

Preface

THIS volume presents the results of the 2007 Benchmark Survey of Foreign Direct Investment in the United States that was conducted by the U.S. Bureau of Economic Analysis (BEA). Benchmark surveys are BEA's most comprehensive surveys—in terms of both the number of companies covered and the amount of information gathered. The 2007 survey covered the foreign direct investment universe, which consists of all U.S. business enterprises owned 10 percent or more, directly or indirectly, by a foreign person. The last benchmark survey covered 2002.

The survey collected detailed data on the financial structure and operations of U.S. affiliates of foreign companies in 2007. The data include balance sheets, income statements, goods and services supplied, taxes, employment and compensation of employees, U.S. trade in goods, research and development expenditures, and data used to calculate value added. The survey also collected data on transactions and positions between U.S. affiliates and their foreign parent companies that are the source data of the official estimates of direct investment that enter the U.S. national income and product accounts and the U.S. international investment position and international transactions (or balance-of-payments) accounts. The data from the survey are disaggregated in a number of ways, including by industry of U.S. affiliate, by country and industry of ultimate beneficial owner or foreign parent, and, for selected data, by state.

The data from the benchmark survey will be used as the primary basis for expanding to universe levels the data for nonbenchmark years that are collected in BEA's quarterly and annual cutoff sample surveys, which cover a sample of U.S. affiliates above a size-exemption level. The quarterly surveys collect sample data on balance-of-payments transactions between U.S. affiliates and their foreign parents, and the annual surveys collect sample data on the financial structure and operations of U.S. affiliates. For both types of data, estimates for nonsample affiliates usually are derived by extrapolating forward their data from the benchmark survey on the basis of the year-to-year movements in the data reported by affiliates in the sample.

Many of the items for which data were collected in the 2007 benchmark survey are also collected annually, but other items are collected only in benchmark survey years. These items include research and development expenditures broken down by source of funding, the number of employees covered by collective bargaining agreements, and U.S. exports and imports of goods by country of destination and origin.

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The 2007 benchmark survey was conducted by staff of the Direct Investment Division under the direction of **Patricia E. Abaroa**. **Christopher J. Stein** and **Charles R. Gravitz** supervised the processing of the survey. **Diane I. Young** and **Luis Garcia** supervised the computer programming for data estimation and tabulation. The following staff contributed to the processing and editing of the survey or to the related computer programming: **George M. Bogachevsky**, **Chester C. Braham**, **Carmene T. Brown**, **Polly Y. Cheung**, **Karen M. Dennison**, **Constance T. Deve**, **Jessica M. Hanson**, **Lonnie Hunter**, **Nazre Jamil**, **Neeta Kapoor**, **Julie A. Lampe**, **Marites R. Lucero**, **Emelia A. Marfo-Sarbeng**, **Demetria A. McCormick**, **Gregory L. McCormick**, **Sreedhar Pidathala**, **Karen E. Poffel**, **Daniel Powell**, **Makia M. Riley**, **Ronald L. Ross**, **Clarence D. Smith**, **Gary Sowers**, **John R. Starnes**, **Daniel K. Wakjira**, and **Mingshan Zheng**.

William J. Zeile of the Research Branch of the Balance of Payments Division prepared the methodology and other text and coordinated the design of the tables for this publication. General guidance for writing the text was provided in the Balance of Payments Division by **Ned G. Howenstine**, Assistant Division Chief for Research and Analysis, and **Maria Borga**, Chief of the Research Branch.