

U.S. International Services

Trade in Services in 2014 and Services Supplied Through Affiliates in 2013

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TO PROVIDE a broad perspective on services provided by and to the United States in international markets, this article presents information on services provided through two channels: (1) conventional trade in services and (2) services supplied by affiliates of multinational enterprises (MNEs).¹

In this article, trade in services refers to exports and imports that are included in the U.S. international transactions accounts (ITAs). Services supplied through affiliates refers to services supplied by majority-owned affiliates of MNEs through the channel of direct investment. It covers transactions between foreign affiliates of U.S. companies and foreign residents, both in the local economy and in other foreign markets, and transactions between U.S. affiliates of foreign companies and U.S. residents. Because of the importance of physical proximity to customers in the delivery of services, many MNEs serve foreign markets partly or wholly through their affiliates located in, or close to, the markets they serve rather than through trade. As in previous years, the majority of services

both provided by and to the United States internationally in 2013 was through affiliates (table A and chart 1).²

2. Differences in coverage and classification make it difficult to precisely compare trade in services with services supplied through affiliates. For example, distributive services are included in services supplied through affiliates but not in services trade. Statistics on trade in services are also collected and published by type of service, but services supplied through affiliates are collected and published by the affiliate's primary industry. [More information](#) on the difficulty of comparing trade in services with services supplied through affiliates is available on BEA's Web site.

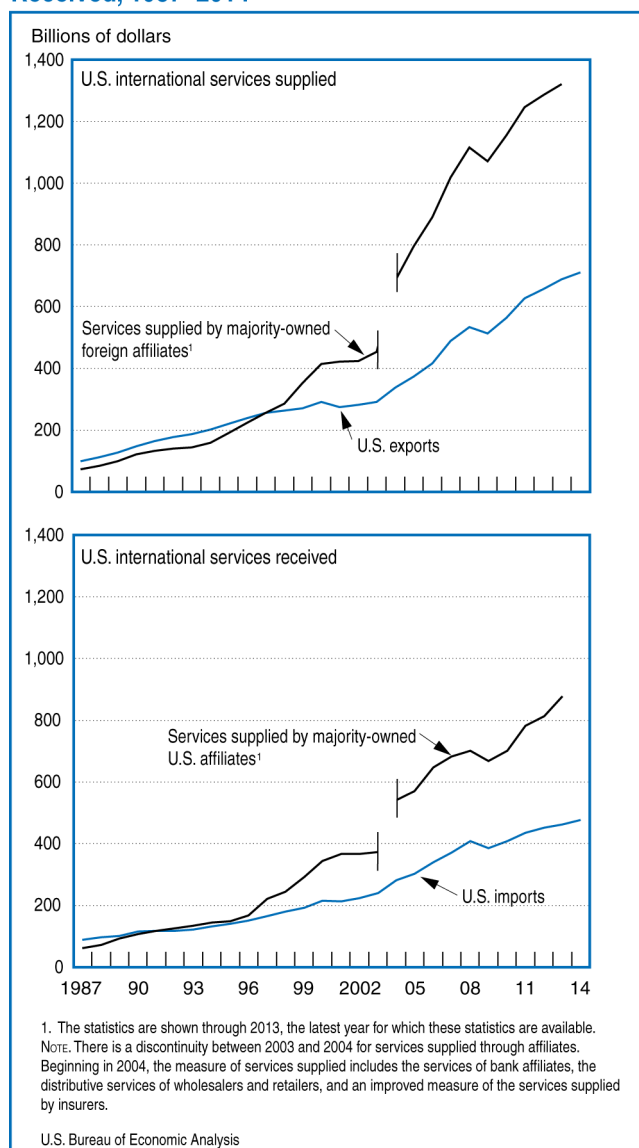
1. The term "affiliates" in this article refers to majority-owned affiliates. The statistics on services supplied through affiliates cover the full value of services provided by majority-owned affiliates, irrespective of the percentage of ownership. More information on the definitions and coverage of trade in services and services supplied through affiliates is available at the Bureau of Economic Analysis (BEA) Web site. For more information on the definitions and methodology of the major categories of trade in services, see "Part III: Statistical Methodologies" in *International Economic Accounts: Concepts and Methods*.

Table A. Services Supplied to Foreign and U.S. Persons Through Trade and Through Affiliates

	To foreign markets		To U.S. market	
	Through trade (U.S. exports)	Through foreign affiliates of U.S. companies	Through trade (U.S. imports)	Through U.S. affiliates of foreign companies
Billions of dollars				
2012	656.4	1,285.9	452.0	813.3
2013	687.9	1,320.9	463.7	878.5
2014	710.6	n.a.	477.4	n.a.
Percent change from preceding year				
2012	4.6	3.1	3.7	4.1
2013	4.8	2.7	2.6	8.0
2014	3.3	n.a.	3.0	n.a.

n.a. Not available
NOTE: Historical statistics for 1986 forward are available on BEA's Web site.

Chart 1. U.S. International Services Supplied and Received, 1987–2014



1. The statistics are shown through 2013, the latest year for which these statistics are available. NOTE: There is a discontinuity between 2003 and 2004 for services supplied through affiliates. Beginning in 2004, the measure of services supplied includes the services of bank affiliates, the distributive services of wholesalers and retailers, and an improved measure of the services supplied by insurers.

This year the Bureau of Economic Analysis (BEA) introduces a new presentation of international trade in services and services supplied through affiliates in the tables that accompany this article. This new presentation includes a longer time span of the accounts and conforms to the updated format of BEA's international services [interactive tables](#), which were introduced in 2014. In addition, BEA continues to improve the coverage of, and access to, its international services statistics by expanding country-level and industry-level detail for services supplied through affiliates. Additional industries have been added to “[Table 3.1. Services Supplied to Foreign Persons by U.S. MNEs Through Their MOFAs, by Industry of Affiliate and by Country of Affiliate](#)” and additional countries have been added to “[Table 4.2. Services Supplied to U.S. Persons by Foreign MNEs Through Their MOUSAs, by Country of UBO](#).” In addition, statistics on services supplied through affiliates that were previously only available in BEA's annual publications on the activities of MNEs are now also available in “[Table 3.4. Services Supplied to Foreign Persons by U.S. MNEs Through Their MOFAs, by Country of Affiliate and by Industry of Affiliate](#)” and “[Table 4.3. Services Supplied to U.S.](#)

[Persons by Foreign MNEs Through Their MOUSAs, by Industry of Affiliate.”](#)

In 2014, U.S. exports of services were \$710.6 billion, and U.S. imports of services were \$477.4 billion, resulting in a services trade surplus of \$233.1 billion (chart 2).³ The United States retained its position as the world's leader in exports and imports of services.⁴ In 2013—the latest year for which statistics are available—services supplied to foreign markets through majority-owned foreign affiliates of U.S. multinational enterprises were \$1,320.9 billion. Services supplied to the United States through majority-owned U.S. affiliates of foreign multinationals were \$878.5 billion. A discussion of U.S. trade in services in 2014 begins in the next section; a discussion of services supplied through affiliates begins on page 16.

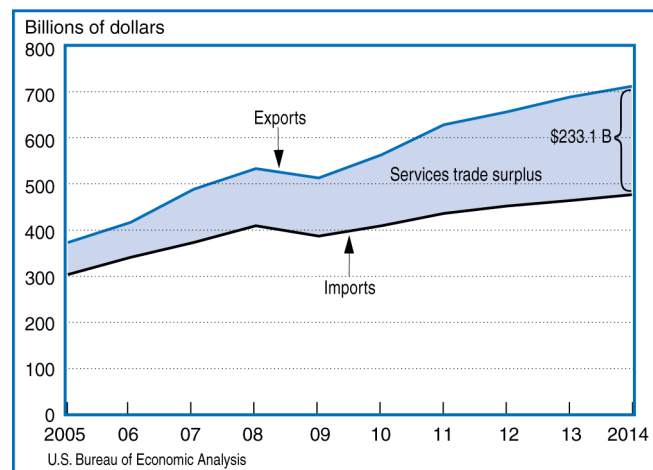
3. The statistics in this article are consistent with the less detailed statistics published in table 3.1 of the international transactions accounts.

4. [World Trade Organization \(WTO\) Press Release 739](#) (April 14, 2015). The statistics in the press release differ slightly from the statistics presented in this article. The WTO statistics are presented on the basis of the fifth edition of the International Monetary Fund's *Balance of Payments Manual*, whereas the BEA statistics are presented on the basis of the sixth edition of the *Manual*, and the BEA statistics were revised in June 2015.

Data Availability

Detailed statistics for U.S. international services accompany this article in a new presentation format in tables 1.1–4.3. Trade in services statistics and statistics on services supplied internationally through majority-owned affiliates can also be accessed through BEA's interactive tables. The [interactive tables](#) cover additional years of data and supplemental detail not available in the tables that accompany this article. With this year's release, BEA is publishing additional country- and industry-level detail for services supplied through affiliates.

Chart 2. U.S. International Services Trade Surplus, 2005–2014



U.S. Trade in Services in 2014

In 2014, the U.S. surplus on trade in services increased 4 percent, to \$233.1 billion, after increasing 10 percent in 2013. In contrast to the persistent U.S. deficit on trade in goods, which was \$741.5 billion in 2014, the United States has historically recorded a surplus on trade in services (chart 2). In 2014, growth in services exports decreased to 3.3 percent from 4.8 percent, while growth in services imports increased to 3.0 percent from 2.6 percent (table A). In 2014, real gross domestic product (GDP) of the United States and of many of its major trading partners grew at a faster rate than in 2013 (chart 3). In addition, the value of the U.S. dollar relative to the currencies of many of the major U.S. trading partners increased in 2014 (chart 4).

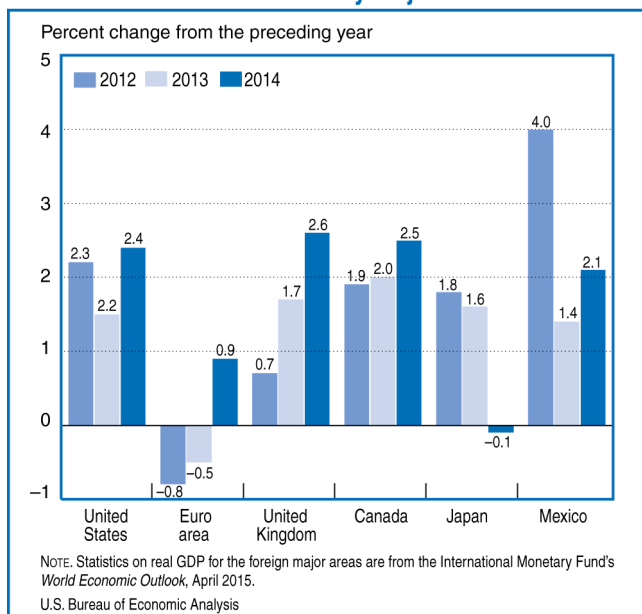
The surplus on trade in services in 2014 was largest in charges for the use of intellectual property n.i.e., \$88.2 billion, and in financial services, \$67.8 billion (chart 5). The surplus in charges for the use of intellectual property partly reflects the high level of research and development (R&D) performed in the United States. In 2011 (the most recent year that statistics are available), the United States was the largest single R&D-performing country, accounting for just under 30 percent of R&D performed

worldwide.¹ The surplus in financial services partly reflects the dominance of U.S. exchanges in global securities trading; for example, based on data from the World Federation of Exchanges, the United States was the single largest host country for stock exchanges in 2014, with U.S. exchanges accounting for 53 percent of the value of equities traded on all the world's exchanges.²

1. National Science Board, *Science and Engineering Indicators 2014* (Arlington, VA: National Science Foundation, 2014 (NSB 14-01)).

2. Based on data from the December 2014 [monthly report](#) from the World Federation of Exchanges.

Chart 3. Growth in Real GDP by Major Area



Summary Statistics

Summary statistics on trade in services by category and the five largest countries in each category are presented following this section in tables E–N and charts 6–12. For more detailed statistics, see [tables 1.1–2.3](#) that accompany this article.

Chart 4. Foreign Currency Price of the U.S. Dollar

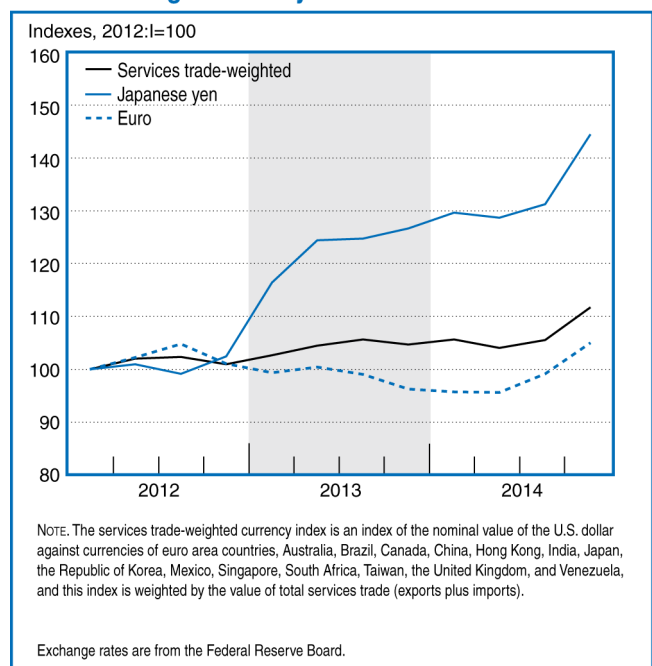
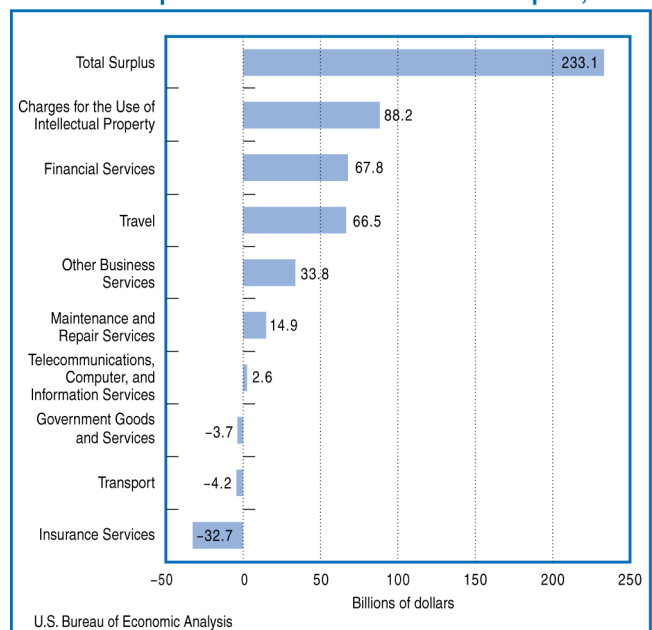


Chart 5. Composition of Trade in Services Surplus, 2014



U.S. Trade in Services

Both exports and imports of services reached record levels. For exports, the largest increases were in other business services, \$7.6 billion, in travel (for all purposes including education), \$4.3 billion, and in maintenance and repair services, \$3.7 billion (table B). For imports, the largest increases were in travel (for all purposes including education), \$6.7 billion, other business services, \$4.4 billion, and transport, \$3.6 billion.

For services exports, all categories except government goods and services grew. The largest percentage increases were in maintenance and repair services, 20 percent, and in other business services, 6 percent (table B). The growth in maintenance and repair services reflected growth in industrial-type maintenance services. The growth in other business services reflected growth in research and development services and in professional and management consulting services.

For services imports, five of the nine categories grew. The largest percentage increases were in charges for the use of intellectual property, 8 percent, and in travel (for all purposes including education), 6 percent. The growth in charges for the use of intellectual property largely reflected growth in audio-visual and related products. The growth in travel (for all purposes including education) reflected growth in other personal travel, which includes

tourism.

By area, Europe remained the largest market for U.S. services exports, followed by the Asia and Pacific region. The United Kingdom was the largest market for exports in 2014 (table C). The top categories of exports to the

Table B. Change From Preceding Year in Trade in Services

	Exports		Imports	
	2013	2014	2013	2014
Billions of dollars				
Total services	31.5	22.7	11.7	13.7
Maintenance and repair services n.i.e.	1.5	3.7	-0.5	0.0
Transport	3.5	2.6	5.6	3.6
Travel (for all purposes including education)	11.3	4.3	3.8	6.7
Insurance services	0.3	0.4	-2.1	-3.3
Financial services	7.4	3.2	1.8	1.0
Charges for the use of intellectual property n.i.e.	3.5	2.4	0.3	3.1
Telecommunications, computer, and information services	2.5	0.9	1.0	-0.5
Other business services	1.5	7.6	4.2	4.4
Government goods and services n.i.e.	0.1	-2.5	-2.5	-1.2
Percent				
Total services	4.8	3.3	2.6	3.0
Maintenance and repair services n.i.e.	8.5	20.1	-6.6	-0.2
Transport	4.1	3.0	6.6	4.0
Travel (for all purposes including education)	7.0	2.5	3.8	6.4
Insurance services	1.6	2.1	-3.8	-6.2
Financial services	9.6	3.8	10.9	5.3
Charges for the use of intellectual property n.i.e.	2.8	1.9	0.9	8.0
Telecommunications, computer, and information services	7.8	2.4	3.2	-1.5
Other business services	1.2	6.3	4.9	4.8
Government goods and services n.i.e.	0.5	-10.9	-9.1	-4.6

Table C. U.S. Trade in Services by Type and Country, 2014

[Millions of dollars]

	Total services	Maintenance and repair services n.i.e.	Transport	Travel (for all purposes including education) ²	Insurance services	Financial services	Charges for the use of intellectual property n.i.e.	Telecommunications, computer, and information services	Other business services	Government goods and services n.i.e.
Exports										
All countries	710,565	22,389	90,031	177,241	17,417	87,290	130,362	35,885	129,514	20,438
Total for the 10 largest countries ¹ ..	390,596	9,833	49,786	106,330	9,127	39,066	82,648	19,930	71,182	2,694
United Kingdom	63,597	2,407	7,969	10,099	1,906	14,971	9,731	4,862	11,385	267
Canada	61,353	1,800	8,586	20,705	2,898	5,870	8,732	3,113	9,366	284
Japan	46,698	937	9,495	12,116	2,074	3,033	8,693	1,567	8,165	617
China	42,460	1,326	4,950	21,499	172	3,133	6,826	653	3,504	398
Ireland	40,491	172	660	1,420	320	2,722	18,752	1,076	15,320	49
Mexico	30,000	655	4,150	15,603	484	1,508	3,169	954	3,095	382
Switzerland	28,887	228	1,865	1,965	269	1,517	10,636	1,399	10,956	52
Brazil	28,249	710	4,881	9,686	468	2,119	4,074	4,617	1,470	223
Germany	28,186	912	5,011	5,604	269	3,290	5,953	1,308	5,663	176
Korea, Republic of	20,675	686	2,219	7,633	267	903	6,082	381	2,258	246
Other countries	319,969	12,556	40,245	70,911	8,290	48,224	47,714	15,955	58,332	17,744
Imports										
All countries	477,428	7,468	94,219	110,787	50,096	19,503	42,124	33,314	95,752	24,163
Total for the 10 largest countries ¹ ..	262,309	4,045	(D)	45,059	41,297	11,675	(D)	23,075	53,780	10,390
United Kingdom	49,764	1,843	7,859	8,049	4,874	6,144	4,049	2,640	13,353	951
Germany	32,812	285	7,825	3,321	2,733	617	4,263	1,007	7,118	5,644
Japan	31,237	94	7,934	2,961	361	1,031	12,406	376	3,112	2,962
Canada	30,074	1,426	5,921	7,235	560	1,659	1,054	5,089	6,838	293
Bermuda	24,759	(*)	(D)	293	22,893	161	(D)	67	198	5
Switzerland	21,880	37	2,623	996	6,319	412	5,116	712	5,461	204
India	20,792	20	519	2,905	50	436	364	11,344	5,107	49
Mexico	19,487	212	2,096	12,259	40	365	697	1,011	2,689	119
France	16,594	114	4,125	5,183	558	687	2,400	567	2,818	144
Ireland	14,909	14	759	1,857	2,909	163	1,840	262	7,086	19
Other countries	215,119	3,423	(D)	65,728	8,799	7,828	(D)	10,239	41,972	13,773

(*) Transactions between zero and \$500,000.

n.i.e. Not included elsewhere

D Suppressed to avoid disclosure of data of individual companies.

1. The rank is based on the total value of services exports or imports in 2014.

2. All travel purposes include (1) business travel, including expenditures by border, seasonal, and other short-term workers and (2) personal travel, including health-related and education-related travel.

U.S. Trade in Services

United Kingdom were financial services and other business services. Canada was the second-largest market for exports in 2014. The top categories of exports to Canada were travel (for all purposes including education) and other business services.

Europe also remained the largest source of U.S. services imports, followed by the Asia and Pacific region. The United Kingdom was the largest provider of services to the United States. The top categories of imports from the United Kingdom were other business services and travel (for all purposes including education). Germany was the second-largest provider of services to the United States. The top categories of imports from Germany were transport and other business services.

Services trade includes trade between unaffiliated parties and trade within MNEs. Trade within MNEs (affiliated trade) accounted for 28 percent of exports in 2014, up 1 percentage point from 2013 (table D). Affiliated trade accounted for 28 percent of imports in 2014, up less than 1 percentage point from 2013. For exports in 2014, growth in unaffiliated trade decreased to 3 percent from 5 percent, and growth in affiliated trade increased






to 5 percent from 3 percent. For imports in 2014, growth in unaffiliated trade increased to 2 percent from 1 percent, and growth in affiliated trade decreased to 4 percent from 6 percent.

Table D. Trade in Services by Affiliation Type, 2013–2014

	Millions of dollars		Percent change from preceding year		Percent of total trade in services	
	2013	2014	2013	2014	2013	2014
Exports of services						
Total exports of services	687,894	710,566	4.8	3.3	.....	.....
Unaffiliated	500,207	512,848	5.4	2.5	72.7	72.2
Affiliated.....	187,687	197,718	3.3	5.3	27.3	27.8
U.S. parents exports to their foreign affiliates	148,407	160,254	2.9	8.0	21.6	22.6
U.S. affiliates exports to their foreign parent groups	39,280	37,464	4.7	-4.6	5.7	5.3
Imports of services						
Total imports of services	463,701	477,426	2.6	3.0	.....	.....
Unaffiliated	337,781	345,916	1.4	2.4	72.8	72.5
Affiliated.....	125,920	131,510	5.9	4.4	27.2	27.5
U.S. parents imports from their foreign affiliates	76,207	81,241	5.8	6.6	16.4	17.0
U.S. affiliates imports from their foreign parent groups	49,713	50,269	6.1	1.1	10.7	10.5

U.S. Trade in Services—Maintenance and Repair Services

Table E. Maintenance and Repair Services n.i.e.

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Maintenance and repair services N.I.E. exports	17,186	18,648	22,389	3,741	20
Exports by country:					
Total exports for the five largest countries ¹	5,642	6,363	7,863	1,500	24 
United Kingdom	2,076	2,329	2,407	78	3
Canada	1,445	1,468	1,800	332	23
China	740	783	1,326	543	69
France	596	742	1,242	500	67
Singapore	785	1,041	1,088	47	5
Other countries	11,544	12,285	14,526	2,241	18 
Maintenance and repair services N.I.E. imports	8,015	7,486	7,468	-18	0
Imports by country:					
Total imports for the five largest countries ¹	5,619	5,715	5,668	-47	-1 
United Kingdom	2,486	2,520	1,843	-677	-27 
Brazil	1,128	1,106	1,448	342	31
Canada	1,352	1,290	1,426	136	11
Singapore	586	588	578	-10	-2
Netherlands	67	211	373	162	77 
Other countries	2,396	1,771	1,800	29	2

Exports of maintenance and repair services increased, mainly reflecting increased exports to the Asia and Pacific region and to Europe.

Imports of maintenance and repair services were nearly unchanged, reflecting a decrease in imports from Europe that was offset by increases in imports from nearly all other regions.

n.i.e. Not included elsewhere

1. The rank is based on the total value of exports or imports of maintenance and repair services n.i.e. in 2014.

U.S. Trade in Services—Transport

Table F. Transport

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Transport exports	83,944	87,415	90,031	2,616	3.0
Sea services.....	17,012	17,322	18,152	830	4.8
Freight.....	4,135	4,028	4,316	288	7.1
Port.....	12,877	13,294	13,836	542	4.1
Air services.....	62,078	65,523	67,498	1,975	3.0
Passenger.....	39,364	41,642	43,516	1,874	4.5
Freight.....	13,871	14,321	14,261	-60	-0.4
Port.....	8,843	9,560	9,721	161	1.7
Other modes.....	4,854	4,570	4,381	-189	-4.1
Exports by country:					
Total exports for the five largest countries ¹ ...	33,565	35,221	36,011	790	2.2
Japan.....	8,952	9,292	9,495	203	2.2
Canada.....	8,064	8,283	8,586	303	3.7
United Kingdom.....	7,275	7,949	7,969	20	0.3
Germany.....	4,674	4,883	5,011	128	2.6
China.....	4,600	4,814	4,950	136	2.8
Other countries.....	50,379	52,194	54,020	1,826	3.5
Transport imports	84,985	90,634	94,219	3,585	4.0
Sea services.....	33,162	36,264	36,254	-10	0.0
Freight.....	31,357	34,207	34,013	-194	-0.6
Port.....	1,805	2,057	2,241	184	8.9
Air services.....	47,458	50,104	53,697	3,593	7.2
Passenger.....	29,565	32,029	34,890	2,861	8.9
Freight.....	6,177	6,325	7,197	872	13.8
Port.....	11,716	11,750	11,610	-140	-1.2
Other modes.....	4,365	4,266	4,268	2	0.0
Imports by country:					
Total imports for the five largest countries ¹ ...	32,020	34,021	35,107	1,086	3.2
Japan.....	7,435	7,915	7,934	19	0.2
United Kingdom.....	7,076	7,571	7,859	288	3.8
Germany.....	6,916	7,426	7,825	399	5.4
Canada.....	5,624	5,757	5,921	164	2.8
Korea, Republic of.....	4,969	5,352	5,568	216	4.0
Other countries.....	52,965	56,613	59,112	2,499	4.4

Transport exports increased. The increase mainly reflected a 3 percent increase in air services, which accounted for 75 percent of exports of transport services in 2014 (chart 6).

Air passenger services increased, reflecting an increase in the number of foreign visitors on U.S. airlines and a decrease in average airfares.

Exports to countries other than the five largest countries increased, driven by a 14 percent increase in exports to Brazil.

Transport imports increased. The increase reflected an increase in air services, which accounted for 57 percent of imports of transport services in 2014 (chart 7).

Air passenger services increased, reflecting an increase in the number of U.S. travelers on foreign airlines and an increase in average airfares.

Imports from Germany increased, mainly reflecting an increase in air passenger services.

Imports from countries other than the five largest countries increased. The largest increases were in imports from Mexico, France, and China.

1. The rank is based on the total value of exports or imports of transport services in 2014.

Chart 6. Transport Exports by Type, 2014

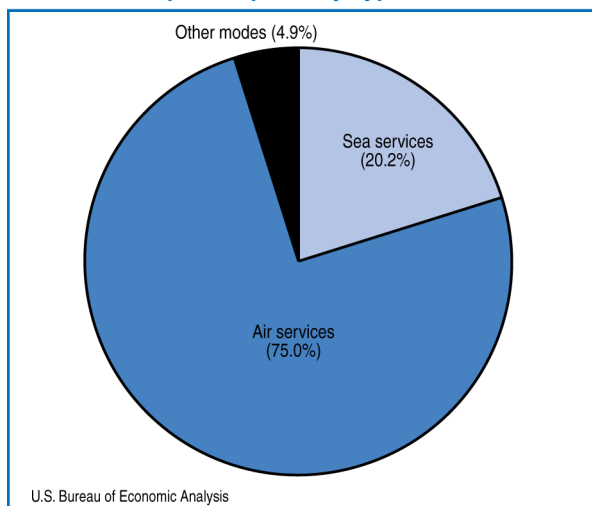
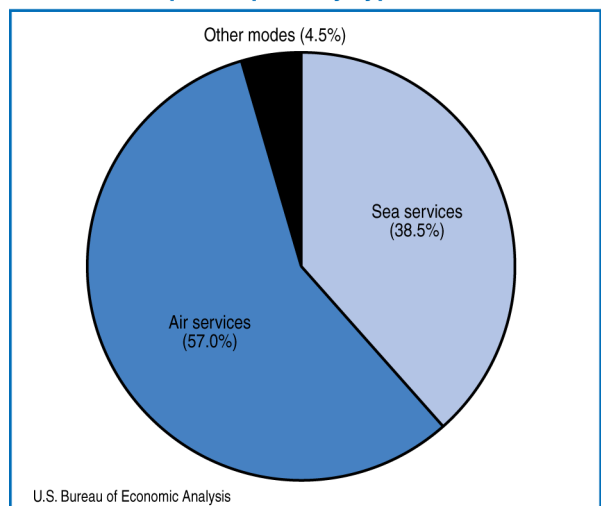


Chart 7. Transport Imports by Type, 2014



U.S. Trade in Services—Travel (for All Purposes Including Education)

Table G. Travel (for All Purposes Including Education)

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Travel exports	161,632	172,901	177,241	4,340	2.5
Business.....	39,530	39,411	40,358	947	2.4
Expenditures by border, seasonal, and other short-term workers.....	6,853	7,164	7,255	91	1.3
Other business travel.....	32,677	32,247	33,103	856	2.7
Personal.....	122,102	133,490	136,883	3,393	2.5
Health related.....	3,176	3,312	3,468	156	4.7
Education related.....	24,858	27,410	30,795	3,385	12.3
Other personal travel.....	94,068	102,768	102,620	-148	-0.1
Exports by country:					
Total exports for the five largest countries ¹ ...	74,074	77,947	80,022	2,075	2.7
China.....	15,863	18,726	21,499	2,773	14.8
Canada.....	21,913	22,192	20,705	-1,487	-6.7
Mexico.....	14,345	15,047	15,603	556	3.7
Japan.....	11,835	12,154	12,116	-38	-0.3
United Kingdom.....	10,118	9,828	10,099	271	2.8
Other countries.....	87,558	94,954	97,219	2,265	2.4
Travel imports	100,338	104,107	110,787	6,680	6.4
Business.....	20,145	21,116	18,264	-2,852	-13.5
Expenditures by border, seasonal, and other short-term workers.....	1,188	1,209	1,261	52	4.3
Other business travel.....	18,957	19,907	17,003	-2,904	-14.6
Personal.....	80,193	82,990	92,523	9,533	11.5
Health related.....	1,282	1,443	1,624	181	12.5
Education related.....	6,079	6,489	6,824	335	5.2
Other personal travel.....	72,831	75,058	84,075	9,017	12.0
Imports by country:					
Total imports for the five largest countries ¹ ...	35,512	35,761	39,104	3,343	9.3
Mexico.....	9,808	10,628	12,259	1,631	15.3
United Kingdom.....	7,118	7,337	8,049	712	9.7
Canada.....	7,653	7,472	7,235	-237	-3.2
Italy.....	6,161	5,865	6,378	513	8.7
France.....	4,772	4,459	5,183	724	16.2
Other countries.....	64,826	68,346	71,683	3,337	4.9

Travel exports increased, mainly reflecting an increase in education-related travel.

Education-related travel exports increased as both the number of international students and their average expenditures increased.

Travel exports to China increased, reflecting a 21 percent increase in education-related travel and a 10 percent increase in other business travel and other personal travel.

Exports to countries other than the five largest countries increased, with strong increases in exports to the Asia and Pacific region, particularly India and Korea (chart 8).

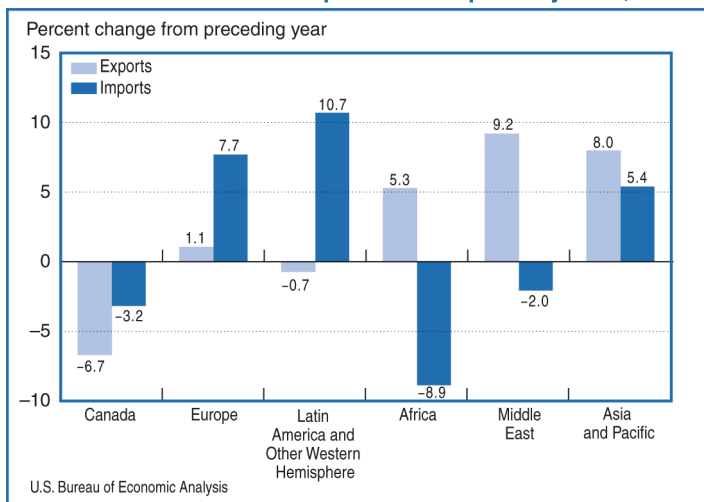
Travel imports increased, mainly reflecting an increase in other personal travel that was partly offset by a decrease in other business travel.

Other personal travel imports increased as the number of U.S. travelers abroad increased and their average expenditures increased.

Mexico remained the largest market for U.S. travel abroad in 2014 as a result of increases in both the number of U.S. travelers to Mexico and their average expenditures.

1. The rank is based on the total value of exports or imports of travel (for all purposes including education) in 2014.

Chart 8. Growth in Travel Exports and Imports by Area, 2014



U.S. Trade in Services—Insurance Services

Table H. Insurance Services

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Insurance services exports	16,790	17,058	17,417	359	2.1
Reinsurance.....	11,176	11,283	11,304	21	0.2
Direct insurance.....	4,003	3,988	4,272	284	7.1
Auxiliary insurance services.....	1,611	1,787	1,841	54	3.0
Exports by country:					
Total exports for the five largest countries ¹	10,000	10,297	11,168	871	8.5
Bermuda.....	2,674	2,831	3,452	621	21.9
Canada.....	3,006	3,057	2,898	-159	-5.2
Japan.....	1,954	1,729	2,074	345	20.0
United Kingdom.....	1,632	1,798	1,906	108	6.0
Australia.....	734	882	838	-44	-5.0
Other countries.....	6,790	6,761	6,249	-512	-7.6
Insurance services imports	55,513	53,420	50,096	-3,324	-6.2
Reinsurance.....	48,585	47,380	43,656	-3,724	-7.9
Direct insurance.....	5,070	4,737	4,936	199	4.2
Auxiliary insurance services.....	1,858	1,303	1,504	201	15.4
Imports by country:					
Total imports for the five largest countries ¹	43,515	41,968	39,728	-2,240	-5.3
Bermuda.....	25,869	24,941	22,893	-2,048	-8.2
Switzerland.....	6,741	6,602	6,319	-283	-4.3
United Kingdom.....	5,656	5,042	4,874	-168	-3.3
Ireland.....	2,255	2,237	2,909	672	30.0
Germany.....	2,994	3,146	2,733	-413	-13.1
Other countries.....	11,998	11,452	10,368	-1,084	-9.5

Exports of insurance services increased, mainly reflecting a 7 percent increase in direct insurance.

Insurance exports to Bermuda increased, reflecting a 34 percent increase in direct insurance and auxiliary insurance services that reflected a 90 percent increase in premiums received for direct insurance.

Imports of insurance services decreased, reflecting an 8 percent decrease in reinsurance, mainly in imports of reinsurance from the Other Western Hemisphere region and Europe.

Insurance imports from Bermuda continued to decrease, mainly because of an 8 percent decrease in reinsurance. In recent years, alternative reinsurance capital, such as catastrophe bonds and other insurance-linked securities, has grown, and this growth has put pressure on reinsurance pricing.

Insurance imports from Ireland increased. The increase reflected a 36 percent increase in reinsurance, which reflected a 49 percent increase in premiums paid for reinsurance.

1. The rank is based on the total value of exports or imports of insurance services in 2014.

U.S. Trade in Services—Financial Services

Table I. Financial Services

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Financial services exports	76,692	84,091	87,290	3,199	3.8
Brokerage.....	13,944	13,747	13,221	-526	-3.8
Underwriting.....	2,118	2,145	2,877	732	34.1
Credit card and other credit-related.....	16,027	17,439	19,309	1,870	10.7
Management.....	21,072	24,551	24,325	-226	-0.9
Advisory.....	7,516	8,807	8,837	30	0.3
Other ¹	16,016	17,402	18,721	1,319	7.6
Exports by country:					
Total exports for the five largest countries ²	27,010	29,519	31,458	1,939	6.6
United Kingdom.....	12,994	13,975	14,971	996	7.1
Canada.....	5,354	5,686	5,870	184	3.2
Belgium-Luxembourg.....	2,830	3,332	3,725	393	11.8
Australia.....	3,110	3,446	3,602	156	4.5
Germany.....	2,722	3,080	3,290	210	6.8
Other countries.....	49,682	54,572	55,832	1,260	2.3
Financial services imports	16,703	18,519	19,503	984	5.3
Brokerage.....	2,969	3,107	2,931	-176	-5.7
Underwriting.....	546	531	463	-68	-12.8
Credit card and other credit-related.....	5,293	6,160	6,482	322	5.2
Management.....	2,847	3,610	4,066	456	12.6
Advisory.....	1,451	1,580	1,688	108	6.8
Other ¹	3,597	3,532	3,872	340	9.6
Imports by country:					
Total imports for the five largest countries ²	8,155	9,532	10,201	669	7.0
United Kingdom.....	4,617	5,614	6,144	530	9.4
Canada.....	1,301	1,531	1,659	128	8.4
Japan.....	917	1,000	1,031	31	3.1
France.....	708	710	687	-23	-3.2
Hong Kong.....	612	677	680	3	0.4
Other countries.....	8,548	8,987	9,302	315	3.5

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

2. The rank is based on the total value of exports or imports of financial services in 2014.

Financial services exports increased for the second year after decreasing in 2012.

Exports of underwriting services increased 34 percent in 2014 after increasing only 1 percent in 2013.

Financial services imports continued to increase and were up 17 percent from 2012.

Imports of financial management services increased in 2014, and were up 43 percent from 2012.

Imports from countries other than the five largest countries increased, with particularly large increases in imports from India and Australia.

U.S. Trade in Services—Charges for the Use of Intellectual Property

Table J. Charges for the Use of Intellectual Property n.i.e.

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Charges for the use of intellectual property n.i.e., exports	124,440	127,927	130,362	2,435	1.9
Industrial processes.....	42,962	44,904	48,723	3,819	8.5
Computer software.....	40,493	42,464	39,514	-2,950	-6.9
Trademarks.....	16,243	15,944	16,883	939	5.9
Franchise fees.....	5,913	6,097	5,735	-362	-5.9
Audio-visual and related products.....	18,715	18,410	19,414	1,004	5.5
Other intellectual property.....	114	108	94	-14	-13.0
Exports by affiliation:					
Unaffiliated.....	47,047	49,473	47,962	-1,511	-3.1
Affiliated.....	77,392	78,453	82,400	3,947	5.0
By U.S. parents to their foreign affiliates....	72,421	72,752	77,401	4,649	6.4
By U.S. affiliates to their foreign parents....	4,971	5,702	4,999	-703	-12.3
Exports by country:					
Total exports for the five largest countries ¹ ...	53,311	53,123	56,544	3,421	6.4
Ireland.....	13,952	14,814	18,752	3,938	26.6
Switzerland.....	9,371	10,134	10,636	502	5.0
United Kingdom.....	9,770	9,030	9,731	701	7.8
Canada.....	9,754	9,607	8,732	-875	-9.1
Japan.....	10,464	9,538	8,693	-845	-8.9
Other countries.....	71,129	74,804	73,818	-986	-1.3
Charges for the use of intellectual property n.i.e., imports	38,661	38,999	42,124	3,125	8.0
Industrial processes.....	22,140	22,508	23,783	1,275	5.7
Computer software.....	6,570	6,481	6,773	292	4.5
Trademarks.....	4,220	4,440	(D)	(D)	(D)
Franchise fees.....	167	189	(D)	(D)	(D)
Audio-visual and related products.....	5,472	5,253	7,643	2,390	45.5
Other intellectual property.....	91	128	114	-14	-10.9
Imports by affiliation:					
Unaffiliated.....	11,729	11,512	13,816	2,304	20.0
Affiliated.....	26,932	27,487	28,309	822	3.0
By U.S. parents from their foreign affiliates	6,296	6,175	6,747	572	9.3
By U.S. affiliates from their foreign parents	20,636	21,313	21,562	249	1.2
Imports by country:					
Total imports for the five largest countries ¹ ...	25,871	26,942	28,234	1,292	4.8
Japan.....	9,043	11,615	12,406	791	6.8
Switzerland.....	5,528	5,672	5,116	-556	-9.8
Germany.....	4,042	3,966	4,263	297	7.5
United Kingdom.....	3,836	3,672	4,049	377	10.3
France.....	3,422	2,017	2,400	383	19.0
Other countries ²	12,790	12,057	13,890	1,833	15.2

n.i.e. Not included elsewhere. D Suppressed to avoid disclosure of data of individual companies.
 1. The rank is based on the total value of exports or imports of charges for the use of intellectual property n.i.e. in 2014.
 2. "Other countries" includes international organizations. Payments to international organizations for the use of intellectual property are often substantial.

Exports that reflect charges for the use of intellectual property increased. The increase mainly reflected an increase in charges associated with industrial processes, which represented the largest portion of exports in 2014 (chart 9).

The increase in exports that reflect charges associated with rights related to industrial processes primarily reflected an increase in manufacturing abroad. Charges for these rights are generally based on the level of production and are therefore closely linked to manufacturing.

Exports that reflect charges associated with computer software decreased, mostly reflecting a decrease in exports to the Asia and Pacific region.

Exports to Ireland increased. Ireland continued to be the largest source of exports that reflect charges for the use of intellectual property.

Imports that reflect charges for the use of intellectual property increased. The largest increase was in charges associated with audio-visual and related products, which accounted for a larger share of imports in 2014 than in 2013 (chart 10).

The increase in charges associated with audio-visual and related products was partly due to payments to international organizations, which included charges for the rights to broadcast the 2014 soccer World Cup games in Brazil.

Imports from Switzerland decreased, mainly reflecting decreases in charges associated with the use of trademarks and computer software.

Chart 9. Charges for the Use of Intellectual Property, Exports by Type

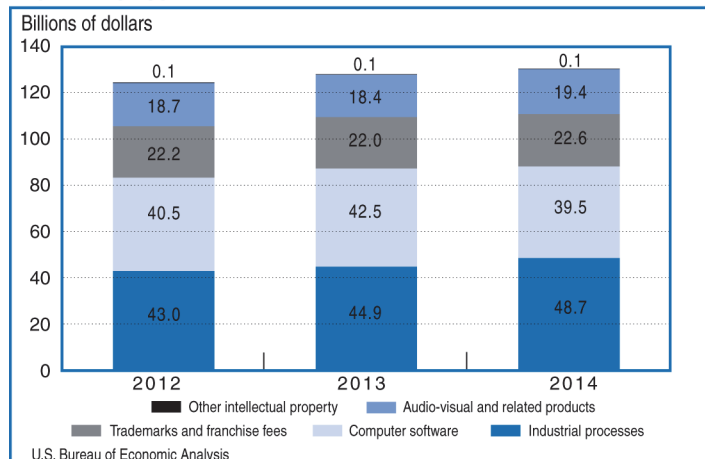
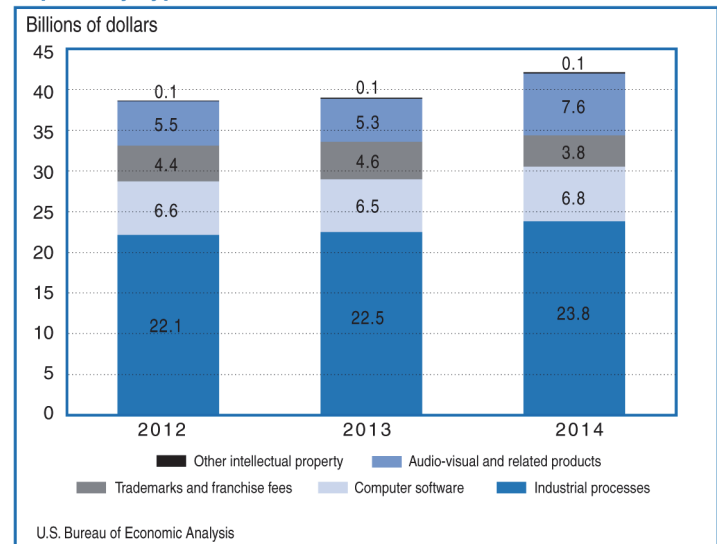


Chart 10. Charges for the Use of Intellectual Property Imports by Type



U.S. Trade in Services—Telecommunications, Computer, and Information Services

Table K. Telecommunications, Computer, and Information Services

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Telecommunications, computer, and information services exports	32,510	35,035	35,885	850	2
Telecommunications services	13,749	14,471	13,550	-921	-6
Computer services.....	12,554	13,779	15,310	1,531	11
Information services.....	6,207	6,784	7,025	241	4
Exports by country:					
Total exports for the five largest countries ¹	14,400	15,134	15,558	424	3
United Kingdom	5,021	5,038	4,862	-176	-4
Brazil.....	4,104	4,470	4,617	147	3
Canada	2,463	2,750	3,113	363	13
Japan	1,400	1,495	1,567	72	5
Switzerland	1,412	1,381	1,399	18	1
Other countries.....	18,110	19,901	20,327	426	2
telecommunications, computer, and information services imports	32,779	33,812	33,314	-498	-2
Telecommunications services	7,169	7,348	6,656	-692	-9
Computer services.....	23,865	24,438	24,386	-52	0
Information services.....	1,744	2,026	2,272	246	12
Imports by country:					
Total imports for the five largest countries ¹	20,341	20,553	21,318	765	4
India.....	10,392	10,610	11,344	734	7
Canada	5,619	5,322	5,089	-233	-4
United Kingdom	2,456	2,377	2,640	263	11
Philippines	1,059	1,253	1,234	-19	-2
Mexico.....	815	991	1,011	20	2
Other countries.....	12,438	13,259	11,996	-1,263	-10

Exports of telecommunications, computer, and information services continued to increase. Exports were up 10 percent from 2012.

Exports to countries other than the five largest countries increased, with particularly large increases in exports to Singapore and China.

Imports of telecommunications, computer, and information services decreased, with the largest decreases occurring in imports from China, the Netherlands, and Canada.

Imports of telecommunications services decreased, with the largest decrease in imports from Europe, particularly from the United Kingdom and from the Netherlands.

Imports from India increased, mainly reflecting an increase in computer services.

1. The rank is based on the total value of exports or imports of telecommunications, computer, and information services in 2014.

U.S. Trade in Services—Other Business Services Exports

Table L. Other Business Services Exports

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Other business services exports	120,382	121,873	129,514	7,641	6.3
Research and development services.....	27,680	29,258	33,192	3,934	13.4
Professional and management consulting services.....	53,542	55,649	59,487	3,838	6.9
Legal services.....	8,280	9,030	9,104	74	0.8
Accounting, auditing, and bookkeeping services.....	1,214	1,180	1,391	211	17.9
Business and management consulting and public relations services.....	36,624	36,876	39,149	2,273	6.2
Advertising.....	7,424	8,564	9,842	1,278	14.9
Technical, trade-related, and other business services.....	39,160	36,965	36,834	-131	-0.4
Architectural and engineering services.....	13,411	12,872	12,343	-529	-4.1
Construction.....	3,182	2,109	1,971	-138	-6.5
Industrial engineering.....	3,895	3,375	4,085	710	21.0
Operating leasing services.....	8,310	8,403	7,505	-898	-10.7
Other ¹	10,363	10,206	10,931	725	7.1
Exports by affiliation:					
Unaffiliated.....	48,661	47,999	49,430	1,431	3.0
Affiliated.....	71,720	73,874	80,084	6,210	8.4
By U.S. parents to their foreign affiliates....	45,536	46,736	53,348	6,612	14.1
By U.S. affiliates to their foreign parents....	26,184	27,137	26,735	-402	-1.5
Exports by country:					
Total exports for the five largest countries ² ...	48,318	49,345	55,192	5,847	11.8
Ireland.....	10,394	11,221	15,320	4,099	36.5
United Kingdom.....	10,376	10,593	11,385	792	7.5
Switzerland.....	10,503	10,267	10,956	689	6.7
Canada.....	9,577	9,333	9,366	33	0.4
Japan.....	7,468	7,931	8,165	234	3.0
Other countries.....	72,064	72,528	74,322	1,794	2.5

Exports of other business services increased, mainly reflecting increases in research and development services and in professional and management consulting services (chart 11).

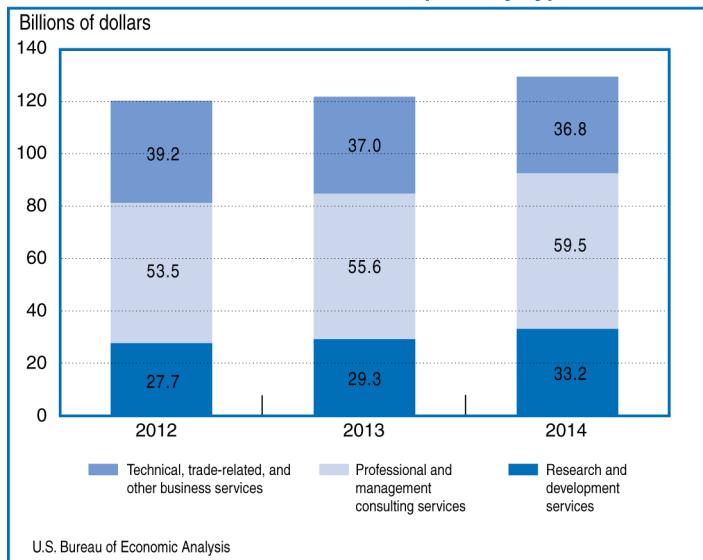
Exports of business and management consulting and public relations services increased, reflecting a large increase in exports to Europe, particularly to Ireland, the United Kingdom, and Switzerland.

Exports of operating leasing services decreased in all regions except Canada.

Exports to Ireland continued to increase and were up 63 percent from 2010, particularly in research and development services.

1. This category includes mining, trade-related services, sports and performing arts, training services, and other business services n.i.e. (not included elsewhere)
 2. The rank is based on the total value of exports of other business services in 2014.

Chart 11. Other Business Services Exports by Type



U.S. Trade in Services—Other Business Services Imports

Table M. Other Business Services Imports

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Other business services imports	87,157	91,389	95,752	4,363	4.8
Research and development services	28,552	30,978	33,048	2,070	6.7
Professional and management consulting services	33,212	34,462	38,163	3,701	10.7
Legal services	2,033	1,980	2,050	70	3.5
Accounting, auditing, and bookkeeping services	2,211	2,437	2,643	206	8.5
Business and management consulting and public relations services	25,680	26,841	30,078	3,237	12.1
Advertising	3,287	3,203	3,393	190	5.9
Technical, trade-related, and other business services	25,394	25,949	24,542	-1,407	-5.4
Architectural and engineering services	4,807	5,099	4,986	-113	-2.2
Construction	3,264	2,522	2,261	-261	-10.3
Industrial engineering	3,503	3,268	2,691	-577	-17.7
Operating leasing services	2,715	3,447	3,509	62	1.8
Other ¹	11,105	11,613	11,094	-519	-4.5
Imports by affiliation:					
Unaffiliated	26,987	26,431	27,076	645	2.4
Affiliated	60,170	64,958	68,676	3,718	5.7
By U.S. parents from their foreign affiliates	44,065	47,129	50,765	3,636	7.7
By U.S. affiliates from their foreign parents	16,106	17,829	17,911	82	0.5
Imports by country:					
Total imports for the five largest countries ²	37,107	39,595	39,856	261	0.7
United Kingdom	12,539	12,602	13,353	751	6.0
Germany	5,783	6,818	7,118	300	4.4
Ireland	6,242	7,016	7,086	70	1.0
Canada	7,525	7,658	6,838	-820	-10.7
Switzerland	5,018	5,501	5,461	-40	-0.7
Other countries	50,050	51,794	55,896	4,102	7.9

Imports of other business services increased, mainly reflecting increases in professional and management consulting services and in research and development services (chart 12).

Imports of business and management consulting and public relations services increased, with the largest increase in imports from Europe, particularly from the United Kingdom.

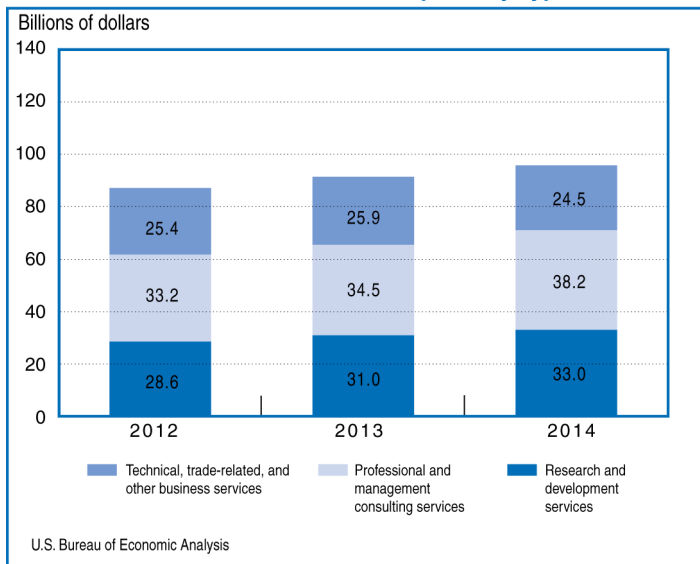
Imports of industrial engineering decreased for the third year in a row.

Imports from Canada decreased, reflecting a 32 percent decrease in technical, trade-related, and other business services.

1. This category includes mining, trade-related services, sports and performing arts, training services, and other business services n.i.e. (not included elsewhere)

2. The rank is based on the total value of imports of other business services in 2014.

Chart 12. Other Business Services Imports by Type



U.S. Trade in Services—Government Goods and Services

Table N. Government Goods and Services n.i.e.

	2012	2013	2014	Change 2013–2014	
	Millions of dollars			Millions of dollars	Percent
Government goods and services n.i.e. exports	22,835	22,946	20,438	-2,508	-10.9
Exports by country:					
Total exports for the five largest countries ¹	2,764	3,231	3,435	204	6.3
Saudi Arabia	1,249	1,755	1,479	-276	-15.7
Japan	529	458	617	159	34.7
Taiwan	481	419	507	88	21.0
India	217	260	434	174	66.9
China	288	339	398	59	17.4
Other countries.....	20,071	19,715	17,003	-2,712	-13.8
Government goods and services n.i.e. imports	27,861	25,334	24,163	-1,171	-4.6
Imports by country:					
Total imports for the five largest countries ¹	14,402	13,514	13,214	-300	-2.2
Germany	6,656	6,103	5,644	-459	-7.5
Japan	2,740	2,569	2,962	393	15.3
Korea, Republic of	2,509	2,529	2,472	-57	-2.3
Italy	1,393	1,321	1,185	-136	-10.3
United Kingdom	1,104	992	951	-41	-4.1
Other countries.....	13,459	11,820	10,949	-871	-7.4

Exports of government goods and services decreased after increasing for 3 years in a row.

The decrease in countries other than the five largest countries mainly reflects a decrease in equipment and services provided to Afghanistan through grant programs funded by the U.S. government. Afghanistan is included in the Other Asia and Pacific region, which is included in “other countries” in this table.

Imports of government goods and services decreased for the fourth year in a row.

Imports from countries other than the five largest countries decreased, mainly reflecting decreases in imports from countries in the Middle East and the Asia and Pacific region.

n.i.e. Not included elsewhere
 1. The rank is based on the total value of exports or imports of government goods and services n.i.e. in 2014.

Services Supplied Through Affiliates in 2013

U.S. international services delivered via the channel of direct investment consists of (1) services supplied to local markets and other foreign markets by foreign affiliates of U.S. multinational enterprises (MNEs) and (2) services supplied to the U.S. market by U.S. affiliates of foreign MNEs. In 2013, services supplied by U.S. MNEs to foreign markets through their affiliates increased to \$1,320.9 billion from \$1,285.9 billion in 2012. Services supplied by foreign MNEs to the U.S. market through their U.S. affiliates increased to \$878.5 billion from \$813.3 billion. The difference between international services supplied through affiliates to foreign markets and to U.S. markets was \$442.4 billion in 2013, compared with \$472.7 billion in 2012.¹

Services supplied abroad through foreign affiliates of U.S. MNEs grew 3 percent in 2013 after growing 3 percent in 2012. The continuation of moderate growth of services supplied was consistent with only small changes in economic growth in many of the major markets as well as in emerging markets served by affiliates (chart 3). In Europe, the euro area contracted for the second straight year, though by slightly less than in 2012. Economic growth in most other major markets served by affiliates was positive in 2013. The United Kingdom's GDP growth picked up 1 percentage point, nearly matching that of Canada, which was little changed. Japan's GDP growth decreased slightly. GDP growth in emerging markets and developing economies, such as Mexico, decreased slightly in 2013, but as in recent years, growth in emerging markets still outpaced growth in advanced economies.

1. It is not meaningful to highlight the difference between services supplied through affiliates to foreign markets and to U.S. markets by industry partly because of differences in the level of industry consolidation between foreign affiliates of U.S. companies and U.S. affiliates of foreign companies.

Summary Statistics

Summary statistics on services supplied by foreign affiliates of U.S. MNEs for certain selected countries and industries of the affiliate are presented following this section in tables Q–R and charts 13–16. Statistics on services supplied by U.S. affiliates of foreign MNEs for certain countries of UBO and industries of the affiliate are presented in tables S–T and charts 17–20. For more detailed statistics, see [tables 3.1–4.3](#) that accompany this article.

The value of the dollar relative to the currencies of many of the U.S.'s largest trading partners was largely unchanged throughout 2013. However, the dollar strengthened against the Japanese yen, so the dollar value of services provided by affiliates in Japan decreased (chart 4).

Services supplied abroad through affiliates increased in all major regions except Africa. Affiliates in the Asia and Pacific region contributed the largest share of growth, followed by affiliates in Europe and in South and Central America (summarized in table Q and charts 13 and 14 on page 19). In Asia and Pacific, nearly every major industry grew. Affiliates in Singapore and India, where economic growth picked up in 2013, contributed nearly two-thirds of the total growth in services supplied through affiliates, and together, they more than offset a significant decrease in services supplied by affiliates in Japan. In Europe, growth in services supplied through affiliates in Germany, Switzerland, and Ireland more than accounted for the growth in services supplied through affiliates; this growth was partly offset by a contraction in the United Kingdom, the top country of foreign affiliates in 2013 in terms of services supplied (table O). For affiliates in Europe, the increases were largest for affiliates in wholesale trade, information, and retail trade; the combined increase in these industries more than offset a large decrease in finance and insurance. European affiliates again accounted for the largest share of services supplied by affiliates in foreign markets, but that share continued to shrink because that growth was outpaced by the growth of services supplied by affiliates in Asia and Pacific. Services supplied in South and Central America grew strongly in 2013. Mexico, the top country of foreign affiliates in that region in terms of services supplied in 2013, led the increase despite slow economic growth. More than three-quarters of the increase in South and Central America was in retail trade and in finance and insurance.

Services supplied by foreign affiliates of U.S. MNEs increased in all major industry categories except manufacturing and finance and insurance; the increase was largest in information and in wholesale trade (summarized in table R and charts 15 and 16 on page 20). In information services, the increase was largely accounted for by increases among affiliates that provide Internet search and social networking services, particularly in Ireland. In wholesale trade, most of the increase was in

Services Supplied Through Affiliates in 2013

services supplied by nondurable-goods merchant wholesalers, especially wholesalers of farm product raw materials and of drugs and druggists' sundries. Services supplied in mining and in retail trade also increased significantly; in mining, the increase was nearly fully accounted for by growth in support activities for oil and gas operations supplied by affiliates, and in retail trade, it was led by growth in general merchandise and in non-store retailers, such as online merchants.

Foreign affiliates not only supply services to foreign markets, but they also supply services to the U.S. market (which are classified as U.S. imports of services). Services supplied to foreign markets, which include local markets and other foreign markets, accounted for 92 percent of services supplied by foreign affiliates, and services supplied to the U.S. market accounted for the remaining 8 percent of foreign affiliates' \$1,440.9 billion in services supplied worldwide in 2013 (table P). In 2013, transac-

tions in the affiliates' local market accounted for 71 percent of services supplied worldwide by affiliates, while transactions with parties in other foreign markets accounted for 20 percent. Services supplied by foreign affiliates worldwide grew 3 percent in 2013; services supplied to foreign markets grew 3 percent, and services supplied to the U.S. market grew 5 percent. For services supplied to foreign markets in 2013, services supplied to the affiliates' local market grew 2 percent, and services supplied to other foreign markets grew 6 percent.

Services supplied to the U.S. market by U.S. affiliates of foreign MNEs grew 8 percent in 2013, up from 4 percent in 2012, despite little change in U.S. economic growth (chart 3). The largest increases were in services supplied through affiliates with ultimate beneficial owners (UBOs) in Asia and Pacific and in Europe; services supplied by affiliates with UBOs in Canada, the United States, Central America, and Other Western Hemisphere

Table O. Services Supplied to Foreign Persons by Industry and Country of the Foreign Affiliate and to U.S. Persons by Industry and Country of the Ultimate Beneficial Owner (UBO), 2013

[Millions of dollars]

	All industries	Manufacturing	Wholesale trade	Retail trade	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services	Other industries
Services supplied to foreign persons by U.S. MNEs through their majority-owned foreign affiliates by country of the foreign affiliate									
All countries	1,320,875	30,138	240,555	104,871	180,541	220,917	44,739	196,673	302,442
Total for the 10 largest countries ¹	815,764	20,401	150,441	64,906	129,252	136,439	32,776	126,420	155,129
United Kingdom	190,674	6,823	13,358	19,692	24,327	51,817	5,145	30,526	38,986
Canada	127,589	2,688	18,435	23,099	7,420	12,135	7,090	18,585	38,137
Ireland	86,097	(D)	5,232	90	47,903	8,728	7,330	9,244	(D)
Japan	71,568	469	13,178	5,000	5,839	28,759	686	13,759	3,878
Germany	67,124	1,869	15,512	6,868	10,523	4,661	2,796	8,521	16,373
Switzerland	64,214	372	29,394	4,181	5,495	1,612	2,089	16,455	4,616
Singapore	59,522	(D)	24,912	210	5,760	11,486	2,871	2,679	(D)
Australia	52,580	967	7,485	1,135	7,606	9,760	1,672	14,096	9,859
France	48,535	3,052	11,469	2,824	5,259	4,642	1,118	6,078	14,092
Netherlands	47,861	1,271	11,467	1,806	9,119	2,839	1,979	6,476	12,904
Other countries	505,111	9,737	90,114	39,965	51,288	84,478	11,964	70,253	147,313
Services supplied to U.S. persons by foreign MNEs through their majority-owned U.S. affiliates by country of the UBO									
All countries	878,471	82,562	146,882	45,925	113,198	176,124	23,518	96,042	194,219
Total for the 10 largest countries ¹	722,315	72,503	102,265	36,246	100,297	163,032	19,581	81,777	146,614
Japan	146,509	13,223	56,022	6,067	(D)	13,383	1,387	4,181	(D)
United Kingdom	126,771	15,693	8,075	3,835	18,031	26,941	5,361	9,754	39,080
Germany	120,203	19,287	13,742	6,611	(D)	21,861	3,390	(D)	22,923
France	87,124	5,438	4,368	3,032	(D)	19,315	35	33,373	(D)
Canada	84,394	4,209	4,811	7,186	7,090	29,103	4,501	6,291	21,204
Switzerland	52,024	8,112	2,729	(D)	132	20,351	(D)	1,004	18,905
Netherlands	44,936	3,800	6,440	8,791	4,033	14,136	510	2,152	5,075
Australia	22,865	626	274	(D)	39	10,907	(D)	2,643	(D)
Ireland	19,889	1,958	1,590	0	34	(D)	20	(D)	77
Bermuda	17,602	158	4,214	3	(D)	(D)	58	8	7,867
Other countries	156,155	10,060	44,617	9,680	12,900	13,092	3,936	14,265	47,605

MNEs Multinational enterprises 0 Transactions are possible but are zero for a given period.

D Suppressed to avoid disclosure of data of individual companies.

1. The rank is based on the total value of services supplied to foreign persons by U.S. MNEs through

their majority-owned foreign affiliates or services supplied to U.S. persons by foreign MNEs through their majority-owned U.S. affiliates in 2013.

Services Supplied Through Affiliates in 2013

also grew (summarized in table S and charts 17 and 18 on page 21).² Affiliates with UBOs in Asia and Pacific accounted for nearly two-thirds of the growth in all services supplied to the U.S. market; the growth was largely accounted for by acquisitions of U.S. affiliates. Growth in services supplied by affiliates with UBOs in Asia and Pacific increased in most major industries. The largest increase was in information due to the large increase in wireless telecommunications for Japan, but increases in services supplied through affiliates in wholesale trade, in finance and insurance, and in professional, scientific, and technical services were also significant. For affiliates with UBOs in Europe, nearly three-quarters of the increase was accounted for by growth in affiliates with UBOs in France, Germany, and the United Kingdom, which were the top three European UBO countries of U.S. affiliates in 2013 in terms of services supplied (table O). Services supplied by affiliates with UBOs in Europe increased in most major industries; the largest increases were in professional, scientific, and technical services, especially advertising and related services, and in wholesale

2. The UBO of a U.S. affiliate is that person or entity, proceeding up the affiliate's ownership chain, beginning with and including the foreign parent, that is not owned by more than 50 percent by another person. Unlike the foreign parent, the UBO of an affiliate may be located in the United States. The UBO of each affiliate is identified to ascertain the person or entity that ultimately owns or controls the U.S. affiliate and therefore ultimately derives the benefits from ownership or control.

Table P. Services Supplied Through Affiliates by Destination, 2012–2013

	Billions of dollars		Percent change from preceding year		Percent of total services supplied	
	2012	2013	2012	2013	2012	2013
Services supplied by U.S. MNEs through their majority-owned foreign affiliates						
Total services supplied	1,400	1,441	4.0	2.9	.....	.....
Services supplied to U.S. persons.....	114	120	14.3	4.9	8.2	8.3
Services supplied to foreign persons.....	1,286	1,321	3.1	2.7	91.8	91.7
Local market.....	1,011	1,028	2.8	1.7	72.2	71.4
Other markets.....	275	292	4.2	6.4	19.6	20.3
Services supplied by foreign MNEs through their majority-owned U.S. affiliates						
Total services supplied	898	964	4.5	7.4	.....	.....
Services supplied to U.S. persons.....	813	878	4.1	8.0	90.6	91.1
Services supplied to foreign persons.....	84	85	8.5	1.0	9.4	8.9

MNEs Multinational enterprises

trade. For affiliates of UBOs in Canada, the United States, Central America, and Other Western Hemisphere, the increases in services supplied were small compared with those for Asia and Pacific and Europe. For affiliates with UBOs in the Middle East and in Africa, services supplied through affiliates contracted in 2013 for the second straight year.

Services supplied by U.S. affiliates of foreign MNEs increased in all seven major industry categories; the largest increases were in information, in professional, scientific, and technical services, in wholesale trade, and in real estate and rental and leasing (summarized in table T and charts 19 and 20 on page 22). More than half of the increase in services supplied by U.S. affiliates was accounted for by affiliates in information, particularly in wireless telecommunications, reflecting the acquisitions of U.S. affiliates in wireless communications by Japanese companies. Increases in telecommunications for affiliates with UBOs in Germany and Mexico were also large. In wholesale trade, growth in services supplied by U.S. affiliates was widespread across subindustries; the growth was more than accounted for by affiliates with UBOs in Asia and Pacific and in Europe. In professional, scientific, and technical services, the largest increases were in advertising and related services, especially for affiliates with UBOs in France, and in computer systems design and related services, particularly for affiliates with UBOs in Japan. In real estate and rental and leasing, services supplied through affiliates in both rental and leasing and real estate increased; more than half of the increase was in services supplied by affiliates with UBOs in Europe.

U.S. affiliates not only supply services to the U.S. market, but they also supply services to other markets (which are classified as U.S. exports of services). However, U.S. market transactions account for the vast majority of the services supplied by U.S. affiliates worldwide. In 2013, U.S. market transactions accounted for 91 percent of U.S. affiliates' \$963.8 billion in services supplied worldwide (table P). This large share reflects the dominant size of the U.S. market, compared with the sizes of other nearby markets. Services supplied by U.S. affiliates worldwide grew 7 percent in 2013; services supplied to the U.S. market grew 8 percent, and services supplied to foreign markets grew 1 percent.

Services Supplied by Affiliates—To Foreign Persons Through Foreign Affiliates

Table Q. Services Supplied to Foreign Persons by U.S. MNEs Through Their Majority-Owned Foreign Affiliates by Selected Country of the Affiliate

	2012	2013	Change 2012–2013	
	Millions of dollars		Millions of dollars	Percent
All countries	1,285,947	1,320,875	34,928	2.7
Canada.....	127,406	127,589	183	0.1
Europe.....	638,612	649,201	10,589	1.7
France.....	47,550	48,535	985	2.1
Germany.....	63,116	67,124	4,008	6.4
Ireland.....	82,598	86,097	3,499	4.2
Netherlands.....	47,577	47,861	284	0.6
Switzerland.....	60,589	64,214	3,625	6.0
United Kingdom.....	194,359	190,674	-3,685	-1.9
Latin America and Other Western Hemisphere	156,506	166,657	10,151	6.5
South and Central America.....	119,047	125,575	6,528	5.5
Brazil.....	38,290	39,594	1,304	3.4
Mexico.....	40,478	43,393	2,915	7.2
Other Western Hemisphere.....	37,459	41,082	3,623	9.7
United Kingdom Islands, Caribbean.....	11,350	16,264	4,914	43.3
Africa.....	15,145	14,279	-866	-5.7
Middle East.....	16,423	17,520	1,097	6.7
Saudi Arabia.....	3,156	4,319	1,163	36.9
Asia and Pacific.....	331,854	345,630	13,776	4.2
Australia.....	50,398	52,580	2,182	4.3
China.....	39,810	43,257	3,447	8.7
India.....	17,067	21,301	4,234	24.8
Japan.....	76,785	71,568	-5,217	-6.8
Singapore.....	54,830	59,522	4,692	8.6

MNEs Multinational enterprises

In Canada, services supplied by affiliates increased slightly. Significant growth in real estate and rental and leasing and in professional, scientific, and technical services more than offset sharp decreases in finance and insurance and in retail trade.

In Switzerland, services supplied increased, and the increase was largest in wholesale trade—particularly in nondurable goods—as well as in professional, scientific, and technical services and in retail trade.

In Mexico, services supplied increased, and the increase was widespread across industries. The largest increases were in retail trade and in finance and insurance.

In United Kingdom Islands, Caribbean, services supplied increased sharply. The increase was largely accounted for by acquisitions of affiliates in finance and insurance and by increases in services supplied by existing affiliates in wholesale trade and in real estate and rental and leasing.

In Africa, services supplied decreased, following a strong increase in 2012 (chart 13). More than half of the decrease was accounted for by the acquisitions of U.S. MNE's foreign affiliates in utilities by foreign-owned companies. Africa accounted for the smallest share of services supplied by foreign affiliates by major area in 2013 (chart 14).

In India, services supplied increased, and more than half of the increase was in professional, scientific, and technical services, particularly computer systems design and related services.

Chart 13. Growth in Services Supplied Through Affiliates to Foreign Persons by Major Area of Affiliate, 2012 and 2013

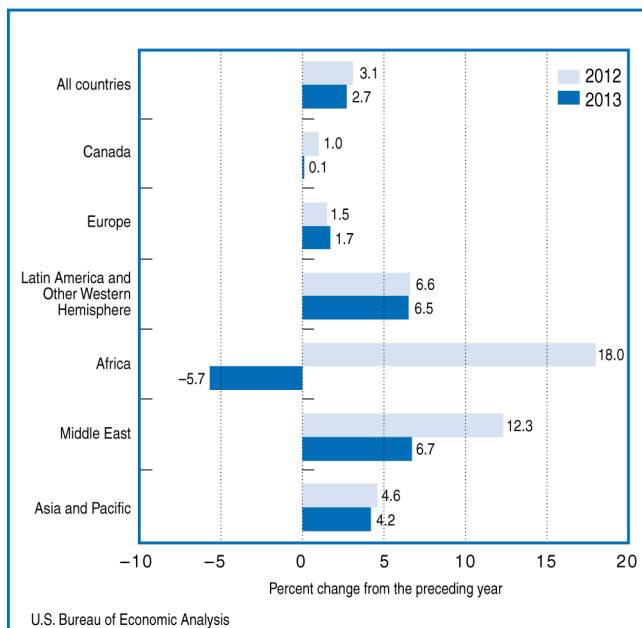
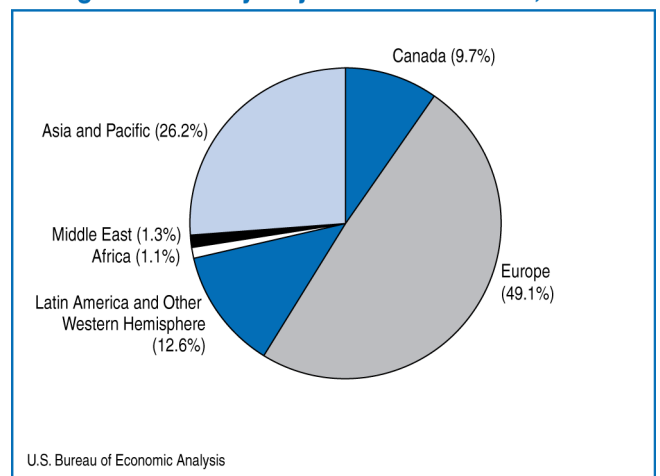


Chart 14. Services Supplied Through Affiliates to Foreign Persons by Major Area of Affiliate, 2013



Services Supplied by Affiliates—To Foreign Persons Through Foreign Affiliates

Table R. Services Supplied to Foreign Persons by U.S. MNEs Through Their Majority-Owned Foreign Affiliates by Selected Industry

	2012	2013	Change 2012–2013	
	Millions of dollars		Millions of dollars	Percent
All industries	1,285,947	1,320,875	34,928	2.7
Manufacturing.....	30,916	30,138	-778	-2.5
Wholesale trade	234,708	240,555	5,847	2.5
Professional and commercial equipment and supplies	78,037	77,571	-466	-0.6
Retail trade	100,220	104,871	4,651	4.6
Information	172,583	180,541	7,958	4.6
Publishing industries.....	53,680	53,461	-219	-0.4
Broadcasting (except internet).....	14,107	16,569	2,462	17.5
Finance and insurance.....	221,497	220,917	-580	-0.3
Finance	157,151	156,112	-1,039	-0.7
Insurance carriers and related activities	64,346	64,805	459	0.7
Real estate and rental and leasing.....	43,300	44,739	1,439	3.3
Professional, scientific, and technical services	195,213	196,673	1,460	0.7
Architectural, engineering, and related services	35,780	(D)	(D)	(D)
Computer systems design and related services	85,291	83,435	-1,856	-2.2
Management, scientific, and technical consulting	21,715	24,110	2,395	11.0
Other industries	287,508	302,443	14,935	5.2
Mining	44,603	51,383	6,780	15.2
Utilities	38,059	34,994	-3,065	-8.1
Transportation and warehousing.....	59,897	63,132	3,235	5.4
Health care and social assistance.....	(D)	5,264	(D)	(D)
Accommodation and food services.....	50,668	52,214	1,546	3.1

MNEs Multinational enterprises
 D Suppressed to avoid disclosure of data of individual companies.

Some affiliates that are primarily manufacturers also deliver services as a secondary activity. In manufacturing, services supplied by affiliates decreased for the second straight year (chart 15). The 2013 decrease was more than accounted for by a decrease in services supplied by Canadian affiliates.

In wholesale trade, services supplied increased, and the increase was mostly accounted for by an increase in services supplied by nondurable-goods merchant wholesalers that was partly offset by a significant decrease in services supplied by merchant wholesalers in petroleum and petroleum products. Except for “other industries,” wholesale trade is the largest major industry category for services supplied to foreign persons by affiliates of U.S. MNEs (chart 16).

In retail trade, services supplied increased, and the increase was largest for affiliates in general merchandise and nonstore retail, particularly online retailers.

In information, services supplied increased, and the increase was largest for affiliates that provide Internet search and social networking services, particularly in Ireland.

In real estate and rental and leasing, services supplied increased but at a slower rate than in 2012. The increase was more than accounted for by growth in automotive equipment rental and leasing that was due to the transfer of ownership of some affiliates in Canada from Canadian companies to U.S. MNEs.

In health care and social assistance, services supplied increased sharply. The increase was mostly accounted for by the transfer of ownership of some affiliates in Canada and Europe from foreign companies to U.S. MNEs.

Chart 15. Growth in Services Supplied Through Affiliates to Foreign Persons by Major Industry of Affiliate, 2012 and 2013

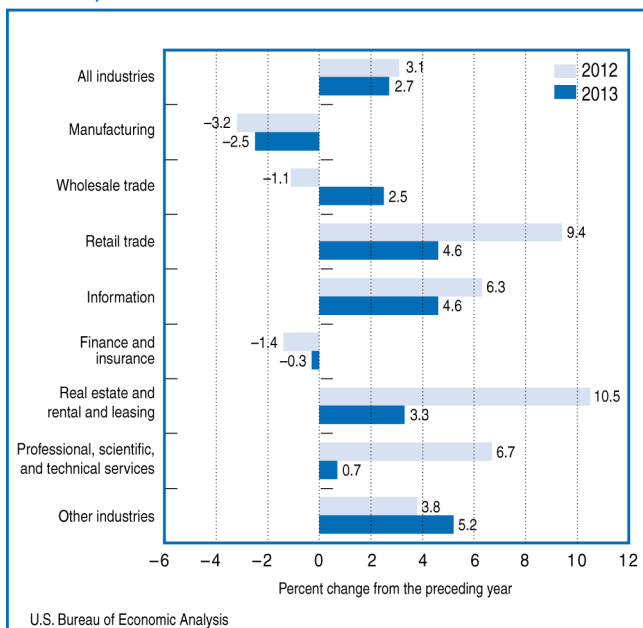
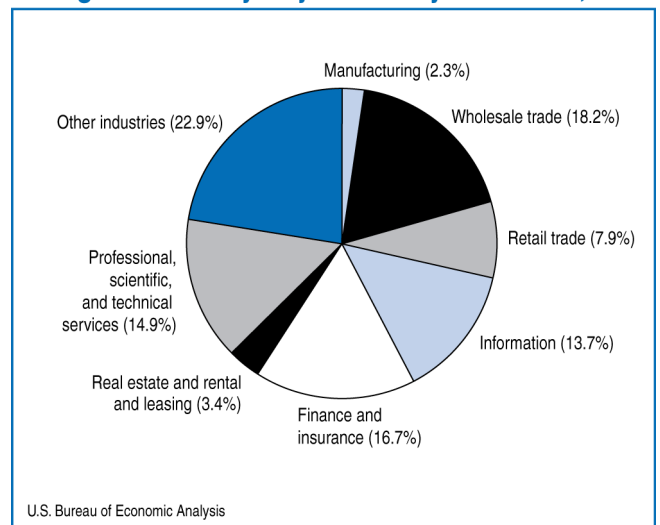


Chart 16. Services Supplied Through Affiliates to Foreign Persons by Major Industry of Affiliate, 2013



Services Supplied by Affiliates—To U.S. Persons Through U.S. Affiliates

Table S. Services Supplied to U.S. Persons by Foreign MNEs Through Their Majority-Owned U.S. Affiliates by Selected Country of the UBO

	2012	2013	Change 2012–2013	
	Millions of dollars		Millions of dollars	Percent
All countries	813,285	878,471	65,186	8.0
Canada	81,625	84,394	2,769	3.4
Europe	488,576	506,237	17,661	3.6
France	81,964	87,124	5,160	6.3
Germany	115,814	120,203	4,389	3.8
Ireland	18,633	19,889	1,256	6.7
Netherlands.....	41,289	44,936	3,647	8.8
Spain	10,168	10,206	38	0.4
Switzerland.....	52,533	52,024	-509	-1.0
United Kingdom.....	122,849	126,771	3,922	3.2
Latin America and Other Western Hemisphere	47,757	48,547	790	1.7
South and Central America	10,328	10,756	428	4.1
Mexico.....	6,626	7,503	877	13.2
Other Western Hemisphere.....	37,428	37,790	362	1.0
Bermuda	17,067	17,602	535	3.1
Africa.....	387	292	-95	-24.5
Middle East.....	10,681	10,089	-592	-5.5
Asia and Pacific	175,421	218,123	42,702	24.3
Australia	21,977	22,865	888	4.0
China	4,475	4,437	-38	-0.8
India	10,996	11,850	854	7.8
Japan.....	107,731	146,509	38,778	36.0
Korea, Republic of.....	13,917	16,121	2,204	15.8
United States	8,839	10,788	1,949	22.1

MNEs Multinational enterprises
UBO Ultimate beneficial owner

For France, services supplied through affiliates to the U.S. market increased, and the increase was largest in insurance and in professional, scientific, and technical services, particularly advertising and related services.

For Mexico, services supplied increased, and the increase was more than accounted for by an increase in sales to new customers for some affiliates in telecommunications.

For the Middle East, services supplied decreased for the second straight year (chart 17). The 2013 decrease was more than accounted for by a decrease in services supplied in manufacturers' secondary activities that reflected foreign parents' partial divestment in some manufacturing affiliates that led the affiliates to become minority owned rather than majority owned.

For Japan, services supplied increased sharply. Most of the increase was accounted for by acquisitions of U.S. affiliates in telecommunications. Japanese-owned affiliates now account for nearly half of all services supplied through affiliates in telecommunications. Japan's growth was the major contributor to the increase of Asia and Pacific's share of all services supplied by affiliates to U.S. persons to 25 percent, its highest level since at least 1999, the first year for which BEA published statistics by region on services supplied (chart 18).

For the United States as a UBO, services supplied increased, and the increase was more than accounted for by the transfer of ownership of some affiliates in insurance from MNEs in the United Kingdom to U.S. MNEs. This transfer did not affect total services supplied, because it was also recorded as a decrease in services supplied by U.S. affiliates of the MNEs in the United Kingdom.

Chart 17. Growth in Services Supplied Through Affiliates to U.S. Persons by Major Area of Ultimate Beneficial Owner, 2012 and 2013

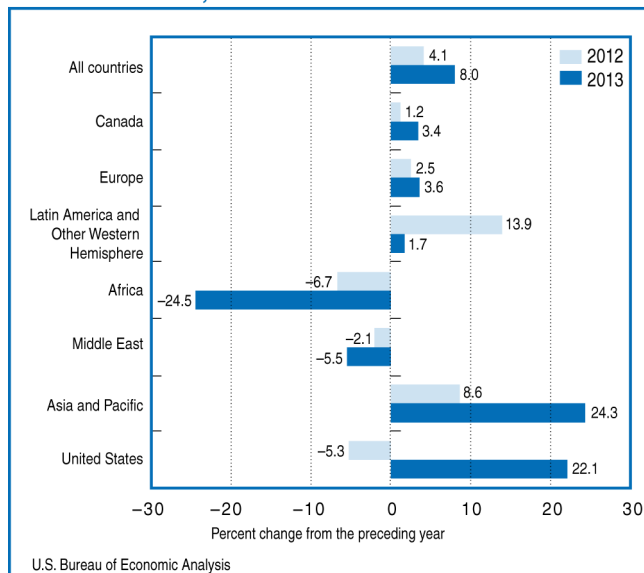
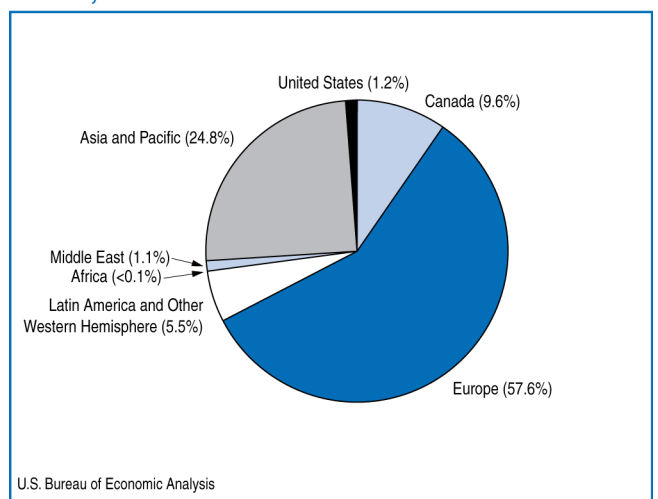


Chart 18. Services Supplied Through Affiliates to U.S. Persons by Major Area of Ultimate Beneficial Owner, 2013



Services Supplied by Affiliates—To U.S. Persons Through U.S. Affiliates

Table T. Services Supplied to U.S. Persons by Foreign MNEs Through Their Majority-Owned U.S. Affiliates by Selected Industry

	2012	2013	Change 2012–2013	
	Millions of dollars		Millions of dollars	Percent
All industries	813,285	878,471	65,186	8.0
Manufacturing.....	81,434	82,562	1,128	1.4
Transportation equipment.....	25,925	25,987	62	0.2
Wholesale trade	141,586	146,882	5,296	3.7
Motor vehicles and motor vehicle parts and supplies.....	31,355	31,936	581	1.9
Professional and commercial equipment and supplies.....	17,153	17,914	761	4.4
Retail trade.....	44,535	45,925	1,390	3.1
Information.....	73,838	113,198	39,360	53.3
Telecommunications	35,383	73,380	37,997	107.4
Finance and insurance	173,947	176,124	2,177	1.3
Finance.....	102,676	106,669	3,993	3.9
Insurance carriers and related activities.....	71,272	69,456	-1,816	-2.5
Real estate and rental and leasing.....	20,341	23,518	3,177	15.6
Professional, scientific, and technical services.....	90,156	96,042	5,886	6.5
Architectural, engineering, and related services.....	12,874	13,346	472	3.7
Computer systems design and related services	22,065	24,140	2,075	9.4
Advertising and related services.....	33,284	35,573	2,289	6.9
Other industries	187,449	194,219	6,770	3.6
Mining.....	33,697	34,049	352	1.0
Transportation and warehousing	50,794	51,891	1,097	2.2
Administration, support, and waste management.....	35,611	36,304	693	1.9
Accommodation and food services.....	29,743	30,173	430	1.4

MNEs Multinational enterprises

In wholesale trade, services supplied increased, and the increase was widespread across subindustries. The largest increases were in merchant wholesalers of drugs and druggists' sundries and of electrical goods. (Drugs and druggists' sundries and electrical goods are not included in either of the industries of wholesale trade in table T. More detail for these two subindustries is available in tables 3.1 and 3.3, which accompany this article.)

In telecommunications, services supplied more than doubled. The increase, which was primarily due to acquisitions of U.S. affiliates by Japanese companies, accounted for nearly 60 percent of the total growth in services supplied to U.S. persons in 2013. The increase in telecommunications contributed to a 53 percent increase in information services, which raised information's share of all services supplied to 13 percent in 2013 from 9 percent in 2012 (charts 19 and 20).

In finance and insurance, services supplied increased because an increase in finance exceeded a decrease in insurance. Both the increase in finance and the decrease in insurance were more than accounted for by the reclassification of some German-owned affiliates in insurance to commodities and financial securities trading.

In computer systems design and related services, services supplied increased. The increase was due both to the acquisitions of new U.S. affiliates and to the growth in services supplied by existing affiliates.

In transportation and warehousing, services supplied increased. The largest increases were in transit and ground passenger transport and in couriers and messengers.

Chart 19. Growth in Services Supplied Through Affiliates to U.S. Persons by Major Industry of Affiliate, 2012 and 2013

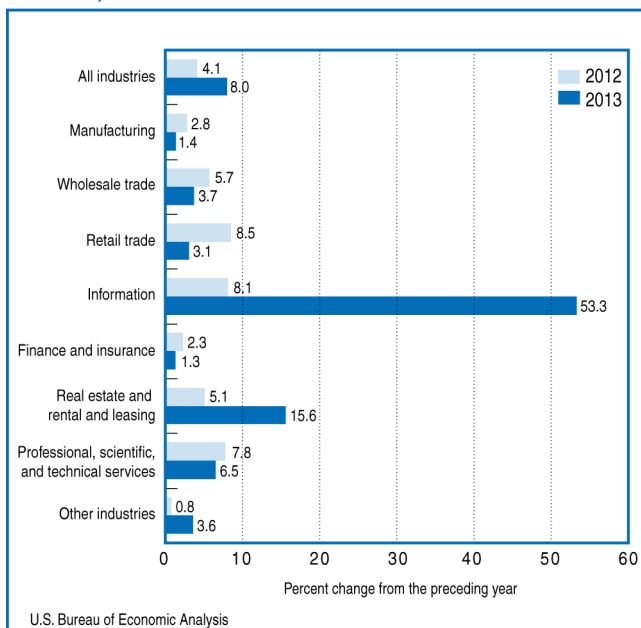
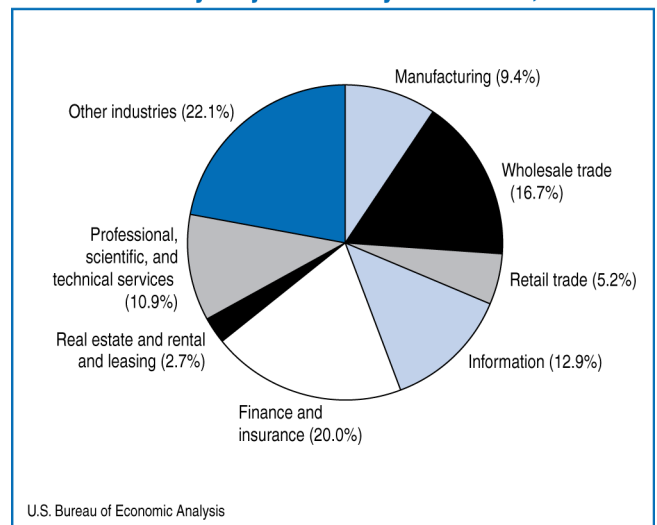


Chart 20. Services Supplied Through Affiliates to U.S. Persons by Major Industry of Affiliate, 2013



Revisions

The revised statistics published in this article supersede those presented in the October 2014 SURVEY OF CURRENT BUSINESS.

Trade in services. The revised statistics on trade in services published in this article correspond to the less detailed statistics by type of service published in the July 2015 SURVEY article “[Annual Revision of the U.S. International Transactions Accounts](#).”

As noted in the July 2015 article, exports and imports for 2012–2013 were revised to incorporate newly available and revised source data from (1) the Bureau of Economic Analysis (BEA) quarterly surveys of international trade in services, (2) BEA’s 2013 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies With Foreign Persons, and (3) other source data.

For 2012 and 2013, total exports and total imports were revised upward (table U). The largest revision was to imports for 2012, which were revised upward 0.4 percent (\$1.7 billion). Exports were revised upward 0.2 percent (\$1.6 billion) for 2012. For 2013, imports were revised upward 0.3 percent (\$1.6 billion), and exports were revised upward 0.1 percent (\$0.5 billion). For exports, the main contributor to the upward revisions for 2012 and 2013 was maintenance and repair services n.i.e., largely due to a reclassification of repairs related to foreign military sales from exports of government goods and services n.i.e. For imports, the main contributor to the upward revisions for 2012 and 2013 was insurance services, which reflects the incorporation of information from the 2013 benchmark survey. For additional information on these changes, see the next section “Improving the International Services Statistics.”

Services supplied through affiliates. The statistics on services supplied through affiliates for 2013 are preliminary. The statistics for 2012 were revised to incorporate newly available and revised source data from BEA’s surveys of MNEs. For 2012, services supplied to foreign persons by U.S. MNEs through their majority-owned foreign affiliates were revised downward 0.5 percent (\$7.0 billion). Services supplied to the United States by foreign MNEs through their majority-owned U.S. affiliates were revised upward 1.4 percent (\$11.4 billion).

Table U. Revisions to Trade in Services and Services Supplied Through Affiliates, 2012–2013
[Billions of dollars unless otherwise noted]

Trade in services	2012	2013
Exports		
Revised.....	656.4	687.9
Previously published.....	654.9	687.4
Amount of revision.....	1.6	0.5
Percent revision.....	0.2	0.1
Imports		
Revised.....	452.0	463.7
Previously published.....	450.4	462.1
Amount of revision.....	1.7	1.6
Percent revision.....	0.4	0.3
Services supplied through affiliates		
Supplied to foreign persons through foreign affiliates		
Revised.....	1,285.9	.....
Previously published.....	1,293.0	.....
Amount of revision.....	-7.0	.....
Percent revision.....	-0.5	.....
Supplied to U.S. persons through U.S. affiliates		
Revised.....	813.3	.....
Previously published.....	801.9	.....
Amount of revision.....	11.4	.....
Percent revision.....	1.4	.....

Improving the International Services Statistics

The Bureau of Economic Analysis (BEA) continues to improve its statistics on international services. Some changes have now been implemented, and others are under way.¹

Reclassification of repairs related to foreign military sales from exports of government goods and services n.i.e.

Beginning with statistics for 1999, repairs related to the Foreign Military Sales (FMS) program—including upgrades to aircraft and other military equipment—were reclassified to the services exports category “maintenance and repair services n.i.e.” Previously, these repairs were included in the services exports category “government goods and services n.i.e.” International statistical guidelines recommend that services supplied by, and to, governments be classified into specific services categories whenever possible. As a result of this change maintenance and repair services n.i.e. and government goods and services n.i.e. were revised, but total services exports were not revised because the revisions were offsetting.

Incorporation of the results of the 2013 benchmark survey of insurance transactions

The statistics presented in this article incorporate the results of the 2013 Benchmark Survey of Insurance Trans-

actions by U.S. Insurance Companies With Foreign Persons. Unlike the quarterly surveys of insurance services, the benchmark survey, conducted every 5 years, collects the total for each type of transaction without a reporting threshold and has a lower reporting threshold (\$2 million) than the quarterly surveys (\$8 million) for the reporting of country and affiliation detail; as a result, BEA has a basis for estimating transactions that fall below the quarterly survey thresholds. In addition, the coverage of the benchmark survey was increased to include newly identified companies engaged in international trade. The incorporation of information from the benchmark survey resulted in upward revisions to insurance exports and imports for 2012 and 2013.

Ongoing work

Work to improve several accounts within the international economic accounts is continuing. The following changes to the accounts are proposed:

- Introducing financial intermediation services indirectly measured (FISIM)
- Identifying and reclassifying certain transactions related to intellectual property
- Categorizing manufacturing services on physical inputs owned by others
- Developing a personal, cultural, and recreational services category

For a more detailed discussion of these changes, see “Improving the International Services Statistics” in the October 2014 article.²

1. See the “Catalog of Major Revisions to the U.S. International Accounts, 1976–2008” on BEA’s Web site. For changes implemented from 2009 to 2014, see the appendixes on improvements in each October Survey article in this series. See also Jeffrey R. Bogen, Mai-Chi Hoang, Kristy L. Howell, and Erin M. Whitaker, “Comprehensive Restructuring and Annual Revision of the U.S. International Transactions Accounts” SURVEY OF CURRENT BUSINESS 94 (July 2014) and C. Omar Kebbeh and Cavan Wilk, “Annual Revision of the U.S. International Transactions Accounts,” SURVEY 95 (July 2015).

2. Alexis N. Grimm and Charu S. Krishnan, “U.S. International Services” SURVEY 94 (October 2014): 21.

Using BEA Data for Research on International Trade in Services and on MNEs

The data that BEA collects on its surveys of international trade in services and of the activities of multinational enterprises are valuable resources for researchers. Many past and ongoing projects have used a link between the two data sets; these projects combine information on trade in services with information on several aspects of the operations of multinational enterprises (MNEs), such as employment, sales, and value added.¹

One ongoing study, “Headquarter Services in the Global Integration of Production,” explores how production integration between U.S. parents and foreign affiliates affects the role that U.S. parents play in providing certain types of headquarter services to their foreign affiliates. Preliminary results provide a rich picture of the relationships between firms’ different degrees of vertical linkages to their U.S. parents and the strategic positioning of headquarter services by industry and by country. A separate ongoing interagency project links BEA’s data on international trade in intellectual property and on the operations of MNEs with the National Science Founda-

tion’s Business Research and Development and Innovation Survey (BRDIS); this study is examining the relationship between research and development expenses and international trade in intellectual property for MNEs.

Studies by [BEA’s special sworn researchers](#) have also made use of BEA’s data on the activities of MNEs and data on international services. One ongoing study, “Patent Protection and the Industrial Composition of Multinational Activity: Evidence from U.S. Multinational Firms,” uses the linked data to examine how the extent of patent protection in developing countries affects U.S. MNEs’ decisions to engage in technology licensing with a foreign affiliate or with an unaffiliated foreign firm. One past study, “Export Versus FDI and the Communication of Complex Information,” looked at how the complexity in the communication between firms and their customers affected U.S. firms’ decisions about whether to serve foreign markets by establishing foreign affiliates or by exporting.

More information about [current and past research](#) at BEA, including research conducted by BEA’s special sworn researchers, can be found on [BEA’s Web site](#).

1. For more information on the link between BEA’s trade in services and MNE surveys, see Kevin Barefoot and Jennifer Koncz-Bruner “[A Profile of U.S. Exporters and Importers of Services](#)” *SURVEY OF CURRENT BUSINESS* 92 (June 2012).

Data Sources and Acknowledgments

Data Sources

The statistics in this article are largely based on data collected from surveys conducted by the Bureau of Economic Analysis (BEA). Statistics for some services are based on data from a variety of other sources, including U.S. Customs and Border Protection, other federal surveys, private sources, and partner countries.

BEA conducts mandatory surveys of trade in services, some of which are targeted to specific services industries. For trade in services, data on many types of services are collected on the Quarterly Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons (BE-125) and on the related benchmark survey (BE-120).

All of BEA's surveys of international services and a guide to the reporting requirements for the surveys are

available on BEA's Web site. For additional information on these surveys, on surveys from other sources, and on definitions and methodology for the statistics on the trade in services, see *International Economic Accounts: Concepts and Methods*.

The data on services supplied through majority-owned affiliates are collected on BEA's surveys of the activities of multinational enterprises. All of BEA's surveys of U.S. MNEs and of U.S. affiliates of foreign MNEs and a guide to reporting requirements for the surveys are available on BEA's Web site. For the methodologies for these surveys, see *Foreign Direct Investment in the United States: Final Results From the 2012 Benchmark Survey* and *U.S. Direct Investment Abroad: Final Results From the 2009 Benchmark Survey* on BEA's Web site.

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