

**PROPOSED CHANGES FOR THE 2014 BE-10,  
BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD**

The proposed changes to the benchmark survey include the addition, deletion, and modification of specific data items on the survey forms. The proposed deletions are items that are of little value to data users and/or are difficult for survey respondents to provide. The proposed changes are intended to minimize respondent burden while considering the needs of data users. Bureau of Economic Analysis (BEA) is not proposing changes to reporting requirements (i.e., the exemption levels) of the survey from the previous benchmark survey in 2009. The proposed changes to the BE-10 survey are described below.

Additions

1. For U.S. parent companies, questions will be added to collect data on the U.S. imports of goods by the intended use of the goods and by whether the shipper of the goods is a foreign affiliate or an unaffiliated foreign entity.
2. For U.S. parent companies, questions will be added to collect data on U.S. exports to and imports from unaffiliated foreigners in the following regions: Canada, Europe, Latin America and other Western Hemisphere, Africa, Middle East, and Asia and Pacific.
3. For larger U.S. parent companies (those with assets, sales, or net income greater than \$300 million), questions will be added to collect information on assets, liabilities, and interest receipts and payments that are related to banking activities. These questions are collected on the Annual Survey of U.S. Direct Investment Abroad (BE-11).
4. A question will be added to collect the city in which each foreign affiliate is located.
5. For majority-owned foreign affiliates with assets, sales, or net income greater than \$80 million, a question will be added to the balance sheet to collect data on cash and cash equivalents.
6. For larger majority-owned foreign affiliates (those with assets, sales, or net income greater than \$300 million), questions will be added to the section on sales to collect the top five countries (besides the U.S. and the country of the affiliate) to which the affiliates made sales. For each country, sales will be categorized by customer: "other foreign affiliates of the U.S. Reporter(s)" and "unaffiliated customers." An "all other" item will also be added after the top five countries. Questions on sales by region of destination will be retained.
7. For majority-owned foreign affiliates with assets, sales, or net income greater than \$80 million, questions will be added to the section on royalties and license fees to collect receipts from U.S. parents, receipts from other U.S. persons, payments to U.S. parents, and payments to other U.S. persons. On the previous benchmark survey, this section only included receipts from and payments to foreign persons.
8. For foreign affiliates with assets, sales, or net income greater than \$25 million, several check-box questions will be added to ensure that certain types of finance companies do not report intercompany debt to BEA that is already reported on Treasury International Capital surveys. Similar questions are included in the Quarterly Survey of U.S. Direct Investment Abroad (BE-577).

9. For foreign affiliates with assets, sales, or net income between \$25 million and \$80 million, a question will be added to collect expenditures for research and development performed by the foreign affiliate.

#### Modifications

- Questions on contract manufacturing will be updated to incorporate improved wording.
- The cash item on the balance sheet for U.S. parent companies will be modified to include cash equivalents.

#### Deletions

- Official foreign identification numbers issued by host-country governments to foreign affiliates (BE-10B, item 40)
- Withholding taxes on interest received from and paid to U.S. parent companies by foreign affiliates (BE-10B, item 141, columns 2 and 4)