	721	915	1,428	49	3,737	926	275	651	2,811	1
United Kingdom	15,089	5,648	4,238	1,410	9,441	1,700	14,282	6,710	4,998	1,713	7,572	30
Other	7,922	(D)	1,650	(D)	(D)	500	3,800	(D)	676	(D)	(D)	3
Latin America and Other Western Hemisphere	21,272	3,146	2,739	406	18,126	652	15,899	2,942	2,033	909	12,957	31
South and Central America	14,220	1,962	1,735	227	12,258	637	4,080	1,149	857	292	2,931	26
Argentina	773	133	130	3	640	27	194	42	40	2	152	2
Brazil	2,146	324	311	12	1,822	174	580	266	258	8	314	7
Chile	435	58	33	24	377	26	178	88	11	78	90	0
Mexico	7,068	1,100	956	143	5,968	259	1,991	682	481	202	1,309	(D)
Venezuela	941	115	103	12	826	65	109	30	28	1	79	0
Other	2,862	234	201	32	2,628	86	1,026	40	39	1	986	(D)
Other Western Hemisphere	7,049	1,183	1,004	179	5,866	15	11,820	1,793	1,176	617	10,027	5
Bermuda	2,580	(D)	330	(D)	(D)	1	8,519	(D)	528	(D)	(D)	0
Other	4,468	(D)	674	(D)	(D)	14	3,302	(D)	648	(D)	(D)	5
Africa	3,140	(D)	473	(D)	(D)	140	990	(D)	230	(D)	(D)	0
South Africa	614	69	67	2	545	129	222	(D)	(D)	3	(D)	0
Other	2,525	(D)	406	(D)	(D)	11	768	212	(D)	(D)	556	0
Middle East	3,256	(D)	196	(D)	(D)	117	993	(D)	332	(D)	(D)	0
Israel	759	118	31	88	641	73	488	329	311	18	159	0
Saudi Arabia	1,037	(D)	57	(D)	(D)	19	168	3	2	1	165	0
Other	1,461	118	108	9	1,343	25	338	(D)	19	(D)	(D)	0
Asia and Pacific	29,272	8,964	5,458	3,506	20,308	1,598	10,657	6,063	4,143	1,920	4,594	43
Australia	2,325	740	668	72	1,585	325	1,109	570	494	76	539	(D)
China	2,668	(D)	282	(D)	(D)	18	428	204	187	18	224	0
Hong Kong	1,709	841	779	61	868	61	1,583	1,295	1,203	92	288	(D)
India	1,782	63	58	5	1,719	9	800	(D)	71	(D)	(D)	0
Indonesia	648	109	106	2	539	20	100	3	3	(*)	97	0
Japan	9,707	4,350	1,712	2,638	5,357	844	3,987	2,857	1,415	1,442	1,130	20
Korea, Republic of	2,580	362	218	145	2,218	87	491	186	91	95	305	1
Malaysia	605	188	178	9	417	15	141	91	86	5	50	0
New Zealand	353	28	27	1	325	48	96	38	32	6	58	0
Philippines	408	(D)	103	(D)	(D)	21	336	(D)	77	(D)	(D)	0
Singapore	2,251	(D)	932	(D)	(D)	43	633	(D)	347	(D)	(D)	0
Taiwan	1,584	327	235	91	1,257	83	302	130	95	35	172	0
Thailand	675	151	149	1	524	22	127	44	40	5	83	0
Other	1,979	(D)	9	(D)	(D)	3	520	(D)	3	(D)	(D)	0
International organizations and unallocated	2,957	0	0	0	2,957	0	147	0	0	0	147	0
Addenda:												
European Union ³	43,815	20,019	11,237	8,783	23,796	5,784	32,809	15,457	8,792	6,665	17,352	46

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. In "other services" in table 5.1, receipts for film and television tape rentals account for \$6,534 million of total unaffiliated receipts of \$13,954 million; receipts of U.S. parents account for \$2,812 million of total affiliated receipts of \$2,816 million, and U.S. affiliates account for \$3 million.

2. In "other services" in table 5.1, payments for film and television tape rentals account for \$137 million of total unaffiliated payments of \$671 million; payments by U.S. parents account for \$1 million of total affiliated payments of \$3 million, and payments by U.S. affiliates account for \$2 million.

3. See table 2, footnote 1.

Table 8.2. Other Private Services by Affiliation of Transactors, 2003

[Millions of dollars]

	Receipts					Addendum: Film and television tape rentals ¹	Payments					Addendum: Film and television tape rentals ²
	Total	Affiliated		Unaffiliated Total	Total		Total	Affiliated		Unaffiliated Total	Total	
		Total	By U.S. parents from their foreign affiliates					By U.S. affiliates from their foreign parents	Total				By U.S. parents to their foreign affiliates	By U.S. affiliates to their foreign parents
All countries	132,027	43,272	26,961	16,312	88,755	10,146	82,120	31,691	18,992	12,699	50,429	229
Canada	12,251	4,925	3,691	1,234	7,326	731	8,308	3,656	1,149	2,507	4,652	27
Europe	56,181	23,964	14,016	9,949	32,217	6,841	42,546	18,733	11,234	7,499	23,813	92
Belgium-Luxembourg	1,974	786	576	211	1,188	140	1,188	841	657	185	347	1
France	5,937	2,819	1,470	1,348	3,118	877	3,515	2,033	826	1,207	1,482	11
Germany	8,016	4,042	1,811	2,231	3,974	1,248	6,977	2,362	1,153	1,209	4,615	8
Italy	2,635	697	594	103	1,938	568	1,206	464	300	164	742	(D)
Netherlands	3,584	2,153	1,473	680	1,431	741	2,285	1,666	536	1,130	619	2
Norway	670	259	109	149	411	43	241	111	25	87	130	0
Spain	1,788	438	380	58	1,350	600	784	213	157	56	571	6
Sweden	2,267	1,528	167	1,361	739	173	690	427	207	220	263	0
Switzerland	3,327	1,714	872	843	1,613	64	3,932	961	324	637	2,971	1
United Kingdom	17,381	6,355	4,773	1,582	11,026	1,840	17,347	8,207	6,263	1,944	9,140	36
Other	8,601	3,174	1,791	1,382	5,427	546	4,377	1,447	786	660	2,930	(D)
Latin America and Other Western Hemisphere	21,773	3,120	2,577	543	18,653	661	18,398	2,510	1,811	699	15,888	22
South and Central America	14,405	1,898	1,725	174	12,507	645	4,020	1,116	771	344	2,904	22
Argentina	757	105	104	1	652	42	201	51	47	3	150	0
Brazil	2,103	341	307	33	1,762	195	535	213	193	20	322	8
Chile	412	36	25	11	376	21	151	(D)	10	(D)	(D)	0
Mexico	7,316	1,097	990	107	6,219	225	1,892	736	459	277	1,156	9
Venezuela	736	97	94	3	639	72	79	24	24	(*)	55	0
Other	3,080	222	203	19	2,858	91	1,166	(D)	39	(D)	(D)	4
Other Western Hemisphere	7,371	1,222	852	369	6,149	16	14,377	1,394	1,040	355	12,983	0
Bermuda	2,531	492	246	246	2,039	1	10,903	483	414	69	10,420	0
Other	4,841	730	606	123	4,111	15	3,476	912	626	285	2,564	0
Africa	3,601	765	744	22	2,836	93	1,177	(D)	303	(D)	(D)	0
South Africa	556	68	60	8	488	85	352	157	(D)	(D)	195	0
Other	3,046	697	683	14	2,349	8	825	(D)	(D)	(D)	(D)	0
Middle East	3,871	591	291	301	3,280	94	1,121	(D)	430	(D)	(D)	0
Israel	719	79	26	53	640	44	605	439	395	44	166	0
Saudi Arabia	1,256	(D)	106	(D)	(D)	20	121	2	2	0	119	0
Other	1,895	(D)	159	(D)	(D)	31	396	(D)	32	(D)	(D)	0
Asia and Pacific	32,010	9,905	5,641	4,264	22,105	1,725	10,468	5,919	4,065	1,854	4,549	88
Australia	2,933	1,062	781	281	1,871	367	1,253	615	542	73	638	(D)
China	2,946	382	312	70	2,564	21	526	277	261	16	249	(D)
Hong Kong	1,871	851	752	100	1,020	55	1,326	1,034	920	115	292	0
India	2,208	114	108	6	2,094	9	923	276	193	83	647	0
Indonesia	763	108	107	2	655	23	119	3	3	(*)	116	0
Japan	10,063	4,473	1,893	2,580	5,590	929	3,660	2,640	1,301	1,339	1,020	25
Korea, Republic of	2,612	284	228	55	2,328	96	411	123	81	42	288	1
Malaysia	661	(D)	206	(D)	(D)	11	197	143	139	4	54	0
New Zealand	353	19	18	1	334	59	155	24	18	6	131	2
Philippines	499	(D)	86	(D)	(D)	20	326	(D)	44	(D)	(D)	0
Singapore	2,599	1,807	734	1,072	792	42	750	550	458	92	200	2
Taiwan	1,641	348	281	67	1,293	71	292	107	75	32	185	0
Thailand	606	134	126	8	472	20	112	37	31	6	75	0
Other	2,257	(D)	9	(D)	(D)	2	418	(D)	1	(D)	(D)	0
International organizations and unallocated	2,339	0	0	0	2,339	0	105	0	0	0	105	0
Addenda:												
European Union ³	48,739	21,678	12,750	8,928	27,061	6,412	37,286	17,472	10,756	6,716	19,814	90

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. In "other services" in table 5.2, receipts for film and television tape rentals account for \$7,153 million of total unaffiliated receipts of \$14,548 million; receipts of U.S. parents account for \$2,991 million of total affiliated receipts of \$2,993 million, and U.S. affiliates account for \$3 million.

2. In "other services" in table 5.2, payments for film and television tape rentals account for \$209 million of total unaffiliated payments of \$801 million; payments by U.S. parents account for \$19 million of total affiliated payments of \$20 million, and payments by U.S. affiliates account for \$1 million.

3. See table 2, footnote 1.

Table 8.3. Other Private Services by Affiliation of Transactors, 2004

[Millions of dollars]

	Receipts						Payments					
	Total	Affiliated			Unaffiliated	Addendum: Film and television tape rentals ¹	Total	Affiliated			Unaffiliated	Addendum: Film and television tape rentals ²
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents				Total	Total	By U.S. parents to their foreign affiliates			By U.S. affiliates to their foreign parents	Total
All countries	140,518	45,724	28,264	17,460	94,794	10,480	90,663	34,443	21,630	12,813	56,220	341
Canada	12,943	5,266	3,908	1,358	7,677	861	7,584	3,209	1,320	1,889	4,375	29
Europe	61,179	25,861	14,655	11,206	35,318	6,787	43,727	20,010	12,462	7,548	23,717	56
Belgium-Luxembourg	2,090	792	631	162	1,298	105	1,202	845	624	221	357	1
France	6,670	3,164	1,407	1,757	3,506	914	3,641	2,156	843	1,313	1,485	14
Germany	8,128	3,987	1,844	2,142	4,141	970	6,850	2,842	1,375	1,467	4,008	2
Italy	2,369	657	586	71	1,712	560	1,359	582	346	235	777	1
Netherlands	3,605	2,109	1,634	475	1,496	725	1,912	1,339	570	769	573	2
Norway	611	197	105	92	414	54	295	143	38	105	152	0
Spain	1,887	443	390	52	1,444	645	914	274	198	76	640	1
Sweden	2,083	1,320	155	1,166	763	165	784	395	208	187	389	0
Switzerland	3,755	2,174	882	1,292	1,581	46	4,532	1,009	354	655	3,523	1
United Kingdom	19,923	7,802	5,122	2,680	12,121	1,820	17,182	8,862	7,006	1,856	8,320	34
Other	10,058	3,216	1,898	1,318	6,842	784	5,056	1,562	900	662	3,494	1
Latin America and Other Western Hemisphere	22,419	3,093	2,622	472	19,326	757	23,511	2,778	1,905	872	20,733	(D)
South and Central America	14,590	1,906	1,713	193	12,684	746	4,369	1,252	798	454	3,117	(D)
Argentina	670	106	105	1	564	28	202	57	51	7	145	0
Brazil	1,955	348	324	24	1,607	197	607	228	203	25	379	6
Chile	459	(D)	31	(D)	(D)	26	164	(D)	11	(D)	(D)	0
Mexico	7,942	1,105	978	127	6,837	284	1,996	820	469	351	1,176	9
Venezuela	779	92	87	5	687	109	81	27	26	1	54	1
Other	2,784	(D)	188	(D)	(D)	102	1,319	(D)	38	(D)	(D)	(D)
Other Western Hemisphere	7,829	1,188	909	279	6,641	11	19,138	1,525	1,107	418	17,617	9
Bermuda	2,353	403	267	135	1,950	0	12,941	463	341	122	12,478	0
Other	5,478	785	641	144	4,693	11	6,200	1,062	766	296	5,138	9
Africa	3,807	(D)	710	(D)	(D)	124	1,392	(D)	330	(D)	(D)	0
South Africa	672	79	73	6	593	119	373	165	160	4	208	0
Other	3,135	(D)	637	(D)	(D)	5	1,019	(D)	170	(D)	(D)	0
Middle East	4,060	(D)	310	(D)	(D)	114	1,477	(D)	537	(D)	(D)	0
Israel	783	83	30	53	700	50	773	501	448	52	272	0
Saudi Arabia	1,228	(D)	84	(D)	(D)	34	146	(D)	5	(D)	(D)	0
Other	2,049	212	196	16	1,837	30	557	94	84	10	463	0
Asia and Pacific	33,793	10,089	6,060	4,028	23,704	1,835	12,867	7,446	5,075	2,371	5,421	(D)
Australia	2,879	906	788	118	1,973	459	1,600	766	672	94	834	(D)
China	3,392	510	433	76	2,882	33	580	325	295	30	255	0
Hong Kong	1,983	876	777	99	1,107	42	1,755	1,296	1,200	96	459	4
India	2,723	(D)	94	(D)	(D)	32	1,262	(D)	339	(D)	(D)	0
Indonesia	643	106	106	(*)	537	35	120	(D)	(D)	1	(D)	0
Japan	10,740	5,018	1,994	3,023	5,722	894	4,373	3,200	1,553	1,647	1,173	27
Korea, Republic of	2,762	280	249	31	2,482	75	448	134	92	41	314	0
Malaysia	636	(D)	208	(D)	(D)	10	228	169	167	2	59	0
New Zealand	387	30	27	3	357	86	146	20	20	1	126	0
Philippines	534	(D)	102	(D)	(D)	18	416	(D)	52	(D)	(D)	0
Singapore	2,258	(D)	865	(D)	(D)	47	938	750	541	209	188	0
Taiwan	1,654	321	255	66	1,333	71	510	144	115	29	366	0
Thailand	616	150	145	4	466	29	113	33	23	10	80	0
Other	2,583	18	16	1	2,565	3	374	(D)	(D)	3	(D)	0
International organizations and unallocated	2,324	0	0	0	2,324	2	108	0	0	0	108	0
Addenda:												
European Union ³	53,124	23,155	13,342	9,813	29,969	6,377	37,961	18,659	11,880	6,780	19,302	55

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. In "other services" in table 5.3, receipts for film and television tape rentals account for \$7,492 million of total unaffiliated receipts of \$15,101 million; receipts of U.S. parents account for \$2,988 million of total affiliated receipts of \$2,988 million, and U.S. affiliates account for less than \$1 million.

2. In "other services" in table 5.3, payments for film and television tape rentals account for \$316 million of total unaffiliated payments of \$962 million; payments by U.S. parents account for \$25 million of total affiliated payments of \$25 million, and payments by U.S. affiliates account for less than \$1 million.

3. See table 2, footnote 1.

Table 9. Sales of Services to Foreign Persons by U.S. MNCs Through Their Nonbank MOFAs and to U.S. Persons by Foreign MNCs Through Their Nonbank MOUSAs by Country, 1996-2003

(Millions of dollars)

Country ¹	Sales by MOFAs to foreign persons								Sales by MOUSAs to U.S. persons							
	1996	1997	1998	1999 ²	2000	2001	2002	2003	1996	1997 ³	1998	1999	2000	2001	2002	2003
All countries	223,175	255,335	286,066	353,207	413,470	421,714	423,508	477,455	168,444	223,060	245,472	293,485	344,389	367,557	367,614	381,389
Canada	21,160	24,128	25,698	34,741	52,833	50,298	40,690	41,703	27,282	35,064	41,871	47,438	50,209	46,656	40,316	40,483
Europe	128,665	147,698	165,170	198,673	213,763	225,992	228,570	267,219	101,296	134,865	150,093	187,596	233,499	250,885	256,383	263,455
Belgium.....	4,260	4,283	4,552	4,781	5,582	5,118	4,783	6,374	349	130	262	850	1,237	1,006	1,018	1,201
France.....	15,868	14,567	17,704	19,641	19,703	20,178	23,335	26,850	12,260	16,011	18,456	21,436	30,113	41,815	43,062	49,894
Germany.....	21,829	19,102	20,105	29,732	24,623	24,172	25,161	29,474	16,991	22,171	27,396	29,467	41,956	42,224	45,968	43,461
Italy.....	6,462	6,319	7,455	(D)	7,470	8,250	9,265	11,929	993	914	818	1,926	2,169	2,157	2,506	2,227
Netherlands.....	10,668	10,911	13,504	13,466	11,497	13,953	12,951	14,647	10,511	15,411	21,210	32,759	39,751	50,677	44,514	36,925
Norway.....	1,626	1,818	2,152	2,366	2,003	2,460	(D)	2,694	2,031	1,624	1,755	5,348	1,314	1,020	1,175	936
Spain.....	3,106	3,115	3,302	4,176	4,802	5,542	6,041	7,600	215	317	333	346	(D)	920	1,283	1,328
Sweden.....	2,883	2,881	(D)	(D)	(D)	3,659	9,722	11,486	1,490	1,820	2,892	4,496	7,449	7,579	8,380	7,898
Switzerland.....	4,497	4,133	4,861	4,981	4,953	5,412	15,246	19,842	15,174	19,040	20,540	23,105	33,114	32,483	33,108	34,641
United Kingdom.....	50,330	73,112	78,849	94,158	113,379	120,241	101,478	112,876	37,812	55,035	54,944	65,683	71,608	66,101	67,168	75,133
Other.....	7,126	7,457	(D)	13,280	(D)	17,007	(D)	23,445	3,468	2,392	1,488	2,179	(D)	4,905	8,201	9,812
Latin America and Other Western Hemisphere	17,457	23,781	32,534	41,551	50,462	53,035	52,288	56,415	5,474	6,877	8,000	12,567	13,876	26,866	31,212	33,021
South and Central America.....	12,143	15,449	23,248	28,861	35,139	37,755	35,925	37,746	1,098	1,128	1,160	1,043	1,193	1,833	2,062	2,139
Argentina.....	2,584	(D)	(D)	4,793	5,801	6,283	3,521	3,548	2	4	5	5	6	5	(D)	(D)
Brazil.....	3,457	4,574	10,387	10,001	12,888	12,097	12,596	12,334	59	108	119	109	205	332	369	384
Chile.....	1,146	1,425	1,830	2,235	3,093	2,908	2,263	2,960	(*)	(D)	26	173	32	30	(D)	2
Mexico.....	2,003	(D)	3,014	5,326	(D)	(D)	8,715	9,809	554	559	543	354	500	871	968	1,266
Venezuela.....	1,689	(D)	2,895	3,220	3,598	4,730	4,405	4,254	256	232	187	(D)	283	308	201	113
Other.....	1,263	1,843	(D)	3,286	(D)	(D)	4,426	4,840	227	(D)	280	(D)	167	287	483	(D)
Other Western Hemisphere.....	5,313	8,332	9,286	12,690	15,323	15,280	16,363	18,669	4,376	5,748	6,840	11,524	12,683	25,033	29,151	30,882
Bermuda.....	(D)	(D)	6,594	7,471	7,929	7,493	7,882	9,477	1,752	2,907	3,060	5,976	6,391	15,879	18,732	19,857
Other.....	(D)	(D)	2,692	5,219	7,394	7,787	8,481	9,192	2,624	2,841	3,781	5,548	6,292	9,154	10,419	11,025
Africa, Middle East, and Asia and Pacific	53,336	56,797	60,169	78,242	96,412	92,388	101,961	112,119	33,495	44,304	42,807	(D)	(D)	(D)	36,974	41,484
Africa.....	1,776	2,102	(D)	2,536	2,978	3,177	3,405	4,170	248	232	923	(D)	(D)	(D)	487	296
South Africa.....	(D)	958	1,131	(D)	(D)	1,146	1,077	1,435	202	191	(D)	(D)	(D)	(D)	435	234
Other.....	(D)	1,144	(D)	(D)	(D)	2,030	2,327	2,734	46	41	(D)	(D)	(D)	(D)	52	62
Middle East.....	1,879	2,045	(D)	4,391	3,745	2,569	2,365	2,488	1,955	2,037	2,260	2,202	2,305	2,090	2,353	2,475
Israel.....	(D)	(D)	(D)	671	805	(D)	604	(D)	237	239	251	236	269	293	169	234
Saudi Arabia.....	(D)	(D)	(D)	(D)	(D)	(D)	813	625	703	483	483	650	612	643	(D)	546
Other.....	(D)	755	803	(D)	771	948	(D)	1,015	1,316	1,526	1,315	1,424	1,155	(D)	1,696	
Asia and Pacific.....	49,681	52,649	55,347	71,315	89,689	86,643	96,191	105,461	31,293	42,036	39,623	40,810	42,184	38,892	34,134	38,713
Australia.....	8,821	9,713	11,381	14,699	15,326	14,615	15,029	18,706	5,886	8,854	9,046	8,062	9,208	10,497	10,252	11,019
China.....	575	776	828	(D)	2,166	2,627	3,456	3,805	63	(D)	64	73	80	147	321	(D)
Hong Kong.....	5,310	5,915	6,774	8,065	9,693	7,971	7,562	8,085	1,829	1,388	1,546	1,424	1,295	1,270	1,259	1,202
India.....	102	222	341	506	948	954	1,136	1,222	(D)	94	133	175	196	321	275	892
Indonesia.....	415	(D)	(D)	714	778	(D)	1,049	49	56	96	78	91	94	17	28	
Japan.....	21,921	21,684	23,095	26,425	35,399	35,267	42,400	43,697	21,398	28,383	26,177	28,729	28,688	23,576	19,575	22,652
Korea, Republic of.....	1,299	1,229	996	1,701	2,256	2,615	3,160	4,019	827	300	322	374	391	393	256	247
Malaysia.....	1,391	(D)	1,034	1,597	(D)	1,726	1,562	1,477	272	328	292	(D)	(D)	(D)	(D)	(D)
New Zealand.....	1,075	1,056	869	(D)	(D)	(D)	(D)	1,880	20	47	51	23	25	36	16	18
Philippines.....	518	589	602	(D)	1,039	1,197	(D)	(D)	10	8	11	23	19	18	16	18
Singapore.....	3,103	3,670	3,166	4,608	5,498	5,672	5,393	6,653	343	1,761	1,038	879	1,077	1,428	1,377	1,482
Taiwan.....	3,362	3,965	4,190	(D)	(D)	8,264	(D)	9,138	386	581	636	582	723	756	428	456
Thailand.....	1,618	1,490	(D)	1,475	2,340	(D)	2,401	2,645	2	(*)	(*)	(*)	(*)	(*)	2	3
Other.....	172	254	464	(D)	(D)	1,101	(D)	(D)	(D)	(D)	213	(D)	(D)	(D)	(D)	108
International ⁴	2,567	2,930	2,495													
United States ⁵									898	1,950	2,701	(D)	(D)	(D)	2,728	2,947
Addenda:																
European Union ⁶	121,510	140,471	156,068	187,730	202,338	213,159	205,699	238,698	83,987	114,106	127,698	159,017	198,912	217,226	221,997	226,606

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. For MOFAs, "country" is the country of the affiliate; for MOUSAs, it is the country of the affiliate's ultimate beneficial owner.

2. Beginning in 1999, sales by foreign affiliates were classified as goods or services based on industry codes derived from the North American Industry Classification System; the estimates for prior years were based on codes derived from the 1987 Standard Industrial Classification System. This change resulted in a redefinition of sales of services by affiliates, which resulted in a net shift of sales from goods to services. See the box "Changes in the Definition and Classification of Sales of Services by Foreign Affiliates" in the November 2001 Survey, page 58, available at <www.bea.gov>.

3. Beginning in 1997, sales by U.S. affiliates were classified as goods or services based on industry codes derived from the North American Industry Classification System; the estimates for prior years were based on codes derived from the 1987 Standard Industrial Classification System. This change resulted in a redefinition of sales of services by affiliates, which resulted in a net shift of sales from goods to services. See the box "Changes in the Definition and Classification of Sales of Services by U.S. Affiliates" in the October 1999 Survey, page 61, available at <www.bea.gov>.

4. Foreign affiliates classified in "International" are those that have operations in more than one country and that are

engaged in petroleum shipping, other water transportation, or operating movable oil- and gas-drilling equipment. Beginning with the estimates for 1999, BEA is no longer using the "International" category in tabulations of direct investment estimates. This change was made to comply with international guidelines for the compilation of international transactions and direct investment statistics set forth by the International Monetary Fund's Balance of Payments Manual, 5th ed. In accordance with the guidelines, affiliates formerly classified in "international" have been reclassified in the country of operator of the ship or equipment. In most cases the country of the operator is the same as the country of incorporation. In the few cases where the country of the operator is the United States, the affiliates have been defined out of BEA's direct investment estimates.

5. Contains data for U.S. affiliates that have a foreign parent but whose ultimate beneficial owner is a U.S. person.

6. For the years shown, the European Union comprises Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, the United Kingdom, Austria, Finland, and Sweden.

MNCs Multinational companies

MOFAs Majority-owned foreign affiliates

MOUSAs Majority-owned U.S. affiliates

Table 10.1 Sales of Services to Foreign Persons by U.S. MNCs Through Their Nonbank MOFAs, Industry of Affiliate by Country of Affiliate, 2002

[Millions of dollars]

	All countries	Canada	Europe						Latin America and Other Western Hemisphere	Other countries		
			Total	Of which:						Total	Of which:	
				France	Germany	Netherlands	Switzerland	United Kingdom			Australia	Japan
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
All industries	423,508	40,690	228,570	23,335	25,161	12,951	15,246	101,478	52,288	101,961	15,029	42,400
Manufacturing	10,497	2,516	5,900	914	1,021	246	(D)	1,460	719	1,363	151	572
<i>Of which:</i>												
Food.....	48	0	22	0	0	18	0	2	17	8	8	0
Chemicals.....	668	17	(D)	192	140	0	0	209	(D)	31	30	0
Primary and fabricated metals.....	119	35	77	0	0	0	0	70	7	0	0	0
Machinery.....	(D)	109	1,942	(D)	(D)	43	(D)	793	(D)	(D)	94	(D)
Computers and electronic products.....	5,324	(D)	2,534	(D)	143	161	6	241	523	(D)	3	(D)
Electrical equipment, appliances, and components.....	30	(*)	11	4	0	0	1	1	4	14	0	0
Transportation equipment.....	(D)	738	(D)	2	(D)	0	0	30	1	22	15	0
Wholesale trade	20,493	619	14,259	2,425	3,065	1,221	1,023	2,426	2,199	3,416	179	1,201
<i>Of which:</i>												
Motor vehicles and motor vehicle parts and supplies.....	(D)	(D)	(D)	(D)	0	0	0	0	0	2	0	2
Professional and commercial equipment and supplies.....	18,690	416	13,360	2,193	2,976	1,076	990	2,262	1,596	3,318	146	1,169
Retail trade	239	37	176	4	8	0	0	142	24	1	0	0
Information	73,365	4,136	(D)	(D)	4,764	(D)	1,920	19,362	10,667	(D)	2,737	(D)
Publishing industries.....	(D)	849	11,316	694	1,303	(D)	478	5,108	982	(D)	423	(D)
Newspaper, periodical, book, and database publishers.....	(D)	471	4,882	288	507	(D)	45	3,234	339	(D)	202	(D)
Software publishers.....	10,626	378	6,435	405	797	465	433	1,875	643	3,169	221	1,865
Motion picture and sound recording industries.....	(D)	1,321	(D)	794	812	1,433	56	(D)	540	(D)	448	(D)
Motion picture and video industries.....	8,436	1,194	5,509	740	801	1,401	28	(D)	397	1,336	370	819
Sound recording industries.....	(D)	127	(D)	54	11	32	28	33	143	(D)	78	(D)
Broadcasting and telecommunications.....	28,282	375	17,554	737	827	1,087	(D)	6,052	8,147	2,206	914	516
Broadcasting, cable networks, and program distribution.....	(D)	0	2,325	71	6	(D)	0	758	(D)	419	371	4
Telecommunications.....	(D)	375	15,229	665	820	(D)	(D)	5,294	(D)	1,787	543	512
Information services and data processing services.....	18,383	1,591	(D)	(D)	1,822	568	(D)	(D)	998	(D)	952	564
Information services.....	5,340	358	(D)	(D)	207	305	(D)	338	(D)	338	(D)	392
Data processing services.....	13,043	1,233	9,831	717	(D)	361	(D)	4,925	659	1,319	(D)	172
Finance (except depository institutions) and insurance	110,532	8,661	44,203	1,699	6,420	1,237	(D)	29,911	14,617	43,051	2,225	24,186
Finance (except depository institutions).....	36,911	2,583	22,501	701	1,855	1,010	200	16,962	3,114	8,713	1,272	5,155
Nondepository credit intermediation and related services.....	9,528	1,246	5,110	479	590	934	22	2,170	1,205	1,967	666	838
Securities, commodity contracts, and other intermediation and related activities.....	(D)	(D)	17,320	221	1,256	75	178	14,780	925	6,537	605	4,239
Funds, trusts, and other financial vehicles.....	(D)	(D)	70	1	9	0	0	12	984	209	0	78
Insurance carriers and related activities.....	73,622	6,078	21,702	998	4,565	227	(D)	12,949	11,504	34,338	954	19,031
Insurance carriers, except life insurance carriers.....	37,699	3,692	15,561	525	4,246	(D)	(D)	9,230	9,303	9,143	596	(D)
Life insurance carriers.....	31,179	2,112	2,536	(D)	0	0	(D)	1,537	1,794	24,737	(D)	(D)
Agencies, brokerages, and other insurance related activities.....	4,744	275	3,605	(D)	319	(D)	(D)	2,181	407	458	(D)	41
Real estate and rental and leasing	14,501	1,544	10,348	2,954	613	846	272	2,821	1,146	1,463	331	738
Real estate.....	(D)	169	3,506	1,996	49	16	(D)	934	88	(D)	(D)	73
Rental and leasing (except real estate).....	(D)	1,375	6,843	959	564	830	(D)	1,887	1,057	(D)	(D)	665
Professional, scientific, and technical services	(D)	4,724	(D)	3,576	4,447	2,292	1,740	(D)	3,586	(D)	(D)	(D)
Architectural, engineering, and related services.....	(D)	2,107	(D)	107	221	186	13	4,017	745	1,694	357	96
Computer systems design and related services.....	(D)	1,160	(D)	1,240	1,851	1,333	229	(D)	1,133	(D)	(D)	(D)
Management, scientific, and technical consulting.....	9,147	628	6,012	454	1,115	175	678	1,944	825	1,682	399	490
Other.....	16,040	830	12,033	1,776	1,260	598	820	4,464	883	2,294	329	681
Legal services.....	987	9	751	199	75	0	1	350	3	224	16	53
Accounting, tax preparation, bookkeeping, and payroll services.....	561	214	264	87	0	0	0	127	24	60	(D)	27
Specialized design services.....	56	2	14	2	0	0	0	6	6	34	(D)	0
Scientific research and development services.....	1,988	24	1,640	99	203	38	140	746	35	289	27	(D)
Advertising and related services.....	9,419	450	7,248	1,264	854	495	235	2,340	651	1,070	190	375
Other professional, scientific, and technical services.....	3,029	131	2,117	125	128	65	444	897	163	618	54	(D)
Other industries	(D)	18,452	(D)	(D)	4,823	(D)	(D)	(D)	19,329	(D)	(D)	(D)
Agriculture, forestry, fishing, and hunting.....	133	29	12	(D)	0	5	0	3	26	67	11	0
Mining.....	(D)	885	3,982	(D)	(D)	460	99	2,322	3,785	(D)	164	(D)
Utilities.....	(D)	9,872	14,568	(D)	230	1,107	0	12,075	8,891	(D)	2,221	0
Construction ¹	(D)	10	16	0	3	0	0	9	0	(D)	(D)	0
Transportation and warehousing.....	21,523	2,138	9,358	748	1,754	987	417	3,653	3,378	6,649	824	904
<i>Of which:</i>												
Air transportation.....	2,271	147	955	(D)	109	78	56	476	150	1,018	74	137
Rail transportation.....	1,379	129	(D)	0	0	0	0	(D)	(D)	348	348	0
Water transportation.....	5,069	25	1,407	0	2	(D)	138	898	2,227	1,410	17	(D)
Truck transportation.....	1,158	619	468	0	(D)	0	0	367	55	16	0	7
Support activities for transportation.....	3,451	234	1,517	280	258	289	53	383	212	1,488	116	38
Management of companies and enterprises.....	(D)	22	10,378	(D)	51	6	(D)	423	(D)	139	10	4
Administration, support, and waste management.....	(D)	1,541	(D)	5,135	627	539	168	3,073	652	(D)	846	878
Administrative and support services.....	(D)	833	(D)	5,135	627	539	168	3,073	647	(D)	843	878
<i>Of which:</i>												
Employment services.....	10,104	320	8,269	(D)	266	363	131	1,801	282	1,232	510	(D)
Travel arrangement and reservation services.....	234	7	175	0	(D)	0	0	(D)	27	24	2	23
Waste management and remediation services.....	723	708	0	0	0	0	0	0	5	10	3	0
Health care and social assistance.....	1,404	38	1,116	(D)	9	2	(D)	848	178	72	3	0
Accommodations and food services.....	(D)	2,791	9,272	936	1,646	72	(D)	3,567	(D)	4,274	1,032	30
Accommodations.....	(D)	560	2,752	(D)	265	66	(D)	(D)	(D)	402	167	30
Food services and drinking places.....	13,881	2,231	6,519	(D)	1,381	6	(D)	(D)	1,259	3,872	865	0
Miscellaneous services.....	5,668	1,126	3,272	697	(D)	(D)	103	(D)	510	760	307	218
Educational services.....	1,037	95	533	28	(D)	(D)	45	(D)	202	208	43	104
Arts, entertainment, and recreation.....	1,571	192	1,136	28	19	23	21	669	81	162	29	98
Other services (except public administration and private households).....	3,059	839	1,604	641	251	114	37	286	227	390	235	16

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Because sales resulting from construction activities are recorded as sales of goods rather than as sales of services, the sales of services through MOFAs represent sales in secondary, non-construction industries. In 2002, sales of goods to

foreign residents through MOFAs classified in construction were suppressed to avoid the disclosure of data of individual companies.

MNCs Multinational companies

MOFAs Majority-owned foreign affiliates

Table 10.2 Sales of Services to Foreign Persons by U.S. MNCs Through Their Nonbank MOFAs, Industry of Affiliate by Country of Affiliate, 2003
[Millions of dollars]

	All countries	Canada	Europe						Latin America and Other Western Hemisphere	Other countries		
			Total	Of which:						Total	Of which:	
				France	Germany	Netherlands	Switzerland	United Kingdom			Australia	Japan
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
All industries	477,455	41,703	267,219	26,850	29,474	14,647	19,842	112,876	56,415	112,119	18,706	43,697
Manufacturing	11,722	2,912	6,483	1,116	816	183	(D)	1,225	900	1,427	225	437
<i>Of which:</i>												
Food.....	(D)	0	27	0	0	21	0	3	(D)	4	3	0
Chemicals.....	616	4	(D)	(D)	134	0	0	184	(D)	39	30	8
Primary and fabricated metals.....	95	42	10	0	0	0	0	2	43	0	0	0
Machinery.....	3,876	(D)	(D)	(D)	(D)	100	(D)	577	136	(D)	165	(D)
Computers and electronic products.....	(D)	(D)	(D)	91	234	57	4	271	348	(D)	3	(D)
Electrical equipment, appliances, and components.....	42	(*)	15	7	0	0	0	1	5	22	0	0
Transportation equipment.....	(D)	(D)	79	35	0	0	0	35	25	38	23	0
Wholesale trade	27,527	882	21,123	2,821	6,641	1,590	2,436	2,448	2,254	3,268	164	390
<i>Of which:</i>												
Motor vehicles and motor vehicle parts and supplies.....	197	(D)	(D)	0	0	0	0	(D)	0	0	0	0
Professional and commercial equipment and supplies.....	21,876	549	17,291	2,763	(D)	1,527	1,673	2,144	1,542	2,493	94	374
Retail trade	346	107	211	4	55	0	(D)	121	27	1	0	0
Information	84,659	4,145	59,053	4,642	4,958	4,667	1,890	22,451	10,729	10,732	2,843	4,472
Publishing industries.....	21,301	872	15,366	857	1,438	1,131	166	6,514	1,084	3,979	507	(D)
Newspaper, periodical, book, and database publishers.....	7,380	539	5,924	320	565	160	49	4,082	240	676	256	(D)
Software publishers.....	13,922	333	9,441	537	873	971	117	2,432	845	3,303	251	1,720
Motion picture and sound recording industries.....	13,006	1,339	8,815	1,233	1,164	1,596	63	2,945	616	2,236	599	(D)
Motion picture and video industries.....	11,406	1,202	8,117	1,163	1,072	1,559	32	2,839	495	1,591	502	936
Sound recording industries.....	1,600	136	698	70	91	37	32	106	120	645	96	(D)
Broadcasting and telecommunications.....	31,093	522	20,692	1,106	855	1,245	576	6,501	7,986	1,892	663	603
Broadcasting, cable networks, and program distribution.....	(D)	0	(D)	97	7	(D)	0	910	612	99	45	4
Telecommunications.....	(D)	522	(D)	1,010	848	(D)	576	5,591	7,375	1,792	618	599
Information services and data processing services.....	19,259	1,412	14,180	1,445	1,501	695	1,085	6,491	1,043	2,625	1,075	595
Information services.....	5,904	398	4,179	550	438	269	(D)	1,568	329	999	(D)	394
Data processing services.....	13,355	1,014	10,001	896	1,063	426	(D)	4,923	714	1,626	(D)	201
Finance (except depository institutions) and insurance	122,172	10,301	49,307	2,253	6,154	1,599	(D)	32,996	16,335	46,229	3,420	24,631
Finance (except depository institutions).....	41,736	2,716	23,724	698	987	1,267	234	18,159	3,747	11,550	2,090	6,646
Nondepository credit intermediation and related services.....	11,111	(D)	5,758	527	318	1,173	14	2,353	(D)	2,659	849	956
Securities, commodity contracts, and other intermediation and related activities.....	(D)	914	17,885	170	648	94	220	15,788	(D)	8,563	1,241	5,509
Funds, trusts, and other financial vehicles.....	(D)	(D)	81	1	22	0	0	18	1,026	328	0	181
Insurance carriers and related activities.....	80,435	7,584	25,583	1,554	5,166	331	(D)	14,837	12,588	34,679	1,330	17,985
Insurance carriers, except life insurance carriers.....	43,827	4,680	18,406	946	(D)	(D)	(D)	10,707	9,807	10,934	876	(D)
Life insurance carriers.....	31,174	2,562	3,110	(D)	1	0	4	1,688	2,256	23,246	(D)	(D)
Agencies, brokerages, and other insurance related activities.....	5,434	342	4,068	(D)	(D)	(D)	(D)	2,443	525	499	(D)	54
Real estate and rental and leasing	15,790	1,635	10,789	2,086	763	983	124	3,759	1,174	2,191	842	889
Real estate.....	(D)	179	(D)	1,085	59	21	(D)	1,820	89	185	(D)	121
Rental and leasing (except real estate).....	(D)	1,457	(D)	1,001	704	963	(D)	1,939	1,085	2,007	(D)	768
Professional, scientific, and technical services	(D)	4,032	47,113	3,698	4,671	2,462	2,393	20,443	4,264	(D)	(D)	(D)
Architectural, engineering, and related services.....	11,776	1,111	8,044	126	256	176	14	(D)	700	1,920	452	57
Computer systems design and related services.....	(D)	1,177	17,501	1,044	1,509	1,132	209	(D)	1,357	(D)	(D)	(D)
Management, scientific, and technical consulting.....	11,113	709	7,452	541	1,387	460	981	2,113	1,310	1,641	473	325
Other.....	18,482	1,035	14,115	1,986	1,519	694	1,189	4,989	897	2,435	422	673
Legal services.....	1,118	10	862	235	87	0	1	400	3	243	19	60
Accounting, tax preparation, bookkeeping, and payroll services.....	740	339	296	101	0	0	0	138	27	77	21	31
Specialized design services.....	62	0	16	3	0	0	0	6	6	39	(D)	0
Scientific research and development services.....	2,223	28	1,813	105	196	60	166	853	37	346	32	(D)
Advertising and related services.....	10,686	521	8,421	1,405	980	569	249	2,779	654	1,090	257	(D)
Other professional, scientific, and technical services.....	3,654	136	2,707	139	256	65	772	813	170	640	(D)	108
Other industries	(D)	17,690	73,140	10,230	5,417	3,163	12,381	29,434	20,732	(D)	(D)	(D)
Agriculture, forestry, fishing, and hunting.....	174	34	14	(D)	0	5	0	4	29	97	14	0
Mining.....	(D)	1,346	4,025	(D)	77	565	126	2,150	3,556	(D)	277	5
Utilities.....	(D)	(D)	12,735	0	262	59	0	11,219	9,817	6,490	2,232	0
Construction ¹	639	12	9	0	4	0	0	2	0	618	600	0
Transportation and warehousing.....	27,401	2,699	12,908	1,043	1,960	1,560	525	5,452	3,812	7,982	1,003	1,242
<i>Of which:</i>												
Air transportation.....	2,916	167	1,372	(D)	131	132	79	663	161	1,215	91	186
Rail transportation.....	1,880	120	(D)	0	0	0	0	(D)	(D)	395	395	0
Water transportation.....	6,356	28	2,109	0	2	(D)	171	1,536	2,515	1,704	20	(D)
Truck transportation.....	1,333	722	529	0	(D)	0	0	430	63	19	0	9
Support activities for transportation.....	4,582	431	2,023	374	212	455	65	619	327	1,800	179	(D)
Management of companies and enterprises.....	12,697	25	(D)	862	44	7	(D)	419	112	(D)	18	4
Administration, support, and waste management.....	(D)	1,671	(D)	6,177	778	590	339	4,304	713	3,249	1,418	1,011
Administrative and support services.....	20,148	(D)	(D)	6,177	778	590	339	4,304	708	3,238	1,414	1,011
<i>Of which:</i>												
Employment services.....	12,384	369	9,989	(D)	343	398	150	2,360	341	1,685	807	(D)
Travel arrangement and reservation services.....	124	9	58	0	(D)	0	0	4	29	28	2	26
Waste management and remediation services.....	(D)	(D)	0	0	0	0	0	0	5	11	4	0
Health care and social assistance.....	1,427	43	1,105	(D)	10	3	(D)	763	192	86	3	0
Accommodations and food services.....	(D)	3,112	(D)	1,192	1,879	75	413	3,915	1,879	4,758	1,269	31
Accommodations.....	(D)	563	(D)	(D)	299	68	(D)	933	631	448	197	31
Food services and drinking places.....	15,786	2,549	7,679	(D)	1,580	7	(D)	2,982	1,247	4,311	1,073	0
Miscellaneous services.....	(D)	(D)	3,933	827	402	298	130	1,207	621	1,066	(D)	(D)
Educational services.....	1,303	110	634	33	74	104	64	125	309	250	50	127
Arts, entertainment, and recreation.....	1,849	242	1,312	33	22	30	24	699	82	214	82	99
Other services (except public administration and private households).....	(D)	(D)	1,987	761	307	164	42	383	231	603	(D)	(D)

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Because sales resulting from construction activities are recorded as sales of goods rather than as sales of services, the sales of services through MOFAs represent sales in secondary, non-construction industries. In 2003, sales of goods to

foreign residents through MOFAs classified in construction were suppressed to avoid the disclosure of data of individual companies.

MNCs Multinational companies

MOFAs Majorly-owned foreign affiliates

Table 11.1. Sales of Services to U.S. Persons by Foreign MNCs Through Their Nonbank MOUSAs, Industry of Affiliate by Country of UBO, 2002

[Millions of dollars]

	All countries	Canada	Europe						Latin America and Other Western Hemisphere	Other countries			United States
			Total	Of which:						Total	Of which:		
				France	Germany	Netherlands	Switzerland	United Kingdom			Australia	Japan	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
All industries	367,614	40,316	256,383	43,062	45,968	44,514	33,108	67,168	31,212	36,974	10,252	19,575	2,728
Manufacturing	46,668	900	36,310	2,224	(D)	(D)	804	4,181	(D)	4,679	(D)	(D)	(D)
Of which:													
Food.....	232	(D)	(D)	0	(D)	0	0	0	4	42	0	39	0
Chemicals.....	1,310	0	1,294	(D)	114	(D)	(D)	(D)	0	15	0	15	0
Primary and fabricated metals.....	262	(D)	27	0	21	0	0	6	(D)	26	0	2	0
Machinery.....	(D)	(D)	5,832	1,223	(D)	(D)	(D)	(D)	(D)	(D)	0	(D)	0
Computers and electronic products.....	7,258	(D)	2,576	(D)	70	(D)	18	(D)	(D)	(D)	0	(D)	0
Electrical equipment, appliances, and components.....	199	0	196	(D)	5	0	162	(D)	0	3	0	3	0
Transportation equipment.....	(D)	45	(D)	(D)	(D)	288	0	271	0	111	0	110	0
Wholesale trade	8,574	506	4,369	408	637	299	(D)	207	(D)	24	3,185	(D)	(D)
Of which:													
Motor vehicles and motor vehicle parts and supplies.....	469	3	32	0	(D)	0	0	0	435	0	(D)	0	0
Professional and commercial equipment and supplies.....	1,948	3	559	13	11	(D)	(D)	5	0	1,386	0	1,381	0
Retail trade	297	(D)	143	6	0	(D)	0	7	(D)	0	0	1	0
Information	49,973	5,069	31,599	7,665	9,405	2,914	2	10,200	3,516	9,105	(D)	782	684
Publishing industries.....	16,462	(D)	12,065	885	(D)	384	1	6,277	(D)	494	(D)	357	(*)
Newspaper, periodical, book, and database publishers.....	13,473	(D)	9,805	498	(D)	(D)	0	5,378	(D)	94	(D)	40	0
Software publishers.....	2,989	329	2,260	388	(D)	(D)	1	899	0	399	1	317	(*)
Motion picture and sound recording industries.....	(D)	(D)	6,848	6,495	(D)	(D)	0	51	5	(D)	0	6	0
Motion picture and video industries.....	5,210	(D)	(D)	(D)	(D)	(D)	0	(D)	5	(D)	0	5	0
Sound recording industries.....	(D)	0	(D)	0	(D)	0	0	(D)	0	2	0	2	0
Telecommunications.....	13,354	(D)	8,895	233	(D)	(D)	1	1,934	3,022	(D)	6	(D)	684
Wired telecommunications carriers.....	3,693	(D)	(D)	(D)	0	(D)	0	(D)	(D)	(D)	0	(D)	0
Wireless telecommunications carriers (except satellite).....	7,663	1	6,738	5	(D)	0	1	1,629	(D)	(D)	1	0	684
Other telecommunications.....	1,998	(*)	(D)	(D)	(*)	(D)	0	(D)	(D)	6	5	0	0
Broadcasting (except internet).....	(D)	(D)	83	(D)	0	(*)	0	0	(D)	(D)	(D)	3	0
Internet service providers, web search portals, data processing services, internet publishing and broadcasting, and other information services.....	(D)	94	3,708	(D)	5	(D)	0	1,937	(D)	(D)	3	(D)	(*)
Finance (except depository institutions) and insurance	98,793	15,449	73,408	8,918	10,411	18,831	21,651	11,838	5,930	(D)	717	1,555	(D)
Finance (except depository institutions).....	20,336	1,750	16,854	2,356	(D)	578	(D)	4,251	61	(D)	(D)	768	(D)
Nondepository credit intermediation and related services.....	865	194	79	0	(D)	53	0	1	19	572	(D)	(D)	0
Securities, commodity contracts, and other intermediation and related activities.....	19,424	1,551	16,756	2,356	(D)	525	(D)	4,250	25	(D)	(D)	559	(D)
Funds, trusts, and other financial vehicles.....	47	5	19	0	(D)	0	(D)	(*)	18	6	1	(D)	0
Insurance carriers and related activities.....	78,457	13,698	56,555	6,561	(D)	18,253	(D)	7,587	5,869	(D)	(D)	787	(D)
Insurance carriers, except life insurance carriers.....	51,129	(D)	39,665	(D)	(D)	(D)	9,829	6,699	(D)	1,041	(D)	(D)	(D)
Life insurance carriers.....	25,983	(D)	16,682	(D)	(D)	(D)	(D)	0	(D)	0	(D)	(D)	0
Agencies, brokerages, and other insurance related activities.....	1,344	(D)	208	0	(*)	2	(D)	(D)	6	(*)	2	(*)	(*)
Real estate and rental and leasing	15,787	1,524	7,790	343	2,150	664	206	2,499	686	5,664	(D)	3,103	123
Real estate.....	(D)	(D)	4,140	(D)	2,137	(D)	205	705	678	(D)	(D)	2,810	123
Rental and leasing (except real estate).....	(D)	(D)	3,650	(D)	13	(D)	1	1,794	9	(D)	(*)	292	0
Professional, scientific, and technical services	37,368	1,707	26,299	13,717	118	2,137	474	8,556	7,569	(D)	13	1,169	(D)
Architectural, engineering, and related services.....	4,500	184	3,327	274	60	516	(D)	1,310	(D)	(D)	(*)	(D)	3
Computer systems design and related services.....	4,998	536	3,536	2,108	41	(D)	(*)	394	22	900	5	589	5
Management, scientific, and technical consulting.....	8,035	36	1,222	137	6	(D)	(D)	737	(D)	(D)	(D)	33	(*)
Other.....	19,836	951	18,214	11,198	11	(D)	113	6,115	11	(D)	(D)	(D)	(D)
Legal services.....	23	(D)	(D)	0	0	0	(*)	(D)	0	0	0	0	0
Accounting, tax preparation, bookkeeping, and payroll services.....	20	2	10	5	0	0	0	0	3	0	0	3	5
Specialized design services.....	45	2	25	0	(*)	(*)	3	(*)	19	(D)	(D)	8	0
Scientific research and development services.....	606	(D)	251	17	10	2	(D)	113	1	(D)	(*)	(D)	1
Advertising and related services.....	15,052	516	14,251	10,940	0	0	0	(D)	9	(D)	(*)	38	(D)
Other professional, scientific, and technical services.....	4,090	(D)	(D)	236	1	(D)	(*)	(D)	2	79	0	(D)	(D)
Other industries	110,153	(D)	76,464	9,781	(D)	(D)	9,672	(D)	(D)	9,964	566	(D)	169
Agriculture, forestry, fishing, and hunting.....	106	7	91	(D)	3	(D)	1	(*)	8	(*)	0	(*)	0
Mining.....	7,610	211	809	0	(D)	199	(*)	104	6,589	1	(*)	0	0
Utilities.....	22,636	4,624	17,888	2,485	(D)	(D)	0	12,755	(D)	(D)	0	17	0
Construction ¹	2,105	(D)	1,485	2	(D)	0	0	(D)	0	(D)	0	(D)	(*)
Transportation and warehousing.....	26,174	7,067	15,432	463	2,250	806	(D)	6,915	423	3,249	(D)	1,923	4
Of which:													
Air transportation.....	143	8	37	3	(*)	(D)	1	1	24	74	0	28	0
Rail transportation.....	2,327	(D)	(D)	0	0	0	0	(D)	(D)	(*)	0	(*)	0
Water transportation.....	1,773	2	1,199	2	1	(*)	(D)	1,011	1	571	0	(D)	0
Truck transportation.....	1,654	429	(D)	1	1	(D)	0	0	(D)	(D)	0	(D)	0
Support activities for transportation.....	8,502	146	5,984	408	989	4	(D)	646	317	2,055	2	1,593	0
Management of companies and enterprises.....	(D)	4	(D)	(D)	2	(D)	(*)	(D)	(*)	25	(*)	(D)	0
Administration, support, and waste management.....	20,611	74	18,971	932	273	(D)	7,904	2,573	802	(D)	0	(D)	(D)
Administrative and support services.....	(D)	(D)	18,971	932	273	(D)	7,904	2,573	802	(D)	0	(D)	(D)
Of which:													
Employment services.....	7,272	(D)	7,271	0	0	(D)	(D)	651	(*)	(D)	0	(D)	0
Travel arrangement and reservation services.....	(D)	2	1,143	606	12	0	(D)	(D)	561	(D)	0	(D)	(D)
Waste management and remediation services.....	(D)	(D)	(*)	0	0	0	0	(*)	0	(*)	0	(*)	0
Health care and social assistance.....	6,739	1,119	(D)	0	(D)	0	0	0	(D)	(D)	130	1	1
Accommodations and food services.....	19,239	121	14,599	(D)	(D)	3	(D)	(D)	315	4,061	(*)	1,796	143
Accommodations.....	6,478	56	2,384	368	53	3	30	(D)	230	3,808	0	1,674	0
Food services and drinking places.....	12,761	65	12,215	(D)	(D)	0	(D)	(D)	85	253	(*)	122	143
Miscellaneous services.....	(D)	1,588	(D)	28	40	52	7	816	136	976	(D)	581	(D)
Educational services.....	233	(*)	65	0	(D)	0	0	0	8	159	0	(D)	(*)
Arts, entertainment, and recreation.....	2,688	1,508	298	3	14	(D)	0	(D)	124	758	(D)	(D)	0
Other services (except public administration and private households).....	(D)	79	(D)	25	(D)	(D)	7	(D)	3	59	(*)	54	(D)

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Because sales resulting from construction activities are recorded as sales of goods rather than sales of services, the sales of services through MOUSAs in construction represent sales in secondary, nonconstruction industries. In 2002, sales of goods to U.S. residents by MOUSAs in construction were estimated to be \$28.5 billion. These sales of goods were

estimated by subtracting exports of goods from the total sales of goods.

MNCs Multinational companies

MOUSAs Majority-owned U.S. affiliates

UBO Ultimate beneficial owner

Table 11.2. Sales of Services to U.S. Persons by Foreign MNCs Through Their Nonbank MOUSAs, Industry of Affiliate by Country of UBO, 2003
[Millions of dollars]

	All countries	Canada	Europe						Latin America and Other Western Hemisphere	Other countries			United States
			Total	Of which:						Total	Of which:		
				France	Germany	Netherlands	Switzerland	United Kingdom			Australia	Japan	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
All industries	381,389	40,483	263,455	49,894	43,461	36,925	34,641	75,133	33,021	41,484	11,019	22,652	2,947
Manufacturing	33,227	887	22,155	2,474	6,495	(D)	784	5,017	(D)	(D)	(D)	(D)	9
<i>Of which:</i>													
Food.....	228	(D)	(D)	(D)	(D)	0	0	0	4	28	0	(D)	0
Chemicals.....	931	0	922	(D)	66	(D)	358	(D)	0	8	0	8	0
Primary and fabricated metals.....	345	0	147	0	(D)	0	0	19	(D)	(D)	0	2	0
Machinery.....	(D)	(D)	5,145	(D)	(D)	(D)	(D)	(D)	(D)	224	0	(D)	0
Computers and electronic products.....	9,246	(D)	3,819	(D)	(D)	(D)	(D)	2,527	(D)	(D)	0	(D)	0
Electrical equipment, appliances, and components.....	116	0	113	2	5	0	(D)	(D)	0	3	0	3	0
Transportation equipment.....	4,672	24	4,507	(D)	(D)	(D)	0	300	0	140	0	139	0
Wholesale trade	9,078	(D)	4,873	305	662	740	329	(D)	(D)	3,481	(D)	3,194	(D)
<i>Of which:</i>													
Motor vehicles and motor vehicle parts and supplies.....	531	2	(D)	0	(D)	0	0	0	0	(D)	0	452	0
Professional and commercial equipment and supplies.....	2,028	3	(D)	(D)	(D)	(D)	(D)	5	0	(D)	0	(D)	0
Retail trade	518	(D)	68	6	0	(D)	0	(D)	(D)	(D)	0	(D)	0
Information	55,066	5,646	35,251	7,810	11,964	2,905	(D)	11,137	3,717	(D)	(D)	932	(D)
Publishing industries.....	17,023	(D)	(D)	879	(D)	401	(D)	6,684	3	621	(D)	488	(*)
Newspaper, periodical, book, and database publishers.....	13,611	(D)	(D)	(D)	(D)	(D)	(D)	5,769	2	88	(D)	40	0
Software publishers.....	3,411	334	2,545	(D)	(D)	(D)	1	915	(*)	533	1	448	(*)
Motion picture and sound recording industries.....	8,025	(D)	(D)	(D)	8	(D)	0	45	6	109	0	(D)	0
Motion picture and video industries.....	(D)	(D)	(D)	(D)	8	(D)	0	(D)	5	(D)	0	4	0
Sound recording industries.....	(D)	0	(D)	(D)	0	(D)	0	(D)	1	(D)	0	(D)	0
Telecommunications.....	15,863	(D)	11,229	233	(D)	(D)	1	(D)	3,649	356	6	(D)	(D)
Wired telecommunications carriers.....	4,043	(D)	1,230	(D)	0	(D)	0	(D)	(D)	(D)	0	(D)	(D)
Wireless telecommunications carriers (except satellite).....	9,483	1	(D)	5	(D)	0	1	(D)	(D)	1	0	(D)	(D)
Other telecommunications.....	2,337	(*)	(D)	(D)	(*)	(D)	0	(D)	(D)	11	5	0	0
Broadcast (except internet).....	(D)	1	83	(D)	0	(*)	0	0	(D)	(D)	(D)	(D)	0
Internet service providers, web search portals, data processing services, internet publishing and broadcasting, and other information services.....	(D)	(D)	(D)	(D)	11	(D)	0	(D)	(D)	(D)	3	309	(*)
Finance (except depository institutions) and insurance	107,864	15,579	78,918	9,159	10,662	20,866	23,530	12,473	7,787	4,040	524	3,411	1,540
Finance (except depository institutions).....	24,530	1,363	19,757	2,748	567	612	(D)	4,472	65	(D)	(D)	2,562	(D)
Nondepository credit intermediation and related services.....	3,061	(D)	765	0	1	(D)	0	(D)	20	(D)	6	(D)	0
Securities, commodity contracts, and other intermediation and related activities.....	21,378	(D)	18,960	(D)	559	(D)	(D)	(D)	27	631	154	(D)	(D)
Funds, trusts, and other financial vehicles.....	92	5	32	(D)	7	0	(D)	(*)	18	36	(D)	(D)	(*)
Insurance carriers and related activities.....	83,334	14,216	59,162	6,412	10,095	20,254	(D)	8,001	7,722	(D)	(D)	849	(D)
Insurance carriers, except life insurance carriers.....	55,378	(D)	42,163	(D)	(D)	(D)	9,136	(D)	6,579	1,127	(D)	(D)	(D)
Life insurance carriers.....	26,410	(D)	16,782	(D)	(D)	(D)	(D)	(D)	(D)	0	0	(D)	0
Agencies, brokerages, and other insurance related activities.....	1,546	(D)	217	0	(*)	3	(D)	(D)	8	(*)	(D)	(D)	(*)
Real estate and rental and leasing	16,168	1,571	7,952	451	2,112	589	234	2,478	609	5,823	(D)	2,766	214
Real estate.....	12,074	1,524	4,253	(D)	2,100	(D)	233	860	599	(D)	(D)	2,492	(D)
Rental and leasing (except real estate).....	4,094	46	3,699	(D)	12	(D)	1	1,618	10	(D)	(*)	274	(D)
Professional, scientific, and technical services	43,922	1,748	32,530	20,376	128	1,829	480	8,774	(D)	(D)	13	1,038	(D)
Architectural, engineering, and related services.....	4,050	171	3,115	286	67	551	(D)	1,409	(D)	(D)	(*)	(D)	3
Computer systems design and related services.....	5,077	510	3,180	2,104	41	(D)	(*)	383	23	1,359	5	492	5
Management, scientific, and technical consulting.....	8,156	36	(D)	(D)	8	(D)	(D)	797	(D)	49	(D)	33	(*)
Other.....	26,639	1,031	(D)	(D)	12	(D)	93	6,184	11	(D)	(D)	(D)	(D)
Legal services.....	24	(D)	(D)	0	0	0	(*)	(D)	(*)	(D)	0	0	0
Accounting, tax preparation, bookkeeping, and payroll services.....	33	(D)	10	5	0	0	0	0	0	(D)	0	3	5
Specialized design services.....	45	2	25	0	(*)	(*)	(D)	3	(*)	19	(D)	8	0
Scientific research and development services.....	601	(D)	223	(D)	11	2	(D)	101	1	(D)	(*)	228	1
Advertising and related services.....	21,220	508	20,395	(D)	0	0	0	(D)	9	(D)	(*)	(D)	(D)
Other professional, scientific, and technical services.....	4,717	(D)	(D)	(D)	1	(D)	(*)	(D)	2	82	0	70	(D)
Other industries	115,546	14,490	81,708	9,312	11,439	(D)	(D)	8,479	10,516	(D)	(D)	(D)	352
Agriculture, forestry, fishing, and hunting.....	214	8	197	(D)	3	(D)	0	(*)	9	(*)	0	(D)	0
Mining.....	7,770	233	666	0	0	(D)	(*)	144	6,862	(D)	(*)	0	(D)
Utilities.....	24,873	3,917	20,889	(D)	(D)	0	0	16,952	0	(D)	0	6	(D)
Construction.....	1,207	(D)	562	4	(D)	0	0	(D)	1	(D)	0	(D)	(*)
Transportation and warehousing.....	30,213	6,382	19,159	499	4,780	892	(D)	7,488	446	4,222	(D)	2,681	4
<i>Of which:</i>													
Air transportation.....	270	24	138	4	(D)	(D)	1	1	26	81	0	(D)	0
Rail transportation.....	2,446	(D)	(D)	0	0	0	0	(D)	(D)	(D)	0	(*)	0
Water transportation.....	1,926	2	(D)	1	(*)	0	(D)	(D)	1	(D)	0	9	0
Truck transportation.....	2,063	(D)	(D)	1	1	(D)	0	0	(D)	(D)	0	(D)	0
Support activities for transportation.....	10,664	158	7,323	439	(D)	5	(D)	705	(D)	(D)	2	2,336	0
Management of companies and enterprises.....	1,466	(D)	924	(D)	7	(D)	(*)	(D)	(*)	(D)	(*)	(D)	0
Administration, support, and waste management.....	18,958	81	17,503	879	163	(D)	7,336	2,045	569	(D)	0	(D)	(D)
Administrative and support services.....	18,942	74	17,503	879	163	(D)	7,336	2,045	569	(D)	0	(D)	(D)
<i>Of which:</i>													
Employment services.....	6,262	1	6,261	0	0	(D)	(D)	(D)	(*)	(*)	0	(*)	0
Travel arrangement and reservation services.....	1,829	2	683	485	(D)	0	3	(D)	(D)	593	0	591	(D)
Waste management and remediation services.....	16	7	(*)	0	0	0	0	(*)	0	9	0	9	0
Health care and social assistance.....	(D)	(D)	(D)	0	(D)	0	0	1	(D)	(D)	0	1	1
Accommodations and food services.....	19,878	103	15,409	(D)	(D)	3	(D)	(D)	380	(D)	(*)	1,709	(D)
Accommodations.....	6,340	36	2,366	(D)	58	3	(D)	(D)	284	3,655	0	1,652	0
Food services and drinking places.....	13,537	67	13,043	(D)	(D)	0	(D)	(D)	96	(D)	(*)	57	(D)
Miscellaneous services.....	(D)	1,794	(D)	28	40	44	7	(D)	(D)	1,022	(D)	618	9
Educational services.....	212	(*)	65	0	(D)	0	0	0	8	138	0	(D)	(*)
Arts, entertainment, and recreation.....	2,942	1,737	259	(D)	14	(D)	0	(D)	126	821	(D)	(D)	0
Other services (except public administration and private households).....	(D)	57	(D)	(D)	(D)	(D)	7	(D)	62	(*)	(*)	54	9

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

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