

Footnotes to the Tables

Part I. All Affiliates and All Parents

Table I.A 1:

1. Counts of affiliates include only those affiliates meeting the stated thresholds; all other data are for all affiliates.

Table I.A 2:

1. Counts of affiliates include only those affiliates meeting the stated thresholds; all other data are for all affiliates.

Table I. L 1–2:

1. Cash is defined broadly to include deposits in financial institutions and other cash items, as well as cash equivalents, such as short-term, highly liquid investments that are both readily convertible to know amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Table I.N 1:

1. Consists of gains or losses resulting from the sale or other disposition of assets, changes in the dollar value of parents' foreign-currency-denominated assets and liabilities that are caused by changes in exchange rates, and all other unusual or nonrecurring gains or losses, including those resulting from the revaluation of assets, whether realized or not.

Table I.O 1:

1. For most industries, goods supplied are generally defined as sales of outputs that are tangible. For wholesalers and retailers, goods supplied includes only the value of goods resold; BEA estimates the value of the distributive services provided by selling, or arranging for the sale of goods and includes it in services supplied.

2. For most industries, services supplied generally are defined as sales of outputs that are intangible. For insurance, services supplied consists of BEA's estimate of the portion of premiums remaining after provision for expected or "normal" losses and a measure of premium supplements, which represent income earned on funds insurers hold on policyholders' behalf. For banks, it includes explicit fees and commissions and an estimate of the value of implicit services provided by banks. For wholesalers and retailers, services supplied includes an estimate of the distributive services provided by selling goods or arranging for their sale.

3. “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 I.O 2:

1. For industry classification, each U.S. parent was required to disaggregate its sales by four-digit International Surveys Industry code; the U.S. parent was then classified in the industry in which its sales were largest. When sales are disaggregated by industry of U.S. parent, total sales of a given U.S. parent are shown in the single industry in which the parent was classified; when disaggregated by industry of sales, they are distributed among all the industries in which the U.S. parent reported sales—i.e., sales associated with each industry of sales are shown in that industry regardless of the U.S. parent’s industry of classification.

Table I.P 1:

1. Profit-type return is an economic accounting measure of profits from current production. Unlike net income, it is gross of U.S. income taxes, excluding capital gains and losses and income from equity investments, and reflects certain other adjustments needed to convert profits from a financial accounting basis to an economic accounting basis.

2. Equals monetary interest payments plus imputed interest paid minus monetary interest receipts minus imputed interest received. Imputed interest paid and received, which are measures of the value of services provided by life insurance carriers and financial intermediaries without explicit charge, are estimated.

3. Equals taxes other than income and payroll taxes plus production royalty payments to governments.

4. Capital consumption allowance is used as a proxy for consumption of fixed capital. It consists of book-value depreciation charges reported on BEA’s surveys using financial accounting principles.

Tables I.R 1 and I.R 2:

1. Covers only U.S. parents in which there is direct investment by a foreign person—that is, U.S. parents that are owned 10 percent or more by a single foreign person. The foreign parent is the foreign person that holds a direct investment interest in the U.S. parent. The foreign parent group consists of (1) the foreign parent of a U.S. parent, (2) any foreign person, proceeding up the foreign parent’s ownership chain, that directly 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 directly-owned more than 50 percent by another member of the foreign parent group.

Part II. Majority-Owned Foreign Affiliates

Table II.A 1:

1. Counts of affiliates include only those affiliates meeting the stated thresholds; all other data are for all majority-owned affiliates.

Table II.A 2:

1. Counts of affiliates or parents include only those entities meeting the stated thresholds; all other data are for all majority-owned affiliates or all parents of majority-owned affiliates.

Tables II.B 1–2, II.B 3–4, and II.B 11–12:

1. Cash is defined broadly to include deposits in financial institutions and other cash items, as well as cash equivalents, such as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

2. Before allowance of doubtful accounts.

Tables II.D 1, II.D 2, and II.D 11:

1. Consists of gains or losses resulting from the sale or other disposition of assets, changes in the dollar value of foreign affiliates' assets and liabilities denominated in foreign currencies other than the affiliate's functional currency that are caused by changes in exchange rates, translation gains or losses taken in accordance with the Financial Accounting Standards Codification (ASC) Topic 830: "Foreign Currency Matters" (formerly known as FAS 52) and all other unusual or nonrecurring gains or losses, including those resulting from the revaluation of assets, whether realized or not.

Table II.D 13:

1. For industry classification, each foreign affiliate was required to disaggregate its sales for four-digit International Surveys Industry code; the affiliate was then classified in the industry in which its sales were largest. When sales are disaggregated by industry of affiliate, total sales of a given affiliate are shown in the single industry in which the affiliate was classified; when disaggregated by industry of sales, they are distributed among all the industries in which the affiliate reported sales—i.e., sales associated with each industry of sales are shown in that industry regardless of the affiliate's industry of classification.

Table II.E 1:

1. Goods and services supplied by an affiliate to persons in the country where the affiliate is located.

2. Goods or services supplied to U.S. parents include only goods or services supplied to the U.S. parent(s) of the supplying foreign affiliate. Goods or services supplied to U.S. parents not affiliated with the supplying foreign affiliate are included in the column for unaffiliated persons.

3. Goods or services supplied to other foreign affiliates include only goods or services supplied to foreign affiliates of the supplying foreign affiliate's U.S. parent(s). Goods or services supplied to foreign affiliates of U.S. parents not affiliated with the supplying foreign affiliates are included in the column for unaffiliated persons.

4. For most industries, goods supplied are generally defined as sales of outputs that are tangible. For wholesalers and retailers, goods supplied includes only the value of goods resold; BEA estimates the value of the distributive services provided by selling, or arranging for the sale of goods and includes it in services supplied.

5. For most industries, services supplied generally are defined as sales of outputs that are intangible. For insurance, services supplied consists of BEA's estimate of the portion of premiums remaining after provision for expected or "normal" losses and a measure of premium supplements, which represent income earned on funds insurers hold on policyholders' behalf. For banks, it includes explicit fees and commissions and an estimate of the value of implicit services provided by banks. For wholesalers and retailers, services supplied includes an estimate of the distributive services provided by selling goods or arranging for their sale.

Tables II.E 2, II.E 3, and II.E 9:

1. Goods and services supplied by an affiliate to persons in the country where the affiliate is located.

2. Goods or services supplied to U.S. parents include only goods or services supplied to the U.S. parent(s) of the supplying foreign affiliate. Goods or services supplied to U.S. parents not affiliated with the supplying foreign affiliate are included in the column for unaffiliated persons.

3. Goods or services supplied to other foreign affiliates include only goods or services supplied to foreign affiliates of the supplying foreign affiliate's U.S. parent(s). Goods or services supplied to foreign affiliates of U.S. parents not affiliated with the supplying foreign affiliate are included in the column for unaffiliated persons.

Tables II.E 10 and II.E 11:

1. For most industries, goods supplied are generally defined as sales of outputs that are tangible. For wholesalers and retailers, goods supplied includes only the value of goods resold; BEA estimates the value of the distributive services provided by selling, or arranging for the sale of goods and includes it in services supplied.

2. Goods supplied by an affiliate to persons in the country where the affiliate is located.

3. Goods supplied to U.S. parents includes only goods supplied to the U.S. parent(s) of the supplying foreign affiliate. Goods supplied to U.S. parents not affiliated with the supplying foreign affiliate are included in the column for unaffiliated persons.

4. Goods supplied to other foreign affiliates includes only goods supplied to foreign affiliates of the supplying foreign affiliate's U.S. parent(s). Goods supplied to foreign affiliates of U.S. parents not affiliated with the supplying foreign affiliate are included in the column for unaffiliated persons.

Tables II.E 12 and II.E 13:

1. For most industries, services supplied generally are defined as sales of outputs that are intangible. For insurance, services supplied consists of BEA's estimate of the portion of premiums remaining after provision for expected or "normal" losses and a measure of premium supplements, which represent income earned on funds insurers hold on policyholders' behalf. For banks, it includes explicit fees and commissions and an estimates of the value of implicit services provided by banks. For wholesalers and retailers, services-supplied includes an estimate of the distributive services provided by selling, or arranging for the sales of, goods.

2. Services supplied by an affiliate to persons in the country where the affiliate is located.

3. Services supplied to U.S. parents includes only services supplied to the U.S. parent(s) of the supplying foreign affiliate. Services supplied to U.S. parents not affiliated with the supplying foreign affiliate are included in the column for unaffiliated persons.

4. Services supplied to other foreign affiliates includes only services supplied to foreign affiliates of the supplying foreign affiliate's U.S. parent(s). Services supplied to foreign affiliates of U.S. parents not affiliated with the supplying foreign affiliate are included in the column for unaffiliated persons.

Tables II.E 15, II.E 16, and II.E 17:

1. For most industries, services supplied generally are defined as sales of outputs that are intangible. For insurance, services supplied consists of BEA's estimate of the portion of premiums remaining after provision for expected or "normal" losses and a measure of premium supplements, which represent income earned on funds insurers hold on policyholders' behalf. For banks, it includes explicit fees and commissions and an estimate of the value of implicit services provided by banks. For wholesalers and retailers, services supplied includes an estimate of the distributive services provided by selling goods or arranging for their sale.

Tables II.F 1, II.F 2, and II.F 5:

1. Profit-type return is an economic accounting measure of profits from current production. Unlike net income, it is gross of foreign income taxes, excluding capital gains and losses and income from equity investments, and reflects certain other adjustments needed to convert profits from a financial accounting basis to an economic accounting basis.

2. Equals monetary interest payments plus imputed interest paid minus monetary interest receipts minus imputed interest received. Imputed interest paid and received, which are measures of the value of services provided by life insurance carriers and financial intermediaries without explicit charge, are estimated.

3. Equals taxes other than income and payroll taxes plus production royalty payments to governments less subsidies received.

4. Capital consumption allowance is used as a proxy for consumption of fixed capital. It consists of book-value depreciation charges reported on BEA's surveys using financial accounting principles.

Tables II.F 7, II.F 8, and II.F 9:

1. Profit-type return is an economic accounting measure of profits from current production. Unlike net income, it is gross of foreign income taxes, excluding capital gains and losses and income from equity investments, and reflects certain other adjustments needed to convert profits from a financial accounting basis to an economic accounting basis.