

all U.S. businesses in 2009.³ U.S. MNCs' R&D expenditures totaled \$252.0 billion. They accounted for 84.3 percent and foreign affiliates accounted for 15.7 percent of the total. Foreign affiliates' R&D expenditures were largest in Europe and in Asia and Pacific.

- Employment by foreign affiliates in the professional, scientific, and technical services industry sector increased 5.9 percent, compared with a 2.6 percent increase in employment for all foreign affiliates. Over the last decade, employment at foreign affiliates in this sector maintained strong growth, as U.S. MNCs have relied more on foreign affiliates in this sector to support their domestic operations. Employment in these support operations is largest in Asia and Pacific, especially in India. By utilizing their foreign affiliates in low-cost locations with the capacity to provide these services, U.S. MNCs can realize efficiencies and maintain a competitive advantage.

Changes in Value Added

U.S. MNCs

In 2010, value added of U.S. MNCs increased both in the United States and abroad, partly reflecting the global economic recovery. The increase also reflected many MNCs' focus on innovation, which enables them to produce new, higher value goods or to discover more efficient ways of producing the same good. This focus on innovation contributes to long-term economic growth and productivity in their home and foreign host countries.⁴

3. Data on R&D performed for U.S. businesses are from "Table 1. Funds Spent for Business R&D Performed in the United States, by Source of Funds and Size of Company: 2008 and 2009" in Raymond M. Wolfe, "Business R&D Performed in the United States Cost \$291 Billion in 2008 and \$282 Billion in 2009," National Science Foundation (NSF) *Info Brief* NSF12-309 (Washington, DC: NSF, March 2012). To access this table, visit www.nsf.gov/statistics/infbrief/nsf12309. The data for 2010 were not available in time for this article.

4. For example, see Carol Corrado, Paul Lengermann, and Larry Slifman, "The Contribution of Multinational Companies to U.S. Productivity Growth" in *International Trade in Services and Intangibles in the Era of Globalization*, ed. Marshall Reinsdorf and Matthew Slaughter (Chicago: University of Chicago Press, 2009): 331-360.

In current dollars, the value added of U.S. MNCs grew 10.3 percent to \$4,127.2 billion in 2010 from \$3,740.7 billion in 2009 (table 2). The value added of U.S. parents grew 11.2 percent to \$2,885.9 billion, and the value added of foreign affiliates grew 8.4 percent to \$1,241.3 billion. In real terms, the value added of MNCs appears to have increased in 2010, reflecting an 11.2 percent increase in the current-dollar value added of parents, which exceeded the 1.4 percent increase in U.S. prices (as measured by the implicit price deflator for value added of U.S. nonfarm businesses). Moreover, the 8.4 percent increase in the current-dollar value added of foreign affiliates exceeded the increase that could be attributed to the combined effects of the 1.4 percent average annual rate of inflation in host countries and the 2.3 percent depreciation of the dollar against major foreign currencies.⁵ In addition, BEA's statistics on the real value added of foreign affiliates in manufacturing show an increase of 6.7 percent in 2010 (see "Real value added in manufacturing" on page 63). By industry, roughly two-thirds of the growth in current-dollar value added of U.S. MNCs was accounted for by manufacturing—primarily petroleum-related manufacturing—and by finance and insurance.

In 2010, two key tangible inputs to U.S. MNC production, capital expenditures and employment, increased. Capital expenditures increased 1.0 percent to \$604.6 billion. The increase reflected a 1.5 percent increase for U.S. parents that was partly offset by a 0.5 percent decrease for foreign affiliates. By industry, U.S. MNCs' capital expenditures increased for most major

5. The rate of inflation in 12 major euro area countries and in 13 other major host countries was 1.4 percent in 2010. Together, these countries accounted for 74 percent of total value added of foreign affiliates in 2010. The average inflation rate (weighted by foreign-affiliate value added) in these countries was derived from data on gross domestic product (GDP) implicit price deflators from the IMF *International Financial Statistics*. The weighted average U.S.-dollar price of the currencies of these countries in foreign exchange markets increased 2.3 percent in 2010. This means that value added measured in foreign currency increased 2.3 percent on average when converted to U.S. dollars because the foreign currency buys more dollars.

Table 2. Selected Statistics for U.S. Multinational Companies (MNCs) by Industry of Parent, 2009 and 2010

	Millions of dollars								Thousands of employees		Percent change, 2009-2010				
	Value added		Capital expenditures		R&D expenditures		Employee compensation								
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	Value added	Capital expenditures	R&D expenditures	Employee compensation	Employment
All industries	3,740,733	4,127,199	598,862	604,631	246,502	251,983	2,072,630	2,100,694	33,726.6	33,890.1	10.3	1.0	2.2	1.4	0.5
Of which:															
Mining	112,322	118,034	53,630	50,205	673	594	26,218	27,008	312.8	327.4	5.1	-6.4	-11.7	3.0	4.7
Manufacturing	1,712,747	1,884,067	253,667	259,310	188,794	192,238	840,927	845,275	12,060.3	12,178.2	10.0	2.2	1.8	0.5	1.0
Wholesale trade	155,377	176,371	30,763	31,895	6,828	6,423	92,141	95,038	1,463.7	1,495.6	13.5	3.7	-5.9	3.1	2.2
Information	343,935	384,345	63,723	66,477	23,348	24,984	163,559	163,082	2,106.2	1,995.0	11.7	4.3	7.0	-0.3	-5.3
Finance and insurance	389,881	470,644	50,330	44,159	(D)	595	332,128	343,701	3,234.9	3,228.4	20.7	-12.3	(D)	3.5	-0.2
Professional, scientific, and technical services	253,612	270,610	11,382	12,411	20,517	22,128	174,397	178,413	2,040.7	2,069.2	6.7	9.0	7.9	2.3	1.4

(D) Suppressed to avoid disclosure of data of individual companies.

industry groups, especially in retail trade and in petroleum-related manufacturing.

Employment by U.S. MNCs increased 0.5 percent, or 0.2 million workers to 33.9 million in 2010, reflecting partly offsetting changes for U.S. parents and foreign affiliates. Employment by U.S. parents decreased 0.5 percent to 22.8 million. Employment by foreign affiliates increased 2.6 percent to 11.1 million.

Employee compensation of U.S. MNCs increased 1.4 percent to \$2,100.7 billion in 2010. The average compensation per employee was roughly \$62,000. The average wages paid by U.S. MNCs tend to be higher than those paid by other businesses in their host economies, partly reflecting the higher average skill level of workers and the relatively more capital intensive production processes of MNCs compared with purely domestic firms. In 2010, the average wage paid by U.S. parent companies was roughly \$71,000, compared with \$57,000 for all U.S. businesses. The average wage paid by foreign affiliates in seven selected countries of the European Union in 2010 was 39 percent higher, on average, than the average wage paid by all businesses in those countries.⁶

In 2010, U.S. MNCs' R&D expenditures increased 2.2 percent to \$252.0 billion. R&D expenditures of U.S. parents increased 2.5 percent to \$212.5 billion, and expenditures of foreign affiliates increased 0.7 percent to

\$39.5 billion. By industry, increases in R&D expenditures were concentrated in manufacturing, primarily pharmaceuticals, followed by information and professional, scientific, and technical services.

U.S. Parents

The 11.2 percent growth in the value added of U.S. parents was the strongest since 2000, and reflected increases in nearly all major industries (table 3). The increases in U.S. parents' value added were largest in manufacturing and in finance and insurance, which together accounted for more than 60 percent of the increase. In manufacturing, value added increased 9.4 percent, reflecting increases in nearly all major manufacturing industry groups. The increases were led by "other" manufacturing—primarily petroleum-related manufacturing—and computers and electronic products manufacturing. In finance and insurance, value added increased 30.8 percent. The increase partly reflected improved financial market conditions related to the global economic recovery. For example, investment banking revenues increased partly as a result of a 23 percent increase in global mergers and acquisitions.⁷ In addition, mortgage loans increased, partly in response to a 3.7 percent increase in U.S. housing starts.⁸

7. Thompson Reuters data cited in Liz Moyer, "Global M&A Raised \$2.4 Trillion in 2010," *Wall Street Journal* (January 4, 2011).

8. The data are from the U.S. Bureau of the Census, *New Residential Construction*, "Housing Units Authorized in Permit-Issuing Places." To access these data, visit www.census.gov/construction/nrc, and click on "historical data," "authorized by building permits."

6. These countries are Belgium, France, Germany, Italy, the Netherlands, Spain, and the United Kingdom. The average wage data are from the Eurostat Web site. To access the data, visit epp.eurostat.ec.europa.eu, and type the data series code (earn_ses10_26) in the search box.

Table 3. Selected Statistics for U.S. Parents and for All U.S. Companies, by Industry, 2009 and 2010

	Millions of dollars								Thousands of employees ⁵		Percent change, 2009–2010				
	Value added ¹		Capital expenditures ²		R&D expenditures ³		Employee compensation ⁴								
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	Value added	Capital expenditures	R&D expenditures	Employee compensation	Employment
U.S. parents															
All industries.....	2,595,776	2,885,927	431,796	438,327	207,297	212,513	1,590,589	1,612,953	22,932.7	22,819.8	11.2	1.5	2.5	1.4	-0.5
Mining.....	76,139	75,306	35,870	35,430	560	554	18,647	19,548	187.0	204.3	-1.1	-1.2	-1.1	4.8	9.3
Manufacturing.....	1,034,139	1,131,725	149,646	152,010	157,731	161,230	591,953	597,515	6,864.3	6,919.3	9.4	1.6	2.2	0.9	0.8
Wholesale trade.....	124,433	144,511	27,939	29,010	6,440	6,056	77,592	80,345	1,065.4	1,096.6	16.1	3.8	-6.0	3.5	2.9
Retail trade.....	238,585	250,257	19,120	23,197	(D)	(D)	122,884	122,047	4,349.7	4,307.7	4.9	21.3	(D)	-0.7	-1.0
Information.....	287,628	326,811	57,556	60,211	21,035	22,165	138,367	138,421	1,711.5	1,624.8	13.6	4.6	5.4	0.0	-5.1
Finance and insurance.....	260,120	340,360	41,289	36,719	186	190	273,073	282,676	2,489.7	2,481.1	30.8	-11.1	2.2	3.5	-0.3
Professional, scientific, and technical services.....	177,549	194,673	7,793	8,965	15,931	17,557	122,386	124,457	1,254.1	1,231.3	9.6	15.0	10.2	1.7	-1.8
Other industries.....	397,183	422,283	92,582	92,787	(D)	(D)	245,686	247,944	5,011.1	4,954.6	6.3	0.2	(D)	0.9	-1.1
All U.S. companies															
All private industries.....	12,018,095	12,558,037	1,015,322	1,036,162	282,393	n.a.	6,175,791	6,303,657	112,139	111,434	4.5	2.1	n.a.	2.1	-0.6
Mining.....	213,366	239,511	100,564	114,995	n.a.	n.a.	64,960	69,181	640	648	12.3	14.4	n.a.	6.5	1.3
Manufacturing.....	1,540,226	1,701,937	155,153	159,621	195,144	n.a.	848,434	859,527	11,856	11,532	10.5	2.9	n.a.	1.3	-2.7
Wholesale trade.....	768,548	797,348	25,252	31,197	n.a.	n.a.	408,144	415,566	5,620	5,519	3.7	23.5	n.a.	1.8	-1.8
Retail trade.....	837,205	884,877	58,428	66,263	n.a.	n.a.	476,897	482,537	14,798	14,746	5.7	13.4	n.a.	1.2	-0.4
Information.....	615,445	623,472	88,373	97,445	33,806	n.a.	250,947	248,837	2,814	2,717	1.3	10.3	n.a.	-0.8	-3.4
Finance and insurance.....	1,098,964	1,241,946	99,466	102,715	1,912	n.a.	561,414	582,577	5,788	5,723	13.0	3.3	n.a.	3.8	-1.1
Professional, scientific, and technical services.....	1,678,077	1,782,837	28,163	29,213	44,946	n.a.	672,347	690,357	7,623	7,605	6.2	3.7	n.a.	2.7	-0.2
Other industries.....	5,266,264	5,286,109	459,923	434,713	n.a.	n.a.	2,892,648	2,955,075	63,000	62,944	0.4	-5.5	n.a.	2.2	-0.1

(D) Suppressed to avoid disclosure of data of individual companies.

n.a. Not available.

1. Statistics for all U.S. companies are from BEA's GDP by industry series.

2. Statistics for all U.S. companies are from the Census Bureau Annual Capital Expenditures Survey (Table 4a). Capital Expenditures for Structures and Equipment for Companies With Employees by Industry).

3. Statistics for all U.S. companies are from the National Science Foundation, Research and Development

in Industry.

4. Statistics for all U.S. companies are from BEA's national income and product accounts (NIPA Table 6.2D. Compensation of Employees by Industry).

5. Statistics for all U.S. companies are from BEA's national income and product accounts (NIPA Table 6.4D. Full-Time and Part-Time Employees by Industry).

Consumer credit also increased, partly reflecting a 1.9 percent increase in consumer spending in the United States.

For U.S. parents, the 11.2 percent growth in value added exceeded the growth in capital expenditures (up 1.5 percent) and contrasted with a decrease in employment (down 0.5 percent). Similarly, for all U.S. companies, value added increased 4.5 percent, compared with a 2.1 percent increase in capital expenditures and a 0.6 percent decrease in employment. The increase in U.S. parents' capital expenditures was primarily in retail

trade, in information, and in manufacturing. The increase in manufacturing was led by petroleum-related manufacturing. The decrease in U.S. parents' employment was most pronounced in information, in "other" industries, and in retail trade. The decrease in the information industry was led by telecommunications and data processing, hosting, and related services.

In 2010, U.S. parents' R&D expenditures increased 2.5 percent to \$212.5 billion. Nearly all of the increase was accounted for by three sectors: manufacturing, information, and professional, scientific, and technical

Key Terms

The following key terms are used to describe U.S. multinational companies (MNCs) and their operations.¹

U.S. MNCs

U.S. multinational company (U.S. MNC). The U.S. parent and its foreign affiliates. (In this article, an MNC is usually defined as the U.S. parent and its majority-owned foreign affiliates.)

U.S. parent. A person, resident in the United States, that owns or controls 10 percent or more of the voting securities, or the equivalent, of a foreign business enterprise. "Person" is broadly defined to include any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any state), or any government entity. If incorporated, the U.S. parent is the fully consolidated U.S. enterprise consisting of (1) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation and (2) proceeding down each ownership chain from that U.S. corporation, any U.S. corporation whose voting securities are more than 50 percent owned by the U.S. corporation above it. A U.S. parent comprises the domestic operations of a U.S. MNC, covering operations in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and all other U.S. areas.

U.S. direct investment abroad. The ownership or control, directly or indirectly, by one U.S. person of 10 percent or more of the voting securities of an incorporated foreign business enterprise or the equivalent interest in an unincorporated business enterprise.

Foreign affiliate. A foreign business enterprise in which there is U.S. direct investment, that is, in which a U.S. person owns or controls (directly or indirectly) 10 percent or more of the voting securities or the equivalent. Foreign affiliates comprise the foreign operations of a

U.S. MNC over which the parent is presumed to have a degree of managerial influence.

This article focuses on the operations of majority-owned foreign affiliates; for these affiliates, the combined ownership of all U.S. parents exceeds 50 percent. In 2010, these affiliates accounted for 83.5 percent of the employment of all foreign affiliates of U.S. MNCs.

Measures of operations²

Value added. The portion of the goods and services sold or added to inventory or fixed investment by a firm that reflects the production of the firm itself. It represents the firm's contribution to gross domestic product in its country of residence, which is the value of goods and services produced by labor and property located in that country. Compared with sales, value added is a preferable measure of production because it indicates the extent to which a firm's output results from its own production rather than from production that originates elsewhere. Sales data do not distinguish between these two sources of production. Value added can be measured as gross output minus intermediate inputs; alternatively, it can be measured as the sum of the costs incurred (except for intermediate inputs) and the profits earned in production. The value-added statistics presented in this article were prepared by summing the cost and profits data collected in the annual and benchmark surveys of U.S. direct investment abroad.³

Employment. The number of full-time and part-time employees on the payroll at yearend. If the employment of a parent or an affiliate was unusually high or low because of temporary factors (such as a strike) or large seasonal variation, the number that reflects normal operations or an average for the year was requested of survey respondents.

1. For a comprehensive discussion of the terms and the concepts used, see Raymond J. Mataloni Jr., "A Guide to BEA Statistics on U.S. Multinational Companies," *SURVEY* 75 (March 1995): 38–55.

2. Statistics on the operations of U.S. MNCs cover the survey respondent's fiscal year ending in the reference year of the data.

3. For the derivation of the current-dollar value-added statistics, see Raymond J. Mataloni Jr. and Lee Goldberg, "Gross Product of U.S. Multinational Companies, 1977–91," *SURVEY* 74 (February 1994): 57.

services.

U.S. parents' share of all U.S. companies. U.S. parent companies tend to be large firms that are global leaders in their industries and, therefore, account for a large share of U.S. production. In 2010, U.S. parents accounted for 23.0 percent of value added for all U.S. businesses. They also accounted for significant shares of the tangible and intangible inputs to production.⁹ In 2010, they accounted for 42.3 percent of capital expenditures for all U.S. businesses. While U.S. parents accounted for 20.5 percent of U.S. employment of all U.S. businesses, they accounted for a higher share, 25.6 percent, of employee compensation of all U.S. businesses. The higher share of employee compensation may reflect U.S. MNCs' need for a relatively skilled workforce, which leads to higher compensation.¹⁰ The importance of worker skill and innovation to MNCs is evident in U.S. parents' share of R&D expenditures. In 2009, they accounted for 73.4 percent of R&D performed by all U.S. businesses.

Foreign affiliates

The 8.4 percent growth in the value added of foreign affiliates reflected increases in all major industry sectors in 2010 except three: finance and insurance; professional, scientific, and technical services; and

information (table 4). The increases were largest in manufacturing and in mining. Within manufacturing, the increases were largest in "other" manufacturing (led by petroleum-related and paper manufacturing), in computers and electronic products, and in transportation equipment manufacturing.

Growth in foreign affiliates' value added significantly exceeded growth in their employment (up 2.6 percent) and contrasted with a decrease in capital expenditures (down 0.5 percent).

By area, the increase in foreign affiliates' employment was primarily in Asia and Pacific and in Latin America and Other Western Hemisphere. By area, the decrease in capital expenditures was primarily in Europe and in Latin America and Other Western Hemisphere.

In 2010, foreign affiliates' R&D expenditures increased 0.7 percent to \$39.5 billion. The growth in R&D expenditures was concentrated in emerging markets, such as Brazil and India. The growth in emerging markets partly reflected increases in scientific and technological resources—such as institutions, facilities, and personnel—in foreign countries as well as U.S. MNCs' need to be close to rapidly growing markets. Growth in the Middle East, mainly in Israel, was also significant.

Domestic and Foreign Operations of U.S. MNCs Compared

U.S. MNCs maintain a large share of their operations in the United States rather than abroad for many reasons, such as the attraction of a large and prosperous local market, a strong intellectual property protection system, an absence of language barriers and a skilled

9. Intangible inputs to production include any inputs other than raw labor or fixed assets. They include innovation-related intangibles, such as research and development, human resources, such as worker training, and pure organizational intangibles, such as brand names. For details, see Baruch Lev, *Intangibles: Management, Measurement, and Reporting* (Washington, DC: Brookings Institution Press, 2001).

10. For information on the occupational structure of U.S. MNCs, see Elizabeth Weber Handwerker, Mina M. Kim, and Lowell Mason, "Domestic Employment in U.S.-Based Multinational Companies," *Monthly Labor Review* 134 (October 2011): 3–15.

Table 4. Selected Statistics for Majority-Owned Foreign Affiliates by Major Area and by Major Industry of Affiliate, 2009 and 2010

	Millions of dollars								Thousands of employees		Percent change, 2009–2010				
	Value added		Capital expenditures		R&D expenditures		Employee compensation								
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	Value added	Capital expenditures	R&D expenditures	Employee compensation	Employment
All areas, all industries	1,144,957	1,241,272	167,066	166,304	39,205	39,470	482,041	487,741	10,793.9	11,070.3	8.4	-0.5	0.7	1.2	2.6
By area															
Canada	113,675	128,694	20,298	22,346	2,920	2,749	56,345	57,398	1,082.7	1,077.0	13.2	10.1	-5.9	1.9	-0.5
Europe	599,220	597,571	62,927	57,568	25,044	24,406	270,035	261,402	4,137.4	4,079.4	-0.3	-8.5	-2.5	-3.2	-1.4
Latin America and Other Western Hemisphere	128,414	159,326	25,961	24,095	1,465	1,949	44,913	49,676	2,142.5	2,256.5	24.1	-7.2	33.0	10.6	5.3
Africa	44,858	55,443	14,213	14,508	94	88	5,348	5,958	163.1	172.8	23.6	2.1	-6.4	11.4	5.9
Middle East	17,656	23,323	2,807	3,165	1,856	1,965	5,890	6,304	101.9	107.7	32.1	12.8	5.9	7.0	5.7
Asia and Pacific	241,135	276,915	40,861	44,621	7,826	8,313	99,510	107,004	3,166.3	3,377.0	14.8	9.2	6.2	7.5	6.7
By industry of affiliate															
Mining	153,655	192,877	60,097	57,350	119	38	13,393	14,245	199.5	201.8	25.5	-4.6	-68.1	6.4	1.2
Manufacturing	478,164	528,409	54,629	55,475	27,141	27,571	197,095	197,028	4,538.9	4,629.7	10.5	1.5	1.6	(*)	2.0
Wholesale trade	152,706	155,816	6,456	6,985	2,074	1,975	52,603	53,694	781.8	778.9	2.0	8.2	-4.8	2.1	-0.4
Retail trade	57,099	57,257	5,939	7,103	(D)	26	22,211	23,520	1,171.4	1,247.9	0.3	19.6	(D)	5.9	6.5
Information	51,047	50,904	7,084	7,193	1,698	2,018	25,777	24,113	426.3	406.0	-0.3	1.5	18.8	-6.5	-4.8
Finance and insurance	80,699	77,289	6,273	6,586	1	8	54,438	55,558	608.2	599.1	-4.2	5.0	700.0	2.1	-1.5
Professional, scientific, and technical services	78,542	78,218	4,104	3,964	8,080	7,759	54,759	56,185	805.9	853.2	-0.4	-3.4	-4.0	2.6	5.9
Other industries	93,045	100,502	22,485	21,649	(D)	76	61,765	63,398	2,262.1	2,353.8	8.0	-3.7	(D)	2.6	4.1

(D) Suppressed to avoid disclosure of data of individual companies.

(*) Less than \$500,000 or 0.05 percent (+/-)

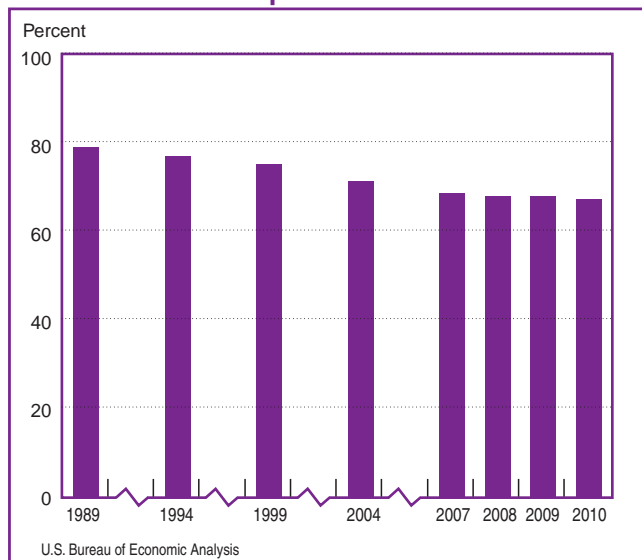
workforce. In 2010, U.S. parents accounted for 69.9 percent of U.S. MNCs' value added, up from 69.4 percent in 2009. Similarly, U.S. parents accounted for a large share of U.S. MNCs' tangible inputs to production: 72.5 percent of capital expenditures and 67.3 percent of employment.

U.S. parents also account for a large share of U.S. MNCs' investment in intangible inputs to production, including R&D expenditures. In 2010, U.S. parents accounted for 84.3 percent of U.S. MNCs' R&D expenditures worldwide, up from 84.1 percent in 2009. U.S. parents' large share partly reflects the following characteristics of the U.S. economy: technology leadership, a highly educated workforce, and effective intellectual property protection. Due to economies of scale in knowledge generation and the United States' strong stance on intellectual property protection relative to other countries, it may be more efficient for U.S. MNCs to concentrate their R&D activities in the United States and then distribute their innovations to their foreign affiliates.

While U.S. parents account for a significant share of U.S. MNCs' worldwide operations, their share has declined between 1999 and 2010.¹¹ U.S. parents' share of U.S. MNCs' value added decreased 8.1 percentage points from 78.1 percent in 1999 to 69.9 percent in 2010. The decrease partly reflects the strong growth in foreign affiliates' value added. Foreign affiliates' value

11. For a list of factors that can affect the U.S. parent share of the worldwide operations of U.S. MNCs, see Obie G. Whichard, "Patterns of Production and Employment by U.S. Multinational Companies" (presented at the National Association for Business Economics 2004 Washington Economic Policy Conference, Washington, DC, March 26, 2004): 10; www.bea.gov/papers.

Chart 2. U.S. Parent Share of Employment by U.S. Multinational Companies for Selected Years



added grew at an average annual rate of 7.2 percent and increased from a 21.9 percent share of U.S. MNCs' value added in 1999 to 30.1 percent in 2010, partly reflecting faster economic growth in large emerging foreign markets than in the United States.

Similarly, U.S. parents' share of U.S. MNCs' tangible inputs to production has declined since 1999, led by employment, which decreased 7.8 percentage points from 75.2 percent in 1999 to 67.3 percent in 2010 (chart 2). The gradual decline in U.S. parents' share of employment primarily reflects the strong growth in foreign affiliates' employment, which grew at an average annual rate of 3.1 percent between 1999 and 2010. The strong growth in foreign affiliates' employment was partly tied to the increasingly important roles that foreign affiliates play in the globalized production arrangements of U.S. MNCs, including facilitating access to foreign markets and serving as support operations for their MNC.

U.S. parents' share of U.S. MNCs' R&D expenditures decreased 3.1 percentage points to 84.3 percent in 2010 from 87.4 percent in 1999. The small size of the change in share over 11 years partly reflects the effects of economies of scale in knowledge generation and the United States' strong stance on intellectual property protection relative to many other countries.

Operations of Foreign Affiliates by Area

While U.S. MNCs tend to have most of their operations in the United States, their success is dependent upon both domestic and foreign markets. Foreign affiliates serve a variety of roles in the global production arrangements of U.S. MNCs. U.S. MNCs overwhelmingly use their affiliates to serve foreign markets. Foreign affiliates also may serve as a low-cost base of production from which to sell to customers both in the United States and in other countries.

In 2010, the value added of foreign affiliates increased 8.4 percent to \$1,241.3 billion. By area, value added increased in all areas except Europe. The increases were most pronounced in Asia and Pacific and in Latin America and Other Western Hemisphere.

In Europe, foreign affiliates' value added was down slightly from the previous year, declining 0.3 percent or \$1.6 billion. In comparison, real gross domestic product for the European Union and the United Kingdom grew by about 2 percent in 2010.¹² By industry, value added decreased across all major industry sectors except mining and manufacturing. The largest decrease

12. Statistics on real GDP growth rates are from the World Bank's World Development Indicators databank. To access the databank on the Web, visit data.worldbank.org/data-catalog and click on "Databank" under "World Development Indicators."

was in finance and insurance, led by foreign affiliates in the United Kingdom and Luxembourg, which may have reflected, among other factors, reduced bond sales as a result of the European sovereign-debt crisis.¹³ In contrast, value added in manufacturing increased, reflecting increases in computers and electronic products and “other” manufacturing. The increase in computers and electronic products manufacturing was largest in Ireland and reflected Ireland’s specialization in a number of high-technology-related industries. Employment by European affiliates decreased 1.4 percent, and capital expenditures decreased 8.5 percent.

In Asia and Pacific, foreign affiliates’ value added increased 14.8 percent or \$35.8 billion. Almost 80 percent of the increase occurred in mining and in manufacturing. In mining, the increase was led by Other Asia and Pacific, most notably, Papua New Guinea, reflecting high global prices for mineral exports.¹⁴ In manufacturing, the increase was widespread

throughout the region and was led by “other” manufacturing, primarily petroleum-related manufacturing. These increases were partly offset by a decrease in finance and insurance, primarily in Japan. Employment by affiliates in Asia and Pacific increased 6.7 percent, and capital expenditures increased 9.2 percent.

In Latin America and Other Western Hemisphere, value added increased 24.1 percent or \$30.9 billion. More than 70 percent of the increase was accounted for by finance and insurance and by manufacturing. In finance and insurance, the growth primarily occurred in Bermuda and in the United Kingdom Islands in the Caribbean, partly reflecting reinsurance. In manufacturing, the growth was led by transportation equipment manufacturing, particularly in Mexico and partly reflected the improvement in the U.S. economy and the resulting increase in production and sales of vehicles to the United States. Employment by affiliates in Latin America and Other Western Hemisphere increased 5.3 percent; in contrast, capital expenditures decreased 7.2 percent, led by mining.

In Canada, value added increased 13.2 percent or \$15.0 billion. The largest increase was in manufacturing, led by “other” manufacturing (mainly paper manufacturing and petroleum-related manufacturing). Large increases also occurred in retail trade, in mining, and in professional, scientific, and technical services.

13. Statistics on net increases in “government securities other than shares” (series A3303) are from the International Monetary Fund (IMF), *International Financial Statistics* (Washington, DC: IMF, June 2012).

14. For more information, see “Minerals in the New Economy” in *2010 Minerals Yearbook, Volume 3, Area Reports: International: Papua New Guinea [Advance Release]* (Washington, DC: U.S. Department of the Interior, U.S. Geological Survey, January 2012). To access this publication on the Web, visit minerals.usgs.gov/minerals/pubs/myb.html and click on “Volume III,” “Papua New Guinea,” “.Pdf Format,” and “2010.”

Statistics on U.S. Direct Investment Abroad

BEA collects two broad sets of data on U.S. direct investment abroad: (1) financial and operating data of U.S. multinational companies and (2) international transactions and direct investment position data. This article presents highlights of statistics derived from the first set of data; the statistics derived from the second set of data are usually published in the July and September issues of the SURVEY OF CURRENT BUSINESS.¹

Financial and operating statistics. The financial and operating statistics provide a picture of the overall activities of foreign affiliates and U.S. parent companies using a variety of indicators of their financial structure and operations. The statistics on foreign affiliates cover the entire operations of the affiliates, regardless of the share of U.S. ownership. These statistics cover items that are used to analyze the characteristics, performance, and economic impact of multinational companies, such as sales, value added, employment and employee compensation, capital expenditures, goods exports and imports,

and research and development expenditures. Separate statistics are available for all affiliates and for affiliates that are majority-owned by their U.S. parents.

International transactions and direct investment position statistics. The international transactions statistics cover a foreign affiliate’s transactions with its U.S. parent, so these statistics relate to the U.S. parent’s share, or interest, in its affiliate rather than to the affiliate’s size or level of operations. These statistics are key components of the U.S. international transactions accounts (ITAs), the U.S. international investment position, and the national income and product accounts. The major data items are financial flows (recorded in the financial account of the ITAs), which measure the funds that U.S. parents invest in their foreign affiliates, and income (recorded in the current account of the ITAs), which measures the return on those investments.

Direct investment position statistics are stock (cumulative) measures, showing the total outstanding level of U.S. direct investment abroad at yearend. Statistics are provided both at historical cost and at current-period prices. The historical-cost statistics are published by country and by industry.

1. See Kevin B. Barefoot and Marilyn Ibarra-Caton, “Direct Investment Positions for 2011: Country and Industry Detail,” SURVEY 92 (July 2012): 19–34 and Jeffrey H. Lowe, “Direct Investment for 2009–2011: Detailed Historical-Cost Positions and Related Financial and Income Flows,” SURVEY 92 (September 2012): 28–103.

Employment by Canadian affiliates decreased 0.5 percent, primarily led by a decrease in finance and insurance, while capital expenditures increased 10.1 percent. The increase in capital expenditures partly reflected investments related to the extraction of oil from tar sands.

In Africa, value added increased 23.6 percent or \$10.6 billion. The increase was concentrated in mining (primarily oil and gas extraction) and reflected the rise in petroleum prices. By country, the increases were most pronounced in Nigeria, Angola, and Equatorial Guinea. Employment by African affiliates increased 5.9 percent and capital expenditures increased 2.1 percent.

In the Middle East, value added increased 32.1 percent or \$5.7 billion. The increase was concentrated in mining affiliates (primarily oil and gas extraction) and in manufacturing affiliates. In manufacturing, about 40 percent of the increase in value added was accounted for by affiliates in Israel, particularly affiliates in chemicals and machinery manufacturing. Employment by Middle Eastern affiliates increased 5.7 percent and capital expenditures increased 12.8 percent.

U.S. MNC Operations in Professional, Scientific, and Technical Services

The primary activity of some foreign affiliates of U.S. MNCs is to support the operations of the rest of the MNC. These support activities are largest in low-cost locations with the capacity to provide support services, such as India. By using their foreign affiliates, U.S. MNCs can realize efficiencies and utilize foreign technology centers and human resources to innovate and to maintain a competitive edge. The foreign affiliates involved in professional, scientific, and technical services tend to be in countries that have invested in research facilities and education for workforce devel-

opment. The improvement in information and communication technology has contributed to the growth in support activities performed by foreign affiliates and enhanced communication within the MNC.¹⁵ Many of these foreign affiliates are located in countries that have a physical proximity to the United States or that have a common language or a similar legal structure to the United States and are therefore more conducive to trade with the United States.

Between 1999 and 2010, employment by foreign affiliates in professional, scientific, and technical services increased at an average annual rate of 7.2 percent, which was more than double the 3.1 percent average annual increase in employment for all foreign affiliates (table 5). By industry, 69.8 percent of the employment growth in professional, scientific, and technical services was in computer systems design and related services. India accounted for about half of the employment increase from 1999 to 2010.

Foreign affiliates in low-cost countries may offer high-quality services with lower input costs than the domestically produced alternative, which can be especially beneficial to a company during a period of recession, such as from 2007 to 2009 in the United States.¹⁶ By increasing the provision of some professional, scientific, and technical services functions abroad, the U.S. parent can increase its focus on its core activities, leading to specialization by both the U.S. parent and the foreign affiliates. Furthermore, by growing some operations abroad, U.S. MNCs gain access to foreign

15. See Maria Borgia and Jennifer Koncz-Bruner, "Trends in Digitally-Enabled Trade in Services," U.S. Bureau of Economic Analysis (September 2012); www.bea.gov/international/supplemental_statistics.htm.

16. For a more complete discussion of this point, see *Offshoring of Services: An Overview of the Issues*, GAO-06-5 (Washington, DC: U.S. Government Accountability Office (GAO), November 28, 2005); at www.gao.gov/products/GAO-06-5.

Table 5. Value Added and Employment by Affiliates in Professional, Scientific, and Technical Services, by Industry and by Area, Selected Years

	Value added (millions of dollars)								Employment (thousands of employees)				Percent change at annual rates			
	Value added (millions of dollars)				Employment (thousands of employees)				Value added		Employment					
	1999	2004	2009	2010	1999	2004	2009	2010	2009-2010	1999-2010	2009-2010	1999-2010				
Professional, scientific, and technical services	31,117	47,408	78,542	78,218	395.9	503.7	805.9	853.2	-0.4	8.7	5.9	7.2				
By industry																
Architectural, engineering, and related services	3,108	3,242	6,914	6,800	50.0	40.1	81.3	80.4	-1.6	7.4	-1.1	4.4				
Computer systems design and related services	16,166	26,135	42,741	42,279	157.9	247.6	429.6	477.3	-1.1	9.1	11.1	10.6				
Management, scientific, and technical consulting	3,984	6,657	10,397	10,907	40.6	51.6	67.5	68.4	4.9	9.6	1.3	4.9				
Advertising and related services	4,517	5,024	6,488	5,529	74.8	80.2	64.6	63.0	-14.8	1.9	-2.5	-1.5				
Other	3,342	6,350	12,001	12,702	72.6	104.2	162.8	164.1	5.8	12.9	0.8	7.7				
By area																
Canada	1,828	2,054	7,388	8,684	32.3	30.9	68.7	69.9	17.5	15.2	1.7	7.3				
Europe	17,434	30,890	42,279	38,166	222.1	276.6	301.8	289.6	-9.7	7.4	-4.0	2.4				
Latin America and Other Western Hemisphere	2,381	1,536	3,617	4,173	34.8	25.7	62.9	68.8	15.4	5.2	9.4	6.4				
Africa	330	244	483	530	6.4	4.2	5.3	5.0	9.7	4.4	-5.7	-2.2				
Middle East	353	391	1,560	1,834	4.9	5.1	14.7	16.0	17.6	16.2	8.8	11.4				
Asia and Pacific	8,791	12,292	23,215	24,831	95.4	161.1	352.5	403.9	7.0	9.9	14.6	14.0				

markets, leading to increased sales that may be especially beneficial to the company during periods of recession. Between 1999 and 2010, total sales by foreign affiliates in professional, scientific, and technical services grew at an average annual rate of nearly 10 percent. In comparison, total sales for all foreign affiliates grew at an average annual rate of 6.1 percent.

Growth in the operations of foreign affiliates in professional, scientific, and technical services has been particularly strong in India. From 1999 to 2010, value added in India grew at an average annual rate of more than 40 percent, with the majority of the growth occurring after 2004. Factors contributing to this growth include a common language with the United States and favorable changes in the business climate. Since the 1970s, India has liberalized its economy, making it more open to foreign direct investment.¹⁷ Furthermore, the Indian government has increased patent protection rights, instituted several tax incentives to encourage R&D, and established several research and technology centers. In addition, India has a growing skilled workforce whose unit labor costs for certain services are much lower than those in the United States. For example, in 2004–2005, Indian information technology engineers earned a fraction of the annual salary of their U.S. counterparts.¹⁸

In addition to using foreign affiliates to support the operations of other parts of the MNC, U.S. MNCs also use foreign affiliates to deliver services to unaffiliated customers in the United States and abroad. In 2010, foreign affiliates in professional, scientific, and technical services supplied \$140.3 billion in services to unaffiliated customers in U.S. and foreign markets. More than 90 percent of these sales were to unaffiliated persons in the local market of the foreign affiliate. Affiliates in Europe and Japan accounted for more than half of these sales in the local market, particularly for computer systems design and related services.

Selected Aspects of MNC Operations

U.S. trade in goods

U.S. MNCs account for a large share of U.S. trade in goods. As global firms, MNCs sometimes export to send final goods to foreign markets or import to bring final goods to the U.S. market. In addition, they sometimes export and import as part of their global produc-

tion processes in which different stages of production are done at home and abroad.¹⁹ In this section, trade between U.S. parents and their foreign affiliates is referred to as intra-MNC trade; trade between U.S. parent companies and foreigners other than their own foreign affiliates and trade between foreign affiliates and U.S. residents other than their own parents is referred to as “MNC trade with others.” U.S. MNC-associated trade in goods consists of all U.S. exports and U.S. imports of goods that involve U.S. parents or their foreign affiliates.

In 2010, MNC-associated U.S. exports of goods increased 6.7 percent to \$615.3 billion, and exports of goods by all U.S. businesses increased 21.0 percent to \$1,278.3 billion (table 6 and chart 3). As a result, the

19. For further information, see Maria Borga and William J. Zeile, “International Fragmentation of Production and the Intrafirm Trade of U.S. Multinational Companies,” BEA Working Paper WP2004-02 (2004); www.bea.gov/papers/working_papers.htm.

Table 6. U.S. Trade in Goods Associated with U.S. Multinational Companies (MNCs), 2008, 2009, and 2010

	[Millions of dollars]		
	2008	2009	2010
MNC-associated U.S. exports, total	597,458	576,881	615,345
Intra-MNC trade	227,586	207,479	229,692
Shipped by U.S. parents to their MOFAs	214,116	181,594	203,878
Shipped by U.S. parents to their other foreign affiliates ¹	13,470	25,885	25,814
MNC trade with others	369,872	369,402	385,653
Shipped by U.S. parents to foreigners other than their own affiliates	326,072	327,930	343,602
Of which:			
Shipped by U.S. parents to their foreign parent groups ²	49,061	58,338	53,703
Shipped to foreign affiliates by U.S. persons other than their own parents	43,800	41,472	42,051
To MOFAs	43,800	37,748	42,051
To other foreign affiliates ³	n.a.	3,724	n.a.
MNC-associated U.S. imports, total	770,815	726,184	810,474
Intra-MNC trade	272,604	233,578	262,711
Shipped by MOFAs to their U.S. parents	257,620	215,502	245,503
Shipped by other foreign affiliates to their U.S. parents ¹	14,984	18,076	17,208
MNC trade with others	498,211	492,606	547,763
Shipped to U.S. parents by foreigners other than their own affiliates	436,102	445,943	500,687
Of which:			
Shipped to U.S. parents by their foreign parent groups ²	125,901	170,073	180,610
Shipped by foreign affiliates to U.S. persons other than their own parents	62,109	46,663	47,076
By MOFAs	57,902	42,556	47,076
By other foreign affiliates ³	4,207	4,107	n.a.
Addenda:			
All U.S. exports of goods	1,287,442	1,056,043	1,278,263
U.S.-MNC-associated U.S. exports as a percentage of total	46.4	54.6	48.1
Intra-U.S.-MNC exports as a percentage of total	17.7	19.6	18.0
All U.S. imports of goods	2,103,641	1,559,625	1,913,160
U.S.-MNC-associated U.S. imports as a percentage of total	36.6	46.6	42.4
Intra-U.S.-MNC imports as a percentage of total	13.0	15.0	13.7

1. This number is calculated as total exports (imports) between U.S. parents and all of their foreign affiliates (as reported for U.S. parents) less exports (imports) between U.S. parents and MOFAs (as reported for MOFAs).

2. Pertains to U.S. parents that are, in turn, owned 10 percent or more by a foreign person. The foreign parent group consists of (1) the foreign parent of the U.S. parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the person below it, 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.

3. This number is calculated as total exports (imports) associated with other (that is, minority-owned and 50-percent owned) foreign affiliates (as reported for affiliates) less the estimate of exports (imports) between U.S. parents and other foreign affiliates that are calculated as described in footnote 1. However, these estimates may be imprecise because of differences in the coverage of the data reported for U.S. parents and for foreign affiliates. No estimates for 2010 and 2008 (exports) can be made because the differences were especially large in those years.

MOFA Majority-owned foreign affiliate

n.a. Not available.

17. Jakob B. Madsen, Shishir Saxena, and James B. Ang, “The Indian Growth Miracle and Endogenous Growth,” *Journal of Development Economics* 93, no. 1 (September 2010): 37–48.

18. See *Offshoring: U.S. Semiconductor and Software Industries Increasingly Produce in China and India*, GAO-06-423 (Washington, DC: U.S. Government Accountability Office, September 7, 2006): 17, 34. This report is available on the Web at www.gao.gov/products/GAO-06-423.

MNC-associated share of total U.S. exports of goods decreased, falling to 48.1 percent in 2010 from 54.6 percent in 2009 and 46.4 percent in 2008. The rise and subsequent fall in the U.S. MNC share suggests that U.S. MNC-associated trade, particularly intra-MNC trade, is less sensitive to cyclical economic fluctuations than unaffiliated trade. The increase in MNC-associated exports of goods reflected increases in both intra-MNC trade and “MNC trade with others.” Intra-MNC exports increased 10.7 percent to \$229.7 billion, while MNC exports to others increased 4.4 percent to \$385.7 billion.

In 2010, MNC-associated U.S. imports of goods increased 11.6 percent to \$810.5 billion, and imports of goods by all U.S. businesses increased 22.7 percent to \$1,913.2 billion. As a result, the MNC-associated share of total U.S. imports of goods fell to 42.4 percent in 2010 from 46.6 percent in 2009 and 36.6 percent in 2008. Imports in petroleum-related manufacturing were a significant contributor to MNC imports; they increased more than 25 percent in 2010 and accounted for more than 10 percent of the 2010 increase in total U.S. imports of goods. The increase in MNC-associated imports of goods reflected increases in both intra-MNC trade and “MNC trade with others.” Intra-MNC imports increased 12.5 percent to \$262.7 billion, and MNC imports from others increased 11.2 percent to \$547.8 billion.

Research and development

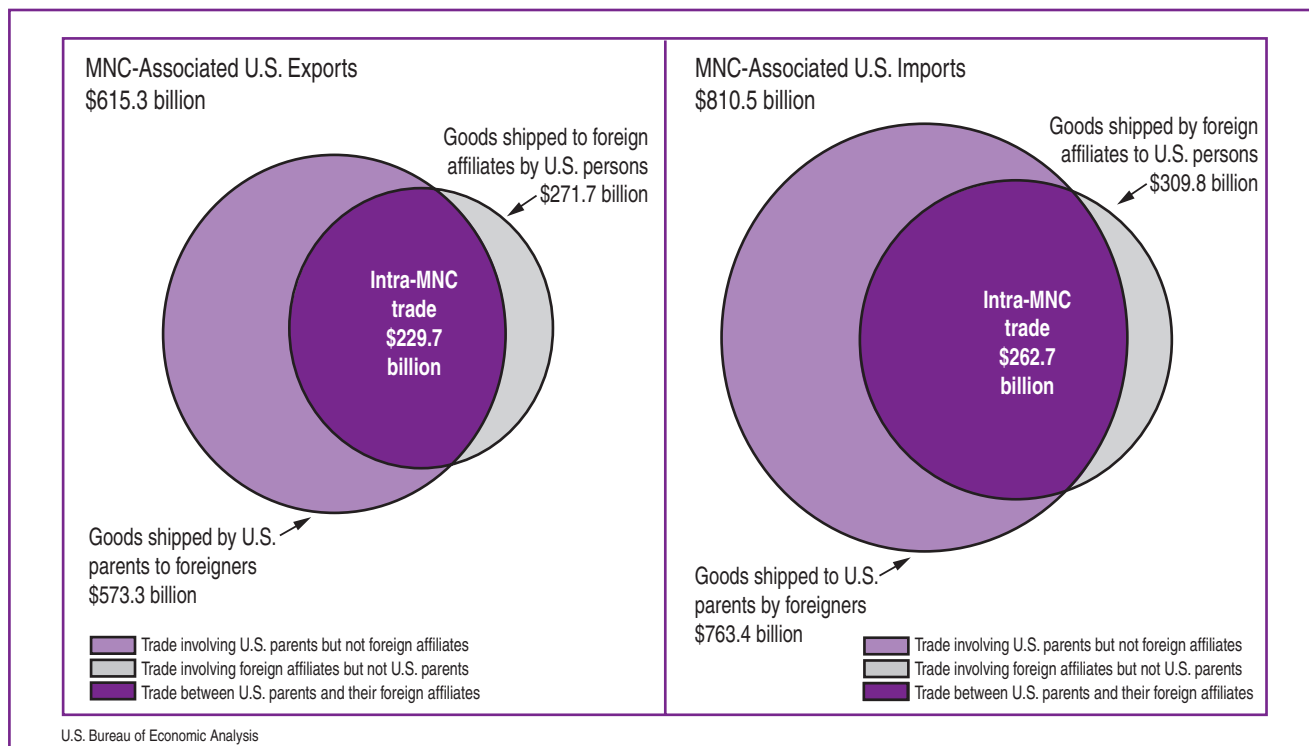
U.S. MNCs conduct research and development (R&D) to generate innovations in their products and processes to raise their productivity and to expand the global scope of their operations.²⁰ R&D expenditures of U.S. MNCs increased 2.2 percent to \$252.0 billion in 2010 from \$246.5 billion in 2009 (table 2).

In 2010, R&D expenditures by U.S. parents increased 2.5 percent to \$212.5 billion from \$207.3 billion in 2009 (table 3). By industry, R&D expenditures by U.S. parents were concentrated in three industry sectors—manufacturing (\$161.2 billion), information (\$22.2 billion), and professional, scientific, and technical services (\$17.6 billion).

R&D expenditures of foreign affiliates increased 0.7 percent to \$39.5 billion in 2010, up from \$39.2 billion in 2009 (table 4). Over the last decade, R&D performed by foreign affiliates grew faster than R&D performed by U.S. parents; the faster growth partly reflects increases in scientific and technological resources in foreign countries, such as expanded and improved technical education, and MNCs’ need for locally designed products for large emerging foreign

20. See Stephen R. Yeaple, “Firm Heterogeneity and the Structure of U.S. Multinational Activity: An Empirical Analysis,” *Journal of International Economics* 78, no. 2 (July 2009): 206–215 and Elhanan Helpman, Marc J. Melitz and Stephen R. Yeaple, “Export versus FDI with Heterogeneous Firms,” *American Economic Review* 94, no. 1 (March 2004): 300–316.

Chart 3. Distribution of U.S. Trade in Goods Associated with U.S. MNCs in 2010



markets, such as Brazil, China, and India. More than 60 percent of R&D expenditures were accounted for by Europe, where R&D expenditures were concentrated in a small number of technologically advanced host countries, including Germany and the United Kingdom.

In Asia and Pacific, R&D expenditures of foreign affiliates increased 6.2 percent to \$8.3 billion in 2010; more than half of the increase was accounted for by India. R&D expenditures in India increased 19.4 percent to \$1.6 billion.

In Latin America and Other Western Hemisphere, R&D expenditures of foreign affiliates increased 33.0 percent to \$1.9 billion in 2010, mainly in Brazil. In Brazil, the increase in R&D expenditures was led by transportation equipment manufacturing. The increase in transportation equipment manufacturing R&D expenditures partly reflected companies' efforts to develop and improve flexible fuel vehicles, which accounted for more than 90 percent of all new cars and light vehicles sold in Brazil.²¹

Additional detail on R&D by U.S. MNCs. Beginning with data for 2004, BEA, the National Science Foundation (NSF), and the U.S. Census Bureau, which conducts an R&D survey on behalf of NSF, have been conducting a project linking data from BEA and NSF surveys to provide a more complete picture of R&D associated with U.S. and foreign MNCs. An NSF *Info-Brief* summarizing the initial results of the link, covering 2004–2007, was released in September.²² That

21. For more information, see the United Nations Inter-Agency Mechanism on Energy, "Ethanol fuel in Brazil" (January 8, 2011); www.un-energy.org/stories/38-ethanol-fuel-in-brazil.

22. Francisco Moris, "Project Linking Multi-Agency Surveys Produces New Findings on R&D by Multinational Companies," National Science Foundation *Info Brief* NSF 12–332 (September 2012); www.nsf.gov/statistics/infbrief/nsf12332/nsf12332.pdf.

publication provides summary data on the types of R&D conducted by MNCs (basic research, applied research, and development). Additional details, including the location by state of R&D conducted in the United States, are presented in an associated NSF publication.²³

Real value added in manufacturing

In addition to the current-dollar estimates of value added of foreign affiliates, BEA prepares estimates of real value added of foreign affiliates in manufacturing. These estimates, which remove the effects of changes in prices and exchange rates, provide meaningful comparisons of value added for foreign affiliates across countries and over time. Comparisons across countries are improved because the estimates in real terms are based on purchasing power parity (PPP) exchange rates rather than on market exchange rates.²⁴ Comparisons over time are improved because the estimates are denominated in chained (2005) dollars that account for both changes in prices and changes in the industry mix of production by manufacturing affiliates. The

23. Francisco Moris, "International Investment and R&D Data Link: 2004–2007," National Science Foundation: Detailed Statistical Tables NSF 12–327 (September 2012); www.nsf.gov/statistics/nsf12327.

24. To translate the value-added estimates that are denominated in foreign currencies into U.S. dollars for international comparisons, PPP exchange rates generally are preferable because they approximate the number of foreign currency units required in a foreign country to buy the goods and services that are equivalent to those that can be bought in the United States with one U.S. dollar. A distinguishing feature of PPP exchange rates is that they are based on the prices of all goods and services produced or sold in a country, both those that are traded internationally and those that are not. For details about the original methodology used to derive the estimates of real value added, see Raymond J. Mataloni Jr., "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," *SURVEY 77* (April 1997): 8–17. The original methodology was significantly improved in 2006 when the industry detail of the producer price indexes used for deflation was increased from 6 manufacturing industries to 22 manufacturing industries.

Revisions

The statistics on MNC operations in 2010 are preliminary. The employment and sales statistics replace the advance summary statistics that were issued in the BEA news release "Summary Estimates for Multinational Companies: Employment, Sales, and Capital Expenditures for 2010" on April 18, 2012. From the advance to the preliminary statistics, employment was revised down 0.3 percent, and sales were revised down 0.7 percent.

The final statistics on MNC operations in 2009 are also presented. The final statistics on employment and sales replace the advance summary statistics in the April 18, 2012 news release and the preliminary statistics that were published in the November 2011 *SURVEY OF CURRENT BUSINESS* article, "Operations of U.S. Multinational Compa-

nies in the United States and Abroad: Preliminary Results From the 2009 Benchmark Survey." From the advance statistics to the final statistics, employment was revised down 0.2 percent, and sales were revised down 0.1 percent. From the preliminary statistics to the final statistics, employment was revised down 0.6 percent, and sales were revised down 0.4 percent.

In addition to the statistics on the levels of U.S. MNC employment and sales, the April 18, 2012, news release included the 2009 to 2010 growth rates. These growth rates were revised as a result of the revisions to the levels of the 2009 and 2010 statistics; employment growth was revised down less than 0.1 percent, and sales growth was revised down 0.6 percent.

real value-added estimates are available only for manufacturing because the required source data are not available for other industries.

The real value added of foreign affiliates in manufacturing increased 6.7 percent to \$481.0 billion in 2010 (table 7). The 29 countries for which estimates are separately available accounted for 76.5 percent of the total value added of foreign affiliates in manufacturing. The real value added of manufacturing affiliates in these countries increased 2.4 percent to \$368.1 billion, while total manufacturing production in these countries increased 7.3 percent (chart 4). The real value-added increases in manufacturing reflected increases in Ireland, Canada, and China. In Ireland, real value added of foreign affiliates increased \$5.9 billion to \$30.7 billion; changes in the current-dollar value-added estimates suggest that this increase was mainly in computers and electronic products manufacturing. In Canada, real value added increased \$5.1 billion to \$43.0 billion, primarily in paper and petroleum-related manufacturing. In China, real value added increased \$3.1 billion to \$42.7 billion, reflecting increases

Chart 4. Real Value Added of MOFAs in Manufacturing and Industrial Production in 29 Selected Countries, 1999–2010

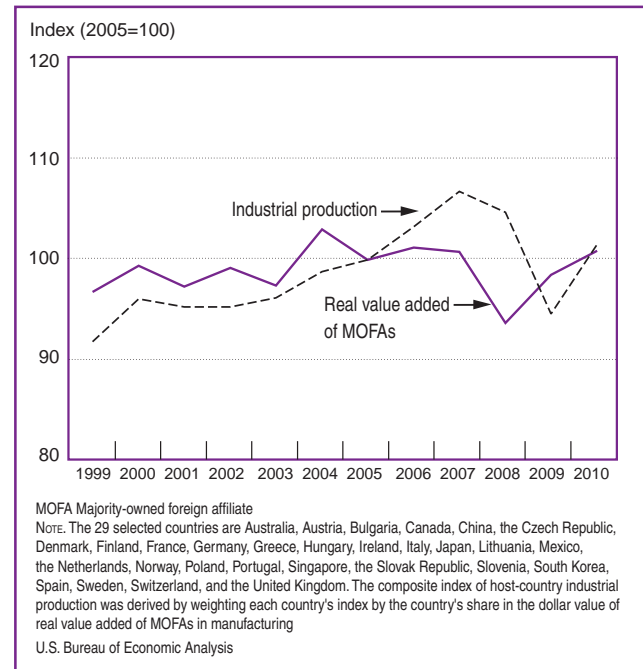


Table 7. Real Value Added by Majority-Owned Foreign Affiliates in Manufacturing by Country, 1999–2010

	Billions of chained (2005) dollars											
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
All countries	393.8	408.7	399.1	404.7	404.2	437.9	435.2	448.9	462.8	447.1	450.8	481.0
29 selected countries	352.8	362.4	354.8	361.8	355.4	375.7	364.8	369.1	367.7	341.9	359.5	368.1
Australia	8.7	9.6	10.0	8.9	9.0	9.9	9.8	10.0	9.8	9.2	9.2	8.8
Austria	2.3	2.3	2.2	2.0	1.7	2.1	2.3	2.5	2.7	2.5	2.6	2.9
Bulgaria	(*)	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.2
Canada	60.4	62.8	58.7	57.3	56.8	59.0	48.7	47.5	44.0	40.8	37.9	43.0
China	8.1	11.0	11.7	13.9	15.9	20.2	26.9	29.2	30.4	32.0	39.6	42.7
Czech Republic	2.5	2.6	3.1	3.1	3.0	3.9	4.0	3.8	4.4	4.4	4.6	4.8
Denmark	1.3	1.3	1.0	1.3	1.0	0.9	1.2	1.2	1.4	1.2	1.0	1.1
Finland	0.9	1.0	0.9	0.8	0.6	1.1	1.1	1.2	1.3	1.2	1.2	1.2
France	27.2	27.0	27.0	26.6	25.7	25.1	25.4	24.3	23.3	21.5	22.7	22.4
Germany	56.8	46.3	45.6	44.5	39.3	47.2	47.1	48.4	47.8	44.7	44.4	43.3
Greece	0.7	0.7	0.6	0.6	0.7	2.3	2.6	2.5	2.6	2.6	2.6	2.6
Hungary	2.1	2.3	2.0	2.7	2.2	1.8	2.4	2.8	4.1	3.5	4.8	3.6
Ireland	14.8	16.7	17.9	23.1	21.3	20.7	21.7	22.9	22.0	21.2	24.8	30.7
Italy	24.3	23.2	24.3	22.8	21.2	20.3	18.8	17.3	16.0	13.8	14.1	13.4
Japan	10.1	14.4	17.7	15.7	15.9	15.3	8.0	8.3	8.3	7.7	13.2	13.6
Lithuania	0.2	0.4	0.4	0.3	0.2	0.3	0.3	0.4	0.2	0.1	0.1	0.2
Mexico	22.6	24.2	23.8	24.6	25.4	23.3	22.2	23.0	22.9	23.2	22.6	24.1
Netherlands	15.9	16.1	15.7	16.2	15.1	15.7	17.7	14.9	13.8	13.8	14.3	10.9
Norway	1.9	2.0	2.1	1.9	1.8	1.9	2.3	1.7	1.9	1.8	3.0	3.1
Poland	2.4	4.3	4.9	5.4	6.2	7.4	7.5	8.4	8.6	8.6	7.1	7.5
Portugal	1.6	3.9	3.7	3.8	3.7	3.6	3.3	3.5	3.4	1.1	1.3	1.3
Singapore	9.8	14.0	9.5	11.0	13.1	15.2	11.1	15.1	16.2	15.2	18.7	13.7
Slovak Republic	0.3	0.2	1.1	1.7	1.8	2.1	2.1	2.5	2.0	1.5	1.0	1.4
Slovenia	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2
South Korea	2.4	3.4	3.1	4.4	4.3	5.3	6.0	6.9	7.5	7.1	5.9	7.1
Spain	10.9	10.9	10.9	11.0	10.4	10.1	10.4	10.6	11.3	9.0	8.0	10.2
Sweden	3.0	3.8	3.7	3.8	4.9	5.6	4.6	5.1	4.9	3.3	2.1	2.4
Switzerland	3.4	4.1	2.4	2.7	2.9	3.7	4.3	5.5	7.8	8.0	8.0	8.1
United Kingdom	58.2	53.6	50.2	51.4	50.8	51.2	52.5	49.1	48.7	42.4	44.4	43.7
All other countries	42.7	46.4	45.0	44.5	50.3	62.3	70.5	79.2	95.8	105.5	93.4	113.5
Residual ¹	-1.8	-0.2	-0.5	-1.7	-1.4	0.0	-0.1	0.5	-0.7	-0.2	-2.2	-0.7

* Less than \$500,000

1. Because the formula for the chain-type quantity indexes uses weights of more than one period,

the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

in all major manufacturing groups except computers and electronic products and electrical equipment, appliances, and components. Overall, China's share of real value added in 2010 was the 4th highest of the 29 selected countries after the United Kingdom, Germany, and Canada, up from the 12th highest in 1999.

The real value added of foreign affiliates in all other countries increased 21.5 percent to \$113.5 billion. Based on the current-dollar value-added estimates and the market-exchange-rate-based estimates, the increase was led by affiliates in Latin America and Other Western Hemisphere.

Conclusion

Each year, the Bureau of Economic Analysis conducts a survey of the operations of U.S. parent companies and their foreign affiliates. The most recent results show that the production of goods and services of U.S. MNCs, as measured by value added, grew in 2010, reflecting renewed economic growth in the United States and in many foreign host countries. Growth in production at home was widespread by industry, but it was most rapid in petroleum-related industries and in finance. Growth in production abroad was widespread by area, except Europe, but it was most rapid in less developed countries, particularly in big emerging markets such as Brazil, China, and India.

Data Availability

The final statistics on the worldwide operations of U.S. multinational companies (MNCs) for 2009 and the preliminary statistics for 2010 are presented in this article. The statistics are based on the 2009 benchmark survey and the 2010 annual survey of U.S. direct investment abroad. More detailed statistics are available on BEA's Web site.

The final statistics on the operations of U.S. MNCs for 1977 and for 1982–2009 are available in publications or in data files that can be downloaded free of charge from the BEA Web site at www.bea.gov. For more information about these products and how to obtain them, go to www.bea.gov, click on "International," and under "Direct Investment and Multinational Companies," click on "International Economics Directorate Product Guide." The statistics are available under "Operations of U.S. Parent Companies and their Foreign Affiliates."

BEA has a free service on its Web site that allows users to interactively access detailed statistics on the operations of U.S. multinational companies, on the operations of foreign-owned companies in the United States, and on other aspects of U.S. direct investment abroad and foreign direct investment in the United States. For an introductory guide to this service, see Ned G. Howenstine, "Primer: Accessing BEA Direct Investment Data Interactively," *SURVEY OF CURRENT BUSINESS* 86 (May 2006): 61–64.

Tables 8.1 to 12.2 follow.

Table 8.1. Selected Statistics for U.S. Parents by Industry of U.S. Parent, 2009

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	R&D expenditures	Value added	Compensation of employees	
		Total	Goods supplied	Services supplied	Other ¹						
All industries	27,630,675	9,208,797	5,216,070	3,313,413	679,314	622,375	431,796	207,297	2,595,776	1,590,589	22,932.7
Mining	416,056	108,028	79,035	28,970	23	11,518	35,870	560	76,139	18,647	187.0
Oil and gas extraction	242,596	49,845	(D)	(D)	2	204	24,444	(D)	40,951	4,671	36.6
Other	173,460	58,183	(D)	(D)	21	11,314	11,427	(D)	35,188	13,976	150.4
Manufacturing	5,881,359	3,656,719	3,364,779	252,520	39,420	354,420	149,646	157,731	1,034,139	591,953	6,864.3
Food	398,530	403,193	389,937	(D)	(D)	26,792	12,125	1,927	79,682	41,431	711.7
Beverages and tobacco products	230,397	97,559	95,086	(D)	(D)	16,275	3,179	338	52,779	14,962	186.1
Textiles, apparel, and leather products	22,942	21,371	20,664	708	0	235	348	182	5,252	4,252	87.3
Wood products	12,456	11,621	(D)	(D)	0	133	148	80	2,556	1,992	40.1
Paper	128,133	81,953	80,646	1,136	171	3,176	1,939	1,069	32,748	17,390	206.3
Printing and related support activities	25,953	25,056	22,856	2,201	0	424	448	133	10,157	7,488	105.0
Petroleum and coal products	845,397	753,201	714,883	(D)	(D)	41,863	40,042	2,924	108,893	38,394	318.3
Chemicals	1,224,438	529,218	518,124	10,598	496	106,986	18,106	47,244	201,117	93,429	799.0
Basic chemicals	132,137	84,702	84,223	479	1	1,084	3,701	913	19,385	9,518	96.6
Resins and synthetic rubber, fibers, and filaments	114,228	51,033	48,890	(D)	(D)	2,413	2,217	2,721	10,451	7,897	79.9
Pharmaceuticals and medicines	770,767	277,148	270,192	(D)	(D)	78,416	8,171	39,576	116,749	56,388	397.5
Soap, cleaning compounds, and toilet preparations	114,567	58,865	57,956	909	0	18,375	2,141	(D)	29,767	8,769	100.9
Other	92,739	57,469	56,863	607	0	6,697	1,876	(D)	24,765	10,857	124.1
Plastics and rubber products	97,086	79,686	75,046	4,640	0	2,363	2,321	1,109	24,001	17,015	276.2
Nonmetallic mineral products	62,817	34,656	33,973	682	0	-1,673	2,450	388	10,951	8,434	107.8
Primary and fabricated metals	201,623	141,813	139,271	(D)	(D)	-4,789	4,316	1,217	32,287	28,380	363.9
Primary metals	132,115	90,049	88,722	1,326	1	-6,976	3,117	453	16,943	17,156	208.4
Fabricated metal products	69,508	51,764	50,549	(D)	(D)	2,187	1,199	764	15,344	11,224	155.5
Machinery	325,683	189,351	171,419	(D)	(D)	8,047	6,207	6,743	55,685	42,255	507.6
Agriculture, construction, and mining machinery	148,057	76,216	69,344	(D)	(D)	4,573	2,760	2,330	17,287	13,627	140.4
Industrial machinery	67,604	28,559	(D)	(D)	0	499	1,075	1,690	7,762	6,510	100.8
Other	110,022	84,577	(D)	9,978	(D)	2,975	2,372	2,724	30,635	22,118	266.4
Computers and electronic products	624,064	366,908	316,731	(D)	(D)	22,476	14,692	35,823	129,234	87,151	891.6
Computers and peripheral equipment	155,885	122,018	98,138	23,880	0	15,284	4,876	6,717	34,680	21,985	254.4
Communications equipment	116,822	55,814	49,436	6,378	(D)	5,363	1,575	7,991	24,221	15,232	110.6
Audio and video equipment	(D)	(D)	(D)	(D)	0	(D)	174	(D)	1,414	(D)	21.2
Semiconductors and other electronic components	198,487	95,878	94,153	(D)	(D)	-3,545	6,604	12,893	33,068	22,959	217.9
Navigational, measuring, and other instruments	143,281	86,148	68,528	(D)	(D)	6,293	1,454	7,557	35,848	25,246	287.0
Magnetic and optical media	(D)	(D)	(D)	(D)	0	(D)	9	(D)	3	(D)	0.5
Electrical equipment, appliances, and components	147,960	90,057	87,184	2,874	0	7,369	2,917	3,040	25,742	18,700	263.5
Transportation equipment	1,315,365	725,288	586,203	103,151	35,933	118,721	36,490	48,960	220,044	141,594	1,620.3
Motor vehicles, bodies and trailers, and parts	525,989	320,829	285,665	(D)	(D)	96,444	25,313	10,316	69,206	36,440	584.6
Other	789,376	404,459	300,538	(D)	(D)	22,278	11,176	38,643	150,839	105,154	1,035.7
Furniture and related products	17,495	18,016	17,203	(D)	(D)	-21	229	237	5,076	4,543	79.1
Miscellaneous manufacturing	201,019	87,770	(D)	(D)	0	6,043	3,691	6,317	37,663	24,543	300.7
Wholesale trade	819,766	1,109,793	886,455	(D)	(D)	13,515	27,939	6,440	124,443	77,592	1,065.4
Professional and commercial equipment and supplies	57,616	66,658	49,865	16,793	0	-640	872	1,173	9,940	8,304	103.2
Petroleum and petroleum products	43,236	84,292	75,717	8,576	0	948	5,612	(D)	5,892	2,227	24.9
Drugs and druggists' sundries	109,761	343,987	297,929	46,059	0	4,812	935	1,322	14,514	8,253	112.6
Other	609,153	614,856	462,945	(D)	(D)	8,395	20,521	(D)	94,087	58,808	824.7
Retail trade	516,337	930,573	653,394	(D)	(D)	33,544	19,120	(D)	238,585	122,884	4,349.7
General merchandise stores	216,270	471,922	349,723	(D)	(D)	17,592	8,138	0	113,033	57,455	2,177.7
Clothing and clothing accessories stores	46,760	68,840	40,250	(D)	(D)	3,898	2,035	8	25,886	12,708	635.9
Other	253,307	389,811	263,421	(D)	(D)	12,053	8,947	(D)	99,666	52,722	1,536.1
Information	1,517,745	708,959	(D)	626,101	(D)	51,380	57,556	21,035	287,628	138,367	1,711.5
Publishing industries	250,322	131,205	(D)	74,174	(D)	11,814	5,199	14,456	58,165	39,615	363.1
Motion picture and sound recording industries	71,098	37,506	(D)	(D)	0	-1,372	1,031	(D)	4,369	4,487	63.1
Broadcasting (except Internet) and telecommunications	986,292	428,413	2,888	425,037	488	31,235	47,236	1,128	181,647	66,875	929.4
Broadcasting (except Internet)	249,675	106,060	(D)	103,274	(D)	3,046	4,021	(D)	39,219	16,434	199.5
Telecommunications	736,617	322,353	(D)	321,763	(D)	28,189	43,216	(D)	142,428	50,441	729.9
Data processing, hosting, and related services	47,931	48,319	(D)	(D)	(D)	1,749	1,235	750	13,639	9,052	119.9
Other information services	162,102	63,515	(D)	62,886	(D)	7,953	2,855	(D)	29,809	18,338	236.0
Finance and insurance	16,251,822	1,509,372	5,903	903,567	599,903	72,119	41,289	186	260,120	273,073	2,489.7
Depository credit intermediation (banking)	6,661,763	466,971	0	328,061	138,910	17,791	8,625	0	104,434	113,908	1,175.0
Finance, except depository institutions	4,560,420	291,898	(D)	201,751	(D)	31,241	21,094	(D)	88,285	79,335	516.2
Insurance carriers and related activities	5,029,639	750,503	(D)	373,754	(D)	23,087	11,570	(D)	67,402	79,831	798.4
Professional, scientific, and technical services	459,879	307,770	22,010	283,099	2,661	46,558	7,793	15,931	177,549	122,386	1,254.1
Architectural, engineering, and related services	39,407	54,763	(D)	46,281	(D)	1,999	538	42	23,604	20,876	204.1
Computer systems design and related services	216,314	115,677	(D)	101,001	(D)	23,481	4,092	10,134	67,047	44,201	417.9
Management, scientific, and technical consulting	26,432	15,977	1	(D)	(D)	1,113	336	71	11,044	9,575	67.6
Advertising and related services	74,248	21,829	0	(D)	(D)	-2,181	471	1	12,035	8,596	86.1
Other	103,478	99,524	(D)	98,510	(D)	22,146	2,356	5,683	63,819	39,138	478.4
Other industries	1,767,710	877,582	(D)	742,367	(D)	39,322	92,582	(D)	397,183	245,686	5,011.1
Agriculture, forestry, fishing, and hunting	6,378	9,338	9,313	25	0	-178	198	(D)	2,192	1,839	54.2
Construction	48,173	73,085	71,813	(D)	(D)	993	1,116	4	22,088	19,028	228.6
Utilities	470,201	173,914	(D)	154,070	(D)	16,378	31,374	6	61,955	17,278	157.8
Transportation and warehousing	416,760	234,784	4,691	229,744	349	8,888	22,900	68	106,120	67,900	1,013.4
Real estate and rental and leasing	194,572	64,186	1,520	58,679	3,987	-2,765	22,150	(D)	34,487	16,013	230.0
Management of nonbank companies and enterprises	153,262	1,034	(D)	(D)	1	-842	268	0	-1,271	213	2.4
Administration, support, and waste management	154,057	126,223	(D)	115,579	(D)	6,123	5,243	(D)	59,080	48,237	1,036.4
Health care and social assistance	54,726	55,282	(D)	(D)	4	2,868	1,578	(D)	31,826	23,440	445.3
Accommodation and food services	167,018	87,018	(D)	78,241	(D)	7,517	3,519	37	52,654	32,349	1,344.6
Miscellaneous services	102,564	52,718	3,098	49,620	0	340	4,234	344	28,052	19,390	498.3

* Less than \$500,000 (+/-).

D Suppressed to avoid disclosure of data of individual companies.

1. "Other" consists largely of investment income that is included in "sales or gross operating revenues" in the income statement. In finance and insurance, investment income is included in sales because it is generated by a primary activity of the company. For insurance, "other" consists of investment income remaining after BEA's estimate of investment income earned on funds insurers hold on behalf of policyholders is

removed (and included in the services supplied measure) plus the portion of premiums set aside for the settlement of expected or "normal" losses. For banks, "other" consists of the investment income remaining after BEA's estimate of the value of implicit services provided by banks is excluded (and included in services supplied). In industries other than finance and insurance, investment income is generally considered to be an incidental revenue source; this income is included in the income statement in a separate "other income" category, but is not included in sales or in this column.

Table 8.2. Selected Statistics for U.S. Parents by Industry of U.S. Parent, 2010

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	R&D expenditures	Value added	Compensation of employees	
		Total	Goods supplied	Services supplied	Other ¹						
All industries	29,508,242	9,772,683	5,623,460	3,493,313	655,910	892,071	438,327	212,513	2,885,927	1,612,953	22,819.8
Mining	466,164	125,960	93,530	(D)	(D)	34,567	35,430	554	75,306	19,548	204.3
Oil and gas extraction	276,934	60,181	57,065	3,114	1	17,837	26,391	8	39,981	4,961	37.8
Other	189,230	65,779	36,465	(D)	(D)	16,730	9,039	546	35,326	14,586	166.5
Manufacturing	6,110,816	4,022,457	3,726,196	251,719	44,541	406,558	152,010	161,230	1,131,725	597,515	6,919.3
Food	453,818	417,326	407,258	(D)	(D)	35,590	13,286	2,219	93,621	45,659	822.3
Beverages and tobacco products	233,389	85,543	84,403	(D)	(D)	20,767	3,030	313	49,314	11,586	129.4
Textiles, apparel, and leather products	27,142	23,595	22,297	1,298	0	960	449	217	6,965	4,588	93.7
Wood products	11,421	11,329	11,023	(D)	(D)	152	215	87	2,527	2,035	36.0
Paper	130,651	90,185	88,390	1,471	324	13,145	2,300	1,176	30,780	17,624	203.8
Printing and related support activities	28,368	24,963	23,349	1,615	0	1,495	553	74	10,785	6,495	106.2
Petroleum and coal products	939,744	925,765	891,890	(D)	(D)	62,387	47,434	3,431	133,301	38,677	299.5
Chemicals	1,235,731	569,927	558,164	11,004	759	104,212	16,985	49,866	194,186	94,161	798.4
Basic chemicals	130,327	104,246	103,787	(D)	(D)	16,771	3,395	1,000	20,911	10,272	98.0
Resins and synthetic rubber, fibers, and filaments	117,701	56,786	56,038	(D)	(D)	6,870	2,196	3,233	13,421	8,163	75.5
Pharmaceuticals and medicines	776,536	284,850	276,424	(D)	(D)	56,739	7,390	41,616	112,199	55,526	385.4
Soap, cleaning compounds, and toilet preparations	114,655	60,006	59,176	831	0	18,158	1,907	1,936	28,611	9,038	108.8
Other	96,513	64,039	62,740	1,299	0	5,672	2,097	2,081	19,043	11,163	130.7
Plastics and rubber products	104,549	92,210	86,065	6,145	0	4,567	2,526	1,250	27,089	17,514	284.2
Nonmetallic mineral products	55,688	33,211	32,503	708	0	1,066	1,747	383	10,332	7,208	94.2
Primary and fabricated metals	201,994	160,049	157,158	(D)	(D)	5,231	3,899	1,165	43,059	28,047	361.8
Primary metals	135,744	109,470	107,386	(D)	(D)	2,250	2,809	481	27,867	17,851	211.0
Fabricated metal products	66,250	50,579	49,772	807	0	2,982	1,091	684	15,192	10,196	150.8
Machinery	348,501	209,562	187,762	19,238	2,562	16,898	6,344	7,730	62,503	41,249	531.2
Agriculture, construction, and mining machinery	153,665	83,804	75,215	(D)	(D)	8,351	2,859	2,814	21,776	14,021	144.7
Industrial machinery	177,230	39,347	(D)	(D)	0	3,698	1,179	1,999	12,181	6,671	106.4
Other	117,605	86,411	(D)	10,623	(D)	4,848	2,306	2,917	28,546	20,557	280.1
Computers and electronic products	645,820	399,184	347,278	(D)	(D)	69,840	14,342	34,451	156,667	86,919	884.6
Computers and peripheral equipment	136,853	123,556	97,740	25,817	0	25,752	4,368	4,919	36,560	19,960	248.5
Communications equipment	127,024	58,154	(D)	(D)	0	10,076	1,436	7,876	27,378	13,469	102.4
Audio and video equipment	(D)	(D)	(D)	(D)	0	370	187	(D)	(D)	(D)	21.2
Semiconductors and other electronic components	222,694	115,993	115,241	(D)	(D)	24,009	6,641	13,642	51,464	25,146	219.7
Navigational, measuring, and other instruments	149,233	93,647	76,047	(D)	(D)	9,630	1,700	7,309	39,307	26,580	292.2
Magnetic and optical media	(D)	(D)	(D)	79	0	3	9	(D)	(D)	(D)	0.5
Electrical equipment, appliances, and components	149,642	88,576	87,209	1,367	0	10,166	2,582	2,999	28,090	18,320	239.1
Transportation equipment	1,301,345	773,737	629,606	104,642	39,489	49,245	32,661	48,622	232,683	145,930	1,646.2
Motor vehicles, bodies and trailers, and parts	502,318	378,132	347,105	(D)	(D)	21,510	22,317	12,385	83,823	38,176	606.5
Other	799,027	395,605	282,501	(D)	(D)	27,736	10,344	36,237	148,861	107,754	1,039.6
Furniture and related products	18,243	17,980	17,186	(D)	(D)	-802	307	217	5,143	4,522	75.3
Miscellaneous manufacturing	224,770	99,314	94,655	(D)	(D)	11,639	3,349	7,029	44,681	26,980	313.5
Wholesale trade	951,396	1,170,177	905,798	(D)	(D)	32,992	29,010	6,056	144,511	80,345	1,096.6
Professional and commercial equipment and supplies	66,791	76,489	55,737	20,753	0	1,587	975	1,632	12,577	9,157	110.0
Petroleum and petroleum products	49,725	87,287	79,774	7,513	0	1,039	5,946	(D)	5,045	2,348	25.3
Drugs and druggists' sundries	106,920	351,512	301,452	50,060	0	4,576	981	1,356	18,200	8,882	112.9
Other	727,959	654,888	468,835	(D)	(D)	25,790	21,109	(D)	108,479	59,957	848.5
Retail trade	545,457	938,289	643,268	292,050	2,980	40,134	23,197	(D)	250,257	122,047	4,307.7
General merchandise stores	243,893	485,593	355,775	(D)	(D)	17,974	11,494	0	118,935	57,804	2,185.0
Clothing and clothing accessories stores	49,754	75,815	42,471	(D)	(D)	5,182	2,219	11	28,479	13,671	652.9
Other	251,810	376,891	245,022	(D)	(D)	16,977	9,484	(D)	102,844	50,571	1,469.8
Information	1,502,800	743,774	93,595	648,322	1,857	100,167	60,211	22,165	326,811	138,421	1,624.8
Publishing industries	245,880	138,353	58,845	79,249	259	29,416	4,258	14,522	72,202	40,409	354.7
Motion picture and sound recording industries	68,900	40,024	(D)	(D)	(D)	3,888	905	(D)	8,770	3,006	59.8
Broadcasting (except Internet) and telecommunications	978,905	434,196	6,372	426,991	832	51,823	49,196	1,157	197,778	69,632	897.7
Broadcasting (except Internet)	251,566	111,245	(D)	(D)	(D)	11,076	3,721	(D)	39,833	17,861	219.4
Telecommunications	727,339	322,950	(D)	(D)	(D)	40,746	45,475	(D)	157,944	51,772	678.3
Data processing, hosting, and related services	40,973	62,027	(D)	(D)	(D)	2,107	1,040	806	12,482	6,498	73.8
Other information services	168,142	69,173	3,488	(D)	(D)	12,933	4,812	(D)	35,579	18,875	238.9
Finance and insurance	17,642,979	1,548,778	6,312	973,778	568,687	161,526	36,719	190	340,360	282,676	2,481.1
Depository credit intermediation (banking)	7,161,928	461,758	(*)	348,472	113,286	46,630	8,088	0	136,446	114,720	1,139.5
Finance, except depository institutions	5,307,872	314,939	(D)	225,114	(D)	56,824	20,083	(D)	122,274	84,279	527.7
Insurance carriers and related activities	5,173,180	772,080	(D)	400,192	(D)	58,072	8,548	(D)	81,640	83,677	814.0
Professional, scientific, and technical services	474,324	310,734	20,353	288,200	2,181	55,709	8,965	17,557	194,673	124,457	1,231.3
Architectural, engineering, and related services	42,006	49,924	(D)	43,591	(D)	2,090	829	118	23,844	20,253	194.4
Computer systems design and related services	226,034	121,294	(D)	106,600	(D)	25,382	4,691	11,142	79,575	46,560	427.7
Management, scientific, and technical consulting	26,499	15,678	2	(D)	(D)	1,428	293	(D)	10,209	8,887	54.1
Advertising and related services	75,411	22,274	0	(D)	(D)	821	531	(D)	13,067	9,253	84.9
Other	104,374	101,563	(D)	100,602	(D)	25,988	2,621	6,208	67,979	39,503	470.3
Other industries	1,814,305	912,505	134,407	(D)	(D)	60,418	92,787	(D)	422,283	247,944	4,954.6
Agriculture, forestry, fishing, and hunting	3,851	2,793	2,763	30	0	148	93	(D)	1,039	633	17.2
Construction	49,721	73,169	69,047	3,982	141	2,024	1,216	(D)	22,669	18,820	204.1
Utilities	467,064	174,091	31,481	142,413	197	8,215	31,827	12	57,728	16,381	149.0
Transportation and warehousing	436,063	259,972	8,111	250,943	918	14,078	22,498	56	113,559	68,728	1,019.9
Real estate and rental and leasing	195,129	65,378	1,450	59,546	4,382	2,885	22,126	(D)	33,602	15,857	211.0
Management of nonbank companies and enterprises	164,118	911	(D)	(D)	1	14,754	190	(*)	11,433	180	2.2
Administration, support, and waste management	158,661	134,504	(D)	123,353	(D)	4,271	5,688	988	65,607	52,302	1,088.3
Health care and social assistance	56,725	56,269	(D)	55,714	(D)	3,853	1,895	(D)	34,279	24,687	441.0
Accommodation and food services	178,474	89,754	(D)	76,551	(D)	8,786	3,096	51	52,711	31,050	1,357.3
Miscellaneous services	104,499	55,664	2,236	(D)	(D)	1,404	4,156	159	29,656	19,307	464.6

* Less than \$500,000 (+/-).

D Suppressed to avoid disclosure of data of individual companies.

1. "Other" consists largely of investment income that is included in "sales or gross operating revenues" in the income statement. In finance and insurance, investment income is included in sales because it is generated by a primary activity of the company. For insurance, "other" consists of investment income remaining after BEA's estimate of investment income earned on funds insurers hold on behalf of policyholders is

removed (and included in their services supplied measure) plus the portion of premiums set aside for the settlement of expected or "normal" losses. For banks, "other" consists of the investment income remaining after BEA's estimate of the value of implicit services provided by banks is excluded (and included in services supplied). In industries other than finance and insurance, investment income is generally considered to be an incidental revenue source; this income is included in the income statement in a separate "other income" category, but is not included in sales or in this column.

Table 9. Selected Statistics for Foreign Affiliates by Country of Affiliate, 2009 and 2010

	2009						2010						Thousands of employees	
	Millions of dollars						Millions of dollars							
	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees		
All countries	22,157,766	5,640,390	869,358	230,111	269,648	547,856	13,029.3	23,277,276	6,034,813	1,138,435	256,823	303,867	552,627	13,255.8
Canada	1,219,132	526,827	36,283	67,293	(D)	57,771	1,099.0	1,232,485	596,698	67,963	(D)	102,092	58,902	1,093.7
Europe	12,204,600	2,845,990	510,351	66,584	73,310	295,822	4,747.3	12,395,013	2,796,174	637,702	65,616	73,865	284,110	4,593.5
Austria.....	(D)	(D)	2,691	233	200	3,336	41.6	(D)	20,650	2,283	284	287	3,315	41.1
Belgium.....	(D)	124,837	16,035	4,475	3,378	12,779	146.7	(D)	130,869	(D)	4,858	3,523	12,167	143.4
Czech Republic.....	(D)	(D)	(D)	127	(D)	(D)	L	32,027	19,091	1,663	160	(D)	2,291	80.3
Denmark.....	(D)	(D)	(D)	300	296	(D)	K	(D)	(D)	(D)	337	294	(D)	K
Finland.....	(D)	10,848	(D)	186	182	(D)	20.9	15,357	10,675	811	41	173	(D)	20.1
France.....	394,874	211,690	7,564	(D)	(D)	35,487	564.7	394,337	213,885	8,794	(D)	(D)	35,058	569.8
Germany.....	968,328	387,513	5,519	9,179	7,351	52,129	667.1	886,101	358,732	12,293	9,295	7,476	49,898	645.8
Greece.....	(D)	(D)	(D)	192	(D)	(D)	L	(D)	(D)	(D)	54	3	(D)	L
Hungary.....	30,426	18,196	2,264	148	675	1,675	60.1	51,489	19,022	1,855	142	616	1,650	60.8
Ireland.....	810,507	239,609	70,017	4,412	23,228	7,424	101.7	845,649	261,849	95,913	5,263	26,689	7,288	M
Italy.....	205,526	144,304	8,490	1,574	16,091	16,091	253.2	188,345	131,735	5,476	1,145	1,563	14,911	239.5
Luxembourg.....	1,182,492	30,287	66,087	325	246	(D)	J	1,265,618	28,642	94,232	489	325	(D)	16.2
Netherlands.....	1,757,274	245,809	126,016	(D)	(D)	17,238	224.3	1,844,794	249,844	168,808	(D)	(D)	17,580	232.3
Norway.....	100,593	48,017	7,599	247	669	3,945	37.9	112,849	51,592	13,420	196	801	4,145	39.6
Poland.....	65,346	(D)	(D)	283	133	(D)	M	64,254	40,330	2,765	519	292	4,241	179.9
Portugal.....	(D)	(D)	(D)	117	71	1,458	31.1	(D)	14,431	(D)	92	88	1,520	33.9
Russia.....	(D)	(D)	(D)	(D)	18	(D)	M	61,581	41,423	5,796	298	57	2,761	108.1
Spain.....	208,175	100,002	7,392	(D)	1,119	12,507	206.6	206,717	100,905	13,872	(D)	914	12,008	198.1
Sweden.....	130,464	43,222	-644	233	2,540	(D)	L	120,897	33,095	1,090	357	364	(D)	L
Switzerland.....	546,253	256,922	57,294	(D)	(D)	9,763	101.7	566,287	269,587	50,821	(D)	(D)	10,371	102.9
Turkey.....	(D)	36,328	3,503	186	30	2,512	64.9	(D)	39,628	(D)	221	(D)	2,729	71.0
United Kingdom.....	4,802,577	652,547	92,819	(D)	10,571	86,751	1,359.8	4,915,951	664,042	100,171	(D)	9,253	84,577	1,382.2
Other.....	149,855	44,785	12,206	(D)	(D)	3,325	150.9	151,675	53,543	18,062	(D)	(D)	3,466	149.7
Latin America and Other Western Hemisphere	3,705,263	650,808	163,063	44,810	51,740	53,706	2,601.5	3,909,813	732,883	204,622	53,110	63,371	59,150	2,751.2
South America.....	477,449	287,038	28,971	9,419	(D)	28,477	1,026.5	567,817	338,586	37,940	10,421	(D)	32,554	1,092.1
Argentina.....	54,480	38,815	2,458	838	2,651	3,679	148.1	61,982	44,313	3,901	1,150	(D)	4,205	151.5
Brazil.....	229,007	152,696	14,688	5,147	(D)	16,110	542.3	294,908	187,811	17,445	5,860	2,962	19,318	590.7
Chile.....	66,995	25,956	3,732	795	225	2,707	126.6	79,287	32,552	5,390	901	673	2,958	122.0
Colombia.....	(D)	20,099	(D)	(D)	952	1,913	74.1	(D)	24,163	(D)	(D)	575	2,207	80.5
Ecuador.....	(D)	(D)	(D)	98	(D)	(D)	J	(D)	(D)	(D)	183	(D)	(D)	J
Peru.....	27,910	12,496	2,542	222	1,054	(D)	K	(D)	13,735	(D)	(D)	(D)	(D)	K
Venezuela.....	(D)	25,802	(D)	52	2,346	59.8	(D)	23,976	(D)	1,108	17	2,022	67.6	
Other.....	(D)	(D)	(D)	211	(D)	(D)	J	(D)	(D)	720	134	(D)	(D)	J
Central America.....	472,567	238,493	13,397	33,361	40,130	22,667	1,481.8	467,889	266,776	22,866	41,080	50,463	23,999	1,544.1
Costa Rica.....	(D)	(D)	(D)	(D)	(D)	(D)	L	(D)	(D)	(D)	391	1,607	(D)	L
Honduras.....	(D)	(D)	(D)	735	731	(D)	L	(D)	5,056	(D)	548	(D)	499	55.0
Mexico.....	384,019	205,814	9,627	30,857	36,999	19,555	1,240.0	377,387	229,147	19,073	38,679	47,212	20,682	1,296.3
Panama.....	(D)	9,359	2,182	(D)	0	(D)	K	(D)	10,910	(D)	(D)	0	(D)	K
Other.....	14,896	10,993	546	(D)	(D)	880	84.5	14,519	(D)	775	(D)	(D)	894	83.7
Other Western Hemisphere.....	2,755,246	125,277	120,695	2,030	(D)	2,562	93.2	2,874,107	127,521	143,816	1,609	(D)	2,597	115.0
Barbados.....	(D)	(D)	(D)	62	(D)	(D)	1.9	51,366	10,221	2,937	(D)	(D)	54	1.4
Bermuda.....	897,944	50,287	66,302	(D)	(*)	(D)	K	933,753	51,639	84,541	370	(*)	(D)	K
Dominican Republic.....	5,696	(D)	(D)	(D)	(D)	(D)	K	6,376	5,578	459	(D)	(D)	331	L
United Kingdom Islands, Caribbean.....	1,181,834	38,104	36,830	325	78	331	4.6	1,281,104	35,595	45,638	(D)	89	277	4.6
Other.....	(D)	21,337	15,495	(D)	(D)	909	28.5	601,507	24,488	10,240	594	1,627	(D)	29.1
Africa	254,975	102,408	25,069	1,535	(D)	6,696	228.3	307,190	119,492	35,330	1,892	(D)	7,627	243.8
Egypt.....	20,461	13,259	2,119	(D)	3	682	40.3	22,872	14,961	2,811	(D)	(D)	724	42.1
Nigeria.....	(D)	18,817	(D)	9	(D)	(D)	9.7	65,710	22,919	(D)	25	(D)	622	9.3
South Africa.....	36,025	31,256	2,667	(D)	392	3,202	90.1	44,267	36,730	3,316	(D)	(D)	3,716	95.2
Other.....	(D)	39,075	(D)	(D)	(D)	(D)	88.2	174,342	44,881	(D)	529	2,979	2,565	97.2
Middle East	198,257	105,442	17,662	595	(D)	7,386	129.2	220,761	149,784	35,224	(D)	(D)	8,259	135.5
Israel.....	(D)	16,603	(D)	112	(D)	(D)	70.2	37,988	18,607	1,880	153	1,082	(D)	74.1
Saudi Arabia.....	29,515	24,613	4,496	85	1	1,233	19.6	32,820	26,523	(D)	(D)	(D)	1,214	18.5
United Arab Emirates.....	21,647	(D)	(D)	384	(D)	1,200	21.8	24,568	(D)	1,701	(D)	174	(D)	22.9
Other.....	(D)	(D)	(D)	15	(D)	(D)	17.6	125,384	(D)	(D)	(D)	1,678	(D)	20.0
Asia and Pacific	4,575,539	1,408,915	116,929	49,294	49,464	126,476	4,223.9	5,212,014	1,639,781	157,595	60,650	56,934	134,579	4,438.1
Australia.....	452,459	165,178	14,408	(D)	(D)	22,124	339.9	529,908	184,735	17,571	(D)	2,890	24,791	351.8
China.....	(D)	238,857	28,164	(D)	7,181	21,708	1,430.2	(D)	303,628	39,383	(D)	9,075	25,245	1,541.2
Hong Kong.....	305,154	96,822	13,008	4,634	5,504	6,369	124.0	347,142	111,707	15,954	5,535	5,716	7,014	136.1
India.....	105,837	55,648	2,974	1,433	733	9,308	637.4	119,667	65,646	4,704	1,064	(D)	10,519	710.1
Indonesia.....	56,699	27,714	6,420	406	264	1,899	109.3	61,470	34,225	9,442	490	247	2,088	113.8
Japan.....	(D)	303,033	7,379	10,629	4,912	39,331	601.3	(D)	306,545	10,762	11,840	3,528	36,347	552.3
Korea, Republic of.....	170,203	81,268	4,408	2,666	2,033	5,912	135.7	187,857	107,213	7,514	2,607	2,181	6,394	136.4
Malaysia.....	66,695	49,313	4,966	2,426	(D)	2,436	140.0	67,798	57,972	6,446	2,347	(D)	2,695	152.4
New Zealand.....	18,803	11,413	459	115	89	1,356	33.5	19,634	13,764	370	164	54	1,394	32.9
Philippines.....	30,388	17,116	1,789	1,172	668	1,522	148.8	36,503	21,615	2,132	(D)	485	1,814	167.2
Singapore.....	410,084	256,601	24,627	(D)	13,287	7,883	149.6	485,799	308,178	31,258	(D)	(D)	8,549	157.0
Taiwan.....	(D)	40,543	3,264	(D)	1,568	(D)	98.2	148,420	46,443	3,837	(D)	(D)	2,967	103.9
Thailand.....	83,170	46,920	3,506	1,926	(D)	2,390	193.0	103,412	57,903	5,469	(D)	(D)	3,084	207.3
Other.....	(D)	18,491	1,556	44	229	(D)	83.0	(D)	20,208	2,754	167	292	1,678	75.9

Table 10.1. Selected Statistics for Majority-Owned Foreign Affiliates by Country of Affiliate, 2009

	Millions of dollars												Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	R&D expenditures	U.S. exports of goods shipped to MOFAs	U.S. imports of goods shipped by MOFAs	Value added	Compensation of employees	
		Total	Goods supplied	Services supplied	Other ¹								
All countries	18,775,261	4,783,647	3,406,146	1,151,650	225,851	778,787	167,066	39,205	219,343	258,058	1,144,957	482,041	10,793.9
Canada	1,169,619	505,833	373,977	114,747	17,109	35,181	20,298	2,920	63,859	83,659	113,675	56,345	1,082.7
Europe	11,071,533	2,455,060	1,743,453	613,541	98,066	469,949	62,927	25,044	63,204	72,962	599,220	270,035	4,137.4
Austria	40,217	20,984	16,299	4,505	180	2,669	844	296	233	200	5,795	3,317	41.0
Belgium	350,360	117,077	91,579	19,249	6,249	14,054	2,055	2,378	4,470	3,378	23,110	11,543	135.8
Czech Republic	29,042	16,715	13,114	3,117	484	921	81	127	201	5,086	2,072	72.0	72.0
Denmark	58,261	18,527	13,798	4,548	181	5,399	981	185	300	296	8,759	3,055	34.2
Finland	18,162	10,683	8,361	2,241	81	2,767	193	145	186	182	3,104	1,526	20.7
France	376,478	200,491	153,099	43,885	3,507	7,375	4,392	1,943	4,112	6,251	52,299	33,985	537.4
Germany	672,464	316,584	253,642	56,727	6,216	4,881	8,007	7,528	9,177	7,342	87,065	49,753	619.7
Greece	11,928	8,260	6,322	1,606	331	284	114	32	192	(D)	3,671	1,118	18.1
Hungary	28,958	17,283	(D)	712	(D)	2,213	467	45	148	675	5,430	1,623	58.0
Ireland	807,045	237,478	173,148	58,329	6,002	69,580	4,989	1,046	4,408	23,228	55,476	7,316	99.7
Italy	155,293	113,075	84,494	26,976	1,605	3,451	2,729	788	1,154	1,517	29,980	14,490	213.7
Luxembourg	1,166,277	28,436	7,016	13,364	8,057	66,745	245	(D)	325	246	6,917	1,341	15.7
Netherlands	1,609,707	200,554	147,740	45,475	7,339	116,302	2,580	1,022	11,986	4,553	26,970	16,136	212.2
Norway	99,701	47,514	40,959	6,377	179	7,514	8,401	53	247	669	25,425	3,900	37.2
Poland	61,379	33,340	25,615	6,306	1,419	1,439	1,621	140	283	130	10,054	3,666	155.0
Portugal	42,718	10,459	7,565	2,594	300	2,213	258	36	300	71	4,432	1,383	28.9
Russia	42,665	28,012	(D)	(D)	567	2,194	1,865	68	387	18	7,373	2,527	106.1
Spain	185,459	84,921	66,723	15,605	2,593	5,659	2,074	570	1,195	1,119	15,666	11,406	183.5
Sweden	126,477	41,704	33,152	7,652	901	-733	1,028	1,133	233	2,540	7,023	6,110	80.0
Switzerland	535,067	251,072	188,795	59,960	2,317	56,951	1,735	1,436	11,075	9,570	35,316	9,313	88.0
Turkey	17,416	18,663	15,437	2,898	328	1,101	323	39	176	30	6,849	1,616	37.3
United Kingdom	4,491,386	591,671	326,332	217,847	47,492	85,282	13,360	5,792	12,218	10,563	155,702	79,675	1,203.5
Other	144,570	41,556	35,118	5,412	1,025	11,685	4,174	(D)	453	(D)	17,718	3,164	139.9
Latin America and Other Western Hemisphere	3,469,386	561,451	386,763	128,512	46,177	151,331	25,961	1,465	42,906	49,473	128,414	44,913	2,142.5
South America	408,099	258,975	199,509	49,695	9,771	25,092	15,864	1,144	9,104	7,694	75,832	26,389	950.5
Argentina	50,196	35,956	28,346	6,514	1,096	2,353	3,740	92	838	2,649	12,984	3,407	137.1
Brazil	206,617	142,023	110,886	25,411	5,726	13,195	8,334	955	5,034	2,596	37,427	15,402	522.4
Chile	59,519	21,764	14,395	6,596	773	3,322	1,604	20	794	223	6,867	2,285	113.8
Colombia	19,826	17,169	12,992	3,534	643	1,397	1,020	26	656	952	5,344	1,624	59.8
Ecuador	4,066	3,657	2,827	760	71	13	49	1	98	(D)	887	264	13.6
Peru	20,583	10,893	(D)	1,570	(D)	2,146	607	22	217	1,054	4,694	857	35.6
Venezuela	32,669	20,865	15,882	3,911	1,073	2,070	363	25	1,255	52	6,354	2,201	53.6
Other	14,623	6,647	(D)	1,400	(D)	596	146	3	211	(D)	1,274	348	14.5
Central America	348,181	190,774	143,428	37,580	9,767	7,105	5,760	314	31,885	38,041	36,133	17,002	1,141.2
Costa Rica	26,120	6,025	(D)	1,178	(D)	604	189	8	277	1,779	1,417	659	48.1
Honduras	2,803	3,248	(D)	351	(D)	139	23	(D)	735	731	791	381	44.0
Mexico	296,904	167,483	126,423	31,807	9,253	5,486	5,132	281	29,388	34,944	30,990	14,884	969.1
Panama	9,441	5,573	(D)	(D)	79	391	193	2	(D)	0	877	441	20.3
Other	12,913	8,445	(D)	(D)	(D)	485	223	(D)	(D)	588	2,058	638	59.7
Other Western Hemisphere	2,713,105	111,702	43,826	41,237	26,639	119,134	4,337	8	1,917	3,737	16,449	1,522	50.8
Barbados	46,625	10,210	5,893	2,575	1,742	1,385	111	(*)	62	(D)	2,133	52	1.4
Bermuda	876,418	43,376	(D)	(D)	14,010	64,422	(D)	5	(D)	(*)	4,078	374	3.4
Dominican Republic	4,185	4,357	3,066	1,285	6	561	66	2	519	758	1,123	232	26.0
United Kingdom Islands, Caribbean	1,170,547	36,955	14,893	12,864	9,198	37,592	1,598	1	320	78	4,832	302	4.1
Other	615,330	16,804	(D)	(D)	1,683	15,174	(D)	1	(D)	(D)	4,281	561	15.9
Africa	228,326	83,727	70,817	12,038	871	22,692	14,213	94	1,425	4,568	44,858	5,348	163.1
Egypt	17,026	(D)	8,735	(D)	(D)	1,737	1,468	6	(D)	3	4,816	554	24.9
Nigeria	48,025	17,883	(D)	(D)	(D)	6,820	(D)	(*)	8	(D)	14,382	565	8.9
South Africa	24,173	20,309	15,746	4,170	393	899	577	83	728	386	5,598	2,222	58.1
Other	139,101	(D)	(D)	(D)	291	13,236	(D)	5	(D)	(D)	20,063	2,006	71.2
Middle East	116,225	49,258	32,913	15,465	880	6,053	2,807	1,856	539	2,227	16,656	5,890	101.9
Israel	31,766	14,059	10,234	3,710	115	438	591	1,845	112	804	5,753	3,530	63.5
Saudi Arabia	11,117	4,804	(D)	2,351	(D)	1,427	236	(*)	(D)	1	983	545	8.3
United Arab Emirates	16,478	18,271	12,255	5,737	278	866	207	11	(D)	(D)	4,901	1,110	18.8
Other	56,863	12,124	(D)	3,667	(D)	3,322	1,774	1	15	(D)	6,019	704	11.3
Asia and Pacific	2,720,172	1,128,318	798,222	267,346	62,749	93,582	40,861	7,826	47,409	45,169	241,135	99,510	3,166.3
Australia	420,953	138,269	91,200	38,725	8,344	13,428	10,675	751	4,955	2,469	44,880	19,998	294.6
China	190,914	143,702	117,872	24,276	1,554	10,360	6,283	1,579	5,078	6,876	30,442	12,086	941.0
Hong Kong	268,499	94,989	56,207	33,350	5,432	12,765	1,136	70	4,634	5,504	13,785	5,974	112.8
India	81,193	42,011	23,398	16,601	2,012	3,112	1,746	1,377	1,268	539	14,575	8,106	518.0
Indonesia	50,224	21,471	18,124	2,851	496	5,772	2,424	23	406	262	13,752	1,795	102.3
Japan	860,671	221,098	126,179	68,812	26,107	7,063	4,356	1,835	10,401	1,401	51,175	27,943	311.1
Korea, Republic of	130,996	48,610	33,824	10,436	4,350	2,069	1,599	746	2,259	1,795	9,157	5,069	118.2
Malaysia	63,688	43,897	35,950	(D)	(D)	4,752	2,027	376	2,419	7,513	10,059	2,355	136.7
New Zealand	15,970	9,723	6,477	2,841	405	304	294	21	115	89	2,502	1,243	30.9
Philippines	27,917	15,310	11,178	3,655	477	1,699	630	51	1,172	666	4,943	1,467	144.3
Singapore	402,340	253,404	212,947	36,088	4,368	24,518	5,153	706	10,730	13,284	22,777	7,597	139.0
Taiwan	117,444	37,446	23,062	8,991	5,394	3,089	1,100	196	2,001	1,564	5,007	2,512	90.7
Thailand	51,929	41,525	34,805	(D)	(D)	3,101	1,941	93	1,926	2,978	10,647	1,922	151.8
Other	37,436	16,862	6,999	(D)	(D)	1,550	1,497	2	44	229	7,434	1,442	74.9
Addenda:													
European Union (27) ²	10,268,100	2,085,344	1,454,306	536,492	94,547	390,515	47,555	23,435	50,998	62,640	511,547	251,637	3,820.9
OPEC													

Table 10.2. Selected Statistics for Majority-Owned Foreign Affiliates by Country of Affiliate, 2010

	Millions of dollars											Thousands of employees	
	Total assets	Sales				Net income	Capital expenditures	R&D expenditures	U.S. exports of goods shipped to MOFAs	U.S. imports of goods shipped by MOFAs	Value added		Compensation of employees
		Total	Goods supplied	Services supplied	Other ¹								
All countries	19,624,336	5,166,132	3,717,589	1,233,302	215,242	1,021,178	166,304	39,470	245,929	292,580	1,241,272	487,741	11,070.3
Canada	1,178,858	571,748	427,210	124,067	20,472	65,984	22,346	2,749	71,721	96,424	128,694	57,398	1,077.0
Europe	11,395,857	2,505,646	1,782,613	636,287	86,745	598,969	57,568	24,406	63,012	73,428	597,571	261,402	4,079.4
Austria.....	41,414	20,551	16,122	4,306	123	2,297	648	277	284	287	6,132	3,297	40.5
Belgium.....	345,908	123,527	98,207	20,376	4,944	18,208	2,260	2,116	4,855	3,523	24,643	11,085	132.4
Czech Republic.....	28,897	16,817	12,963	3,470	385	1,285	349	68	158	226	5,501	2,119	72.9
Denmark.....	59,460	19,126	14,540	4,420	166	9,800	645	196	337	294	9,062	3,091	33.1
Finland.....	14,786	10,375	8,271	2,029	75	791	158	221	41	173	2,796	1,486	19.7
France.....	366,600	199,165	151,081	45,110	2,974	7,285	4,152	1,984	4,821	5,325	49,269	32,624	531.5
Germany.....	641,633	307,323	244,785	56,399	6,139	10,013	8,175	6,713	9,293	7,473	84,418	47,487	598.0
Greece.....	9,817	7,145	5,373	1,530	242	-169	106	27	54	3	3,047	1,121	18.0
Hungary.....	49,829	18,057	14,456	3,333	267	1,790	457	65	142	616	3,939	1,600	58.6
Ireland.....	842,531	259,821	171,895	81,788	6,138	95,575	5,431	1,431	5,259	26,689	62,526	7,188	98.5
Italy.....	157,006	112,378	84,668	26,169	1,540	2,824	2,489	589	1,075	1,509	27,970	13,590	206.6
Luxembourg.....	1,248,713	26,631	11,150	9,615	5,866	94,089	276	(D)	489	325	2,601	1,318	15.3
Netherlands.....	1,702,044	204,534	148,413	48,210	7,911	160,378	2,894	1,290	9,377	4,071	23,963	16,437	219.8
Norway.....	111,418	50,860	44,598	6,076	186	13,321	5,444	137	196	801	27,546	4,060	38.6
Poland.....	59,533	35,557	28,357	5,986	1,213	2,103	1,151	136	519	289	10,548	3,790	154.1
Portugal.....	33,979	11,558	7,836	3,359	363	3,422	320	56	92	88	4,445	1,336	30.0
Russia.....	47,168	34,137	(D)	(D)	718	4,663	1,650	65	295	57	9,176	2,611	101.5
Spain.....	183,880	83,840	66,130	15,662	2,048	12,179	1,805	607	1,712	912	17,354	10,643	175.0
Sweden.....	116,981	31,482	22,415	8,057	1,010	1,030	422	520	357	364	5,872	4,645	65.0
Switzerland.....	559,944	262,532	192,480	67,789	2,263	50,497	1,643	1,558	10,489	10,881	32,959	9,797	88.3
Turkey.....	21,673	21,068	17,253	3,532	282	2,731	437	53	211	38	7,839	1,747	42.9
United Kingdom.....	4,607,423	599,080	351,095	206,735	41,251	87,447	12,358	5,905	12,498	9,251	152,577	77,025	1,199.7
Other.....	145,223	50,081	(D)	(D)	639	17,411	4,299	(D)	461	231	23,390	3,306	139.3
Latin America and Other Western Hemisphere	3,667,938	629,453	438,778	144,760	45,916	191,209	24,095	1,949	50,901	60,597	159,326	49,676	2,256.5
South America.....	467,715	302,433	233,835	58,079	10,520	33,512	15,700	1,571	9,992	10,623	90,732	29,812	997.4
Argentina.....	57,563	41,728	33,278	7,546	904	3,727	2,924	115	1,148	4,756	16,886	3,920	141.2
Brazil.....	242,509	172,226	134,695	30,952	6,579	16,434	8,343	1,372	5,595	2,920	45,071	18,014	561.4
Chile.....	71,091	28,417	18,977	8,436	1,004	5,046	1,782	22	900	672	9,192	2,602	109.4
Colombia.....	22,456	20,632	15,764	4,289	579	1,906	1,044	26	829	574	6,487	1,899	66.4
Ecuador.....	4,377	4,123	3,205	858	59	239	55	1	182	(D)	977	299	14.8
Peru.....	23,958	12,294	(D)	(D)	114	2,588	919	7	207	(D)	5,771	927	37.0
Venezuela.....	28,837	16,216	12,231	(D)	(D)	2,851	467	24	997	17	4,946	1,773	51.1
Other.....	16,925	6,798	(D)	1,279	(D)	721	164	4	134	(D)	1,402	376	16.2
Central America.....	381,985	216,434	164,088	43,329	9,017	17,436	5,904	366	39,403	48,023	42,240	18,356	1,209.0
Costa Rica.....	28,911	7,492	(D)	1,569	(D)	907	188	20	390	1,807	1,807	765	49.1
Honduras.....	2,863	3,664	(D)	383	(D)	134	30	3	548	755	758	402	46.1
Mexico.....	327,787	188,962	143,478	36,967	8,517	15,772	5,125	338	37,018	44,931	36,717	16,066	1,031.8
Panama.....	9,678	6,851	(D)	2,029	(D)	-95	242	2	681	0	823	456	21.6
Other.....	12,745	9,465	(D)	2,381	(D)	718	319	2	767	730	2,135	666	60.5
Other Western Hemisphere.....	2,818,238	110,586	40,855	43,351	26,380	140,261	2,491	13	1,505	1,952	26,354	1,508	50.1
Barbados.....	49,363	10,188	5,665	2,730	1,792	2,940	(D)	(*)	(D)	(D)	1,803	53	1.4
Bermuda.....	905,083	42,741	(D)	(D)	14,659	82,248	545	9	370	(*)	9,465	417	3.8
Dominican Republic.....	4,179	4,676	3,113	1,557	6	398	153	2	396	(D)	1,039	231	25.1
United Kingdom Islands, Caribbean.....	1,266,526	34,925	(D)	(D)	7,783	45,301	607	1	180	89	8,647	247	4.0
Other.....	593,087	18,057	7,917	8,000	2,140	9,374	(D)	1	(D)	(D)	5,400	561	15.8
Africa	272,161	98,326	84,375	12,844	1,107	32,347	14,508	88	1,786	4,548	55,443	5,958	172.8
Egypt.....	19,652	12,290	10,665	1,461	164	2,375	1,666	6	(D)	(D)	5,477	595	26.2
Nigeria.....	62,243	21,700	(D)	(D)	(D)	(D)	3,533	2	23	(D)	18,573	593	8.4
South Africa.....	28,169	23,229	18,001	4,747	481	1,174	674	74	1,012	361	5,730	2,441	58.9
Other.....	162,098	41,107	(D)	(D)	(D)	(D)	8,635	6	(D)	(D)	25,664	2,329	79.3
Middle East	122,698	64,119	46,368	16,873	877	12,510	3,165	1,965	612	2,692	23,323	6,304	107.7
Israel.....	35,102	15,819	(D)	4,104	(D)	1,538	661	1,948	153	(D)	6,957	3,706	66.4
Saudi Arabia.....	12,493	5,971	3,812	2,114	45	(D)	197	1	(D)	(D)	1,263	663	10.8
United Arab Emirates.....	18,935	27,575	19,872	7,446	258	1,396	261	15	339	174	5,882	1,170	19.5
Other.....	56,168	14,754	(D)	3,210	(D)	(D)	2,045	1	(D)	(D)	9,221	765	11.0
Asia and Pacific	2,986,824	1,296,839	938,244	298,471	60,124	120,158	44,621	8,313	57,898	54,891	276,915	107,004	3,377.0
Australia.....	489,402	150,428	95,550	46,399	8,479	17,062	10,480	767	5,921	2,890	48,787	21,901	296.1
China.....	210,310	170,475	138,991	30,210	1,274	14,366	7,559	1,452	7,255	8,745	36,942	13,508	1,026.0
Hong Kong.....	270,326	104,520	65,618	35,990	2,911	13,292	1,156	153	5,535	5,716	14,221	6,349	115.5
India.....	89,378	49,329	27,759	19,488	2,082	4,461	2,174	1,644	923	1,033	16,593	9,130	586.1
Indonesia.....	52,050	25,811	22,618	2,715	478	7,853	2,273	28	490	245	16,658	1,958	104.1
Japan.....	955,929	246,990	145,840	70,822	30,327	10,047	4,439	1,885	11,480	2,679	48,630	28,350	315.5
Korea, Republic of.....	135,676	55,209	40,284	11,195	3,729	3,381	1,830	835	2,222	1,856	11,284	5,354	117.2
Malaysia.....	56,264	51,081	43,538	7,235	308	6,037	2,515	376	2,340	8,439	12,465	2,571	147.8
New Zealand.....	16,413	11,642	8,317	2,801	525	197	261	21	164	54	1,988	1,272	30.2
Philippines.....	28,448	18,580	14,140	4,135	305	1,912	1,417	55	1,007	484	4,849	1,723	161.7
Singapore.....	455,316	303,039	256,732	43,410	2,897	30,601	4,684	753	16,194	16,930	25,249	8,291	153.0
Taiwan.....	141,726	44,259	28,068	9,929	6,262	4,097	1,172	235	2,310	2,182	6,279	2,774	93.2
Thailand.....	43,767	47,558	43,122	4,163	273	4,412	2,364	106	1,889	3,346	13,813	2,342	163.7
Other.....	41,818	17,919	7,666	9,979	274	2,440	2,295	2	167	292	19,158	1,481	66.9
Addenda:													
European Union (27) ²	10,546,728	2,106,516	1,473,483	549,942	83,090	511,830	44,757	22,579	51,616	61,56			

