BEA
BUREAU OF ECONOMIC ANALYSIS
U.S. DEPARTMENT OF COMMERCE

# 2012 ANNUAL SURVEY OF U.S. DIRECT INVESTMENT ABROAD

## MANDATORY — CONFIDENTIAL

## BE-11C (Report for Minority-Owned Foreign Affiliate of U.S. Reporter)

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**Please include your BEA Identification Number with all requests.**

**Affiliate ID Number** ____________ C

**1** Name of U.S. Reporter of foreign affiliate – *Same as* **1** *, Form BE-11A*

**2** Name of foreign affiliate being reported – *Use the same name on all reports filed subsequently for this affiliate with the Bureau of Economic Analysis, e.g., Form BE-577.*

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**IMPORTANT**

**Instruction Booklet —** Contains additional instructions, definitions, and detailed reporting requirements for completing this form.

**Who must report —** The U.S. Reporter must file Form BE-11C for each minority-owned foreign affiliate owned directly and/or indirectly, at least 10 percent, but not more than 50 percent, by all U.S. Reporters of the affiliate combined and for which the affiliate's total assets; sales or gross operating revenues, excluding sales taxes; **or** net income after provision for foreign income taxes was greater than $60 million (positive or negative) at the end of, or for, the affiliate's 2012 fiscal year. However, if the affiliate is a foreign affiliate parent of another foreign affiliate being filed on Form BE-11C, Form BE-11C must be filed for the foreign affiliate parent even if all of the items: total assets; sales or gross operating revenues, excluding sales taxes; **or** net income after provision for foreign income taxes was less than or equal to $60 million (positive or negative) at the end of, or for, the affiliate's 2012 fiscal year.

**Due Date —** A complete BE-11 report is due May 31, 2013.

**Translation of foreign currency financial and operating data into U.S. dollars —** Use U.S. Generally Accepted Accounting Principles FASB ASC 830 (FAS 52). *See* ***Instruction Booklet****, Part IV.B.*

**Monetary Values —** Report in U.S. dollars rounded to thousands (omitting 000).
EXAMPLE – If amount is $1,334,891.00, report as . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

| $ | Bil. | Mil. | Thous. | Dols. |
|---|---|---|---|---|
| | | 1 | 335 | 000 |

If an item is between + or – $500.00, enter "0." Use parenthesis () to indicate negative numbers.

**Percentages —** Report ownership percentages to a tenth of one percent: . . . . . . . . . . . . . . . . . . . . . . . . . . . . . __ 9 8 . 7 %

## Part I — Identification of Minority-Owned Foreign Affiliate

**3** **What is the country of location? — Country in which this foreign affiliate's physical assets are located or where its primary activity is carried out —** *Mark (X) one.*

**Note —** If the affiliate is engaged in petroleum, shipping, other water transportation, or oil and gas drilling, and has operations spanning more than one country, use country of incorporation for country of location. For example, classify in country of incorporation an oil drilling rig that moves from country to country during the year.

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| | | | |
|---|---|---|---|
| 1 **601** ☐ Australia | 1 **650** ☐ China | 1 **313** ☐ Ireland | 1 **319** ☐ Netherlands |
| 1 **302** ☐ Belgium | 1 **307** ☐ France | 1 **314** ☐ Italy | 1 **325** ☐ Switzerland |
| 1 **202** ☐ Brazil | 1 **308** ☐ Germany | 1 **614** ☐ Japan | 1 **327** ☐ United Kingdom |
| 1 **100** ☐ Canada | 1 **611** ☐ Hong Kong | 1 **213** ☐ Mexico | 1 ☐ Other — *Specify* |

**4** **What is the ending date of this foreign affiliate's 2012 fiscal year? –** The foreign affiliate's financial reporting year that has an ending date in calendar year 2012. *See* ***Instruction Booklet****, Part II.A.* . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

1009 1 Month Day Year __ __ / __ __ / 2 0 1 2

**5** **Did the foreign business enterprise become a foreign affiliate of the U.S. Reporter during the fiscal year?**

1010 1 **1** ☐ **Yes, and this is its initial report —** Affiliate was not previously owned by the U.S. Reporter
If "Yes," did the U.S. Reporter — *Mark (X) one.*

2 **1** ☐ Establish the foreign affiliate?
2 **2** ☐ Acquire a voting interest of 10 percent or more in an existing foreign company?

*Enter date* 3 Month Year __ __ / __ __ __ __

1 **2** ☐ **No**

## Part I — Identification of Minority-Owned Foreign Affiliate — Continued

### Ownership in this Foreign Affiliate

- **Equity interest** is the U.S. Reporter's direct ownership in the total equity (voting and nonvoting) of the affiliate. Examples of nonvoting equity include nonvoting stock and a limited partner's interest in a partnership.
- **Voting interest** is the U.S. Reporter's direct ownership in just the voting equity of the affiliate. Examples of voting equity include voting stock and a general partner's interest in a partnership. Thus, a U.S. Reporter could have a 100 percent direct voting interest in an affiliate but own less than 100 percent of the affiliate's total equity.
- Enter percent of ownership based on total voting stock, as applicable, if an incorporated affiliate, or an equivalent interest if an unincorporated affiliate.

| | | Percent of ownership at close of fiscal year — Equity 2012 (1) | Percent of ownership at close of fiscal year — Voting 2012 (2) |
|---|---|---|---|
| **6** What is the direct ownership interest held by the U.S. Reporter named in **1**? . . . | 1012 | 1 ___ ___ ___ . ___ % | 2 ___ ___ ___ . ___ % |
| **7** What is the indirect ownership interest held through the U.S. Reporter's other foreign affiliates? — *See* ***Instruction Booklet****, Part I.B.1.c., for instructions on how to calculate indirect ownership interest. (If entry is made here, complete* **9** *.)* . . . . . | 1020 | | 2 ___ ___ ___ . ___ % |
| **8** What is the total ownership interest held by the U.S. Reporter? — Sum of **6** and **7** . . . . . | 1050 | | 2 ___ ___ ___ . ___ % |

**9 What is the name of the foreign affiliate parent(s)? —** *If there is an entry in* **7** *, enter below, the name(s) and percent(s) of ownership of each foreign affiliate of the U.S. Reporter named in* **1** *holding a direct ownership interest in this foreign affiliate. Also, for each foreign affiliate in column (a) that is below the first tier in its ownership chain, enter in column (c) the name of the foreign affiliate that holds a direct ownership interest in it.*

| Foreign affiliate(s) holding direct ownership interest in this foreign affiliate — Name and ID Number: Enter name and BEA ID Number of foreign affiliate(s) holding a direct ownership interest in this foreign affiliate. (a) | BEA USE ONLY | Percent of direct ownership in this foreign affiliate — Close FY 2012 (b) | Name of the foreign affiliate, if any, in ownership chain that holds a direct interest in the foreign affiliate named in column (a) (c) |
|---|---|---|---|
| a. 1191 | 1 | 2 ___ ___ ___ . ___ % | |
| b. 1192 | 1 | 2 ___ ___ ___ . ___ % | |
| **TOTAL** . . . . . 1021 | | 2 ___ ___ ___ . ___ % | |

**10 What is the MAJOR product or service involved in this activity?** *If a product, briefly state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, packaged, transported, etc. (For example, "Manufacture widgets to sell at wholesale.")*

1029

**11 What is the foreign affiliate's primary industry (ISI) code? —** Give the 4-digit ISI code for the industry group that accounts for the largest amount of the affiliate's sales. A list and full explanation of the ISI codes are given in the **Guide to Industry Classifications for International Surveys, 2007**. A summary list of ISI codes is included at the back of Form BE-11B. For an inactive affiliate, enter an ISI code based on its last active period. . . . . . 1039 2

**Note —** To be considered a **holding company** (ISI code 5512), income from equity investments must be more than 50 percent of total income. In addition, normally at least 50 percent of total assets must consist of investments in affiliates. ISI code 5512 (holding company) is an invalid classification if more than 50 percent of income generated, or expected to be generated, by an affiliate is from non-holding company activities.

Remarks

| BEA USE ONLY 1040 | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|

## Part II — Financial and Operating Data of Minority-Owned Foreign Affiliate

### Section A — Selected Financial Data

| Affiliate ID | |
|---|---|

- Report the data to represent 100 percent of the foreign affiliate, and not just the portion owned by the U.S. Reporter(s).
- Report in **14** gross operating revenues or gross sales minus returns, allowances, and discounts. Exclude sales or consumption taxes levied directly on the consumer. Exclude net value-added and excise taxes levied on manufacturers, wholesalers, and retailers.
  - — Finance and leasing companies with ISI codes 5221, 5223, 5224, 5229, 5231, 5238, 5252, or 5331 report interest income on this line.
  - — Insurance companies with ISI codes 5243 or 5249 report gross investment income on this line.
- Report in **15** net income (loss) for the year, after provision for foreign income taxes, but before provision for common and preferred dividends. Include income from equity investments and certain gains (losses) (net of income tax effects) included in the determination of net income.
- *Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 4.*

**What are the foreign affiliate's values for:**

| | | $ Bil. Mil. Thous. | Dols. |
|---|---|---|---|
| **12** Total assets? — Balance at close of fiscal year | 2090 | 1 | 000 |
| **13** Total liabilities? — Balance at close of fiscal year | 2094 | 1 | 000 |
| **14** Annual sales or gross operating revenues, excluding sales taxes? | 2041 | 1 | 000 |
| **15** Net income (loss)? | 2051 | 1 | 000 |

### Section B — Number of Employees and Employee Compensation

- **Report the number of employees** on the payroll at the end of FY 2012 including part-time employees, but excluding temporary and contract employees not included on your payroll records. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of employees on the payroll at the end of FY 2012. If the number of employees at the end of FY 2012 (or when the count was taken) was unusually high or low due to temporary factors (e.g., a strike), enter the number of employees that reflects normal operations. If the number of employees fluctuates widely during the year due to seasonal business variations, report the average number of employees on the payroll during FY 2012. Base such an average on the number of employees on the payroll at the end of each pay period, month or quarter. If precise figures are not available, give your best estimate.
- **Report employee compensation** expenditures made by an employer in connection with the employment of workers, including cash payments, payments in-kind, and employer expenditures for employee benefit plans including those required by statute. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods. DO NOT include compensation of contract workers not carried on the payroll of this affiliate. Total employee compensation consists of **wages and salaries** of employees and employer expenditures for all **employee benefit plans.**
  - **— Wages and salaries** include gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece-rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit-sharing amounts, stock-based compensation, and commissions. Exclude commissions paid to independent personnel who are not employees. Include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer. Include employer contributions to benefit funds. Include in-kind payments, valued at their costs, that are clearly and primarily of benefit to the employees as consumers. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement of business expenses.
  - **— Employee benefit plans** include employer expenditures for all employee benefit plans including those mandated by government statute, those resulting from collective bargaining contracts and those that are voluntary. Include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. Also, include deferred post-employment and post-retirement expenses per FASB ASC 715 (FAS 106). If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

| | | Number of employees | |
|---|---|---|---|
| **16 What is the foreign affiliate's total number of employees?*** | 2105 | 1 | |
| | | **$ Bil. Mil. Thous.** | **Dols.** |
| **17 What is the foreign affiliate's total employee compensation expenditure? —** Report, for all employees, the sum of **wages and salaries** and **employee benefit plans**. | 2110 | 1 | 000 |

***Note –** If the total number of employees in **16** is zero, please provide an explanation.

| BEA USE ONLY 2076 | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| | | | | | |

## Part III — U.S. Exports To and U.S. Imports From Minority-Owned Foreign Affiliate

**Goods only valued f.a.s. at port of exportation; do not include services —** *See **Instruction Booklet**, Part V.*

### IMPORTANT NOTES

Report U.S. exports of goods to and U.S. imports of goods from the foreign affiliate in FY 2012. Report all goods that physically left or entered the U.S. customs area. Report data on a "shipped" basis, i.e., on the basis of when and to (or by) whom the goods were shipped. This is the same basis as official U.S. trade statistics to which these data will be compared. Do **not** record a U.S. import or export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the foreign affiliate by, or charged by the foreign affiliate to, a U.S. person.

Foreign affiliates normally keep their accounting records on a "charged" basis, i.e., on the basis of when and to (or by) whom the goods were charged. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. If there is a material difference, the "shipped" basis must be used or adjustments made to the data on a "charged" basis to approximate a "shipped" basis. The data should include goods only; they should **exclude** services.

**Capital goods —** Include capital goods but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or goods.

**Consigned goods —** Include consigned goods in the trade figures when shipped or received, even though they are not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned.

**In-transit goods —** Exclude from exports and imports the value of goods that are in-transit. In-transit goods are goods that are not processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter that country(ies) only because that country(ies) is along the shipping lines between the exporting and importing countries. In-transit imports are goods en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and in-transit exports are goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

**Packaged general use computer software —** Include exports and imports of packaged general use computer software. Value such exports and imports at the full transaction value, i.e., the market value of the media on which the software is recorded and the value of the information contained on the media. Do not include exports and imports of customized software designed to meet the needs of a specific user. This type of software is considered a service and should not be included as trade in goods. Also do not include negotiated leasing fees for software that is to be used on networks.

**Natural gas, electricity, and water —** Report ONLY the product value of natural gas, electricity, and water that you produce or sell at wholesale as exports and imports of goods. DO NOT report the service value (transmission and distribution).

U.S. **EXPORTS** OF GOODS TO THIS FOREIGN AFFILIATE (Valued f.a.s. U.S. port)

| | | $ Bil. Mil. Thous. Dols. |
|---|---|---|
| **18** **What is the value of the total goods shipped in FY 2012 from the U.S. (by the U.S. Reporter(s) of this affiliate and by other U.S. persons) to this affiliate?** . . . . . . . . . . . . . . . . . . | 4173 | 1 ___ 000 |

U.S. **IMPORTS** OF GOODS FROM THIS FOREIGN AFFILIATE (Valued f.a.s. foreign port)

| | | $ Bil. Mil. Thous. Dols. |
|---|---|---|
| **19** **What is the value of the total goods shipped in FY 2012 to the U.S. (to the U.S. Reporter(s) of this affiliate and to other U.S. persons) by this affiliate?** . . . . . . . . . . . . . . . . . . | 4178 | 1 ___ 000 |

## SPECIAL INSTRUCTIONS FOR DEALERS IN FINANCIAL INSTRUMENTS, FINANCE COMPANIES, INSURANCE COMPANIES, AND REAL ESTATE COMPANIES

**A. Certain gains (losses) for (1) dealers in financial instruments and finance and insurance companies, and (2) real estate companies.**

1. **Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies —** Include in the calculation of net income in **15** :
   - impairment losses as defined by FASB ASC 320 (FAS 115),
   - realized gains and losses on trading or dealing,
   - unrealized gains or losses, due to changes in the valuation of financial instruments, that flow through the income statement, and
   - goodwill impairment as defined by FASB ASC 350 (FAS 142).

   **EXCLUDE** from **14** and **15** , unrealized gains or losses due to changes in the valuation of financial instruments that are taken to other comprehensive income.

   Include income from explicit fees and commissions as operating revenue in **14** .

2. **Real estate companies —** Include in **15** :
   - impairment losses as defined by FASB ASC 360 (FAS 144), and
   - goodwill impairment as defined by FASB ASC 350 (FAS 142).

   Include income earned from the sale of real estate you own as operating revenue in **14** .

**B. Special instructions for insurance companies**

1. When there is a difference between the financial and operating data reported to the stockholders and the data reported in the annual statement to an insurance department, prepare the BE-11 on the same basis as the annual report to the stockholders. Valuation should be according to normal commercial accounting procedures, not at rates promulgated by national insurance departments, e.g., include assets not acceptable for inclusion in the annual statement to an insurance department, such as: 1. non-trusteed or free account assets, and 2. nonadmitted assets, including furniture and equipment, agents' debit balances, and all receivables deemed to be collectible. Include mandatory securities valuation reserves that are appropriations of retained earnings in the owners' equity section of the balance sheet, not in the liability section.

2. Do not include assets of the U.S. Reporter held in the country of location of the affiliate that are for the benefit of the U.S. Reporter's policyholders in the data reported for the affiliate.

3. **Instructions for reporting specific items**

   **Sales or gross operating revenues, excluding sales taxes —** Include in **14** items such as earned premiums, annuity considerations, gross investment income, and items of a similar nature.

| BEA USE ONLY 4179 | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| | | | | | |