

# Foreign Direct Investment in the United States

## New Investment in 2008

By Thomas Anderson

**O**UTLAYS by foreign direct investors to acquire or to establish U.S. businesses rose 3 percent in 2008, to \$260.4 billion, according to statistics from the Bureau of Economic Analysis (table 1 and chart 1). Boosted by several large transactions, the increase occurred despite a falloff of worldwide merger and acquisition activity and amid a slowing U.S. economy.<sup>1</sup> The increase followed a 52 percent rise in 2007. Outlays in 2008 were the third largest on record and the sixth consecutive increase since a falloff in 2001–2002. Almost half of the total was accounted for by outlays of more than \$5 billion, a higher share than in recent years (table 2).

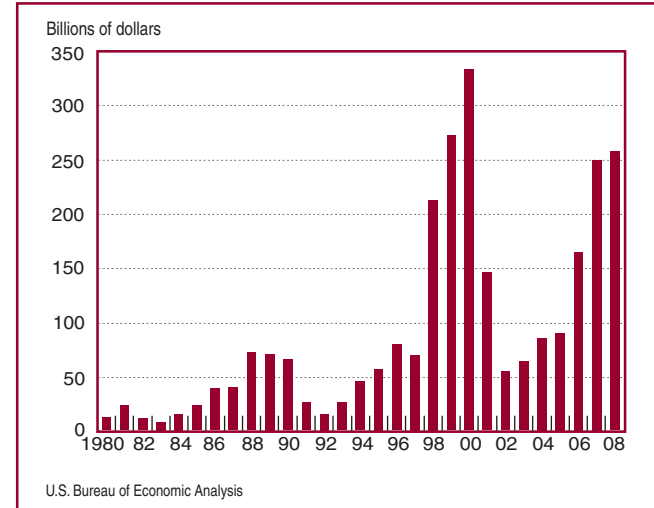
This will be the final article based on the new foreign direct investment survey, which has been discontinued. However, a new survey is being designed that will provide a more expansive look at new foreign direct investment in the United States. See the box “Improved Data on Greenfield Investments” on page 55.

Among major industries, there was a substantial increase in outlays in manufacturing, which accounted for the majority of the spending by investors in 2008. Outlays also rose in information and in finance. Outlays in real estate fell sharply.

1. According to data from Thompson Reuters, the volume of worldwide mergers and acquisitions declined 30 percent in 2008.

Outlays increased from investors in Europe, in the Latin America and Other Western Hemisphere region, and in the Asia and Pacific region. As in previous years, the largest share of outlays was from European investors. Outlays by investors from Canada and the Middle East fell.

**Chart 1. Outlays for New Investment in the United States by Foreign Direct Investors, 1980–2008**



**Table 1. Investment Outlays by Type of Investment and Investor, 1992–2008**

[Millions of dollars]

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007 <sup>r</sup>	2008
<b>Total outlays</b> .....	<b>15,333</b>	<b>26,229</b>	<b>45,626</b>	<b>57,195</b>	<b>79,929</b>	<b>69,708</b>	<b>215,256</b>	<b>274,956</b>	<b>335,629</b>	<b>147,109</b>	<b>54,519</b>	<b>63,591</b>	<b>86,219</b>	<b>91,390</b>	<b>165,603</b>	<b>251,917</b>	<b>260,362</b>
<b>By type of investment:</b>																	
U.S. businesses acquired.....	10,616	21,761	38,753	47,179	68,733	60,733	182,357	265,127	322,703	138,091	43,442	50,212	72,738	73,997	148,604	223,616	242,799
U.S. businesses established.....	4,718	4,468	6,873	10,016	11,196	8,974	32,899	9,829	12,926	9,017	11,077	13,379	13,481	17,393	16,999	28,301	17,564
<b>By type of investor:</b>																	
Foreign direct investors.....	4,058	6,720	13,628	11,927	32,230	13,899	120,828	120,878	105,151	23,134	13,650	27,866	34,184	40,304	44,129	88,337	47,078
U.S. affiliates.....	11,275	19,509	31,999	45,268	47,699	55,809	94,428	154,078	230,478	123,975	40,869	35,725	52,035	51,086	121,474	163,580	213,284

<sup>r</sup> Revised

**Table 2. Distribution of Investment Outlays by Size, 1992–2008**

[Percent]

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007 <sup>r</sup>	2008
<b>Total outlays</b> .....	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
\$5 billion or more.....	0	0	0	(D)	0	0	55	55	48	30	(D)	(D)	(D)	0	18	24	46
\$2 billion — \$4.999 billion.....	0	(D)	27	18	29	12	11	16	20	22	18	(D)	13	28	30	34	16
\$1 billion — 1.999 billion.....	42	51	51	48	55	67	27	24	27	40	45	43	47	59	45	37	28
Less than 100 million.....	58	(D)	22	(D)	16	21	7	5	5	9	(D)	12	(D)	13	7	5	10

<sup>r</sup> Revised

D Suppressed to avoid disclosure of data of individual companies.

## Outlays in 2008

In 2008, as in previous years, outlays to acquire existing U.S. businesses accounted for the majority of spending. These outlays totaled \$242.8 billion in 2008, compared with outlays of \$17.6 billion to establish new U.S. businesses.

Outlays made by, or through, existing U.S. affiliates of foreign companies totaled \$213.3 billion, compared with outlays of \$47.1 billion made directly by foreign direct investors. Of the \$213.3 billion that was spent by U.S. affiliates, \$184.4 billion came from their foreign parent groups. Thus, foreign parent groups, through a combination of direct outlays and funds supplied to existing U.S. businesses, funded a total of \$231.5 billion, representing almost 90 percent of total outlays in 2008. Those foreign parent funds are included in total foreign direct investment in the United States, as recorded in the financial account of the U.S. international transactions accounts.<sup>2</sup>

Outlays in manufacturing rose to \$141.1 billion from \$118.4 billion and accounted for more than half

of total outlays in 2008 (table 3). The increase in outlays was more than accounted for by beverages and tobacco products, where spending in 2008 was boosted by a large transaction. Among other manufacturing industries, spending was also substantial in chemicals, mainly in pharmaceuticals, as foreign drug makers sought to expand their product offerings by acquiring firms in the United States.

Outside manufacturing, outlays continued to be high in finance (except banks) and insurance and in banking. In finance (except banks) and insurance, spending was boosted by acquisitions of securities and commodities brokers and nonlife insurance companies by European and Japanese investors. In banking, European and Canadian banks made several acquisitions.

Outlays rose substantially in information and in professional, scientific, and technical services. In information, most of the outlays were in software publishing and telecommunications. Outlays fell sharply in "other industries" and in real estate and rental and leasing. In "other industries," spending fell in mining and in transportation and warehousing.

Spending by European investors rose to \$157.9 billion and represented 61 percent of total outlays in 2008 (table 4 and chart 2). Much of the increase in European investment was accounted for by countries in "other Europe," especially Belgium and Finland. Outlays by investors from the United Kingdom, which in previous years has often been the largest investing country, fell sharply.

Outlays from investors in the Asia and Pacific region rose to \$44.9 billion, with Japanese investors accounting for more than the total increase and for over

2. Foreign direct investment in the United States as recorded in the international transactions accounts, unlike the data on investment outlays in this article, includes financing of both existing and new U.S. affiliates and reflects sell-offs and other subtractions from investment as well as additions. However, it excludes any domestic-source funds that may be included in the measure of outlays reported in this article. For preliminary estimates of foreign direct investment in 2008, see Douglas B. Weinberg, Erin M. Whitaker, and Gregory A. Tenentes, "U.S. International Transactions: Fourth Quarter and Year 2008," SURVEY OF CURRENT BUSINESS 89 (April 2009): 12–53; revised estimates will be published in the July 2009 SURVEY.

**Table 3. Investment Outlays by Industry of U.S. Business Enterprise, 2005–2008**  
(Millions of dollars)

	2005	2006	2007 <sup>r</sup>	2008
<b>All industries</b> .....	<b>91,390</b>	<b>165,603</b>	<b>251,917</b>	<b>260,362</b>
<b>Manufacturing</b> .....	<b>34,036</b>	<b>56,330</b>	<b>118,370</b>	<b>141,079</b>
Food .....	1,646	1,857	576	(D)
Beverages and tobacco products .....	(D)	4,668	(D)	52,628
Textiles, apparel, and leather products .....	(D)	(D)	176	422
Paper .....	(D)	(D)	(D)	(D)
Printing and related support activities .....	(D)	(D)	(D)	62
Petroleum and coal products .....	225	0	(D)	(D)
Chemicals .....	9,598	12,335	47,642	37,452
Plastics and rubber products .....	1,636	86	3,506	1,304
Nonmetallic mineral products .....	388	1,439	1,309	918
Primary metals .....	4,877	4,598	12,812	6,714
Fabricated metal products .....	111	884	3,690	256
Machinery .....	382	1,827	(D)	12,315
Computers and electronic products .....	3,596	(D)	7,287	7,286
Electrical equipment, appliances, and components .....	747	1,660	(D)	3,215
Transportation equipment .....	5,942	1,267	13,415	833
Other .....	4,663	6,562	11,627	15,068
<b>Wholesale trade</b> .....	<b>3,489</b>	<b>8,273</b>	<b>5,631</b>	<b>3,977</b>
<b>Retail trade</b> .....	<b>1,262</b>	<b>1,295</b>	<b>6,867</b>	<b>2,775</b>
<b>Information</b> .....	<b>8,487</b>	<b>10,341</b>	<b>8,585</b>	<b>22,214</b>
Publishing industries .....	2,555	5,068	(D)	13,286
Motion picture and sound recording industries .....	(D)	(D)	(D)	381
Telecommunications .....	(D)	4,308	(D)	3,618
Other .....	2,085	(D)	2,468	4,930
<b>Depository institutions</b> .....	<b>7,973</b>	<b>7,547</b>	<b>12,307</b>	<b>15,996</b>
<b>Finance (except depository institutions) and insurance</b> .....	<b>5,529</b>	<b>33,776</b>	<b>27,497</b>	<b>29,584</b>
<b>Real estate and rental and leasing</b> .....	<b>8,756</b>	<b>12,441</b>	<b>17,852</b>	<b>3,796</b>
<b>Professional, scientific, and technical services</b> .....	<b>6,407</b>	<b>8,923</b>	<b>9,018</b>	<b>15,167</b>
<b>Other industries</b> .....	<b>15,453</b>	<b>26,677</b>	<b>45,790</b>	<b>25,775</b>

<sup>r</sup> Revised

D Suppressed to avoid disclosure of data of individual companies.

### Improved Data on Greenfield Investments

BEA has eliminated the survey of new foreign direct investment in the United States but is designing a new survey of initial investments by foreign direct investors to better capture greenfield investments. The new survey will collect data on the construction of new plants and other new business facilities in the United States by existing U.S. affiliates of foreign direct investors as well as data on foreign investors' acquisitions of existing U.S. companies and establishment of new U.S. affiliates. The new survey is currently being developed, and comments or suggestions are welcome; send them to [be13@bea.gov](mailto:be13@bea.gov).

As a result of the elimination of the survey of new foreign direct investment in the United States, this report is the last in the series. In addition to the new survey, BEA will continue to collect extensive data on foreign direct investment in the United States through its quarterly and annual surveys.

60 percent of the region's outlays. In 2008, Japanese investors' outlays were boosted by acquisitions of U.S. firms in pharmaceuticals manufacturing, in wholesale trade, and in finance. Spending by investors from Latin America and Other Western Hemisphere also rose in 2008, largely because of several large transactions by Bermudian investors. Outlays by investors from Canada, the Middle East, and the United States<sup>3</sup> fell in 2008.

### Operations of acquired or established U.S. businesses

In 2008, U.S. businesses that were newly acquired or established by foreign direct investors had 368,500 employees, compared with 496,600 employees in 2007 (table 5). Employment at newly acquired or established firms was largest in manufacturing (146,600),

3. The United States is the country of ultimate beneficial owner for businesses newly acquired or established by foreign investors that are ultimately owned by persons located in the United States. See the box "Key Terms."

**Table 4. Investment Outlays by Country of Ultimate Beneficial Owner, 2005–2008**  
[Millions of dollars]

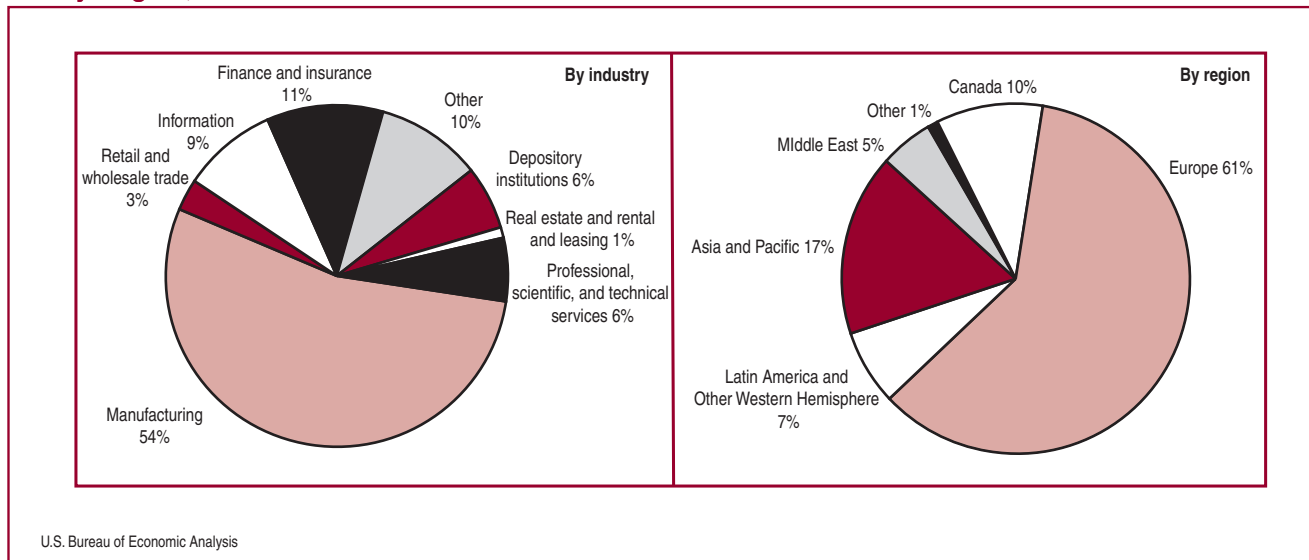
	2005	2006	2007 <sup>r</sup>	2008
<b>All countries</b> .....	<b>91,390</b>	<b>165,603</b>	<b>251,917</b>	<b>260,362</b>
<b>Canada</b> .....	<b>13,640</b>	<b>12,121</b>	<b>38,502</b>	<b>25,181</b>
<b>Europe</b> .....	<b>56,416</b>	<b>106,732</b>	<b>132,454</b>	<b>157,853</b>
France.....	5,608	18,140	14,307	16,565
Germany.....	7,239	20,514	15,831	12,823
Netherlands.....	2,609	4,769	8,357	12,545
Switzerland.....	2,332	12,401	6,501	9,041
United Kingdom.....	30,420	26,261	56,051	19,657
Other Europe.....	8,206	24,648	31,408	87,222
<b>Latin America and Other Western Hemisphere</b> .....	<b>5,042</b>	<b>(D)</b>	<b>(D)</b>	<b>18,259</b>
South and Central America.....	980	2,273	(D)	3,551
Other Western Hemisphere.....	4,062	(D)	1,933	14,708
<b>Africa</b> .....	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>129</b>
<b>Middle East</b> .....	<b>5,068</b>	<b>11,755</b>	<b>21,882</b>	<b>12,263</b>
<b>Asia and Pacific</b> .....	<b>10,924</b>	<b>15,759</b>	<b>34,408</b>	<b>44,863</b>
Australia.....	4,713	5,650	12,983	10,522
Japan.....	4,245	8,350	7,928	28,041
Other Asia and Pacific.....	1,966	1,758	13,497	6,301
<b>United States</b> <sup>1</sup> .....	<b>(D)</b>	<b>(D)</b>	<b>18,071</b>	<b>1,813</b>

<sup>r</sup> Revised

<sup>D</sup> Suppressed to avoid disclosure of data of individual companies.

1. The United States is the country of ultimate beneficial owner for businesses newly acquired or established by foreign investors that are ultimately owned by persons located in the United States (see the box "Key Terms"). Note: For investments in which more than one investor participated, each investor and each investor's outlays are classified by the country of each individual ultimate beneficial owner.

**Chart 2. Outlays for New Investment in the United States by Foreign Direct Investors by Industry and by Region, 2008**



**Table 5. Selected Operating Data of U.S. Business Enterprises Acquired or Established, by Industry of U.S. Business Enterprise, 2007–2008**

	2007 <sup>r</sup>					2008				
	Millions of dollars			Thousands of employees	Hectares of land <sup>1</sup>	Millions of dollars			Thousands of employees	Hectares of land <sup>1</sup>
	Total assets	Sales	Net income			Total assets	Sales	Net income		
<b>All industries</b> .....	<b>411,777</b>	<b>162,678</b>	<b>7,334</b>	<b>496.6</b>	<b>357,750</b>	<b>895,733</b>	<b>182,941</b>	<b>7,270</b>	<b>368.5</b>	<b>81,137</b>
Manufacturing.....	147,085	78,642	4,487	141.7	(D)	146,356	60,091	2,364	146.6	36,411
Wholesale trade.....	8,084	11,939	300	20.0	193	4,704	6,124	126	27.8	138
Retail trade.....	13,462	24,509	51	117.9	606	5,697	4,702	82	5.6	841
Information.....	9,045	2,881	-48	9.6	97	21,368	5,633	-476	15.1	1,467
Depository institutions.....	54,811	2,577	588	11.7	241	90,684	4,390	217	20.8	351
Finance (except depository institutions) and insurance.....	79,378	9,323	979	16.8	117	538,084	75,686	3,541	95.7	522
Real estate and rental and leasing.....	26,479	2,257	276	1.6	13,028	9,227	896	62	2.5	6,094
Professional, scientific, and technical services.....	9,994	4,423	-51	27.2	26	14,627	4,211	207	22.0	8
Other industries.....	63,438	26,128	753	150.1	(D)	64,986	21,208	1,147	32.4	35,305

<sup>r</sup> Revised

<sup>D</sup> Suppressed to avoid disclosure of data of individual companies.

1. One hectare equals 2.471 acres. Thus, for all industries, acres of land owned in 2008 was 200,490.

Note: For newly acquired businesses, the data cover the most recent financial reporting year preceding acquisition. For newly established businesses, the data are projections for the first full year of operations.

followed by finance (95,700).

In 2008, the total assets of newly acquired or established businesses were \$895.7 billion, up from \$411.8 billion in 2007.<sup>4</sup> In 2008, finance (except banks) and insurance accounted for \$538.1 billion, or 60 percent, of total assets.

Land ownership of newly acquired or established businesses decreased to 81,137 hectares in 2008 from 357,750 hectares in 2007. Net income of newly acquired or established U.S. affiliates was \$7.3 billion in 2008, almost unchanged from 2007. Total sales were \$182.9 billion, up from \$162.7 billion in 2007.

### Revisions

The estimate of total outlays for 2007 has been revised downward 9 percent from the preliminary estimate.<sup>5</sup> In addition, the estimates of operations of U.S. businesses acquired or established by foreign direct investors in 2007 have been revised. The estimate of employment has been revised up 2 percent from the preliminary estimate; the estimate of total assets has been revised down 10 percent; the estimate of sales has been revised down 9 percent; and the estimate of net income has been revised down 5 percent.

4. Because assets can be financed not only by funds from foreign direct investors but also by funds from other owners and lenders, assets of the newly established or acquired U.S. affiliates generally will exceed the related investment outlays.

5. See Y. Louise Ku-Graf, "Foreign Direct Investment in the United States: New Investment in 2007," SURVEY 88 (June 2008): 33–40.

### Technical Note

The estimates of new foreign direct investment, which cover U.S. business enterprises that were acquired or established by foreign direct investors during the year, are based on data reported in a survey conducted by the Bureau of Economic Analysis (BEA). For the 2008 estimates, BEA augmented the reported data with an estimate for late reports.

For the survey, a U.S. business enterprise was categorized as "established" if the foreign parent or its existing U.S. affiliate created a new legal entity that was organized and operated as a new U.S. business enterprise or that directly purchased U.S. real estate.<sup>6</sup> A U.S. business enterprise was categorized as "acquired" if (1) a foreign parent or its U.S. affiliate obtained a voting interest of 10 percent or more in the equity of an existing U.S. business enterprise and continued to operate the enterprise as a separate legal entity; (2) a foreign parent or its U.S. affiliate purchased a business segment or an operating unit of an existing U.S. business and organized it as a new separate legal entity; or (3) an existing U.S. affiliate purchased a U.S. business, a segment of a U.S. business, or an operating unit of a U.S. business and merged it into its own operations.

6. The number of new U.S. businesses established is not the same as the number of "greenfield" investments, which typically refers to the construction of new plants or other business facilities. First, direct purchases of U.S. real estate—which often involve purchases of existing office buildings, hotels, retail stores, shopping centers, or other property—are included in the "established" measure but are not considered "greenfield" investments. Second, new plants that are built by existing U.S. affiliates are considered "greenfield" investments, but they are included in these data as "established" businesses only if they are set up as separate legal entities.

### Key Terms

**Outlays.** Expenditures by a foreign direct investor to acquire or establish a new U.S. affiliate. The foreign direct investor, its affiliated foreign companies (foreign parent group), and/or its existing U.S. affiliates may supply the funds for the expenditures (outlays).

**Person.** Any individual, corporation, branch, partnership, associated group, association, estate, trust, or other organization, and any government (including any corporation, institution, or other entity or instrumentality of a government).

**Foreign person.** A person that resides outside the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and all U.S. territories and possessions.

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

**U.S. affiliate.** A U.S. business enterprise in which a single foreign investor (**a foreign parent**) owns at least 10 percent of the voting securities, or the equivalent.

**Ultimate beneficial owner (UBO).** For a U.S. affiliate, the person (in the broad legal sense, including a company), proceeding up the affiliate's ownership chain beginning with the foreign parent, that is not owned more than 50 percent by another person. The UBO ultimately owns or controls the affiliate and derives the benefits associated with ownership or control. Unlike the foreign parent, the UBO of a U.S. affiliate may be located in the United States.

**Foreign parent group.** This group consists of (1) the foreign parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the person below it, up to and including the UBO, and (3) any foreign person, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the person above it.

The estimates of new foreign direct investment do not cover the acquisition of additional equity in an existing U.S. affiliate, the acquisition of an existing U.S. affiliate by one foreign investor from another, or the expansion in the operations of an existing U.S. affiliate when no separate legal entity is created. Sell-offs or other disinvestments were not netted against the new investments. (For more information, see the box “Data on Foreign Direct Investment in the United States.”)

A U.S. business that was acquired or established by a foreign direct investor or by an existing U.S. affiliate of a foreign investor and that had total assets of more than \$3 million or owned 200 acres or more of U.S. land was required to file a full report with BEA. In addition, a U.S. business enterprise that was acquired by an existing U.S. affiliate of a foreign investor and merged into the operations of the affiliate was required to file a full report if the total cost of the acquisition exceeded \$3 million or if the acquired enterprise owned 200 acres or more of U.S. land. To reduce the reporting burden, smaller U.S. businesses that had total assets of \$3 million or less and that owned fewer than 200 acres of U.S. land were permitted to file shorter, partial reports.

BEA prepared estimates to account for data not collected on the partial reports and combined them with the data it collected on the full reports. Because the businesses that filed partial reports were so small, they generally had a negligible impact on the published aggregates. For example, in 2007, the total assets of U.S.

businesses that filed partial reports were \$348 million, less than 0.1 percent of the total assets of all newly acquired or established U.S. affiliates.

Although the values for the partial reports were negligible, the number of partial reports was significant. For example, in 2007, BEA received 1,724 partial reports and 730 full reports. Furthermore, the number of businesses that were subject to partial reporting may have been higher than the actual number of partial reports that BEA received because not all of the smaller U.S. businesses acquired or established by foreigners filed reports. BEA made every effort to contact all U.S. businesses that may have been newly acquired or established by foreigners, but it was necessary to concentrate its resources on ensuring compliance with reporting requirements by larger businesses.

Of the 730 full reports filed for 2007, 544 reported investments to acquire an existing U.S. business, and 186 reported investments to establish a new U.S. business.

#### Availability of New Investment Data

Summary estimates of the outlays by foreign direct investors to acquire or to establish businesses in the United States are presented in this article. More detailed estimates by industry and by country for 1980–2008 are available on BEA’s Web site at [www.bea.gov](http://www.bea.gov).

#### Data on Foreign Direct Investment in the United States

In addition to the data on new foreign direct investment presented in this article, BEA collects and publishes two other broad sets of statistics on foreign direct investment in the United States: financial and operating data of U.S. affiliates and balance-of-payments and direct-investment-position statistics.

Financial and operating data of U.S. affiliates are published at both the enterprise level and the establishment level. Detailed enterprise-level financial and operating data were most recently published in “U.S. Affiliates of Foreign Companies: Operations in 2006” in the August 2008 SURVEY OF CURRENT BUSINESS; the article includes a description of the three types of data.

Summary estimates for 2007 were presented in the April 17, 2009, news release “Summary Estimates for Multinational Companies: Employment, Sales, and Capital Expenditures for 2007,” which is available on BEA’s Web site [www.bea.gov](http://www.bea.gov). Financial and operating data at

the establishment level are available for selected years as a result of a project that links BEA’s enterprise data for U.S. affiliates with the Census Bureau’s establishment data for all U.S. companies. The most recent data are published in *Foreign Direct Investment in the United States: Establishment Data for 2002*, which is available on BEA’s Web site.

The balance-of-payments and direct-investment-position data were published in “The International Investment Position of the United States at Yearend 2007” and “Direct Investment Positions for 2007: Country and Industry Detail” in the July 2008 SURVEY, in “Direct Investment, 2004–2007: Detailed Historical-Cost Positions and Related Capital and Income Flows” in the September 2008 SURVEY, and in “U.S. International Transactions: Fourth Quarter and Year 2008” in the April 2009 SURVEY.

Revised and updated data will be published in the July and September 2009 issues.

The number of full reports by size of outlay is shown in the table below. For 2008, the number of investments in the two largest classes represents the number of reports that were received. The number of investments in the two smallest class sizes includes an estimate of the number of late reports.

	2006	2007 <sup>r</sup>	2008
Total.....	725	730	778
\$5 billion or more.....	3	6	10
\$2 billion–\$4.999 billion.....	16	28	13
\$100 million–\$1.999 billion.....	179	183	167
Less than \$100 million.....	527	513	588

<sup>r</sup> Revised

### Acknowledgments

The data presented in this article are from BEA's survey of new foreign direct investment in the United States. The survey was conducted under the direction of Lonnie Hunter and Dorrett E. Skipwith, with contributions by Carmene T. Brown, Constance T. Deve, Edward J. Kozerka, and Daniel K. Wakjira. Neeta B. Kapoor programmed the tables.

Tables 6, 7.1, and 7.2 follow.

**Table 6. Investment Outlays by Type of Investment and Investor, by Industry of U.S. Business Enterprise, 2007–2008**

[Millions of dollars]

	2007 <sup>r</sup>					2008				
	Total	By type of investment		By type of investor		Total	By type of investment		By type of investor	
		U.S. businesses acquired	U.S. businesses established	Foreign direct investors	U.S. affiliates		U.S. businesses acquired	U.S. businesses established	Foreign direct investors	U.S. affiliates
<b>All industries</b> .....	<b>251,917</b>	<b>223,616</b>	<b>28,301</b>	<b>88,337</b>	<b>163,580</b>	<b>260,362</b>	<b>242,799</b>	<b>17,564</b>	<b>47,078</b>	<b>213,284</b>
<b>Manufacturing</b> .....	<b>118,370</b>	<b>112,031</b>	<b>6,338</b>	<b>48,803</b>	<b>69,567</b>	<b>141,079</b>	<b>132,177</b>	<b>8,901</b>	<b>15,756</b>	<b>125,322</b>
Food.....	576	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Beverages and tobacco products.....	(D)	(D)	(D)	(D)	214	52,628	(D)	(D)	(D)	(D)
Textiles, apparel, and leather products.....	176	(D)	(D)	(D)	(D)	422	(D)	(D)	(D)	(D)
Paper.....	(D)	(D)	(D)	(D)	(D)	(D)	(D)	0	0	(D)
Printing and related support activities.....	(D)	(D)	0	(D)	(D)	62	62	0	(D)	(D)
Petroleum and coal products.....	(D)	(D)	(D)	(D)	(D)	(D)	(D)	0	(D)	(D)
Chemicals.....	47,642	(D)	(D)	(D)	(D)	37,452	(D)	(D)	7,932	29,521
Plastics and rubber products.....	3,506	(D)	(D)	(D)	(D)	1,304	(D)	(D)	215	1,088
Nonmetallic mineral products.....	1,309	1,084	225	(D)	(D)	918	(D)	(D)	(D)	(D)
Primary and fabricated metals.....	16,503	(D)	(D)	9,606	6,896	6,971	(D)	(D)	2,315	4,656
Machinery.....	(D)	(D)	(D)	(D)	112	12,315	(D)	(D)	95	12,219
Computers and electronic products.....	7,287	(D)	(D)	4,218	3,069	7,286	(D)	(D)	176	7,110
Electrical equipment, appliances, and components.....	(D)	(D)	(D)	264	(D)	3,215	(D)	(D)	(D)	(D)
Transportation equipment.....	13,415	(D)	(D)	470	12,945	833	(D)	(D)	363	469
Other.....	11,627	(D)	(D)	211	11,416	15,068	(D)	(D)	3,223	11,846
<b>Wholesale trade</b> .....	<b>5,631</b>	<b>(D)</b>	<b>(D)</b>	<b>1,379</b>	<b>4,252</b>	<b>3,977</b>	<b>3,837</b>	<b>140</b>	<b>548</b>	<b>3,429</b>
<b>Retail trade</b> .....	<b>6,867</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>2,775</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>
<b>Information</b> .....	<b>8,585</b>	<b>8,511</b>	<b>74</b>	<b>2,803</b>	<b>5,782</b>	<b>22,214</b>	<b>(D)</b>	<b>(D)</b>	<b>328</b>	<b>21,887</b>
Publishing industries.....	(D)	(D)	(D)	1,921	(D)	13,286	(D)	(D)	(D)	(D)
Motion pictures and sound recording industries.....	(D)	(D)	(D)	(D)	(D)	381	(D)	(D)	(D)	(D)
Telecommunications.....	(D)	(D)	(D)	(D)	(D)	3,618	(D)	(D)	(D)	(D)
Other.....	2,468	(D)	(D)	(D)	(D)	4,930	(D)	(D)	73	4,857
<b>Depository institutions</b> .....	<b>12,307</b>	<b>12,307</b>	<b>0</b>	<b>(D)</b>	<b>(D)</b>	<b>15,996</b>	<b>15,996</b>	<b>0</b>	<b>1,476</b>	<b>14,520</b>
<b>Finance (except depository institutions) and insurance</b> .....	<b>27,497</b>	<b>19,514</b>	<b>7,983</b>	<b>(D)</b>	<b>(D)</b>	<b>29,584</b>	<b>(D)</b>	<b>(D)</b>	<b>15,161</b>	<b>14,423</b>
<b>Real estate and rental and leasing</b> .....	<b>17,852</b>	<b>7,054</b>	<b>10,798</b>	<b>(D)</b>	<b>(D)</b>	<b>3,796</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>
<b>Professional, scientific, and technical services</b> .....	<b>9,018</b>	<b>8,978</b>	<b>39</b>	<b>903</b>	<b>8,115</b>	<b>15,167</b>	<b>(D)</b>	<b>(D)</b>	<b>2,574</b>	<b>12,593</b>
<b>Other industries</b> .....	<b>45,790</b>	<b>44,237</b>	<b>1,553</b>	<b>10,836</b>	<b>34,955</b>	<b>25,775</b>	<b>23,865</b>	<b>1,910</b>	<b>10,606</b>	<b>15,169</b>

<sup>r</sup> Revised

D Suppressed to avoid disclosure of data of individual companies.

Table 7.1. Investment Outlays, Country of Ultimate Beneficial Owner by Industry of U.S. Business Enterprise, 2007

[Millions of dollars]

	All industries	Manufacturing	Wholesale trade	Retail trade	Information	Depository institutions	Finance (except depository institutions and insurance)	Real estate and rental and leasing	Professional, scientific, and technical services	Other industries
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>All countries</b> .....	<b>251,917</b>	<b>118,370</b>	<b>5,631</b>	<b>6,867</b>	<b>8,585</b>	<b>12,307</b>	<b>27,497</b>	<b>17,852</b>	<b>9,018</b>	<b>45,790</b>
<b>Canada</b> .....	<b>38,502</b>	<b>14,759</b>	<b>(D)</b>	<b>(D)</b>	<b>1,056</b>	<b>1,101</b>	<b>6,812</b>	<b>219</b>	<b>1,235</b>	<b>9,845</b>
<b>Europe</b> .....	<b>132,454</b>	<b>57,891</b>	<b>4,476</b>	<b>3,083</b>	<b>5,472</b>	<b>11,122</b>	<b>9,997</b>	<b>5,776</b>	<b>7,029</b>	<b>27,607</b>
<i>Of which:</i>										
France.....	14,307	(D)	(D)	(D)	903	(D)	(D)	(D)	(D)	(D)
Germany.....	15,831	4,576	(D)	(D)	(D)	0	(D)	3,489	(D)	2,689
Ireland.....	1,350	(D)	(D)	(D)	(D)	0	(D)	53	(D)	(D)
Italy.....	7,484	(D)	(D)	0	(D)	0	0	(D)	(D)	(D)
Luxembourg.....	(D)	(D)	0	(D)	0	0	0	0	(D)	(D)
Netherlands.....	8,357	2,056	2,089	(D)	1,108	(D)	(D)	277	(D)	(D)
Spain.....	10,673	(D)	(D)	(D)	0	(D)	(D)	(D)	0	(D)
Sweden.....	3,291	2,932	(D)	0	(D)	0	0	(D)	(D)	(D)
Switzerland.....	6,501	1,678	(D)	(D)	(D)	0	3,686	(D)	(D)	(D)
United Kingdom.....	56,051	33,853	(D)	(D)	2,655	(D)	3,770	1,628	2,377	(D)
<b>Latin America and Other Western Hemisphere</b> .....	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>1,253</b>	<b>(D)</b>	<b>322</b>	<b>103</b>
South and Central America.....	(D)	(D)	(D)	(D)	(D)	(D)	(D)	15	(D)	(D)
<i>Of which:</i>										
Brazil.....	(D)	(D)	0	(D)	0	0	0	(D)	0	(D)
Other Western Hemisphere.....	1,933	272	0	0	(D)	0	(D)	(D)	(D)	(D)
<i>Of which:</i>										
Bermuda.....	1,276	(D)	0	0	(D)	0	(D)	(D)	(D)	(D)
<b>Africa</b> .....	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(D)</b>	<b>(D)</b>
<b>Middle East</b> .....	<b>21,882</b>	<b>13,466</b>	<b>(D)</b>	<b>(D)</b>	<b>66</b>	<b>0</b>	<b>(D)</b>	<b>3,953</b>	<b>(D)</b>	<b>(D)</b>
<i>Of which:</i>										
Kuwait.....	(D)	0	(D)	0	0	0	0	(D)	0	(D)
Saudi Arabia.....	(D)	(D)	0	0	0	0	0	(D)	0	(D)
United Arab Emirates.....	7,956	(D)	0	(D)	(D)	0	(D)	(D)	0	(D)
<b>Asia and Pacific</b> .....	<b>34,408</b>	<b>15,266</b>	<b>369</b>	<b>(D)</b>	<b>1,634</b>	<b>(D)</b>	<b>6,148</b>	<b>7,673</b>	<b>(D)</b>	<b>2,784</b>
<i>Of which:</i>										
Australia.....	12,983	(D)	(D)	0	(D)	0	(D)	7,220	(D)	1,676
China.....	(D)	(D)	(D)	0	0	0	0	0	0	(D)
Hong Kong.....	162	(D)	(D)	0	(D)	0	(D)	(D)	0	0
India.....	1,798	280	(D)	0	(D)	0	0	(D)	(D)	542
Japan.....	7,928	4,116	208	(D)	(D)	0	(D)	448	(D)	(D)
Korea, Republic of.....	(D)	(D)	(D)	0	(D)	0	0	(D)	0	0
New Zealand.....	(D)	(D)	0	0	0	0	0	0	0	0
Singapore.....	(D)	(D)	(D)	(D)	0	0	(D)	0	(D)	0
<b>United States</b> <sup>1</sup> .....	<b>18,071</b>	<b>(D)</b>	<b>(D)</b>	<b>0</b>	<b>(D)</b>	<b>0</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>
<b>Addenda:</b>										
European Union (27) <sup>2</sup> .....	123,038	53,658	3,989	3,083	5,460	11,122	6,310	5,525	6,647	27,244
OPEC <sup>3</sup> .....	20,758	(D)	(D)	(D)	(D)	0	(D)	3,765	0	(D)

D Suppressed to avoid disclosure of data of individual companies.

1. The United States is shown as the country of ultimate beneficial owner for businesses newly acquired or established by foreign investors that are, in turn, ultimately owned by persons located in the United States (see the box "Key Terms").

2. The European Union (27) comprises Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, the United Kingdom and the two countries—Bulgaria and Romania—that joined in 2007.

3. OPEC is the Organization of Petroleum Exporting Countries. In 2007, its members were Angola (which joined at the

beginning of the year), Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela. Ecuador rejoined OPEC in November 2007, but is not included as a member in this annual tabulation.

Notes. Data for 2007 are revised. For investments in which more than one investor participated, each investor and each investor's outlays are classified by the country of each individual ultimate beneficial owner. This table presents the major regions, the European Union, OPEC, and the following countries: Australia, Canada, China, France, Germany, Hong Kong, Japan, the Netherlands, Switzerland, the United Kingdom, and the United States. In addition, it presents any country whose total outlays for 2007 were greater than \$500 million.

Table 7.2. Investment Outlays, Country of Ultimate Beneficial Owner by Industry of U.S. Business Enterprise, 2008

[Millions of dollars]

	All industries	Manufacturing	Wholesale trade	Retail trade	Information	Depository institutions	Finance (except depository institutions and insurance)	Real estate and rental and leasing	Professional, scientific, and technical services	Other industries
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>All countries</b> .....	<b>260,362</b>	<b>141,079</b>	<b>3,977</b>	<b>2,775</b>	<b>22,214</b>	<b>15,996</b>	<b>29,584</b>	<b>3,796</b>	<b>15,167</b>	<b>25,775</b>
<b>Canada</b> .....	<b>25,181</b>	<b>1,797</b>	<b>(D)</b>	<b>2,663</b>	<b>40</b>	<b>12,518</b>	<b>4,268</b>	<b>(D)</b>	<b>181</b>	<b>3,529</b>
<b>Europe</b> .....	<b>157,853</b>	<b>93,653</b>	<b>1,193</b>	<b>53</b>	<b>21,417</b>	<b>2,100</b>	<b>13,324</b>	<b>1,523</b>	<b>14,035</b>	<b>10,556</b>
<i>Of which:</i>										
Belgium .....	52,602	52,597	(D)	0	(D)	0	(D)	0	0	(D)
Finland .....	9,676	(D)	(D)	0	0	0	0	(D)	(D)	0
France .....	16,565	1,201	(D)	(D)	12,195	0	548	(D)	(D)	2,429
Germany .....	12,823	7,042	475	(D)	1,925	0	2,249	705	(D)	403
Ireland .....	1,110	613	(D)	0	(D)	0	(D)	(D)	0	195
Italy .....	6,861	6,858	(D)	(D)	0	0	(D)	(D)	0	(D)
Luxembourg .....	679	620	0	0	0	0	0	(D)	(D)	(D)
Netherlands .....	12,545	9,445	(D)	(D)	931	0	(D)	(D)	523	1,440
Spain .....	9,779	(D)	(D)	0	(D)	(D)	(D)	(D)	555	5,454
Sweden .....	(D)	3,926	(D)	0	76	0	(D)	(D)	(D)	(D)
Switzerland .....	9,041	4,853	418	0	(D)	0	3,460	154	(D)	39
United Kingdom .....	19,657	4,290	135	(D)	6,060	(D)	4,219	543	2,869	519
<b>Latin America and Other Western Hemisphere</b> .....	<b>18,259</b>	<b>15,271</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>	<b>0</b>	<b>(D)</b>	<b>33</b>	<b>65</b>	<b>(D)</b>
South and Central America .....	3,551	3,489	(D)	(D)	(D)	0	3	(D)	(D)	(D)
<i>Of which:</i>										
Brazil .....	3,382	(D)	(D)	0	0	0	0	(D)	0	(D)
Other Western Hemisphere .....	14,708	11,782	0	0	178	0	(D)	(D)	(D)	224
<i>Of which:</i>										
Bermuda .....	14,000	(D)	0	0	0	0	(D)	(D)	(D)	205
United Kingdom Islands, Caribbean .....	702	261	0	0	178	0	(D)	(D)	0	(D)
<b>Africa</b> .....	<b>129</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(D)</b>	<b>(D)</b>	<b>(D)</b>
<b>Middle East</b> .....	<b>12,263</b>	<b>9,746</b>	<b>0</b>	<b>(D)</b>	<b>(D)</b>	<b>0</b>	<b>60</b>	<b>1,683</b>	<b>(D)</b>	<b>496</b>
<i>Of which:</i>										
Israel .....	10,113	(D)	0	(D)	(D)	0	0	0	(D)	(D)
United Arab Emirates .....	1,625	0	0	0	0	0	(D)	1,566	0	(D)
<b>Asia and Pacific</b> .....	<b>44,863</b>	<b>20,612</b>	<b>2,736</b>	<b>(D)</b>	<b>(D)</b>	<b>1,377</b>	<b>7,698</b>	<b>414</b>	<b>885</b>	<b>10,780</b>
<i>Of which:</i>										
Australia .....	10,522	321	143	(D)	(D)	1,377	879	(D)	84	7,717
China .....	297	(D)	(D)	0	0	0	0	(D)	204	0
Hong Kong .....	(D)	0	(D)	0	(D)	0	0	(D)	(D)	0
India .....	1,569	83	(D)	0	(D)	0	0	0	38	1,401
Japan .....	28,041	17,549	2,581	(D)	(D)	0	5,719	377	559	942
New Zealand .....	2,544	(D)	0	0	0	0	0	(D)	0	0
Singapore .....	1,704	(D)	0	0	0	0	(D)	0	0	(D)
<b>United States</b> <sup>1</sup> .....	<b>1,813</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(D)</b>	<b>(D)</b>	<b>0</b>	<b>49</b>
<b>Addenda:</b>										
European Union (27) <sup>2</sup> .....	147,356	87,369	771	53	21,300	2,100	9,865	1,349	14,033	10,517
OPEC <sup>3</sup> .....	3,663	(D)	0	(D)	0	0	119	(D)	0	(D)

D Suppressed to avoid disclosure of data of individual companies.

1. The United States is shown as the country of ultimate beneficial owner for businesses newly acquired or established by foreign investors that are, in turn, ultimately owned by persons located in the United States (see the box "Key Terms").

2. The European Union (27) comprises Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.

3. OPEC is the Organization of Petroleum Exporting Countries. In 2008, its members were Ecuador (which joined in

November 2007), Algeria, Angola, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

Notes. For investments in which more than one investor participated, each investor and each investor's outlays are classified by the country of each individual ultimate beneficial owner. This table presents the major regions, the European Union, OPEC, and the following countries: Australia, Canada, China, France, Germany, Hong Kong, Japan, the Netherlands, Switzerland, the United Kingdom, and the United States. In addition, it presents any country whose total outlays for 2008 were greater than \$500 million.