

U.S. International Services

Cross-Border Trade in 2005 and Sales Through Affiliates in 2004

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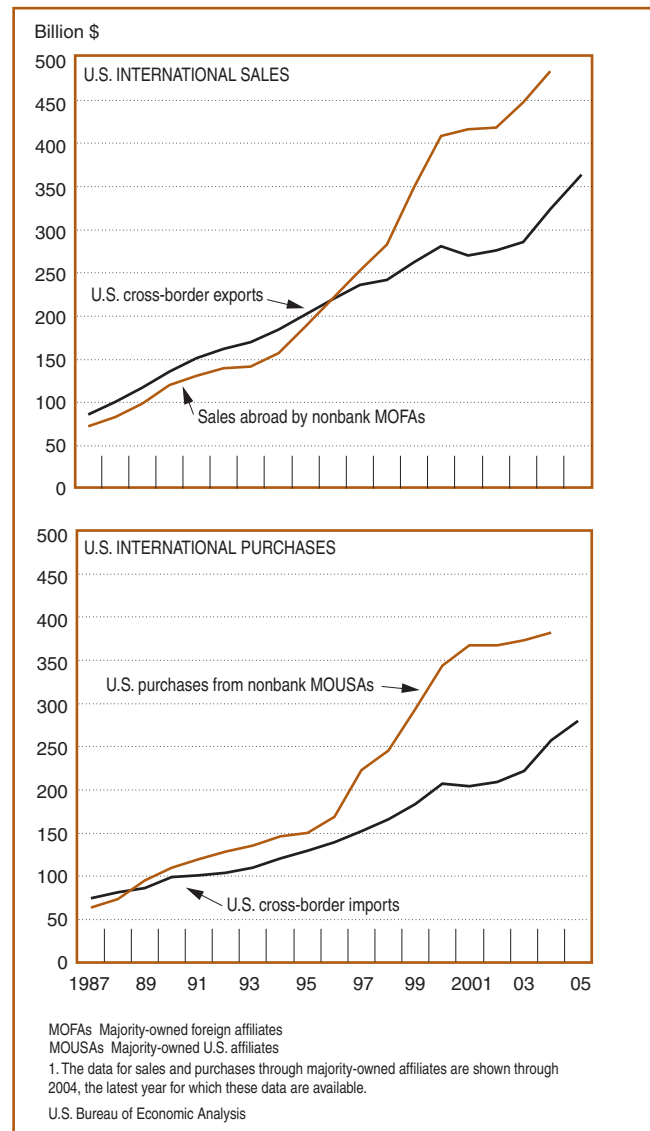
THE Bureau of Economic Analysis (BEA) takes a broad perspective in this presentation of U.S. international sales and purchases of services, including information on services that cross borders and are recorded in the international transactions accounts as exports and imports and information on services that are delivered through the channel of direct investment. This perspective recognizes the importance of affiliates that are located in—but owned outside of—the markets that they serve. Because a local commercial presence is often necessary to deliver services to foreign customers, many companies choose to serve foreign markets, in part or in whole, through their affiliates. In 2004 (the latest year for which data on sales through affiliates are available), the majority of both U.S. international sales and purchases of services continued to be through affiliates (table A and chart 1).¹

In 2005, U.S. cross-border exports of private services, at \$360.5 billion, exceeded U.S. cross-border imports of private services, at \$280.6 billion, resulting in a U.S. surplus on cross-border trade in private services of \$79.9 billion, up from \$70.8 billion in 2004. In contrast to the large and growing U.S. deficit on international trade in goods, which reached \$782.7 billion in 2005, the United States has historically run surpluses on trade in services. In 2004, U.S. sales of services to foreign markets through the foreign affiliates of U.S.

companies, at \$489.6 billion, exceeded foreign sales to the U.S. market through U.S. affiliates of foreign companies, at \$382.8 billion.

In 2005, cross-border exports of services increased 10 percent after increasing 13 percent in 2004, and imports increased 9 percent after increasing 16 percent

Chart 1. U.S. International Sales and Purchases of Private Services, 1987–2005¹



1. The data on sales through affiliates cover all the sales of services by nonbank majority-owned affiliates, irrespective of the percentage of ownership, and are limited to nonbank affiliates because bank affiliates are not required to report annual data on sales of services to BEA. See the box “The 2004 Benchmark Survey of U.S. Direct Investment Abroad and the Treatment of Nonbank Units of U.S. Banks” in this article for further discussion of reporting requirements for banks.

Table A. Sales of Services to Foreign and U.S. Markets
 [Billions of dollars]

	U.S. sales to foreign markets		Foreign sales to the U.S. market	
	Across border	Through foreign affiliates	Across border	Through U.S. affiliates
2003.....	289	452	222	374
2004.....	328	490	257	383
2005.....	360	n.a.	281	n.a.

n.a. Not available

The 2004 Benchmark Survey of U.S. Direct Investment Abroad and the Treatment of Nonbank Units of U.S. Banks

The estimates of sales of services abroad by foreign affiliates of U.S. companies for 2004 are based on preliminary results from the 2004 benchmark survey of U.S. direct investment abroad. Additional results from the benchmark survey—including employment, value added, capital expenditures, and numerous other items—will be published in November. Benchmark surveys, which are conducted once every 5 years, are BEA's most comprehensive surveys of U.S. direct investment abroad in terms of both coverage of companies and subject matter. The preliminary results from the benchmark survey include estimates of data for reports that could not be fully processed in time for publication. The final results (to be published in 2007) will incorporate data from reports processed after the publication of the preliminary results.

Benchmark surveys also provide an appropriate opportunity to implement changes that affect comparisons over time, including changes in reporting requirements. Beginning with the 2004 benchmark survey, the nonbank units of U.S. banks (including bank and financial holding companies) were consolidated in the reports of the banks that owned them; previously, these units were required to file separate reports.¹ Because BEA's annual data series on the operations of U.S. multinational companies currently cover only nonbank U.S. parent companies and their nonbank foreign affiliates, the change resulted in the nonbank foreign affiliates of these nonbank units of U.S. banks dropping out of the data on foreign affiliate sales and other measures of operations.

The change in reporting requirements reduced the measured year-to-year increase in total sales of services and in sales of services to foreign markets in 2004 by roughly 2 percentage points. In the table in this box, the estimates of sales of services abroad by major area and selected country and by selected industry were adjusted to remove the effects of the consolidation of nonbank U.S. parents with the banks that own them. In the table, the affiliates that dropped out of the nonbank 2004 data were removed from the estimates for 2003.² Thus, the table provides a rough approximation of sales of services abroad on a comparable basis in both years and enables year-to-year changes to be studied without the effects of

1. Similarly, reporting requirements for U.S. affiliates of foreign companies have also been changed, beginning with the 2002 benchmark survey of foreign direct investment in the United States. U.S. affiliates that are banks or bank holding companies have been consolidated with their majority-owned U.S. affiliates in nonbanking industries and are required to report as banks. The reclassification of U.S. affiliates did not create the same discontinuity as the change in the treatment of U.S. parents, because fewer U.S. affiliates were affected by the change and the size of those affiliates' sales of services was generally small.

2. Adjustments were made only to estimated sales of services in "finance (except depository institutions) and insurance" because few other industries were affected by the change and the effects in industries other than nonbank finance and insurance were minimal.

the change in reporting requirements. Throughout this article, the discussion of changes in sales of services by foreign affiliates refers to changes after adjusting to remove the effects of the new reporting requirements.

Comparing the adjusted estimates for 2003 in this table with the estimates in table 9 indicates that sales of services abroad through affiliates increased in all the major areas, both before and after the adjustment to remove the effects of the change in reporting, and that the estimates for some countries were substantially affected by the change. For example, after the adjustment, the sales of services abroad by affiliates in Europe increased \$24.9 billion, accounting for 53 percent of the total increase in 2004; before the adjustment, sales increased \$22.1 billion, accounting for 59 percent of the total increase.³ Sales by affiliates in Canada were also particularly affected by the change; after the adjustment, sales increased \$6.2 billion, or 15 percent, and before the adjustment, sales increased \$4.2 billion, or 10 percent.

By industry sector, the impact of the change in reporting requirements was concentrated in "finance (except depository institutions) and insurance." After the adjustment, sales of services in this industry increased 5 percent; in contrast, before the adjustment, sales decreased 3 percent.

3. These percentage changes and shares may not match those that are calculated from the accompanying tables. The shares in the text are generally derived from underlying data that are available at a greater level of precision than those in the published tables.

Sales of Services to Foreign Persons by U.S. MNCs Through Their Nonbank MOFAs, with Adjusted 2003 Estimates

[Billions of dollars]

	2003 ¹	2004	Change (2003–2004)	
			Billions of dollars	Percent
Total	443.1	489.6	46.5	11
<i>By industry:</i>				
Finance (except depository institutions) and insurance	114.0	119.7	5.7	5
Finance, except depository institutions	35.4	34.3	-1.1	-3
Insurance carriers and related activities	78.6	85.4	6.8	9
All other industries	329.1	370.0	40.9	12
<i>By area and selected country:</i>				
Canada	40.7	46.9	6.2	15
Europe	239.3	264.2	24.9	10
<i>Of which:</i>				
Germany	26.2	29.6	3.4	13
United Kingdom	(D)	105.5	(D)	(D)
Latin America and Other Western Hemisphere	53.5	57.0	3.5	7
Other countries	109.5	121.5	11.9	11

D Suppressed to avoid disclosure of data of individual companies.

1. The estimates for sales of services in 2003 shown in this table differ from those shown in other tables in this article because they reflect an adjustment to the "finance (except depository institutions) and insurance" industry to remove foreign affiliates affected by a change in reporting requirements that became effective beginning with data reported for 2004. This change required nonbank U.S. parents of these affiliates to be consolidated on the reports of the banks that owned them. Because the data on sales of services abroad cover only sales by affiliates of nonbank U.S. parents, the change in reporting requirements caused the affiliates of the affected parents to drop out of the estimates beginning in 2004. In industries other than nonbank finance and insurance, the impact of the change was small.

MNCs Multinational companies
MOFAs Majority-owned foreign affiliates

(table B). In 2005, cross-border exports increased in all major categories: Increases in “other private services” (such as “business, professional, and technical ser-

vices,” financial services, insurance services, and education) and travel contributed the most to the increase in exports in dollar terms, while “other transportation” had the largest increase in percentage terms (table C). Cross-border imports of services also increased in each of the major categories: The largest increases were in “other private services” and “other transportation.” For both exports and imports, every major category increased at a slower rate in 2005 than in 2004.

Table B. Sales of Services to Foreign and U.S. Markets Through Cross-Border Trade and Through Affiliates

	Through cross-border trade ¹		Through nonbank majority-owned affiliates ²	
	U.S. exports (receipts)	U.S. imports (payments)	Sales to foreign persons by foreign affiliates of U.S. companies ³	Sales to U.S. persons by U.S. affiliates of foreign companies
	Billions of dollars			
1986.....	77.5	64.7	60.5	n.a.
1987.....	87.0	73.9	72.3	62.6
1988.....	101.0	81.0	83.8	73.2
1989.....	117.9	85.3	99.2	94.2
1990.....	137.2	98.2	121.3	109.2
1991.....	152.4	99.9	131.6	119.5
1992.....	164.0	103.5	140.6	128.0
1993.....	171.6	109.4	142.6	134.7
1994.....	186.7	120.3	159.1	145.4
1995.....	203.7	128.7	190.1	149.7
1996.....	222.1	138.8	223.2	168.4
1997.....	238.5	151.5	255.3	(⁴) 223.1
1998.....	244.4	165.6	286.1	245.5
1999.....	265.1	183.0	(⁵) 353.2	293.5
2000.....	284.0	207.4	413.5	344.4
2001.....	272.8	204.1	421.7	367.6
2002.....	279.6	209.0	423.5	367.6
2003.....	289.1	221.8	452.5	374.1
2004.....	328.0	257.2	489.6	382.8
2005.....	360.5	280.6	n.a.	n.a.
	Percent change from prior year			
1987.....	12.2	14.2	19.5	.....
1988.....	16.0	9.5	15.9	17.0
1989.....	16.8	5.3	18.4	28.7
1990.....	16.4	15.1	22.2	15.9
1991.....	11.1	1.8	8.5	9.5
1992.....	7.6	3.5	6.8	7.1
1993.....	4.6	5.8	1.5	5.3
1994.....	8.8	9.9	11.6	8.0
1995.....	9.1	7.0	19.4	2.9
1996.....	9.0	7.8	17.4	12.5
1997.....	7.4	9.1	14.4	(⁴)
1998.....	2.5	9.4	12.0	10.1
1999.....	8.5	10.5	(⁵)	19.6
2000.....	7.1	13.3	17.1	17.3
2001.....	-3.9	-1.6	2.0	6.7
2002.....	2.5	2.4	0.4	0.0
2003.....	3.4	6.1	6.8	1.8
2004.....	13.5	16.0	(⁶) 8.2	2.3
2005.....	9.9	9.1	n.a.	n.a.

n.a. Not available

1. The estimates for 2002–2004 are revised from those published in last year's article in this series. See Christopher L. Bach, "Annual Revision of the U.S. International Accounts, 1995–2005," *SURVEY OF CURRENT BUSINESS* 86 (July 2006): 36–48.

2. The estimates for 2003 are revised from those published in last year's article. The estimates for 2004 are preliminary.

3. The figures shown in this column for 1986–88 have been adjusted, for the purposes of this article, to be consistent with those for 1989 forward, which reflect definitional and methodological improvements made in the 1989 Benchmark Survey of U.S. Direct Investment Abroad. The primary improvement was that investment income of affiliates in finance and insurance was excluded from sales of services. The adjustment was made by assuming that investment income of finance and insurance affiliates in 1986–88 accounted for the same share of sales of services plus investment income as in 1989.

4. Beginning in 1997, sales by U.S. affiliates were classified as goods or services based on industry codes derived from the North American Industry Classification System; the estimates for prior years were based on codes derived from the 1987 Standard Industrial Classification System. This change resulted in a redefinition of sales of services by affiliates, which resulted in a net shift of sales from goods to services. See the box "Changes in the Definition and Classification of Sales of Services by U.S. Affiliates" in the October 1999 Survey, page 61, available at <www.bea.gov>.

5. Beginning in 1999, sales by foreign affiliates were classified as goods or services based on industry codes derived from the North American Industry Classification System; the estimates for prior years were based on codes derived from the 1987 Standard Industrial Classification System. This change resulted in a redefinition of sales of services by affiliates, which resulted in a net shift of sales from goods to services. See the box "Changes in the Definition and Classification of Sales of Services by Foreign Affiliates" in the November 2001 Survey, page 58, available at <www.bea.gov>.

6. In 2004, BEA began to require that the nonbank units of U.S. banks (including bank and financial holding companies), which were required to file separately in the past, be consolidated on the reports of the banks that owned them. Because the data on sales of services abroad cover only sales by affiliates of nonbank U.S. parents, the change in reporting requirements caused the affiliates of the affected parents to drop out of the data. As a result, the measured change in sales between 2003 and 2004, as computed from the table above, was reduced by about 2 percent. After allowing for the effects of the change, the increase in 2004 would have been about 11 percent. (A parallel change was introduced in the series on sales by U.S. affiliates of foreign companies in 2002, but it did not result in a material discontinuity in the estimates.)

Table C. Cross-Border Services

[Percent change from the preceding year]

	Exports		Imports	
	2004	2005	2004	2005
Private services.....	13	10	16	9
Travel.....	16	10	14	5
Passenger fares.....	20	11	13	10
Other transportation.....	19	13	21	15
Royalties and license fees.....	12	9	22	6
Other private services.....	11	9	13	9

After an adjustment to remove the effects of a change in reporting requirements, U.S. sales of services abroad through the foreign affiliates of U.S. companies increased 11 percent in 2004 after increasing 7 percent in 2003.² This was the second year of improved sales growth, following a historical low of 0.4-percent growth in 2002. The 2004 increase in foreign affiliates' sales of services resulted from several factors, including a pickup in real economic growth in many foreign markets served by affiliates. The weakening of the U.S. dollar against a number of major foreign currencies boosted the dollar value of affiliates' sales. The increase was also affected by changes in the corporate structure of multinational companies, including increased ownership in affiliates so that minority-owned affiliates became majority-owned affiliates, and the restructuring of a large foreign media company as a U.S. company.

Sales in the United States through the U.S. affiliates of foreign multinationals increased 2 percent in 2004, the same as in 2003. Sales by U.S. affiliates continued to grow slowly despite a pickup in economic growth in the United States and an increase in foreign companies' spending to acquire or establish U.S. businesses. Most of the growth was driven by increased sales by existing affiliates rather than by sales of newly acquired or established affiliates.

Sales of services delivered through cross-border trade cannot be precisely compared with sales through

2. The change computed from the accompanying tables is 8 percent, but the change would have been 11 percent in the absence of a change in reporting requirements for nonbank units of U.S. banks.

affiliates because of differences in coverage, measurement, and classification.³ For example, sales of services through cross-border trade are generally classified by type of service, whereas sales through affiliates are classified by the primary industry of the affiliate. Despite these differences, the large gap between sales through

cross-border trade and sales through affiliates suggests that the latter is the larger channel of delivery for both U.S. sales of services abroad and foreign sales of services in the United States (charts 2 and 3).

3. One source of the difference in coverage between cross-border trade and sales through affiliates is the inclusion of services provided by banks in cross-border transactions but not in sales through affiliates, which cover only sales by nonbank affiliates; to address this gap in coverage, BEA collected data on sales of services by bank affiliates in its most recent benchmark surveys of U.S. direct investment abroad (covering 2004) and foreign direct investment in the United States (covering 2002). Differences in measurement—for example, in the treatment of insurance services—is currently being addressed by new data collections; see the box “New Measures of Insurance, Trade Services, and Financial Services Sold Through Affiliates.”

The remainder of this article consists of two major sections and two appendixes. The first section focuses on international services transactions through cross-border exports and imports. It presents the preliminary estimates of exports and imports of private services for 2005 and revised estimates for 2002–2004.⁴

4. These estimates can also be found in summary form in the U.S. international transactions accounts. In the quarterly articles on U.S. international transactions, table 1 presents cross-border exports of private services in lines 6–10 and cross-border imports in lines 23–27; table 3 provides additional details.

Chart 2. U.S. International Sales and Purchases of Services by Major Area in 2004

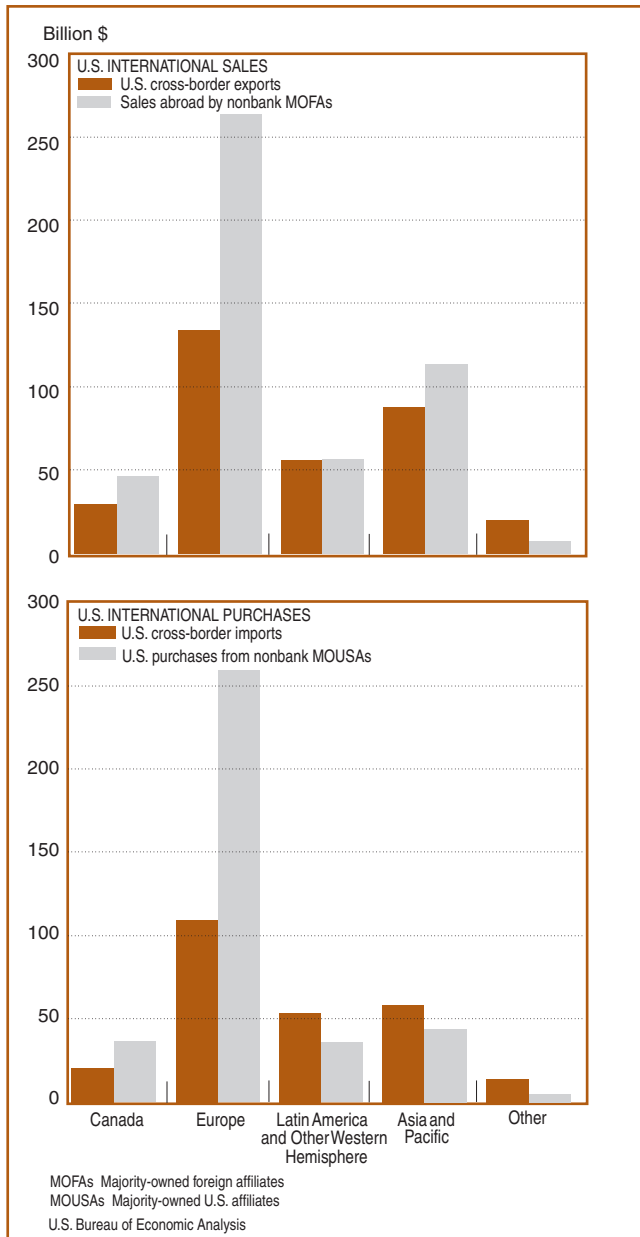
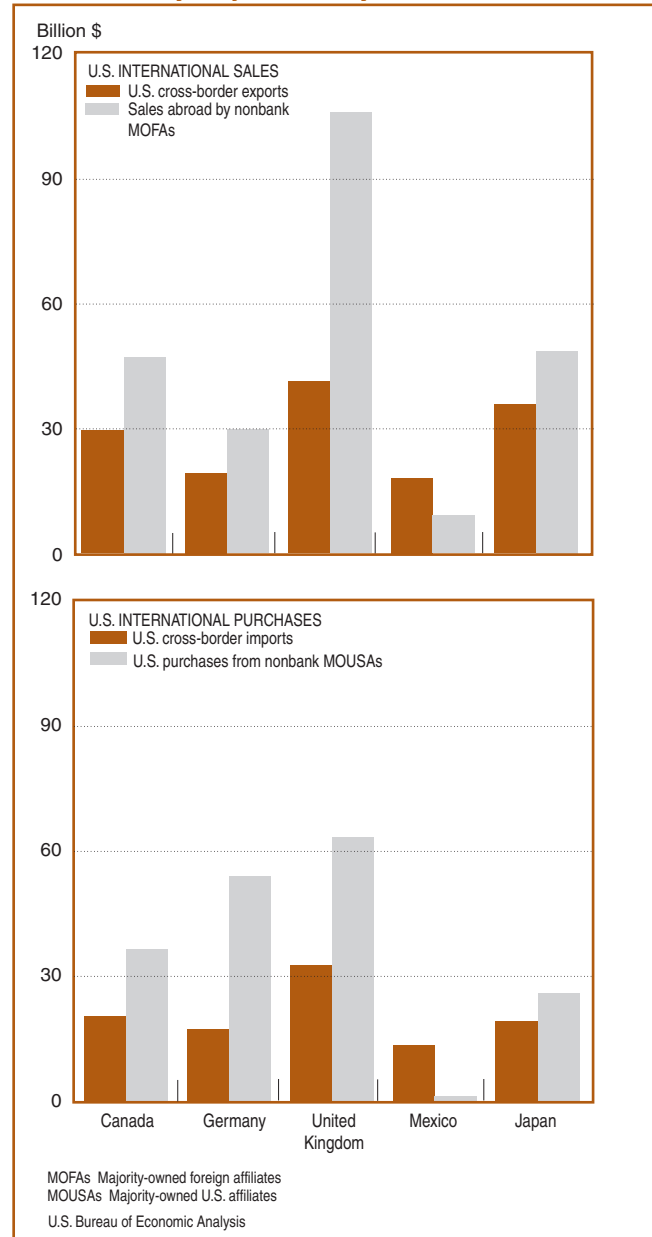


Chart 3. U.S. International Sales and Purchases of Services by Major Country in 2004



The second section presents preliminary estimates of sales of services abroad through nonbank majority-

owned affiliates of nonbank U.S. companies and sales in the United States by nonbank majority-owned U.S.

New Measures of Insurance, Trade Services, and Financial Services Sold Through Affiliates—Continues

In its efforts to improve its estimates of U.S. international services, BEA has recently addressed several issues in the measurement of three major types of services—insurance, wholesale and retail trade services, and financial services.¹ This article describes BEA’s efforts to improve its estimates of such services delivered through direct investment—that is, through affiliates in local markets—and provides preliminary estimates of sales to U.S. residents by affiliates of foreign multinational companies in 2002.

The measurement of services delivered by affiliates in insurance, wholesale and retail trade, and finance is complicated by special factors. For example, sales may include nonservice elements or may exclude the value of services provided without an explicit charge. To overcome such complications, BEA has developed new methodologies, initiated new data collections, and drawn on data from outside sources.

The improved measures raise the total estimate of sales of services to U.S. residents by U.S. affiliates in 2002 by \$125.0 billion, to \$492.6 billion (see the table). These estimates are provisional but provide an indication of how the new measures compare with the current measures. An article providing detail on methodologies and estimates for additional years will be published in a forthcoming issue of the SURVEY OF CURRENT BUSINESS.

Impacts of Changes in the Measurement of Insurance, Wholesale and Retail Trade, and Financial Services on the Estimates of Goods Sold and Services Provided to U.S. Residents by Majority-Owned U.S. Affiliates, 2002
(Billions of dollars)

	Services provided	Goods sold ¹
Current measure.....	367.6	1,421.1
Effects of new measures:		
Insurance services.....	-40.4	No change
Wholesale and retail trade.....	134.9	-134.9
Financial services.....	30.5	No change
New measure.....	492.6	1,286.2

1. The sales of goods to U.S. residents by U.S. affiliates have been estimated from data on their exports of goods because the data on these sales are not disaggregated by destination.

Insurance

BEA’s current methodology measures sales of insurance services through affiliates as services-related operating revenues. These revenues consist mostly of premium income, but they also include fees for auxiliary insurance services. BEA’s new treatment of insurance services includes enhancements in two key areas.

Premiums less normal losses. The current measure of

services sold through insurance affiliates is based on gross premiums with no deductions for losses paid out. However, international economic accounting guidelines recommend a net premiums approach that deducts a measure of losses from premiums.² This approach reflects the reality that some portion of premiums is simply the amount of funds that flow from all policyholders to policyholders who suffered losses. BEA’s new treatment adopts a net premium approach. Specifically, it will adopt BEA’s current treatment of cross-border trade in insurance and the domestic insurance industry by deducting a proxy measure of insurers’ expected losses, called “normal” losses, which is based on the long-term relationship between premiums earned and claims paid.

Premium supplements. The current measure omits the investment income earned on technical reserves. Clearly, insurance premiums would be higher if insurance companies could not use this income to defray their expenses. In recognition of this fact, the 1993 *System of National Accounts* (SNA) included income earned on reserves in its recommended measure of insurance industry output. Specifically, the income is treated as accruing to the policyholders, who pay it back to insurers as supplements to cover the full cost of the insurance services they receive. Accordingly, BEA’s new measure will include a measure of premium supplements, representing income earned on prepaid premiums and reserves against outstanding losses.

To estimate insurance services under the new approach, BEA collected data on the premiums earned and losses paid by majority-owned U.S. affiliates with operations in insurance on the 2002 benchmark survey of foreign direct investment in the United States (FDIUS). These items were subsequently added to the follow-on annual surveys of FDIUS and the surveys of U.S. direct investment abroad (USDIA), beginning with the 2004 benchmark survey. These new items are combined with data on the domestic insurance industry from

2. Guidance for compiling the national accounts is provided in the Commission of European Communities, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations and World Bank, *System of National Accounts, 1993* (Brussels/Luxembourg, New York, Paris, and Washington, 1993). Guidance for compiling statistics on trade in services for the international transactions accounts is provided in International Monetary Fund, *Balance of Payments Manual, 5th edition* (Washington, DC, 1993). The Commission of European Communities, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations, United Nations Conference on Trade and Development, and World Trade Organization, *Manual on Statistics of International Trade in Services* (Geneva, Luxembourg, New York, Paris, Washington, 2002) provides guidance for compiling data on cross-border trade in services and services delivered through affiliates.

1. See Obie G. Whichard and Maria Borga, “Selected Issues in the Measurement of U.S. International Services,” SURVEY OF CURRENT BUSINESS 82 (June 2002): 36–56.

affiliates of foreign companies for 2004 and revised estimates for 2003. The estimates of sales of services through affiliates are from the larger data sets on the operations of U.S. multinational companies and of

New Measures of Insurance, Trade Services, and Financial Services Sold Through Affiliates

A.M. Best to estimate the new measure of insurance services sold to U.S. residents through U.S. affiliates.³

The net effect of these changes for 2002 is a \$40.4 billion reduction, to \$47.7 billion, in the estimate of insurance services sold to U.S. residents through U.S. affiliates. The two components of the change are also affected normal losses, which are deducted from premiums and are an estimated \$45.9 billion for U.S. affiliates' sales to U.S. residents, and premium supplements which are an estimated \$5.4 billion.

Wholesale and retail trade

The wholesale and retail trade industries provide distributive services—that is, selling, or arranging for the sale of, goods to intermediate and final users. Distributive services include merchandise handling, stocking, selling, and billing. In the SNA and in the NIPAs, distributive services are measured as trade margins—wholesale or retail sales of goods less the cost of the goods resold. Gross output of wholesale and retail trade excludes goods for resale from the value of intermediate inputs because these goods are subject to only minimal processing, such as cleaning or packaging.

In 2005, these services accounted for almost 13 percent of U.S. gross domestic product.⁴ In contrast, the wholesale and retail trade industries are hardly noticeable in the estimates of services through affiliates. Affiliates in wholesale and retail trade accounted for less than 3 percent of all sales of services by U.S. affiliates to U.S. residents in 2004 and for less than 5 percent of all sales of services by foreign affiliates to foreign residents.

BEA's new treatment of sales through affiliates will tend to reduce this disparity. In BEA's current treatment, the total values of sales associated with wholesale and retail trade are treated as sales of goods. Thus, the estimates of services provided by wholesalers and retailers cover only secondary activities of these affiliates and not their distributive services. For example, the repair services provided by a car dealer are included in the estimates of sales of services, but the distributive services the dealer provides in selling cars are not. Instead, the value of the distributive services is included in the estimates of sales of goods. When the data collection system for sales of services through affiliates was established, BEA chose to treat sales in wholesale and retail trade as sales of goods

because most of their value is attributable to the goods being sold and not to distributive services. As a result, the value of services provided by wholesale and retail trade affiliates is underestimated.

To construct estimates of distributive services supplied through affiliates, BEA collected data on the cost of goods sold and the beginning- and end-of-year inventories of the goods for resale on its 2002 benchmark survey of FDIUS. These items have been included on the follow-on annual surveys of FDIUS and were introduced on the surveys of USDIA beginning with the 2004 benchmark survey.

Under the new approach, U.S. affiliates supplied an estimated \$134.9 billion in distributive services to U.S. residents in 2002. Including this estimate raises the estimate of sales of services through affiliates 37 percent in 2002. This amount is currently included in the estimates of U.S. affiliates' sales of goods to U.S. residents in BEA's broader statistics on the activities of U.S. affiliates. Thus, this amount is not an addition to sales through affiliates but are a reclassification from goods to services. The \$1,421.1 billion of sales of goods through affiliates to U.S. residents in 2002 would be reduced 9 percent by the reclassification.

Financial services

BEA's current coverage of sales through financial services affiliates excludes estimates for bank affiliates. The absence of banks caused a potentially large gap in the coverage of financial services sold through affiliates and an understatement in the total sales through affiliates.

To better account for bank affiliates, BEA collected data on the 2002 benchmark survey of FDIUS that can be used as the basis for estimating U.S. bank affiliates' explicit fees for services (which are separately charged by banks) and implicit fees for services (which banks earn by paying lower interest rates on deposits than they charge on loans). These same data items were added to the 2004 benchmark survey of USDIA. Bank affiliates were asked to supply data on their total sales of services by destination (as nonbank affiliates are asked to do) and on their total interest paid and received. Based on the data collected on the benchmark survey, services provided by majority-owned U.S. bank affiliates to U.S. residents are estimated to have been \$30.5 billion in 2002. Of this total, \$14.1 billion was estimated to be from explicit fees and commissions, and \$16.4 billion was the imputed value of services for which explicit charges were not made.

3. See A.M. Best Company, *Best's Aggregates and Averages: Property-Casualty, United States* (Oldwick, New Jersey) and A.M. Best Company, *Best's Aggregates and Averages: Life/Health, United States* (Oldwick, New Jersey) for 1996–2004.

4. See Thomas F. Howells III and Kevin B. Barefoot "Annual Industry Accounts: Advance Estimates for 2005," *SURVEY* 86 (May 2006): 11–24.

U.S. affiliates of foreign companies, which are described in annual articles.⁵ The appendix “Modes of Supply and Channels of Delivery of Services Sold in International Markets” describes the delivery of services on the basis of the General Agreement on Trade in Services and the relationship of these modes to BEA’s channels of delivery. The appendix “Improvements to the Estimates of Cross-Border Trade in Services” describes recent changes in BEA’s data collection and methodology.

U.S. Cross-Border Trade in 2005

U.S. exports of private services (receipts) increased 10 percent, to \$360.5 billion, in 2005 after increasing 13 percent in 2004. U.S. imports of private services (payments) increased 9 percent to \$280.6 billion after increasing 16 percent. The services surplus increased for the first time since 1999, as the increase in the value of services exports outpaced imports.

Growth in both exports and imports was strong, but not as brisk as in 2004. Services export growth slowed from an unusually fast rate, partly because of slower economic growth in several key partner countries in 2005. Similarly, slower growth in the United States in 2005 slowed growth in demand for services imports. In the United States, real gross domestic product (GDP) grew 3.2 percent in 2005, down from 3.9 percent in

2004. Real GDP growth in the United Kingdom slowed to 1.8 percent from 3.1 percent; real GDP growth in the euro area slowed to 1.3 percent from 2.1 percent. Real GDP growth in Canada was unchanged, at 2.9 percent, in 2005. Real GDP growth in Japan accelerated slightly, to 2.7 percent from 2.3 percent.

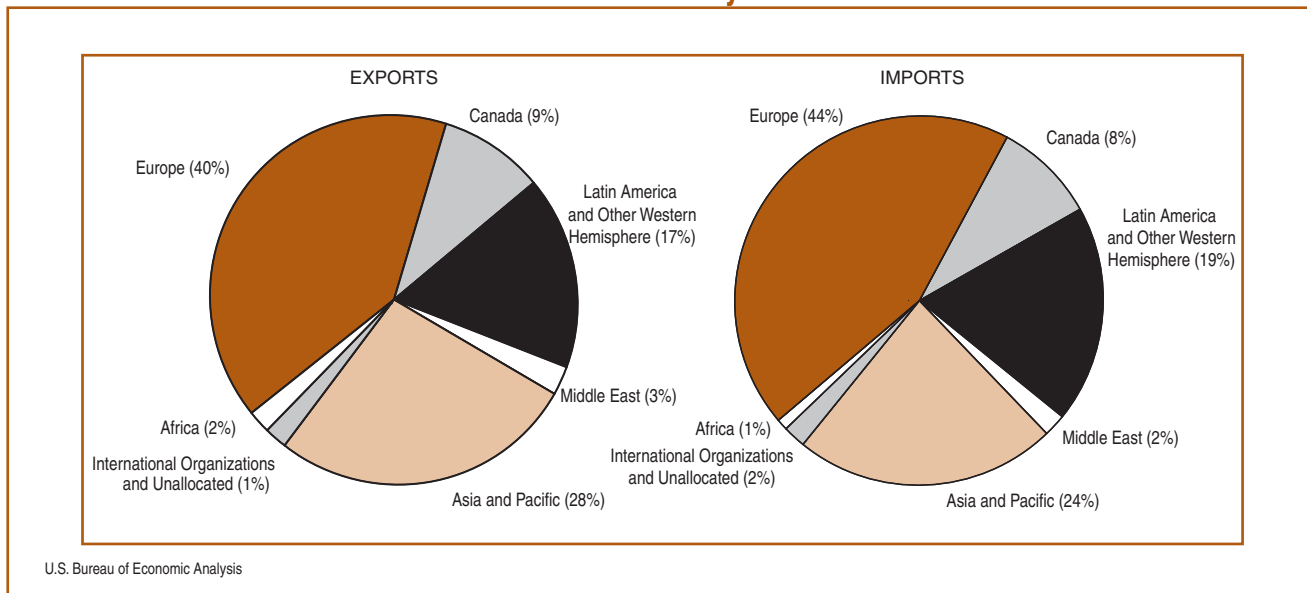
Much of the growth in both exports and imports of private services in 2005 was accounted for by increases in “other private services,” especially in business, professional, and technical services and in financial services. Growth in travel, passenger fares, and “other transportation” in 2005 decelerated; payments slowed more than receipts, reflecting slowdowns in international travel and in the growth of goods exports and goods imports transported by both ocean and air carriers.

Trade with Europe and Asia accounted for two-thirds of total U.S. cross-border exports and imports of private services in 2005 (chart 4). The composition of trade by area was little changed. Japan, the United Kingdom, Canada, and Mexico continue to be the largest services trading partners of the United States (table D). Although China and India grew rapidly in comparison with other countries, they remain small markets for U.S. exports and imports of services.

Trade within multinational companies (affiliated trade) accounted for 25 percent of total exports of private services in 2005 and for 21 percent of total imports of private services (table E). Affiliated exports of private services increased 9 percent in 2005 after increasing 7 percent in 2004. Affiliated imports of private services increased 14 percent after an 11-percent increase.

5. See Raymond J. Mataloni Jr., “U.S. Multinational Companies: Operations in 2003,” *SURVEY OF CURRENT BUSINESS* 85 (July 2005): 9–29, and Thomas W. Anderson and William J. Zeile, “U.S. Affiliates of Foreign Companies: Operations in 2004,” *SURVEY* 86 (August 2006): 195–211. The preliminary estimates and a discussion of the operations of U.S. multinational companies and their foreign affiliates for 2004, which were covered by the latest benchmark survey, will be published in the November *SURVEY*.

Chart 4. U.S. Cross-Border Services Transactions: Share by Area in 2005



Travel

Receipts. Travel receipts increased 10 percent, to \$81.7 billion, in 2005 after increasing 16 percent in 2004. Although growth in travel receipts slowed, 2005 marked the second straight year of strong increases after declining for 3 years. Most of the slowdown in 2005 was attributable to travel receipts from overseas visitors, which increased 9 percent in 2005 after increasing 16 percent in 2004. Growth in the number of visitors from overseas slowed to 7 percent in 2005 from 13 percent in 2004. The slowdown also reflected higher airline ticket prices. Growth in the number of visitors from Japan slowed to 4 percent in 2005 from 18 percent in 2004. Similarly, the growth in the number of visitors from the euro area slowed to 11 percent from 15 percent. Average expenditures of overseas visitors in the United States increased 2 percent in 2005, roughly the same as in 2004.

Growth in travel receipts from Canada fell to 12 percent in 2005 from 17 percent in 2004. Growth in the number of travelers from Canada slowed slightly, to 5 percent from a 6-percent increase.

Travel receipts from Mexico increased 9 percent in 2005 after increasing 10 percent in 2004. The number of Mexican travelers to the U.S. border area, which accounts for approximately 95 percent of Mexican travelers to the United States, was down slightly; most of the increase in receipts from Mexico in 2005 was due to an increase in average expenditures by border travelers. In contrast, the number of Mexican travelers to the interior of the United States and their average expenditures

increased strongly in 2005. Receipts from Mexican travelers to the interior increased 13 percent in 2005, up from 10 percent.

Payments. Travel payments increased 5 percent, to \$69.2 billion, in 2005 after increasing 14 percent in 2004. The slowdown reflected higher airline ticket prices, mainly attributable to higher fuel costs. Like travel receipts, payments increased for the second straight year after declining for 3 years. The increases in travel payments have been smaller than those in travel receipts, resulting in an improved trade balance in travel services for the second year in a row.

Growth in travel payments to overseas countries slowed to 6 percent in 2005 from 15 percent in 2004. The slowdown was most pronounced for U.S. travelers to Asia. Growth slowed to 10 percent in 2005 from 25 percent in 2004, as higher fuel prices contributed to higher airline ticket prices, particularly for long, trans-Pacific flights. In addition, the growth rate in 2004 was unusually strong, reflecting a rebound from the combined effects of September 11th, the start of the war in Iraq, and Severe Acute Respiratory Syndrome (SARS), events that disrupted travel in recent years.

Travel payments to Canada turned down, decreasing 4 percent in 2005 after increasing 14 percent in 2004. The number of U.S. travelers to Canada decreased 9 percent, reflecting a depreciation of the U.S. dollar against the Canadian dollar. The drop in the number of travelers was partly offset by an increase in

Table D. Cross-Border Services Exports and Imports by Type and Country, 2005
[Millions of dollars]

	Total private services	Travel	Passenger fares	Other transportation	Royalties and license fees	Other private services
Exports						
All countries	360,489	81,680	20,931	42,245	57,410	158,223
10 largest countries ¹	211,169	50,760	13,833	23,030	34,406	89,140
United Kingdom.....	45,288	10,684	2,780	3,635	5,313	22,876
Japan.....	41,815	12,719	3,801	4,314	8,706	12,275
Canada.....	32,506	8,952	2,634	3,031	4,441	13,448
Mexico.....	20,604	6,791	1,709	1,314	1,403	9,387
Germany.....	20,039	3,810	1,076	2,939	3,462	8,752
France.....	13,097	2,371	727	1,437	2,466	6,096
Korea, Republic of.....	10,298	2,551	57	2,479	2,011	3,200
Switzerland.....	9,525	686	247	656	3,765	4,171
China.....	9,078	1,181	353	1,870	1,118	4,556
Netherlands.....	8,919	1,015	449	1,355	1,721	4,379
Other countries	149,320	30,920	7,098	19,215	23,004	69,083
Imports						
All countries	280,563	69,175	26,066	62,107	24,501	98,714
10 largest countries ¹	165,434	36,428	12,871	30,312	20,439	65,384
United Kingdom.....	35,454	7,133	4,481	4,357	1,567	17,916
Japan.....	22,287	2,788	1,260	6,585	6,956	4,698
Canada.....	22,022	7,002	348	4,387	816	9,469
Germany.....	18,661	2,591	2,424	4,492	2,477	6,677
Mexico.....	14,674	10,240	973	948	137	2,376
Bermuda.....	14,115	240	0	1,683	1,288	10,924
France.....	12,508	2,937	1,641	1,900	2,307	3,723
Switzerland.....	11,449	411	420	968	3,018	6,632
Netherlands.....	7,759	982	837	1,956	1,830	2,154
China.....	6,505	2,104	487	3,036	63	815
Other countries	115,129	32,747	13,195	31,795	4,062	33,330

1. Ranked by dollar value of total exports or imports.

U.S. travelers' average expenditures.

Growth in travel payments to Mexico slowed to 10 percent in 2005 from 13 percent in 2004. Most of the slowdown in payments reflected less travel to the interior of Mexico, where Hurricane Wilma destroyed major tourist areas and constrained U.S. travel to Mexico

in the last 3 months of 2005. The depreciation of the U.S. dollar against the Mexican peso may have also contributed to the slowdown. In contrast, travel payments to the Mexican border region increased strongly, as the number of U.S. travelers increased 3 percent and their average expenditures rose strongly.

Table E. Intrafirm Trade in Services, by Type, 1997-2005

[Billions of dollars]

	Total private services	Transportation ¹	Royalties and license fees ²	Other private services									
				Total ³	Financial services	Business, professional, and technical services					Film and television tape rentals		
						Total	Computer and information services	Management and consulting services	Research and development and testing services	Operational leasing		Other business, professional and technical services ⁴	
Total receipts:													
1997.....	51.8	0.4	24.5	26.9	2.2	22.3	1.6	(5)	(6)	1.5	19.2	2.4	
1998.....	54.6	0.4	26.3	27.9	2.7	22.7	1.3	(5)	(6)	1.7	19.7	2.5	
1999.....	62.0	0.5	29.3	32.3	4.0	25.8	1.2	(5)	(6)	2.2	22.4	2.4	
2000.....	66.0	0.5	30.5	35.0	3.8	28.9	1.2	(5)	(6)	2.1	25.7	2.2	
2001.....	66.8	0.6	29.2	37.0	4.1	30.7	1.3	2.2	5.7	2.2	19.4	2.2	
2002.....	74.0	0.7	32.8	40.5	4.2	33.5	1.7	2.9	7.0	2.4	19.4	2.8	
2003.....	79.2	0.7	35.5	43.0	5.2	35.1	2.2	2.8	8.2	2.6	19.3	2.7	
2004.....	85.1	0.9	39.1	45.2	4.9	37.6	2.1	3.2	7.5	3.0	21.8	2.7	
2005.....	92.6	1.1	42.1	49.4	4.8	41.3	2.2	4.2	8.8	3.2	22.9	3.3	
By U.S. parents from their foreign affiliates:													
1997.....	40.8	0.4	23.1	17.3	1.4	13.5	1.4	(5)	(6)	1.2	10.9	2.4	
1998.....	42.9	0.4	24.4	18.1	1.8	13.9	1.3	(5)	(6)	1.4	11.2	2.5	
1999.....	50.3	0.5	27.6	22.2	2.5	17.3	1.1	(5)	(6)	1.9	14.3	2.4	
2000.....	51.9	0.5	28.3	23.1	2.8	18.1	1.1	(5)	(6)	1.8	15.2	2.2	
2001.....	52.1	0.6	27.2	24.3	3.2	18.9	1.2	1.3	2.2	1.8	12.4	2.2	
2002.....	55.0	0.7	29.7	24.6	3.1	18.7	1.4	1.4	1.9	2.0	12.0	2.8	
2003.....	59.3	0.7	32.3	26.3	3.5	20.2	1.7	1.6	2.0	2.2	12.7	2.7	
2004.....	63.7	0.9	35.4	27.4	3.7	21.1	1.7	1.6	1.8	2.6	13.3	2.7	
2005.....	68.6	1.1	37.9	29.5	3.7	22.5	1.9	1.6	2.0	2.8	14.2	3.3	
By U.S. affiliates from their foreign parents:⁷													
1997.....	11.0	(*)	1.4	9.6	0.9	8.8	0.2	(5)	(6)	0.3	8.3	(*)	
1998.....	11.7	(*)	2.0	9.7	0.9	8.8	0.1	(5)	(6)	0.3	8.4	(*)	
1999.....	11.7	(*)	1.7	10.0	1.5	8.5	0.1	(5)	(6)	0.4	8.1	(*)	
2000.....	14.1	(*)	2.2	11.9	1.0	10.8	0.1	(5)	(6)	0.3	10.5	(*)	
2001.....	14.7	(*)	2.0	12.7	0.9	11.8	0.1	0.9	3.5	0.3	7.0	(*)	
2002.....	19.0	(*)	3.1	15.9	1.1	14.7	0.3	1.5	5.1	0.5	7.4	(*)	
2003.....	19.9	(*)	3.2	16.7	1.7	14.9	0.5	1.2	6.2	0.4	6.7	(*)	
2004.....	21.4	(*)	3.7	17.7	1.2	16.5	0.4	1.5	5.6	0.4	8.5	(*)	
2005.....	24.1	(*)	4.2	19.9	1.1	18.8	0.3	2.6	6.8	0.4	8.7	(*)	
Total payments:													
1997.....	24.2	0.4	6.7	17.1	2.8	14.3	0.8	(5)	(6)	0.9	12.6	(*)	
1998.....	27.7	0.4	8.5	18.7	4.2	14.5	0.9	(5)	(6)	0.9	12.6	(*)	
1999.....	35.9	0.4	10.4	25.1	6.0	19.0	3.0	(5)	(6)	1.1	15.0	0.1	
2000.....	40.1	0.4	12.5	27.2	7.2	20.0	2.6	(5)	(6)	1.0	16.3	(*)	
2001.....	41.4	0.5	13.2	27.7	6.7	21.0	2.9	1.8	1.7	1.0	13.6	(*)	
2002.....	45.3	0.7	15.1	29.4	5.5	24.0	2.8	3.4	2.0	0.9	14.9	(*)	
2003.....	47.9	1.2	15.2	31.5	5.8	25.6	3.5	2.8	3.1	0.7	15.6	(*)	
2004.....	53.4	1.5	17.9	33.9	6.2	27.7	4.6	3.3	3.1	1.0	15.7	(*)	
2005.....	61.0	1.7	20.4	39.0	5.8	33.2	6.5	4.2	4.4	1.1	16.9	(*)	
By U.S. parents to their foreign affiliates:													
1997.....	10.8	0.4	1.4	9.0	2.5	6.5	0.5	(5)	(6)	0.1	5.9	(*)	
1998.....	12.6	0.4	1.8	10.4	3.3	7.1	0.6	(5)	(6)	0.1	6.4	(*)	
1999.....	18.2	0.4	2.3	15.5	4.7	10.7	2.7	(5)	(6)	0.1	7.9	0.1	
2000.....	19.2	0.4	2.5	16.3	5.4	10.9	2.4	(5)	(6)	0.1	8.4	(*)	
2001.....	19.6	0.5	2.5	16.6	5.2	11.4	2.6	0.5	0.6	0.1	7.6	(*)	
2002.....	20.6	0.7	2.9	17.0	4.6	12.4	2.5	0.5	0.8	0.1	8.5	(*)	
2003.....	22.7	1.2	2.6	18.8	4.6	14.2	3.0	0.7	1.0	0.1	9.3	(*)	
2004.....	25.6	1.5	2.7	21.4	5.4	16.0	4.1	0.9	1.2	(*)	9.8	(*)	
2005.....	27.1	1.7	3.2	22.2	5.0	17.3	4.2	1.1	1.4	0.1	10.5	(*)	
By U.S. affiliates to their foreign parents:⁷													
1997.....	13.4	(*)	5.4	8.1	0.3	7.7	0.2	(5)	(6)	0.8	6.7	(*)	
1998.....	15.1	(*)	6.8	8.3	0.9	7.4	0.2	(5)	(6)	0.8	6.3	(*)	
1999.....	17.7	(*)	8.1	9.6	1.3	8.4	0.3	(5)	(6)	1.0	7.1	(*)	
2000.....	21.0	(*)	10.1	10.9	1.8	9.1	0.2	(5)	(6)	1.0	7.9	(*)	
2001.....	21.8	(*)	10.7	11.1	1.5	9.6	0.3	1.3	1.1	0.9	6.0	(*)	
2002.....	24.7	(*)	12.2	12.4	0.8	11.6	0.3	2.9	1.3	0.8	6.3	(*)	
2003.....	25.2	(*)	12.5	12.6	1.2	11.4	0.5	2.1	2.1	0.6	6.1	(*)	
2004.....	27.7	(*)	15.2	12.5	0.8	11.7	0.6	2.4	1.9	1.0	5.9	(*)	
2005.....	33.9	(*)	17.2	16.7	0.8	15.9	2.3	3.0	3.1	1.1	6.4	(*)	

* Less than \$50 million.

1. Equal to "affiliated other transportation" in table 1.

2. Equal to "affiliated royalties and license fees" in table 1.

3. Equal to "affiliated other private services" in table 1.

4. Includes affiliated insurance and affiliated telecommunications transactions; see footnotes 13 and 14 in table 1.

5. Prior to 2001, management and consulting services were included in "other" services. Beginning in 2001, data on management and consulting services were collected as a separate type of service.

6. Prior to 2001, research and development and testing services were included in "other" services. Beginning in 2001, data on research and development and testing services were collected as a separate type of service.

7. In addition to transactions with its foreign parent, a U.S. affiliate's receipts and payments include transactions with other members of its foreign parent group. The foreign parent group is defined as (1) the foreign parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the foreign person below it, up to and including the ultimate beneficial owner, 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.

Passenger fares

Receipts. Receipts for passenger fares increased 11 percent, to \$20.9 billion, in 2005 after increasing 20 percent in 2004. The slowdown partly reflected a slowdown in the growth of foreign visitors to the United States, to 1 percent in 2005 from 6 percent in 2004. However, in 2005, airline ticket prices (especially for business class) increased, and more in-flight services were offered by U.S. carriers on international routes, both of which provided a strong boost for passenger fares.

In 2005, jet fuel prices increased 52 percent. Higher fuel prices affected passenger fares on Asia-Pacific routes more than on trans-Atlantic routes, mainly because of the longer distances and higher fuel consumption on trans-Pacific flights. However, the commodity-like nature of a passenger seat has forced airlines to

compete for customers mainly on the basis of price, particularly for economy class seats on trans-Atlantic routes. These seats are often deeply discounted, and with low-cost carriers increasingly emerging in the international market, there was incomplete passthrough of higher fuel costs and other costs to economy class customers. As a result, carriers in developed countries—including the United States—have adopted a variety of strategies to increase revenues by attracting passengers who are willing to pay higher ticket prices. One strategy was to charge higher business class fares in exchange for value-added services and amenities, such as Internet access, teleconferencing facilities, and redesigned cabins that provide more comfort and privacy. Another strategy was to shift capacity from highly competitive national markets to more profitable (particularly for business class) international routes. U.S. carriers' domestic capacity shrank in 2005, while their capacity in international markets increased. The higher volume of U.S. carriers' international flights, combined with their ability to charge higher business class fares that more than offset lower economy class fares, has contributed to the increase in passenger fares receipts in 2005.⁶

Payments. Payments for passenger fares increased 10 percent, to \$26.1 billion, in 2005 after a 13-percent increase in 2004. The slowdown partly reflected slower growth in the number of U.S. travelers—1 percent in 2005, compared with 5 percent in 2004. The share of U.S. travelers on foreign-flag carriers changed little. Sizable increases in ticket prices resulted primarily from higher fuel costs. Passenger fare payments to Europe and Asia and Pacific increased in 2005, and the increases offset the decreases in payments to Latin America and Canada.

Other transportation

Receipts. Receipts for “other transportation” services increased 13 percent, to \$42.2 billion, in 2005 after increasing 19 percent in 2004. Slowdowns in both freight receipts and port services receipts reflected slowdowns in U.S. goods exports to, and imports from, all major countries and areas in 2005. Growth in the volume of U.S. goods exports slowed to 7 percent in 2005 from 9 percent in 2004; growth in the volume of U.S. imports slowed to 7 percent in 2005 from 11 percent in 2004.

Data Sources

The estimates in this article are primarily based on data from the surveys that are conducted by the Bureau of Economic Analysis (BEA), but the estimates of some services are based on data from a variety of other sources, including U.S. Customs and Border Protection, surveys conducted by other Federal Government agencies, private sources, and partner countries.

BEA conducts several mandatory surveys of services; some surveys are targeted to specific services industries and, for intrafirm transactions, to specific types of investment. The survey forms and instructions are available on BEA's Web site at <www.bea.gov/bea/di/home/more.htm>.

The data on intrafirm trade in services and on sales by majority-owned affiliates are collected in BEA's surveys of U.S. direct investment abroad and of foreign direct investment in the United States. For the methodologies for these surveys, see *Foreign Direct Investment in the United States: Final Results From the 1997 Benchmark Survey* and *U.S. Direct Investment Abroad: Final Results From the 1999 Benchmark Survey*. For additional information on the methodology used to prepare the estimates of both affiliated and unaffiliated cross-border trade, see *The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures*. These publications and other detailed information on the changes in the methodology since 1990 can be accessed on BEA's Web site at <www.bea.gov/bea/mp_international.htm>.

For a summary of the changes since 1990, see “Improvements to BEA's Estimates of U.S. International Services, 1990–2003,” in Barga and Mann, *SURVEY* 83 (October 2003): 74–76. The *SURVEY* articles for 1994–2005 are available at <www.bea.gov/bea/pubs.htm>.

6. For an analysis of competitive conditions in the international passenger fare market, see U.S. International Trade Commission, “Air Transportation Services,” in *Recent Trends in U.S. Services Trade: 2006 Annual Report* (June 2006): 3.1–3.8.

Nonetheless, the continued increases in export and import volumes contributed to the strong growth in transportation receipts.

The increase in freight receipts was attributable mostly to an increase in air freight rates. Several air carriers raised rates as early as the first quarter of 2005 in response to soaring fuel prices. The airlines then repeatedly raised prices over the course of the year as fuel prices continued to increase. In contrast, ocean freight rates, particularly for U.S.-operated tramp and tanker vessels, were down in 2005. In 2004, tanker and tramp rates rose sharply, partly as a result of China's rapid export-led economic expansion. Returns from higher rates and increased trade with Asia prompted an increase in ship building, which added many new ships to the world's fleet. In 2005, rates decreased because of increased capacity and the slowing growth of world trade.

The increase in port services receipts was attributable to increases in both ocean and air port services. The increase in ocean port receipts reflected increases in bunker fuel revenues and in imports and exports transported by foreign-operated vessels. The increase in air port services receipts reflected higher jet fuel prices and increases in nonpetroleum imports and exports and in the number of foreign visitors to the United States. Jet and bunker fuel prices increased significantly because of strong global demand for oil and the disruption in U.S. refinery production and capacity as a result of Hurricanes Katrina and Rita late in the year.

"Other transportation" receipts from all areas except Africa rose in 2005. Receipts from Europe, Japan, and Latin America increased strongly in 2005, reflecting higher trade volumes.

Payments. Payments for "other transportation" services increased 15 percent to \$62.1 billion in 2005 after increasing 21 percent in 2004. The increase in 2005, which was mostly in ocean freight payments, reflected increases in import volumes that were partly offset by decreases in ocean freight rates.

Port services payments increased, reflecting an increase in air port services. In contrast, ocean port services decreased. The increase in air port services, which includes fuel purchases, was attributable to higher jet fuel prices and an increase in the number of U.S. travelers overseas. The decrease in ocean port services was attributable to a decrease in the export and import volumes transported by U.S.-operated liner, tanker, and tramp vessels.

"Other transportation" payments increased in all areas, reflecting strong U.S. economic growth and increased demand for goods imports from all regions.

The increase in import volumes from Asia was less robust in 2005 than in 2004. The increase in 2004 was especially strong, leading to record high ocean liner rates that reflected tight vessel capacity.

Royalties and license fees

Receipts. U.S. receipts of royalties and license fees increased 9 percent, to \$57.4 billion, in 2005 after increasing 12 percent in 2004. Most of the increase in 2005 was accounted for by U.S. parents' receipts from their foreign affiliates; affiliated receipts accounted for nearly 75 percent of receipts for royalties and license fees in 2005, about the same share as in recent years. Affiliated transactions account for a large portion of royalty and license fees partly because firms with marketable intellectual property usually prefer to exercise some degree of control over the distribution and use of this property, which may be instrumental to the firm's competitive position in the global market.⁷ U.S. parents' receipts from their foreign affiliates accounted for 90 percent of affiliated receipts; in multinational firms, the parent companies rather than the affiliates are generally the holders of intellectual property.

U.S. parents' receipts from their foreign affiliates increased 7 percent to \$36.0 billion in 2005. The largest increases were receipts from foreign affiliates in the wholesale trade and transportation equipment manufacturing industries. By area, receipts from affiliates in all the major areas increased. The largest increase was from affiliates in Europe. Within Europe, the increase was generally widespread across countries; affiliates in Switzerland accounted for the largest increase. Receipts from affiliates in Asia and Pacific also increased substantially; affiliates in Japan accounted for the largest increase.

U.S. companies' receipts from unaffiliated foreign companies increased 14 percent, to \$15.3 billion, in 2005. The increase was mostly accounted for by receipts for the use of industrial processes, including patents and trade secrets, that are used in connection with the production of goods. The increase also reflected increased unaffiliated receipts for the rights to distribute and use general use computer software. Additional receipts from software licensing agreements were transacted through affiliated channels, but the value of these receipts cannot be separately identified (see the box "Delivery of Computer Services to Foreign Markets").

7. Lee Bransetter, Raymond Fisman, and C. Fritz Foley, "Do Stronger Intellectual Property Rights Increase International Technology Transfer? Empirical Evidence from U.S. Firm-Level Data" (National Bureau of Economic Research working paper no. 11516, July 2005); <papers.nber.org/papers/w11516.pdf>.

Payments. U.S. payments of royalties and license fees increased 6 percent, to \$24.5 billion, in 2005, after increasing 22 percent in 2004. The slowdown was due primarily to a falloff in U.S. companies' payments to unaffiliated foreigners. Unaffiliated payments tend to spike in years that include major international sporting events, when U.S. companies pay international sports organizations for the rights to broadcast and record live events. The latest such spike occurred in 2004, an Olympic year.

Although unaffiliated payments accounted for most of the slowdown, affiliated payments continued to account for the largest share of U.S. payments in 2005, 84 percent. U.S. affiliates' payments increased 13 percent. The largest increases were payments by affiliates in the wholesale trade, chemicals manufacturing, and transportation equipment manufacturing industries. In wholesale trade, automobile wholesalers and pharmaceutical wholesalers were large contributors to the increase. By country, affiliates with parents in Japan had the largest increase, followed by affiliates with parents in Switzerland, the Netherlands, and Germany.

Other private services

Receipts for "other private services" increased 9 percent, to \$158.2 billion, in 2005 after increasing 11 percent in 2004. The largest dollar increases were in "other business, professional, and technical services" and financial services (table 1 and tables 5–8). Payments for "other private services" increased 9 percent, to \$98.7 billion, after increasing 13 percent. The largest dollar increases were in computer and information services and "other business, professional, and technical services" (table 1). "Other private services" consists of education, financial services, insurance services, telecommunications, and business, professional, and technical services.

Education

Receipts. Receipts for education increased 4 percent, to \$14.1 billion, in 2005 after increasing 2 percent in 2004. The increase in 2005, like that in 2004, resulted primarily from a continued increase in tuition rates. Tuition rates at private 4-year colleges and universities increased 6 percent in academic year 2005–2006 after

Delivery of Computer Services to Foreign Markets

The delivery of computer-related services and of many other types of services may be further divided within the two major channels of cross-border trade and sales through affiliates. As a result, the total value of these services may be scattered across several categories of cross-border trade and sales by affiliates in the tables. In addition, some computer-related services may be embedded in goods that are exported to foreign markets, or they may be delivered in ways that result in entries in the U.S. international transactions accounts under income rather than under trade in goods and services.

Cross-border receipts from unaffiliated foreigners for "computer and data processing services" and "database and other information services" are shown under "business, professional, and technical services" in table 1.¹ Computer-related services that are delivered to foreign markets through cross-border software-licensing agreements, such as onsite licenses, are shown under "royalties and license fees."² Specifically, receipts through agreements with unaffiliated foreign persons are shown in "general-use computer software" in table 4. Receipts

through agreements with affiliated foreigner persons (intrafirm trade) are included in affiliated royalty and license fee transactions in table 1, but their value cannot be separately identified. Intrafirm receipts for computer and information services, which consist of computer and data processing services and of database and other information services, are shown in table 1 and table E.

The wages of U.S. residents who provide computer services to nonresidents are included in "compensation receipts" in the international transactions accounts (ITAs) (table 1, line 17), but their value cannot be separately identified. Compensation covers the earnings of U.S. individuals who are employees of nonresident firms and the earnings of certain independent individuals who provide services to nonresidents; it is classified in the ITAs as "income" rather than as services. If a U.S. resident goes abroad to provide these services, the length of stay must be less than 1 year; otherwise, the individual is considered a foreign resident.

Sales of computer-related services to foreign residents through foreign affiliates exceeded cross-border exports of these services in 2004, reflecting the advantages of a local commercial presence when delivering these services to foreign customers (table 10.2). The available data on sales through affiliates are classified by the primary industry of the affiliate rather than by type of service, but computer-related services may also be sold through affiliates in several other industries, particularly machinery manufacturing and wholesale trade.

1. For detailed estimates of receipts for these services by country and by area, see table 7.

2. Receipts and payments for general-use software that is packaged and physically shipped to or from the United States are included in trade in goods. The value of software that is preinstalled on computer equipment and peripherals is captured in the value of this hardware and thus is also included in trade in goods.

increasing 6 percent in 2004–2005. Tuition at public 4-year colleges and universities continued to increase, but the rate of increase slowed in 2005.⁸ Slowing growth in public tuition rates may have contributed to the slowdown in the rate of decrease in the number of foreign students enrolled in U.S. higher education institutions. The number of foreign student enrollments decreased 1 percent in 2005 and more than 2 percent in 2004 after decades of annual increases. Most of the decrease in 2005 was attributable to undergraduate students, 80 percent of whom rely on personal and family funds to finance their educations (most foreign graduate students receive support from U.S. sources, primarily from the institutions where they study).

The total number of students from the top three countries of origin—India, China, and the Republic of Korea—increased in 2005. The rate of growth in the number of students from India, which remains the country from which the most foreign students in the United States originate, slowed to 1 percent in 2005 from 7 percent in 2004 and 12 percent in 2003. The total number of students from China increased 1 percent in 2005, a turnaround from a 5-percent decrease in 2004. The total number of students from the Middle East, Northern Africa, and countries with majority Muslim populations in Asia continued to decrease in 2005. However, decreases in students from countries with majority Muslim populations were not as sharp as in previous years; since 2001, the number of these students has decreased 18 percent.

Payments. Payments for education increased 13 percent, to \$4.0 billion, in 2005 after increasing 13 percent in 2004. The increase reflected increases in both the number of students from U.S. universities participating in study abroad programs and the number of students enrolled directly in universities abroad. The United Kingdom, Italy, Spain, and France continue to

be the top destinations for U.S. students in study abroad programs. The number of students studying abroad in China nearly doubled after the programs that were cancelled as a result of the SARS outbreak resumed. Further, the number of students studying abroad in financial centers in Asia (such as Japan, Hong Kong, Republic of Korea, and Singapore) increased. Business and management majors' share of U.S. students studying abroad increased, while foreign-language majors' share decreased. Since the end of the 2001–2002 academic year, the number of students from the United States studying in the Middle East, Northern Africa, and countries with majority Muslim populations in Asia has continued to grow.

Financial services

Receipts. Financial services receipts increased 13 percent, to \$34.1 billion, in 2005 after increasing 26 percent in 2004. The deceleration was due primarily to unaffiliated services, which slowed from 35-percent growth in 2004 to a still strong 16 percent in 2005 (table F). The slowdown in unaffiliated services resulted mainly from a slowdown in management and advisory services; fees for these services had surged in 2004 as a result of large inflows of capital to both established and newly formed investment funds and a strong rebound in merger and acquisition activity. Affiliated receipts for financial services continued to decrease, falling 2 percent in 2005 after falling 6 percent in 2004.

In 2005, fees for securities transactions increased, largely as a result of growth in private placement and underwriting services for foreign securities issued in the United States. Credit card and credit-related services increased, mostly from continued strong growth in credit card transactions. "Other financial services" also increased, reflecting gains in securities lending, electronic fund transfers, and other financial services.

Payments. Financial services payments increased 7 percent, to \$12.3 billion, in 2005 after increasing 17 percent in 2004. In 2005, strong growth in unaffiliated

8. *Trends in College Pricing 2005* (Princeton, NJ: The College Board); <www.collegeboard.com>.

Table F. Unaffiliated Financial Services Transactions, 1994–2005

[Millions of dollars]

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Total receipts	5,763	7,029	8,229	10,243	11,327	13,410	16,026	15,498	17,746	18,699	25,185	29,281
Securities transactions ¹	2,527	3,253	3,917	4,715	4,690	4,833	5,459	5,021	6,203	6,563	7,750	8,466
Management and advisory ²	1,479	1,665	1,886	2,553	3,219	4,687	6,610	5,675	6,343	6,352	10,035	11,335
Credit card and other credit-related	1,093	1,423	1,472	1,839	2,030	1,959	2,206	2,520	2,832	2,541	2,916	3,959
Other ³	664	688	954	1,136	1,388	1,931	1,751	2,282	2,368	3,243	4,484	5,521
Total payments	1,654	2,472	2,907	3,347	3,590	3,418	4,840	4,489	4,160	3,996	5,309	6,549
Securities transactions ¹	956	1,506	1,654	1,943	1,949	1,748	2,402	1,918	1,595	1,277	1,577	1,897
Management and advisory ²	327	348	401	406	545	627	718	495	482	621	937	1,221
Credit card and other credit-related	204	327	372	390	403	407	459	607	674	633	770	717
Other ³	167	291	480	608	693	636	1,261	1,469	1,409	1,465	2,025	2,714

1. Includes brokerage, underwriting, and private placement services.

2. Includes financial management, financial advisory, and custody services.

3. Includes securities lending, electronic funds transfer, and other financial services.

payments was partly offset by a slowdown in affiliated payments. The increase in unaffiliated payments resulted from increases in most categories of financial services. "Other financial services" recorded the largest gain as a result of a surge in securities lending services. Securities transactions were higher as a result of increased trading in foreign stocks and bonds, which were partly offset by decreased underwriting services for U.S. securities issued abroad. Payments for management and advisory services increased as both finan-

cial management and financial advisory activity picked up. Credit card and credit-related services decreased, as a deceleration in credit-related activity was partly offset by steady growth in credit card services. Affiliated payments for financial services decreased, falling 6 percent after increasing 7 percent in 2004.

Insurance services

Receipts. Insurance services receipts remained flat, at \$6.8 billion, in 2005 after increasing 14 percent in

Types of Cross-Border Services: Coverage and Definitions—Continues

The estimates of cross border transactions cover both affiliated and unaffiliated transactions between U.S. residents and foreign residents. Affiliated transactions consist of intrafirm trade within multinational companies—specifically, the trade between U.S. parent companies and their foreign affiliates and the trade between U.S. affiliates and their foreign parent groups. Unaffiliated transactions are with foreigners that neither own, nor are owned by, the U.S. party to the transaction.

Cross border trade in private services is classified in the same five broad categories that are used in the U.S. international transactions accounts—travel, passenger fares, "other transportation," royalties and license fees, and "other private services."

Travel. These accounts cover purchases of goods and services by U.S. persons traveling abroad and by foreign travelers in the United States for business or personal reasons. These goods and services include food, lodging, recreation, gifts, entertainment, local transportation in the country of travel, and other items incidental to a foreign visit. U.S. travel transactions with both Canada and Mexico include border transactions, such as day trips for shopping and sightseeing.

A "traveler" is a person who stays less than a year in a country and is not a resident of that country. Diplomats and military and civilian government personnel are excluded regardless of their length of stay; their expenditures are included in other international transactions accounts. Students' educational expenditures and living expenses and medical patients' expenditures for medical care are included in "other private services."

Passenger fares. These accounts cover the fares received by U.S. air carriers from foreign residents for travel between the United States and foreign countries and between two foreign points, the fares received by U.S. vessel operators for travel on cruise vessels, and the fares paid by U.S. residents to foreign air carriers for travel between the United States and foreign countries and to foreign vessel operators for travel on cruise vessels.

"Other transportation." These accounts cover U.S. international transactions arising from the transportation of goods by ocean, air, land (truck and rail), pipe-

line, and inland waterway carriers to and from the United States and between two foreign points. The accounts cover freight charges for transporting exports and imports of goods and expenses that transportation companies incur in U.S. and foreign ports. Freight charges cover the receipts of U.S. carriers for transporting U.S. exports of goods and for transporting goods between two foreign points and the payments to foreign carriers for transporting U.S. imports of goods. (Freight insurance on goods exports and imports is included in insurance in the "other private services" accounts.)

Port services consist of the value of the goods and services purchased by foreign carriers in U.S. ports and by U.S. carriers in foreign ports.

Royalties and license fees. These accounts cover transactions with nonresidents that involve patented and unpatented processes, formulas, and other intangible assets and proprietary rights used in the production of goods; transactions involving trademarks, copyrights, franchises, broadcast rights, and other intangible rights; and the rights to distribute, use, and reproduce general use computer software.

"Other private services." These accounts consist of education; financial services; insurance; telecommunications; business, professional, and technical services; and "other services."

Education consists of expenditures for tuition and living expenses by foreign students enrolled in U.S. colleges and universities and by U.S. students for study abroad. This category excludes fees for distance-learning technologies and for educational and training services provided on a contract or fee basis; these transactions are included in training services in other business, professional, and technical services in table 1.

Financial services include funds management and advisory services, credit card services, fees and commissions on transactions in securities, fees paid and received on bond dealing, fees on credit related activities, and other financial services.

Insurance services consist of the portion of premiums remaining after provision for expected or "normal" losses, an imputed premium supplement that represents

2004. A decrease in reinsurance services was partly offset by an increase in primary insurance services. The decrease in reinsurance resulted primarily from a fall in premium supplements and from premium rates that were lower in 2005 than in previous years.⁹ In 2005, the United Kingdom continued to be the top U.S. export market for insurance services, but Japan became the second largest market. Receipts from Japan surpassed receipts from Germany and Canada—traditionally the second and third top export markets—for the first time.

Payments. Insurance services payments decreased 2 percent, to \$28.5 billion, in 2005 after increasing 15 percent in 2004. The decrease was primarily the result of a decrease in premium rates, which fell slightly for most types of policies. Before September 11, 2001, premium rates had been rising because of consolidation in the insurance industry and the need to recoup investment losses after the stock market downturn in 2000; after September 11th, premium rates increased sharply, resulting in strong increases in 2002 and 2003. In 2004, growth in premium rates slowed.

9. See the box “Types of Cross-Border Services: Coverage and Definitions” for more information about how BEA estimates insurance services.

The decrease in insurance services payments appears unrelated to Hurricanes Katrina and Rita, which caused damage in late 2005. Insurance services payments are mostly based on premiums, and the premiums on most policies were set before the hurricanes occurred.

Telecommunications

Receipts. Receipts for telecommunications services increased 6 percent, to \$4.7 billion, in 2005 after remaining nearly flat in 2004. Globally, landline telecommunication services increased less than 2 percent for the second consecutive year. The slow growth in the use of landlines for international telephone traffic reflects the increasing use of wireless communications technology. Globally, wireless transmission services accounted for 47 percent of total telecommunication services revenue in 2005, up from 26 percent in 2000.

Payments. Payments for telecommunications services increased 3 percent, to \$4.7 billion, in 2005 after increasing 7 percent in 2004. The slowdown may be partly attributable to the increasing availability of lower cost means of communicating across borders, such as e-mail.

Types of Cross-Border Services: Coverage and Definitions

the investment income of insurance companies on funds that are treated as belonging to policyholders, and auxiliary insurance services.¹ Primary insurance mainly consists of life insurance and property and casualty insurance, and each type may be reinsured.²

Telecommunications consists of receipts and payments between U.S. and foreign communications companies for the transmission of messages between the United States

and other countries; channel leasing; telex, telegram, and other jointly provided basic services; value-added services, such as electronic mail, video conferencing, and online access services (including Internet backbone services, router services, and broadband access services); and telecommunications support services.

Business, professional, and technical services cover a variety of services, such as legal services, accounting services, and advertising services (see the list in table 1).

“Other services” receipts consist mainly of expenditures (except employee compensation) by foreign governments in the United States for services such as maintaining their embassies and consulates; noncompensation-related expenditures by international organizations, such as the United Nations and the International Monetary Fund, that are headquartered in the United States; expenditures of foreign residents employed temporarily in the United States; and receipts from foreigners for the display, reproduction, or distribution of motion pictures and television programs. “Other services” payments consist primarily of payments by U.S. distributors to foreign residents for the rights to display, reproduce, or distribute foreign motion pictures and television programs.

1. The portion of total premiums required to cover “normal losses” is estimated by BEA on the basis of the relationship between actual losses and premiums averaged over several years. Auxiliary insurance services include agents’ commissions, actuarial services, insurance brokering and agency services, claims adjustment services, and salvage administration services. For a detailed description of the imputed premium supplement, see Christopher L. Bach, “Annual Revision of the U.S. International Accounts, 1989–2003,” SURVEY 84 (July 2004): 60–62. For a description of other components of insurance services, see Christopher L. Bach, “Annual Revision of the U.S. International Accounts, 1992–2002,” SURVEY 83 (July 2003): 35–37 and Christopher L. Bach, “Annual Revision of the U.S. International Accounts, 1995–2005,” SURVEY 84 (July 2006): 42.

2. Reinsurance is the ceding of a portion of a premium to another insurer who then assumes a corresponding portion of the risk. It provides coverage for events with such a high degree of risk or liability that a single insurer is unwilling or unable to underwrite insurance against their occurrence.

Business, professional, and technical services

Receipts. Business, professional, and technical (BPT) services receipts increased 12 percent, to \$80.9 billion, in 2005 after increasing 10 percent in 2004. BPT services consist of five major categories: Computer and information services; management and consulting services; research, development, and testing services; operational leasing services; and “other BPT services.” Unaffiliated receipts accounted for most of the increase, and “other BPT services” accounted for nearly all of the increase in unaffiliated receipts.

Receipts for computer and information services decreased 8 percent, to \$8.2 billion, in 2005. A drop in unaffiliated receipts was dampened by a modest increase in affiliated receipts. Receipts for management and consulting services continued to increase strongly, increasing 24 percent, to \$6.4 billion, in 2005 after increasing 22 percent in 2004. The increase in 2005 was attributable to an increase in both affiliated and unaffiliated receipts. Receipts for research, development, and testing services increased 15 percent, to \$10.1 billion, in 2005 after decreasing 7 percent in 2004. Most of the increase was attributable to affiliated receipts, which increased 17 percent in 2005 after decreasing 9 percent in 2004. Affiliated receipts typically account for most of the receipts for research, development, and testing services because companies often prefer to retain control over their intellectual property. Receipts for operational leasing services increased 11 percent, to \$9.5 billion, primarily because of an acceleration in unaffiliated receipts.¹⁰

Receipts for “other BPT services” increased 15 percent, to \$46.6 billion, in 2005 after increasing 14 percent in 2004. The slight acceleration was accounted for by unaffiliated receipts, which increased 26 percent after increasing 15 percent; affiliated receipts decelerated, increasing 5 percent after increasing 13 percent. “Other BPT services” include a variety of services that are not recorded in the other categories of BPT services and costs that parent firms charge to their affiliates that are not further disaggregated by type of service.¹¹ Most

of the acceleration in unaffiliated receipts was accounted for by industrial engineering, trade-related services, and installation, maintenance, and repair of equipment.

Payments. Payments for BPT services increased 17 percent, to \$47.6 billion, in 2005 after increasing 12 percent in 2004. The acceleration was accounted for by affiliated payments, which increased 19 percent in 2005 after increasing 8 percent in 2004; unaffiliated payments decelerated, increasing 11 percent after increasing 20 percent.

Payments for computer and information services increased 34 percent, to \$9.0 billion, in 2005 after increasing 22 percent in 2004. Increases in affiliated payments accounted for most of the increases in both years. Affiliated payments increased 41 percent in 2005 and 28 percent in 2004. The increase in 2005 was driven by increased payments from U.S. affiliates to their foreign parents; the increase in 2004 was driven by payments from U.S. parents to their affiliates. Unaffiliated payments increased 19 percent in 2005 and 10 percent in 2004. Canada continues to be the top provider of unaffiliated computer and information services to the U.S. market. Payments for management and consulting services increased 19 percent, to \$5.9 billion in 2005. An acceleration in affiliated payments accounted for most of the increase. The greater focus on risk management and governance standards contributed to the growth in management and consulting services. Payments to firms that specialize in assisting companies in the United States (and other major industrialized countries) with offshoring business processes also account for some of the increase in unaffiliated management and consulting services. Payments for research, development, and testing services increased 35 percent, to \$6.7 billion, in 2005, as payments by U.S. affiliates to their foreign parents surged after remaining flat in 2004. Payments for operational leasing services increased 5 percent, to \$1.2 billion, after increasing 37 percent in 2004.

Payments for “other BPT services” increased 8 percent, to \$24.8 billion, in 2005 after increasing 5 percent in 2004. Affiliated payments accounted for most of the acceleration. Unaffiliated payments decelerated; a deceleration in accounting, auditing, and bookkeeping services partly accounted for the deceleration in unaffiliated payments; despite the deceleration, the growth in these services was still strong, which may reflect U.S. companies’ outlays to comply with Sarbanes-Oxley accounting and auditing standards, which came into effect in 2004.

10. This category covers rentals of transportation equipment (such as ships, aircraft, and railcars) without crews or operators; if crews or operators are provided, the transaction is included under transportation services.

11. As part of “other BPT services,” BEA collects and publishes additional details on transactions with unaffiliated foreign persons that cover more than a dozen types of services (see the addenda to table 1). For affiliated trade in BPT services, allocated expenses for research and development services and management services are sometimes identified and charged; when they are, the values are recorded in the categories provided for those services. When they cannot be identified, the values are recorded under affiliated “other BPT services.”

Film and television tape rentals

Receipts. Receipts for film and television tape rentals increased 2 percent, to \$10.4 billion, in 2005 after increasing 4 percent in 2004. Film and television tape rentals cover the rights to display, reproduce, and distribute U.S. motion pictures and television programming abroad.

Payments. Payments for film and television tape rentals more than doubled, to \$0.9 billion, in 2005 after nearly doubling in 2004. Payments to Australia have accounted for most of the increases since 2003. Although payments have increased rapidly, they continue to be only a small fraction of receipts, reflecting the relatively small U.S. audience for foreign films and television programs, compared with the large foreign audience for U.S. films and television programs.

Sales Through Affiliates in 2004

In 2004, sales of services by nonbank U.S. multinationals through their nonbank majority-owned foreign af-

filates to both foreign and U.S. persons were \$525.2 billion, up 12 percent from 2003, after an adjustment to remove the effects of the change in reporting requirements for nonbank units of U.S. banks (table G). Before the adjustment, the year-to-year increase in 2004 was 9 percent. Worldwide sales of services by foreign multinationals through their nonbank majority-owned U.S. affiliates rose 4 percent, to \$415.2 billion.

Sales of both goods and services through affiliates are typically dominated by local transactions—that is, transactions with parties in the same country as the affiliate. In 2004, local sales accounted for 78 percent of the worldwide sales of services by foreign affiliates of U.S. multinational companies and for 60 percent of their worldwide sales of goods. Local sales account for a particularly large share of worldwide sales by U.S. affiliates of foreign multinational companies, reflecting the large U.S. market. In 2004, local sales accounted for 92 percent of worldwide sales of services by U.S. affiliates of foreign companies and for an estimated 92 percent of their worldwide sales of goods.¹²

Both the sales of services by foreign affiliates of U.S. companies to the local host market and to other for-

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12. Because data on sales of goods by U.S. affiliates of foreign companies are not collected by destination, the shares of local and foreign sales of goods have been estimated from data on exports of goods shipped by U.S. affiliates. In 2004, exports represented 8 percent of U.S. affiliates' sales of goods.

Table G. Sales of Services by U.S. MNCs Through Their Nonbank MOFAs and by Foreign MNCs Through Their Nonbank MOUSAs, 2003–2004

[Millions of dollars]

	2003	2004
Sales through MOFAs		
Total	480,822	525,167
To affiliated persons.....	70,123	78,167
To unaffiliated persons.....	410,700	447,001
To U.S. persons	28,326	35,552
To U.S. parents.....	21,533	23,796
To unaffiliated U.S. persons.....	6,794	11,756
To foreign persons	452,496	489,615
To other foreign affiliates.....	48,590	54,370
To unaffiliated foreign persons.....	403,906	435,244
Local sales.....	380,184	411,189
To other foreign affiliates.....	12,609	15,991
To unaffiliated foreigners.....	367,575	395,198
Sales to other countries.....	72,312	78,425
To other foreign affiliates.....	35,982	38,379
To unaffiliated foreigners.....	36,331	40,046
Sales through MOUSAs		
Total	398,985	415,238
To U.S. persons	374,119	382,763
To foreign persons	24,865	32,475
To the foreign parent group.....	11,155	15,156
To foreign affiliates.....	1,161	1,221
To other foreigners.....	12,549	16,098

NOTE: Depository institutions are excluded because data are not available.

In this table, sales of services through affiliates are generally defined to be economic outputs that are intangible. Intangible assets are typically associated with establishments in the following NAICS sectors: utilities; transportation and warehousing; information; finance and insurance; real estate and rental and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and support and waste management and remediation services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; other services (except public administration); and public administration. Additionally, the output of establishments that provide support activities for agriculture and forestry or mining are typically intangible.

MNCs Multinational companies
MOFAs Majority-owned foreign affiliates
MOUSAs Majority-owned U.S. affiliates

foreign markets and the sales of services to U.S. persons (local sales) by U.S. affiliates of foreign companies represent the delivery of services to international markets through the channel of direct investment. Sales by country of foreign affiliate and by country of the U.S. affiliate's ultimate beneficial owner (UBO) for 1997–2004 are presented in table 9.¹³ Sales by primary industry of the foreign affiliate cross-classified by country for 2003 and 2004 are presented in tables 10.1 and 10.2. Sales by primary industry of the U.S. affiliate cross-classified by country of UBO for 2003 and 2004 are presented in tables 11.1 and 11.2.

Foreign affiliates' sales to foreign persons

Sales of services to foreign persons by nonbank majority-owned foreign affiliates of nonbank U.S. companies were \$489.6 billion in 2004. By area, foreign affiliates in Europe had the largest share of sales of services to foreign persons, accounting for 54 percent of total sales. Affiliates in Asia and Pacific accounted for 23 percent; affiliates in Latin America and Other Western Hemisphere, for 12 percent; and affiliates in Canada, for 10 percent. By country, affiliates in the United Kingdom had the largest sales of services to foreign persons, followed by affiliates in Japan, Canada, Germany, and France.

By industry sector, sales of services to foreign persons by affiliates were largest in "finance (except depository institutions) and insurance," in information, and in professional, scientific, and technical services.¹⁴ In nonbank finance and insurance, more than 70 per-

13. The UBO of a U.S. affiliate is that person, proceeding up the affiliate's ownership chain, beginning with and including the foreign parent, that is not owned more than 50 percent by another person. Unlike the foreign parent, the UBO of an affiliate may be located in the United States. The UBO of each U.S. affiliate is identified to ascertain the person that ultimately owns or controls the U.S. affiliate and therefore ultimately derives the benefits from ownership or control.

cent of sales of services abroad were accounted for by insurance carriers and related activities; affiliates in Asia and Pacific accounted for the largest share of these sales. In information, affiliates in telecommunications accounted for the largest share of sales, followed by affiliates in publishing industries, and in "Internet services providers, web search portals, data processing services, internet publishing and broadcasting, and other information services." In professional, scientific, and technical services, affiliates in computer systems design and related services had the largest sales, accounting for more than half of the sector's total sales.

After an adjustment for the change in reporting requirements for the nonbank units of U.S. banks, sales of services abroad by foreign affiliates increased 11 percent in 2004 after increasing 7 percent in 2003.¹⁵ The increase in 2004, which was spread across several industries, reflected increased demand as real economic growth picked up in most major markets served by foreign affiliates. In addition, the dollar value of foreign affiliates' sales of services was boosted by the depreciation of the U.S. dollar against several major currencies, including the euro, the British pound, the Canadian dollar, and the Japanese yen.

In 2004, sales of services abroad by foreign affiliates increased in all major areas. Affiliates in Europe had the largest increase in sales, accounting for over 50 percent of the total increase, followed by affiliates in Asia and Pacific and Canada. Within Europe, the increase was widespread; the largest increases were in the United Kingdom, Germany, and the Netherlands. In the United Kingdom, the largest increases were in accommodation and food services and in administration, support, and waste management. In accommodation and food services, the increase was largely attributable to majority-owned foreign affiliates

14. The largest industry in the U.S. direct investment position abroad is holding companies. Although this industry accounts for the largest share of direct investment income, it accounts for a relatively small share of sales of services by foreign affiliates because most of the operating revenues are recorded as investment income and not as sales of services (even though a substantial portion of the income in this industry is ultimately attributable to sales of services). Sales of services by affiliates owned by holding companies are recorded in the country and industry of the owned affiliates.

15. Before the adjustment, the increase computed from the accompanying tables is 8 percent in 2004. For more information on the change in treatment and its effects, see the box "The 2004 Benchmark Survey of U.S. Direct Investment Abroad and the Treatment of Nonbank Units of U.S. Banks."

Data Availability

The estimates of cross-border trade for 1986–2005 and the estimates of sales through majority-owned affiliates for 1989–2004 are available as files that can be downloaded from BEA's Web site. To access these files, go to <www.bea.gov> and click on International, and then, under International Services, click on "Detailed Estimates."

that had previously been minority-owned (and therefore excluded from the data set) and to increased sales by existing affiliates. In administration, support, and waste management, affiliates in employment services were the largest contributors to the increase. In Germany, increases were spread across several industry sectors but were largest in utilities and in professional, scientific, and technical services. In utilities, the increase was largely attributable to new affiliates in natural gas distribution. In the Netherlands, the largest increase was in professional, scientific, and technical services, mainly due to acquisitions by existing affiliates in “other professional, scientific, and technical services.” Within Asia and Pacific, affiliates in Japan had the largest increase, accounting for more than 40 percent of the increase for the area. In Japan, the largest increases were in information and in professional, scientific, and technical services. In information, sales by majority-owned telecommunications affiliates that had previously been minority owned contributed to the increase. In Canada, the largest increase was in utilities, due to sales by newly acquired affiliates in natural gas distribution.

By industry sector, the largest increases in sales of services abroad were in information, in professional, scientific, and technical services, and in administration, support, and waste management. In information, the increase was broadly based among subsectors and countries; affiliates in Japan, Luxembourg, and Italy recorded the largest increases. Changes in corporate structure contributed substantially to the increase in sales of services, especially in telecommunications, in “broadcasting (except Internet),” and in “other information services.” Corporate restructurings—such as an increased ownership share by U.S. companies of minority-owned affiliates and the restructuring of a foreign media company with worldwide operations as a U.S. company—boosted sales by adding new majority-owned affiliates to the universe.

In professional, scientific, and technical services, the largest increase was in computer systems design and related services, reflecting continued growth in affiliates’ services activities relative to computer equipment manufacturing and sales and the reclassification of some affiliates into the industry.¹⁶ In administration,

16. In 2004, the industry classifications of several affiliates in software publishing or in “professional and commercial equipment and supplies wholesaling” were changed to computer systems design and related services. Although the reclassification of an affiliate increases (decreases) sales of services in the industries to which (from which) it is classified, the change in industry classification does not affect the overall year-to-year change in sales of services abroad.

support, and waste management, affiliates in employment services had the largest increase in sales, reflecting improved market conditions, increased use of flexible staffing, and higher hourly rates.

U.S. affiliates’ sales in the United States

Sales of services to U.S. persons by U.S. affiliates of foreign companies were \$382.8 billion in 2004. By area, sales of services by affiliates with ultimate beneficial owners (UBOs) in Europe were the largest, accounting for 68 percent of total sales. Affiliates with UBOs in Asia and Pacific had the next largest share, accounting for 12 percent of the total. Affiliates with UBOs in Canada accounted for 10 percent and affiliates with UBOs in Latin America and Other Western Hemisphere, for 9 percent. By country of UBO, affiliates with owners in the United Kingdom had the largest sales, followed by Germany, France, and Canada.

By industry sector, sales of services to U.S. residents by U.S. affiliates of foreign companies were largest in “finance (except depository institutions) and insurance” and in information. In nonbank finance and insurance, affiliates in insurance accounted for 77 percent of sales. In information, affiliates in telecommunications had the largest sales.

In 2004, the growth in sales of services in the United States by U.S. affiliates remained modest, at 2 percent, despite strong real economic growth in the United States. The growth of U.S. affiliates’ sales of services in the United States has been modest since 2002, when sales were flat. In contrast, in 1998–2000, strong growth in U.S. affiliates’ sales was fueled by a wave of international mergers and acquisitions. In 2004, spending by foreign persons to establish or acquire U.S. businesses increased, but outlays for new investment were just 26 percent of their peak level in 2000.¹⁷ Most of the growth in sales of services to U.S. residents in 2004 was fueled by increased sales by existing affiliates. Selloffs of some affiliates and corresponding decreases in sales dampened the overall increase.

Sales of services in the United States by U.S. affiliates with UBOs in all the major areas except Canada and

17. According to data from BEA’s survey of new foreign direct investment in the United States, outlays to acquire or establish U.S. businesses were \$86.2 billion in 2004, up from \$63.6 billion in 2003; see Lawrence R. McNeil, “Foreign Direct Investment in the United States: New Investment in 2005,” SURVEY 86 (June 2006): 32–39. These data only cover transactions involving U.S. businesses that are newly acquired or established by foreign direct investors. For additional information on foreign direct investment and the operations of both new and existing U.S. affiliates, see Anderson and Zeile, “U.S. Affiliates of Foreign Companies: Operations in 2004,” and Jennifer L. Koncz and Daniel R. Yorgason, “Direct Investment Positions for 2004: Country and Industry Detail,” SURVEY 85 (July 2005): 40–53.

the United States increased in 2004. The largest increase was by affiliates with UBOs in Latin America and Other Western Hemisphere, followed by Asia and Pacific and Europe. Within Latin America and Other Western Hemisphere, affiliates with UBOs in Bermuda, particularly affiliates in the insurance carriers and related activities industry, accounted for the largest share of the increase. The increase was largely due to the reorganization of the foreign owners of U.S. affiliates, which caused the location of the UBOs to shift from the United Kingdom to Bermuda.¹⁸ Within Asia and Pacific, affiliates with UBOs in Japan and Australia had the largest increases in sales of services to U.S. residents, which were widespread by industry sector. Within Europe, affiliates with UBOs in Germany and in France more than accounted for the increase. For Germany, the largest increases were in machinery manufacturing and in information. In machinery manufacturing, the increase was attributable to increased sales in affiliates' secondary services activities. In information, the addition of new customers significantly increased sales in wireless telecommunications. For affiliates with UBOs in France, the largest increase was in professional, scientific, and technical services, mainly reflecting increased sales by existing affiliates in advertising and related services. In contrast, sales of services to U.S. residents decreased for affiliates with UBOs in the Netherlands, mainly because of selloffs of affiliates in the insurance carriers and related activities industry.

By industry sector, affiliates in professional, scientific, and technical services had the largest increase, followed by affiliates in utilities and in manufacturing. In professional, scientific, and technical services, sales by existing affiliates with French UBOs in advertising and related services increased substantially. In utilities, some affiliates' industry classification shifted from pipeline transportation to natural gas distribution, and sales by existing affiliates in electric power generation, transmission, and distribution increased. In manufacturing, the increase largely reflected growth in the secondary services activities of affiliates in machinery manufacturing. In contrast, sales of services to U.S. residents decreased in "finance (except depository institutions) and insurance," reflecting selloffs of affilia-

18. Similar to a change in an affiliate's industry classification, a change in the location of an affiliate's UBO results in decreased (increased) sales of services for affiliates with UBOs in the country from which (to which) ultimate beneficial ownership is transferred.

ates in insurance carriers and related activities and reduced premium income for life insurance carriers.

Revisions

The revised estimates of cross-border trade in services published in this article are consistent with the less detailed estimates that were published in the July 2006 SURVEY. The revised estimates of sales through affiliates are presented for the first time. The revised estimates published in this article supersede those presented in the October 2005 SURVEY.

Cross-border trade. The estimates of cross-border exports of private services for 2004 have been revised up \$4.6 billion, or 1 percent, to \$328.0 billion, and the estimates of cross-border imports have been revised down \$0.8 billion, or less than 1 percent, to \$257.2 billion. For 2003, exports were revised down \$2.4 billion, or less than 1 percent, to \$289.1 billion, and imports were revised down \$2.8 billion, or 1 percent, to \$221.8 billion. For 2002, both exports and imports were virtually unrevised.

These revisions to the estimates of cross-border trade in services reflect the regular annual revisions that are released in June and are published in the international transactions accounts in the July SURVEY. These revisions generally reflect the incorporation of regular source data as well as statistical and methodological improvements. The revisions also include the incorporation of the results from BEA's benchmark surveys, such as the 2002 benchmark survey of foreign direct investment in the United States and the 2004 benchmark survey of financial services transactions with unaffiliated foreigners.

Sales through affiliates. The estimates of sales of services through affiliates for 2004 are preliminary.

The estimates for 2003 have been revised to reflect the incorporation of newly available and improved source data, the correction of errors or omissions, or other changes resulting from the regular annual revision of the data on multinational companies' operations. Estimates for 2002 and the preceding years are unchanged.

For 2003, the estimates of sales of services abroad through nonbank majority-owned foreign affiliates of nonbank U.S. multinational companies were revised down \$25.0 billion, or 5 percent, to \$452.5 billion. The estimates of sales of services to U.S. persons by U.S. affiliates of foreign multinational companies were revised down \$7.3 billion, or 2 percent, to \$374.1 billion.

Appendix: Modes of Supply and Channels of Delivery of Services Sold in International Markets

BEA's presentation of U.S. international sales and purchases of services takes into account two channels of delivery: Cross-border exports and imports, which BEA records in its international transactions accounts, and sales of services through direct investment. However, the General Agreement on Trade in Services (GATS)—the outcome of the Uruguay Round of trade negotiations—takes a different approach. It distinguishes international delivery of services through four “modes” that categorize how services are sold in international markets. This appendix describes these modes and how they relate to BEA data.¹⁹

BEA is not able to precisely identify trade through each mode, though in some cases, the mode may be evident from the nature of the service. There are important definitional differences between BEA's data on channels of delivery and the GATS modes of supply.

BEA channels of delivery

BEA collects data according to two distinct channels.

Cross-border trade. This channel covers transactions in which the residents of one country sell services to the residents of another country. These transactions include both trade within multinational companies (intrafirm trade) and trade between unaffiliated parties. They are recorded in the international transactions accounts of both countries—as exports of services by the seller's country and as imports of services by the buyer's country.

Direct investment. This channel covers sales delivered through the foreign affiliates of multinational companies. From the U.S. viewpoint, these transactions include sales to foreigners by foreign affiliates of U.S. companies and sales to U.S. residents by the U.S. affiliates of foreign companies. These sales are not considered U.S. international transactions, because under the residency principle of balance-of-payments accounting, affiliates of multinational companies are considered residents of the countries where they are located rather than of the countries of their owners. Thus, sales abroad by foreign affiliates of U.S. companies are transactions between foreign residents, and sales in the United States by U.S. affiliates of foreign companies are transactions between U.S. residents.

GATS modes of supply

The GATS, which became effective in January 1995, defines four “modes” through which services may be supplied internationally.

- GATS mode 1 is cross-border supply, which covers services supplied from one country to another without either the producer or the consumer traveling to the country of the other. In effect, the service crosses the border (for example, a lawyer provides legal services to a foreigner by telephone or e-mail).
- GATS mode 2 is consumption abroad, which covers consumers traveling abroad to obtain a service in another country (for example, medical services in which a resident of one country travels to another country to obtain medical care).
- GATS mode 3 is commercial presence, which covers companies from one country setting up subsidiaries, branches, or other operations to provide services in another country (for example, banks setting up an operation in a foreign country or construction services provided through short-term operations abroad).
- GATS mode 4 is the presence of “natural” persons, which covers individuals traveling temporarily from their own country to supply services in another country (for example, consultants).²⁰

In general, modes of supply 1, 2, and part of 4 correspond to cross-border trade, and mode 3 corresponds, with minor exceptions, to direct investment. However, there are significant differences in concepts and definitions between GATS modes of supply and BEA's channels of delivery.

Specifically, to be included in cross-border trade, a transaction must occur between a resident and a non-resident; this definition is consistent with international standards for balance-of-payments accounting and bases the residency of a person (broadly defined to include both individuals and businesses) on a 1-year rule; that is, if the person stays, or intends to stay, in a country for 1 year or more, with few exceptions, he is regarded as a resident of that country. In contrast, GATS allows different and more flexible rules to determine whether an individual's or business' presence in a foreign country falls within the scope of the GATS agreement. For example, in the case of individuals, mode 4 applies to individuals whose period of residence or employment in a foreign country is nonper-

19. For a more detailed discussion of how the modes of supply correspond to balance-of-payments concepts, see the *Manual on Statistics of International Trade in Services*; <unstats.un.org/unsd/tradeserv/manual.htm>.

20. The concepts and definitions related to mode 4 trade in services and a statistical framework for measuring mode 4 transactions are currently being discussed by a group chaired by the United Nations Statistics Division with membership from national banks and national and international statistical agencies. BEA is an active participant in the group.

manent, but “permanence” is not defined; in practice, countries commonly use periods of 2–5 years rather than the 1-year rule used in determining residency for balance-of-payments purposes.

In the case of businesses, GATS generally considers enterprises operating in foreign countries to be supplying services in that country through mode 3 even if the duration of the operations is, or will be, less than a year. In contrast, only sales of services by business enterprises in a foreign country for 1 year or more and otherwise qualifying as a foreign affiliate are included in the direct investment channel.

Primary modes of supply and channels of delivery

Although some services can be delivered equally well through various modes of supply or either channel of delivery, the type of service provided often determines the primary mode of supply and the channel of delivery. For example, travel, medical, and education services and some services purchased by carriers in foreign ports are primarily supplied through GATS mode 2 (consumption abroad) and delivered through the cross-border channel, because they usually require the movement of consumers outside their country of residence. In contrast, business, professional, and technical services are often supplied through GATS mode 3 (commercial presence) and delivered through the direct investment channel, because of the need for close, continuing business contact between the service providers and their customers.

The effect on the economy of the four modes of supply and the two channels of delivery varies. U.S. exports of services supplied through GATS modes 1 and 2 or the channel of cross-border trade usually affect the U.S. economy more than the equivalent services supplied through GATS mode 3 or the channel of direct investment, because most, or all, of the income generated by the production accrues to U.S.-supplied labor and capital. In contrast, for GATS mode 3 and direct investment, only the U.S. parent company’s share in profits accrues to the United States (and is recorded as an international transaction); the other income generated by production—including compensation of employees—typically accrues to foreigners. For GATS mode 4, portions of the income generated by services production may accrue to the United States in the form of exports of services or receipts of income or remittances, but a portion may also accrue to the foreign host economy.

BEA’s traditional presentation of services includes most, but not all, of the data that are conceptually in-

cluded in the four GATS modes of supply. The following briefly describes how BEA’s data relate to the four GATS modes.

Mode 1 (cross-border supply). In BEA’s international accounts, royalties and license fees, financial services, and telecommunications are examples of services supplied through GATS mode 1. Although some of these services may include a combination of GATS modes 1 and 4 (for example, when a financial advisor or manager travels abroad to discuss the terms of a deal), most of the value of these services represent delivery through GATS mode 1.

Mode 2 (consumption abroad). Travel, port services, education, and medical services are primarily supplied through GATS mode 2.²¹ However, education and medical services could also be supplied through GATS mode 4 if professors and physicians travel abroad to provide their services. Education and medical services are increasingly supplied through GATS mode 1 as communications technology advances. The provision of education services through online coursework (distance learning) or of medical services through remote monitoring and diagnostics via the Internet are methods for delivering these services that did not exist until recently.

Mode 3 (commercial presence). Sales through affiliates are a substantial subset of GATS mode 3 services. However, in cases in which a company with a commercial presence outside its home country is not considered a resident of its host country, BEA considers any services sold abroad by the company to have been delivered through the cross-border channel. For example, a construction company may set up an unincorporated site office in a foreign country to carry out a short-term construction project, establishing a foreign commercial presence but not a foreign affiliate. The construction services provided by this company to foreign residents fall under GATS mode 3, but they are accounted for under the cross-border channel of delivery rather than the direct investment channel.

Mode 4 (presence of persons). Services supplied through GATS mode 4 are often connected with the cross-border supply (GATS mode 1) of business, professional, and technical services. Supply through the presence of persons in the country of the consumer often occurs when the cross-border supply of services requires some direct contact between the service providers and their customers but does not require a

21. Goods purchased by travelers, though a component of “travel” in the U.S. international transactions accounts, should conceptually be excluded from mode 2 trade in services. However, BEA does not have the source data to separately identify goods.

commercial presence (GATS mode 3). For example, the services of an architect who designs a project and delivers drawings via mail or e-mail and visits the country of the consumer during the implementation phase of the project would be apportioned between modes 1 and 4.

The differences in definitions and coverage between BEA data on channels of delivery and the GATS modes of supply are significant for mode 4. In addition to the differing definitions of residency, services supplied through mode 4 may be directly supplied by self-employed individuals abroad or by employees abroad sent by nonresident firms to the host country, or services may be indirectly supplied by individuals working for a service supplier resident in the host country. Only services directly supplied by a nonresident supplier to a resident consumer would be counted as international trade in services in BEA's trade accounts, in accordance with international guidelines. When a service is indirectly supplied by a U.S.-resident who is employed by an enterprise resident in the host country, the remuneration of this individual is recorded under "compensation of employees" in BEA's international transactions accounts if the individual resides in the host country for less than a year (otherwise, the individual is deemed to be a resident of the host country).

Compensation of employees is classified in the international transactions accounts as "income" rather than as services, and it covers income in the form of wages, salaries, and other compensation received by nonresidents of a country regardless of whether those individuals are employed in manufacturing, agriculture, or industries primarily producing services. BEA does not have the source data to separately identify the part of compensation of employees arising from the production of services.

Appendix: Improvements to the Estimates of Cross-Border Trade in Services

As part of its continuing efforts to improve the data on international services, BEA has recently initiated several improvements to the estimates of cross-border trade in services.²² Some of these improvements have already been implemented; others are under way.²³

Geographic detail. Beginning with estimates for

22. For a list of the improvements implemented from 1990 to 2004, see the appendixes in Maria Borga and Michael Mann, "U.S. International Services: Cross-Border Trade in 2002 and Sales Through Affiliates in 2001," SURVEY 83 (October 2003): 74–76, in Borga and Mann, "Trade in 2003 and Sales in 2002," SURVEY 84 (October 2004): 41–43, and in Erin Nephew, Jennifer Koncz, et al., "Trade in 2004 and Sales in 2003," SURVEY 85 (October 2005): 43–44.

23. For the details about these improvements, see Christopher L. Bach, "Annual Revision of the U.S. International Accounts, 1995–2005" SURVEY 86 (July 2006).

2005, the presentation of the U.S. international transactions accounts has been greatly expanded in order to portray cross-border trade in services with foreigners in substantially greater geographic detail. The U.S. international accounts now provide quarterly estimates of trade in services that were previously available only annually in this article. The expanded presentation now shows quarterly estimates for the euro area, Africa, the Middle East, and Asia and Pacific. Within Europe, additional country detail is available for Belgium, France, Germany, Italy, Luxembourg, and the Netherlands. Within South and Central America, additional country detail is available for Argentina, Brazil, and Venezuela. Within Africa, new country detail is available for South Africa. Within Asia and Pacific, new country detail is available for China, Hong Kong, India, the Republic of Korea, Singapore, and Taiwan. These estimates for 2005 forward are available in the interactive data tables on BEA's Web site.²⁴

Affiliated transactions. The estimates of royalties and license fees and "other private services" between U.S. affiliates and their foreign parents for 2002–2005 were revised to incorporate the results of BEA's 2002 Benchmark Survey of Foreign Direct Investment in the United States and to incorporate new or adjusted data from sample surveys for those years.

Financial services. The estimates of financial services were revised to incorporate the results of BEA's Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons covering transactions in 2004. The benchmark survey is more comprehensive than BEA's quarterly surveys of financial services transactions, principally because of lower reporting thresholds. In addition to revised survey results, BEA conducted research into the bid-ask spreads that are used to estimate dealer fees and commissions on U.S. and foreign bond transactions. BEA estimates bond commissions by applying average, market-based bid-ask spreads to cross-border transactions in bonds reported by the U.S. Treasury. BEA's research indicates that in recent years, these spreads have fallen significantly, both in the United States and abroad. The decline is attributable to technological advances in executing trades in global bond markets, to heightened transparency of bond transactions cost data, and to increased efficiency and competition in global and U.S. bond markets. In recognition that bid-ask spreads in recent years have dropped below those included in previously published estimates, the estimates have been

24. To access these interactive tables, go to <www.bea.gov/bea/international/bp_web>.

revised to incorporate updated, smaller spreads.

Benchmark survey. BEA has proposed to consolidate its reports of cross-border services transactions. Under this proposal, data for affiliated and unaffiliated foreign persons will be reported on the same form, beginning with the benchmark survey of transactions in selected services and intangible assets that BEA will conduct in early 2007, covering 2006 transactions. In addition, BEA will collect more detailed data by type of service for affiliated transactions. By collecting unaffiliated and affiliated trade data by type of service, BEA will be able to provide a more complete picture of services trade by type of service. Moreover, the detailed data on affiliated services are of analytical interest for several purposes, including questions related to offshore outsourcing.

The quality of BEA's estimates should improve because the collection of unaffiliated and affiliated trade data on the same form should reduce the potential for duplicate reporting or for omissions. In addition, the benchmark survey will include an open-ended "other services" category for transactions with unaffiliated foreign persons for the first time, which will make the estimates more comprehensive. Finally, BEA also plans a number of steps to simplify reporting, such as eliminating the requirement to report detailed information about trade in several types of services for which U.S. trade has been small.

Insurance services. BEA has refined its method of calculating the shares of premiums attributable to insurance services and to normal losses. Premiums over and above those required to cover normal losses were regarded as payments for the provision of insurance services. In calculating "normal" losses, BEA previously had separately averaged actual past losses in relation to premiums for primary insurance and for reinsurance. Separate averaging was done because the relationship between premiums and losses varies systematically by type of insurance: Losses relative to pre-

miums are generally higher for reinsurance than for primary insurance.

BEA is now treating "finite reinsurance" as a third category of insurance for which premium-related service charges are separately calculated. Finite reinsurance is a type of insurance in which the reinsurer's risk is limited by a number of possible contractual conditions, such as loss caps or rights to receive rebates of premiums if actual losses are lower than expected. Because the reinsurer's obligation for claims is usually known with a high degree of confidence to be within narrow bounds, the share of premiums attributable to insurance services is assumed to be much lower for this type of reinsurance than for either primary insurance or other types of reinsurance.

Strategies to improve coverage. BEA has adopted a number of long-term strategies for improving its estimates of cross-border trade in services. These strategies include an external review of its statistical procedures for estimating unreported transactions, an external review of the clarity of its surveys and instructions, and increased outreach to survey respondents. BEA has also been working with the Census Bureau and the Internal Revenue Service to expand its access to Census Bureau information that would help BEA expand its mailing list of companies that receive its surveys. This past year, BEA has reached an agreement with the Census Bureau to include a screening question on its 2006 Company Organization Survey to identify companies that import services so that they can be included in subsequent BEA surveys on international services trade. Additionally, BEA will fund a large expansion to the Census Bureau's survey sample. BEA will continue working to improve its mailing lists and plans to request contact information from the Census Bureau's business register in the future.

Tables 1–11.2 follow.

Table 1. Trade in Services, 1992-2005—Continues

[Millions of dollars]

	Exports														
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	
Total Private Services	164,024	171,566	186,721	203,722	222,115	238,457	244,427	265,106	284,027	272,814	279,561	289,102	328,000	360,489	
Unaffiliated.....	131,540	139,061	146,620	160,380	174,628	186,669	189,859	203,081	218,078	206,030	205,578	209,857	242,851	267,894	
Affiliated.....	32,482	32,501	40,100	43,342	47,487	51,788	54,568	62,025	65,949	66,784	73,983	79,245	85,149	92,595	
Travel	54,742	57,875	58,417	63,395	69,809	73,426	71,325	74,801	82,400	71,893	66,605	64,348	74,547	81,680	
Unaffiliated.....	54,742	57,875	58,417	63,395	69,809	73,426	71,325	74,801	82,400	71,893	66,605	64,348	74,547	81,680	
Affiliated.....	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	
Passenger fares	16,618	16,528	16,997	18,909	20,422	20,868	20,098	19,785	20,687	17,926	17,046	15,693	18,851	20,931	
Unaffiliated.....	16,618	16,528	16,997	18,909	20,422	20,868	20,098	19,785	20,687	17,926	17,046	15,693	18,851	20,931	
Affiliated.....	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	
Other transportation	21,531	21,958	23,754	26,081	26,074	27,006	25,604	26,916	29,803	28,442	29,195	31,512	37,346	42,245	
Unaffiliated.....	n.a.	n.a.	n.a.	n.a.	n.a.	26,606	25,204	26,416	29,303	27,842	28,495	30,812	36,536	41,145	
Affiliated.....	n.a.	n.a.	n.a.	n.a.	n.a.	400	400	500	500	600	700	700	900	1,100	
Royalties and license fees	20,841	21,695	26,712	30,289	32,470	33,228	35,626	39,670	43,233	40,696	44,508	46,988	52,512	57,410	
Unaffiliated.....	5,182	6,007	6,437	7,430	7,914	8,763	9,313	10,395	12,754	11,532	11,738	11,449	13,438	15,304	
Affiliated.....	15,659	15,688	20,275	22,859	24,556	24,465	26,313	29,275	30,479	29,164	32,770	35,539	39,074	42,106	
Other private services	50,292	53,510	60,841	65,048	73,340	83,929	91,774	103,934	107,904	113,857	122,207	130,561	144,654	158,223	
Unaffiliated.....	33,467	36,693	41,015	44,565	50,409	57,006	63,919	71,684	72,934	76,837	81,694	87,555	99,479	108,834	
Affiliated.....	16,823	16,813	19,825	20,483	22,931	26,923	27,855	32,250	34,970	37,020	40,513	43,006	45,175	49,389	
Education	6,186	6,738	7,174	7,515	7,887	8,347	9,037	9,616	10,348	11,476	12,626	13,312	15,643	16,123	
Unaffiliated.....	6,186	6,738	7,174	7,515	7,887	8,347	9,037	9,616	10,348	11,476	12,626	13,312	15,643	16,123	
Affiliated.....	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	
Financial services	n.a.	n.a.	n.a.	n.a.	n.a.	12,443	14,027	17,410	19,826	19,598	21,946	23,899	30,085	34,081	
Unaffiliated.....	4,034	4,999	5,763	7,029	8,229	10,243	11,327	13,410	16,026	15,498	17,746	18,699	25,185	29,281	
Affiliated.....	(⁽¹²⁾)	(⁽¹²⁾)	(⁽¹²⁾)	(⁽¹²⁾)	(⁽¹²⁾)	2,200	2,700	4,000	3,800	4,100	4,200	5,200	4,900	4,800	
Insurance services	1,016	994	1,039	1,250	1,651	2,131	3,002	3,053	3,631	3,424	4,415	5,974	6,838	6,831	
Unaffiliated.....	1,016	994	1,039	1,250	1,651	2,131	3,002	3,053	3,631	3,424	4,415	5,974	6,838	6,831	
Affiliated.....	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	
Telecommunications	2,885	2,785	2,865	3,228	3,301	3,918	5,568	4,549	3,884	4,332	3,890	4,452	4,463	4,724	
Unaffiliated.....	2,885	2,785	2,865	3,228	3,301	3,918	5,568	4,549	3,884	4,332	3,890	4,452	4,463	4,724	
Affiliated.....	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	
Business, professional, and technical services	n.a.	n.a.	n.a.	n.a.	n.a.	43,860	45,315	53,517	54,298	58,914	62,727	65,899	72,102	80,761	
Unaffiliated.....	11,722	12,958	15,330	16,078	19,466	21,547	22,676	27,700	27,200	28,170	29,230	30,781	34,523	39,491	
Affiliated.....	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	22,313	22,639	25,817	28,979	30,744	33,497	35,118	37,579	41,270	
Computer and information services ¹	n.a.	n.a.	n.a.	n.a.	n.a.	5,090	5,005	6,643	6,822	6,723	7,093	8,453	8,939	8,239	
Unaffiliated.....	1,417	1,680	2,332	2,418	2,775	3,490	3,705	5,443	5,622	5,423	5,393	6,253	6,839	6,039	
Affiliated.....	(⁽¹⁶⁾)	(⁽¹⁶⁾)	(⁽¹⁶⁾)	(⁽¹⁶⁾)	(⁽¹⁶⁾)	1,600	1,300	1,200	1,200	1,300	1,700	2,200	2,100	2,200	
Management and consulting services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4,220	4,439	4,226	5,160	6,419	
Unaffiliated.....	728	826	1,134	1,489	1,460	1,632	1,888	1,832	1,670	2,020	1,539	1,426	1,960	2,219	
Affiliated.....	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	
Research and development and testing services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6,746	8,142	9,376	8,760	10,095	
Unaffiliated.....	611	464	522	638	681	893	867	994	910	1,046	1,142	1,176	1,260	1,295	
Affiliated.....	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	
Operational leasing	n.a.	n.a.	n.a.	n.a.	n.a.	3,551	4,041	4,918	5,192	5,883	7,552	8,062	8,534	9,393	
Unaffiliated.....	854	834	925	978	1,482	2,012	2,367	2,671	3,086	3,726	5,104	5,469	5,555	6,193	
Affiliated.....	(⁽¹⁹⁾)	(⁽¹⁹⁾)	(⁽¹⁹⁾)	(⁽¹⁹⁾)	(⁽¹⁹⁾)	1,539	1,674	2,247	2,106	2,157	2,448	2,593	2,979	3,200	
Other business, professional, and technical services	n.a.	n.a.	n.a.	n.a.	n.a.	32,694	33,515	39,133	39,703	35,340	35,500	35,780	40,714	46,613	
Unaffiliated.....	8,113	9,156	10,415	10,558	13,069	13,520	13,850	16,763	14,030	15,953	16,051	16,455	18,914	23,743	
Affiliated.....	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	19,174	19,665	22,370	25,673	19,387	19,449	19,325	21,800	22,870	
Other services	8,266	9,316	10,947	11,644	12,021	13,231	14,827	15,791	15,929	16,115	16,602	17,025	17,523	17,703	
Unaffiliated.....	7,625	8,219	8,845	9,465	9,875	10,822	12,311	13,358	13,730	13,839	13,786	14,337	14,827	14,384	
Affiliated.....	641	1,097	2,102	2,179	2,146	2,409	2,516	2,433	2,199	2,176	2,816	2,688	2,696	3,319	
Film and television tape rentals	2,562	3,276	4,305	4,739	4,982	5,943	7,076	8,061	8,578	8,795	9,350	9,825	10,207	10,379	
Unaffiliated.....	1,921	2,179	2,203	2,560	2,836	3,534	4,560	5,628	6,379	6,618	6,534	7,137	7,511	7,060	
Affiliated.....	641	1,097	2,102	2,179	2,146	2,409	2,516	2,433	2,199	2,176	2,816	2,688	2,696	3,319	
Other	5,704	6,040	6,642	6,905	7,039	7,288	7,751	7,729	7,351	7,321	7,252	7,200	7,316	7,324	
Unaffiliated.....	5,704	6,040	6,642	6,905	7,039	7,288	7,751	7,729	7,351	7,321	7,252	7,200	7,316	7,324	
Affiliated.....	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	
Addenda: Detail on transactions with unaffiliated foreigners in other business, professional, and technical services ²	8,113	9,156	10,415	10,558	13,069	13,520	13,850	16,763	14,030	15,953	16,051	16,455	18,914	23,743	
Accounting, auditing, and bookkeeping services.....	164	164	132	181	222	316	412	294	366	413	288	233	322	373	
Advertising.....	315	398	487	425	543	607	445	481	496	533					

Table 1. Trade in Services, 1992–2005—Table Ends

[Millions of dollars]

	Imports														
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	
Total Private Services	103,469	109,439	120,280	128,731	138,806	151,463	165,643	183,034	207,392	204,074	209,048	221,849	257,235	280,563	
Unaffiliated.....	90,428	95,375	103,896	109,841	117,852	127,234	137,983	147,137	167,280	162,664	163,771	173,999	203,874	219,514	
Affiliated.....	13,036	14,063	16,384	18,890	20,954	24,229	27,660	35,897	40,112	41,410	45,277	47,850	53,361	61,049	
Travel	38,552	40,713	43,782	44,916	48,078	52,051	56,483	58,963	64,705	60,200	58,715	57,444	65,750	69,175	
Unaffiliated.....	38,552	40,713	43,782	44,916	48,078	52,051	56,483	58,963	64,705	60,200	58,715	57,444	65,750	69,175	
Affiliated.....	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	(⁽⁹⁾)	
Passenger fares	10,603	11,410	13,062	14,663	15,809	18,138	19,971	21,315	24,274	22,633	19,969	20,957	23,723	26,066	
Unaffiliated.....	10,603	11,410	13,062	14,663	15,809	18,138	19,971	21,315	24,274	22,633	19,969	20,957	23,723	26,066	
Affiliated.....	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	(⁽¹⁰⁾)	
Other transportation	23,767	24,524	26,019	27,034	27,403	28,959	30,363	34,139	41,425	38,682	38,407	44,705	54,161	62,107	
Unaffiliated.....	n.a.	n.a.	n.a.	n.a.	n.a.	28,559	29,963	33,739	41,025	38,182	37,707	43,493	52,661	60,407	
Affiliated.....	n.a.	n.a.	n.a.	n.a.	n.a.	400	400	400	400	500	700	1,212	1,500	1,700	
Royalties and license fees	5,161	5,032	5,852	6,919	7,837	9,161	11,235	13,107	16,468	16,538	19,353	19,033	23,211	24,501	
Unaffiliated.....	1,766	1,646	1,919	1,663	2,431	2,412	2,688	2,733	3,932	3,297	4,219	3,854	5,265	4,141	
Affiliated.....	3,396	3,386	3,933	5,256	5,406	6,749	8,547	10,374	12,536	13,241	15,134	15,179	17,946	20,360	
Other private services	25,386	27,760	31,565	35,199	39,679	43,154	47,991	55,510	60,520	66,021	72,604	79,710	90,390	98,714	
Unaffiliated.....	15,740	17,082	19,114	21,565	24,131	26,074	28,878	30,387	33,344	38,352	43,161	48,251	56,475	59,725	
Affiliated.....	9,640	10,677	12,451	13,634	15,548	17,080	18,713	25,123	27,176	27,669	29,443	31,459	33,915	38,989	
Education	767	857	972	1,125	1,253	1,396	1,586	1,808	2,032	2,300	2,702	3,148	3,556	4,029	
Unaffiliated.....	767	857	972	1,125	1,253	1,396	1,586	1,808	2,032	2,300	2,702	3,148	3,556	4,029	
Affiliated.....	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	(⁽¹¹⁾)	
Financial services	n.a.	n.a.	n.a.	n.a.	n.a.	6,147	7,790	9,418	12,040	11,189	9,660	9,796	11,509	12,349	
Unaffiliated.....	986	1,371	1,654	2,472	2,907	3,347	3,590	3,418	4,840	4,489	4,160	3,996	5,309	6,549	
Affiliated.....	(⁽¹²⁾)	(⁽¹²⁾)	(⁽¹²⁾)	(⁽¹²⁾)	(⁽¹²⁾)	2,800	4,200	6,000	7,200	6,700	5,500	5,800	6,200	5,800	
Insurance services	4,221	4,402	5,029	5,126	5,395	5,891	7,957	9,389	11,284	16,706	21,926	25,234	29,038	28,482	
Unaffiliated.....	4,221	4,402	5,029	5,126	5,395	5,891	7,957	9,389	11,284	16,706	21,926	25,234	29,038	28,482	
Affiliated.....	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	(⁽¹³⁾)	
Telecommunications	6,052	6,365	6,928	7,305	8,290	8,347	7,682	6,602	5,429	4,771	4,233	4,255	4,542	4,658	
Unaffiliated.....	6,052	6,365	6,928	7,305	8,290	8,347	7,682	6,602	5,429	4,771	4,233	4,255	4,542	4,658	
Affiliated.....	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	(⁽¹⁴⁾)	
Business, professional, and technical services	n.a.	n.a.	n.a.	n.a.	n.a.	20,814	22,023	27,635	29,099	30,420	33,488	36,554	40,778	47,696	
Unaffiliated.....	3,216	3,618	3,982	4,940	5,670	6,539	7,531	8,588	9,130	9,454	9,548	10,915	13,078	14,516	
Affiliated.....	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	(⁽¹⁵⁾)	14,275	14,492	19,047	19,969	20,966	23,940	25,639	27,700	33,180	
Computer and information services ¹	n.a.	n.a.	n.a.	n.a.	n.a.	1,564	1,969	4,494	4,435	4,969	4,315	5,386	6,683	8,969	
Unaffiliated.....	143	211	224	286	422	764	1,069	1,494	1,835	1,799	1,515	1,886	2,083	2,469	
Affiliated.....	(⁽¹⁶⁾)	(⁽¹⁶⁾)	(⁽¹⁶⁾)	(⁽¹⁶⁾)	(⁽¹⁶⁾)	800	900	3,000	2,600	2,900	2,800	3,500	4,600	6,500	
Management and consulting services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,630	4,317	3,957	4,944	5,894	
Unaffiliated.....	243	287	321	465	497	687	872	842	702	830	917	1,157	1,644	1,694	
Affiliated.....	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	
Research and development and testing services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,425	3,028	4,410	4,993	6,717	
Unaffiliated.....	225	239	294	364	379	564	637	749	787	725	1,028	1,310	1,893	2,317	
Affiliated.....	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	
Operational leasing	n.a.	n.a.	n.a.	n.a.	n.a.	1,084	1,122	1,224	1,223	1,154	1,060	841	1,175	1,278	
Unaffiliated.....	337	356	401	407	325	189	175	173	188	199	171	158	176	130	
Affiliated.....	(⁽¹⁹⁾)	(⁽¹⁹⁾)	(⁽¹⁹⁾)	(⁽¹⁹⁾)	(⁽¹⁹⁾)	895	947	1,051	1,035	955	889	683	999	1,148	
Other business, professional, and technical services	2,269	2,523	2,742	3,422	4,047	4,334	4,780	5,328	5,616	5,898	5,918	6,403	7,288	7,905	
Unaffiliated.....	2,269	2,523	2,742	3,422	4,047	4,334	4,780	5,328	5,616	5,898	5,918	6,403	7,288	7,905	
Affiliated.....	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	(⁽²⁰⁾)	
Other services	498	481	582	625	623	560	550	639	640	596	725	967	1,502	1,493	
Unaffiliated.....	498	469	550	597	616	555	530	582	632	637	593	705	952	1,493	
Affiliated.....	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	(⁽²¹⁾)	
Film and television tape rentals	76	74	166	196	183	158	141	195	137	124	140	226	424	924	
Unaffiliated.....	76	74	166	196	183	158	141	195	137	124	140	226	424	924	
Affiliated.....	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	(⁽²²⁾)	
Other	422	407	416	429	440	402	409	463	502	516	456	499	543	578	
Unaffiliated.....	422	407	416	429	440	402	409	463	502	516	456	499	543	578	
Affiliated.....	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	(⁽²³⁾)	
Addenda: Detail on transactions with unaffiliated foreigners in other business, professional, and technical services ²	2,269	2,523	2,742	3,422	4,047	4,334	4,780	5,328	5,616	5,898	5,918	6,403	7,288	7,905	
Accounting, auditing, and bookkeeping services.....	104	103	130	170	218	279	403	592	531	507	489	560	754	957	
Advertising.....	450	646	728	833	971	773	912	881	909	1,027	786	864	955	1,005	
Agricultural, mining, and on-site processing services.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	301	259	304	350	283	364	457	637	
Agricultural and mining services ³	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	301	259	304	347	267	349	448		

Table 2. Private Services Trade by Area and Country, 1992–2005—Continues

(Millions of dollars)

	Exports													
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
All countries.....	164,024	171,566	186,721	203,722	222,115	238,457	244,427	265,106	284,028	272,814	279,561	289,102	328,000	360,489
Canada	17,363	17,016	17,082	17,868	19,453	20,450	19,393	22,578	24,560	24,346	24,896	27,137	29,471	32,506
Europe	60,655	62,370	67,469	73,332	81,296	86,185	94,198	101,287	107,629	103,700	110,476	117,855	134,276	145,521
Belgium-Luxembourg	2,310	2,198	2,762	2,820	2,851	2,837	2,993	3,328	3,307	3,338	4,251	3,994	4,493	4,752
France	7,001	6,833	6,716	7,920	8,883	9,293	9,655	9,963	10,554	10,063	11,062	11,049	12,902	13,097
Germany	10,858	11,356	11,532	12,687	13,321	13,824	14,889	16,144	15,925	14,599	15,702	17,121	19,142	20,039
Italy	4,503	4,083	4,262	4,517	4,862	4,978	5,592	5,296	5,457	5,094	5,201	5,638	6,168	6,951
Netherlands	3,737	4,103	5,472	6,109	7,038	7,355	6,611	6,970	7,059	6,902	8,001	7,893	8,244	8,919
Norway	1,128	1,245	1,149	1,213	1,378	1,404	1,410	1,433	1,403	1,487	1,471	1,500	1,784	2,081
Spain	2,452	2,271	2,664	2,991	3,099	3,424	3,524	3,916	3,818	3,330	3,562	3,743	4,261	5,050
Sweden	1,763	1,739	1,744	1,890	2,466	2,382	2,580	2,364	3,486	3,173	3,173	3,452	3,709	3,958
Switzerland	2,889	3,006	3,706	3,906	4,357	4,343	4,869	4,834	5,705	6,342	6,369	7,746	9,291	9,525
United Kingdom	16,173	17,257	17,889	18,912	20,226	23,774	26,634	29,913	31,972	30,734	32,450	34,960	40,881	45,288
Other	7,843	8,278	9,571	10,365	12,814	12,570	15,441	17,123	18,945	18,638	19,229	20,759	23,403	25,862
Latin America and Other Western Hemisphere	26,673	28,985	32,467	32,919	35,610	42,205	46,703	50,773	54,418	52,937	51,419	49,595	56,026	60,811
South and Central America	23,158	25,126	27,836	27,561	29,772	35,050	38,419	39,738	42,653	41,119	38,677	37,239	40,220	44,286
Argentina	1,784	2,130	2,459	2,394	2,759	3,383	3,596	3,655	3,624	3,233	1,628	1,589	1,714	1,813
Brazil	2,500	2,944	3,732	4,994	5,208	6,408	6,620	5,641	6,309	5,826	5,003	4,859	5,191	5,852
Chile	614	773	1,151	982	1,180	1,431	1,367	1,551	1,439	1,302	1,187	1,087	1,170	1,347
Mexico	10,458	10,394	11,321	8,691	9,429	10,795	11,639	12,827	14,325	15,159	16,109	16,219	17,905	20,604
Venezuela	1,988	2,425	2,139	2,492	2,399	2,681	3,073	3,282	3,309	3,290	2,836	2,123	2,415	2,637
Other	5,817	6,462	7,036	8,009	8,796	10,354	12,127	12,783	13,649	12,309	11,917	11,361	11,828	12,034
Other Western Hemisphere	3,513	3,857	4,630	5,359	5,838	7,154	8,282	11,034	11,765	11,818	12,739	12,357	15,805	16,523
Bermuda	436	509	601	782	822	869	1,113	1,417	1,568	2,326	3,088	3,311	4,187	4,913
Other	3,075	3,348	4,030	4,577	5,016	6,287	7,169	9,617	10,196	9,491	9,650	9,045	11,619	11,610
Africa, Middle East, and Asia and Pacific	54,767	58,430	64,719	74,242	79,941	83,877	77,990	84,352	91,210	86,120	87,086	89,900	103,359	116,412
Africa	2,230	2,325	2,581	2,866	3,036	3,481	4,118	4,723	4,947	5,128	5,133	5,789	6,521	7,376
South Africa	464	493	624	798	843	1,003	1,068	1,317	1,425	1,308	1,181	1,186	1,293	1,418
Other	1,769	1,833	1,957	2,069	2,194	2,477	3,051	3,406	3,523	3,820	3,951	4,601	5,231	5,959
Middle East	3,994	4,147	5,050	5,782	6,675	6,847	7,458	7,795	6,899	6,983	6,432	7,110	8,593	9,666
Israel	923	1,107	1,484	1,634	1,898	1,929	2,061	2,266	2,421	2,356	2,279	2,244	2,609	2,711
Saudi Arabia	1,359	1,238	1,862	2,083	1,689	1,910	1,975	2,389	1,813	1,917	1,519	1,621	1,714	1,859
Other	1,713	1,801	1,702	2,065	3,089	3,006	3,420	3,140	2,666	2,709	2,633	3,245	4,272	5,094
Asia and Pacific	48,542	51,959	57,089	65,594	70,230	73,549	66,414	71,834	79,364	74,009	75,522	77,001	88,245	99,370
Australia	3,470	3,541	3,780	4,239	4,504	4,908	4,802	5,201	5,573	4,870	5,269	6,027	6,852	7,409
China	1,570	1,916	2,051	2,512	3,167	3,612	3,958	4,029	5,207	5,639	6,044	5,942	7,448	9,078
Hong Kong	2,260	2,357	2,795	2,984	3,329	3,630	3,466	3,534	3,797	3,478	3,289	3,255	3,396	3,691
India	1,093	1,138	1,224	1,317	1,495	1,596	1,880	2,040	2,539	3,003	3,255	3,760	4,461	5,193
Indonesia	771	893	874	1,154	1,415	1,791	1,475	1,486	1,115	1,009	1,088	1,191	1,143	1,215
Japan	25,446	26,654	28,780	33,086	33,341	33,790	29,746	30,888	33,414	30,228	30,231	29,589	35,550	41,815
Korea, Republic of	3,369	3,647	4,602	5,684	7,435	7,110	4,757	5,463	7,284	6,854	8,021	8,351	9,309	10,298
Malaysia	604	677	886	1,030	1,279	1,259	1,050	1,110	1,118	1,193	1,167	1,214	1,195	1,373
New Zealand	761	788	825	986	1,173	1,246	1,231	1,183	1,254	1,082	1,016	1,019	1,130	1,291
Philippines	968	1,241	1,182	1,057	1,235	1,500	1,320	1,654	1,613	1,607	1,489	1,377	1,508	1,686
Singapore	2,147	2,414	2,644	3,153	3,852	4,092	3,820	5,148	6,078	5,882	5,572	6,004	5,741	5,753
Taiwan	3,163	3,467	4,167	4,424	4,057	4,753	4,016	4,932	4,922	4,882	4,898	4,856	5,612	6,381
Thailand	749	1,015	1,016	1,184	1,214	1,240	1,162	1,137	1,175	1,058	1,158	1,068	1,152	1,507
Other	2,167	2,206	2,266	2,784	2,734	3,019	3,729	4,028	4,275	3,222	3,029	3,348	3,747	2,679
International organizations and unallocated	4,564	4,762	4,986	5,359	5,814	5,737	6,147	6,116	6,210	5,709	5,686	4,618	4,867	5,229
Addenda:														
European Union ¹	51,601	52,508	55,826	64,094	70,368	74,979	82,193	88,884	94,228	89,674	96,534	101,955	117,396	127,840

See the footnotes at the end of the table.

Table 2. Private Services Trade by Area and Country, 1992–2005—Table Ends

[Millions of dollars]

	Imports														
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	
All countries.....	103,469	109,439	120,280	128,731	138,806	151,463	165,642	183,034	207,392	204,074	209,048	221,849	257,235	280,563	
Canada	8,484	9,106	9,877	11,004	12,415	13,716	15,015	16,063	17,711	17,203	17,763	19,217	20,626	22,022	
Europe	42,346	45,190	49,885	53,379	55,920	62,399	71,069	77,798	89,820	89,582	92,382	99,473	110,019	123,136	
Belgium-Luxembourg	1,057	1,072	1,259	1,470	1,499	1,718	1,946	2,288	2,396	2,279	2,127	2,344	2,706	2,748	
France	4,868	4,969	5,684	5,903	6,053	6,654	7,517	8,088	10,645	9,934	10,038	10,037	11,611	12,508	
Germany	6,768	6,980	7,310	7,592	7,872	8,095	9,429	10,371	12,404	12,571	15,186	15,788	17,283	18,661	
Italy	3,185	3,155	3,442	3,769	3,531	3,702	4,104	4,729	5,061	5,186	4,481	4,742	5,543	6,214	
Netherlands	2,477	2,228	2,639	3,205	3,171	3,575	4,335	4,711	5,693	6,114	6,521	6,479	6,828	7,759	
Norway	1,046	1,410	1,184	1,158	1,282	1,292	785	863	922	1,325	1,112	1,382	1,962	2,014	
Spain	1,283	1,081	1,136	1,106	1,300	1,452	1,872	2,187	2,562	2,262	2,372	2,682	2,815	2,869	
Sweden	829	967	863	799	950	887	891	1,213	1,465	1,375	1,382	1,640	1,857	2,221	
Switzerland	1,933	2,182	2,604	2,660	3,140	3,154	3,836	4,398	5,536	6,102	7,359	7,372	8,683	11,449	
United Kingdom	12,082	13,929	15,067	16,307	17,251	21,398	23,805	26,472	28,301	27,453	27,219	30,519	32,647	35,454	
Other	6,820	7,223	8,649	9,412	9,869	10,473	12,555	12,479	14,835	14,985	14,587	16,488	18,085	21,240	
Latin America and Other Western Hemisphere	20,596	21,124	23,021	23,558	26,397	28,775	30,878	33,838	38,090	40,194	41,487	45,452	53,891	53,071	
South and Central America	13,493	13,627	14,894	15,548	17,737	19,229	19,768	20,445	22,358	21,137	21,965	22,563	25,547	27,639	
Argentina	458	469	575	575	784	875	865	903	978	753	582	725	753	792	
Brazil	688	744	917	1,176	1,403	1,775	1,962	1,726	1,953	1,856	1,723	1,837	1,950	2,075	
Chile	332	364	416	429	520	540	569	824	887	857	713	622	652	718	
Mexico	7,291	7,428	7,865	7,948	8,940	9,857	9,839	9,506	11,026	10,559	11,784	12,171	13,528	14,674	
Venezuela	636	715	762	701	768	715	738	720	608	667	459	378	525	580	
Other	4,086	3,907	4,362	4,720	5,322	5,464	5,793	6,767	6,906	6,445	6,705	6,832	8,142	8,800	
Other Western Hemisphere	7,104	7,496	8,127	8,012	8,659	9,546	11,111	13,392	15,732	19,056	19,523	22,890	28,343	25,432	
Bermuda	1,691	1,712	1,925	1,944	2,175	2,614	3,977	5,540	6,315	9,998	10,785	12,652	15,000	14,115	
Other	5,413	5,783	6,200	6,067	6,484	6,931	7,136	7,857	9,415	9,060	8,739	10,238	13,342	11,315	
Africa, Middle East, and Asia and Pacific	29,328	32,080	35,620	38,689	41,824	44,704	46,319	53,297	57,824	53,725	54,052	54,368	67,517	77,170	
Africa	1,479	1,537	1,919	1,955	2,388	2,556	2,541	2,634	2,768	2,881	2,721	3,251	3,697	3,797	
South Africa	202	231	296	400	543	728	858	866	855	872	754	998	1,062	920	
Other	1,279	1,307	1,623	1,555	1,844	1,831	1,684	1,767	1,912	2,008	1,967	2,252	2,636	2,877	
Middle East	2,078	2,190	2,261	2,686	3,162	3,246	3,697	3,865	3,307	3,267	3,242	3,621	5,117	5,114	
Israel	1,026	1,069	1,197	1,178	1,363	1,510	1,436	1,601	2,011	1,699	1,549	1,813	2,134	2,401	
Saudi Arabia	349	351	319	572	451	590	872	890	499	561	565	341	420	390	
Other	701	769	745	940	1,350	1,144	1,386	1,375	798	1,006	1,129	1,466	2,565	2,324	
Asia and Pacific	25,771	28,353	31,440	34,048	36,274	38,902	40,081	46,798	51,749	47,577	48,089	47,496	58,703	68,260	
Australia	2,230	2,163	1,912	2,129	2,572	2,663	2,985	3,326	3,493	3,665	3,059	3,210	3,881	4,660	
China	1,055	1,307	1,477	1,683	1,937	2,225	2,302	2,683	3,259	3,643	4,123	3,937	5,690	6,505	
Hong Kong	1,493	1,535	1,985	2,029	3,052	3,043	3,240	4,011	4,318	3,734	3,610	2,938	4,488	4,871	
India	639	691	761	854	1,096	1,225	1,542	1,520	1,898	1,815	1,809	1,972	2,889	5,018	
Indonesia	437	432	443	448	554	550	310	379	440	294	286	285	330	348	
Japan	10,599	11,808	12,732	13,419	12,982	13,565	13,408	16,018	17,405	16,484	17,004	17,039	19,489	22,287	
Korea, Republic of	2,050	2,356	2,803	3,586	4,125	4,543	4,164	4,305	4,625	4,026	4,427	4,362	4,823	6,305	
Malaysia	265	301	357	454	458	535	374	382	387	525	493	514	622	708	
New Zealand	526	538	569	603	658	691	940	1,104	1,163	1,353	928	1,127	1,348	1,459	
Philippines	788	852	1,039	1,124	1,363	1,463	1,245	1,197	1,540	1,493	1,328	1,288	1,751	1,684	
Singapore	749	948	1,164	1,240	1,823	2,106	1,860	2,353	2,363	1,900	2,035	2,239	2,746	3,726	
Taiwan	1,974	2,380	2,654	2,860	2,710	3,369	2,910	3,465	4,223	4,460	5,029	4,877	5,746	6,399	
Thailand	393	379	478	678	804	761	800	924	929	869	805	720	906	1,090	
Other	2,574	2,661	3,064	2,943	2,141	2,162	4,001	5,132	5,706	3,313	3,151	2,988	3,995	3,199	
International organizations and unallocated	2,707	1,940	1,887	2,099	2,251	1,867	2,358	2,036	3,946	3,370	3,365	3,335	5,181	5,168	
Addenda:															
European Union ¹	35,282	37,185	40,816	45,589	47,038	53,319	60,912	67,642	77,872	77,154	78,991	84,971	95,917	105,902	

1. The European Union includes Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, and the United Kingdom; beginning with 1995, it also includes Austria, Finland, and Sweden; and beginning with 2004, it also includes Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia,

and Slovenia. (Estimates for 2004 and 2005 reflect the addition of the last 10 countries beginning in the second quarter of 2004, when they joined the Union.)

Table 3.1. Travel, Passenger Fares, and Other Transportation, 2003

[Millions of dollars]

	Receipts											Payments										
	Travel	Pas- senger fares	Other Transportation								Travel	Pas- senger fares	Other Transportation									
			Total	Freight			Port services						Total	Freight			Port services					
				Total	Ocean	Air	Other	Total	Ocean	Air				Other	Total	Ocean	Air	Other				
All countries.....	64,348	15,693	31,512	14,037	4,393	6,869	2,775	17,475	8,544	8,737	194	57,444	20,957	44,705	31,772	24,172	5,018	2,582	12,933	1,711	11,127	95
Canada	6,844	2,114	2,523	1,953	168	104	1,681	570	67	309	194	6,376	406	3,618	2,851	291	59	2,501	767	107	565	95
Europe	21,976	5,699	10,779	4,064	1,398	2,384	282	6,715	3,546	3,169	194	19,923	11,063	17,030	12,001	10,304	1,632	65	5,029	569	4,460	.....
Belgium-Luxembourg	435	280	539	416	290	118	8	123	50	73	.....	232	18	648	211	131	80	.....	437	128	309	.....
France	1,739	529	751	380	64	303	13	371	128	243	.....	2,528	1,089	1,230	573	304	206	63	657	10	647	.....
Germany.....	2,953	850	2,181	616	221	369	26	1,565	716	849	.....	2,320	1,825	3,028	2,174	1,828	346	.....	854	95	759	.....
Italy.....	1,130	350	335	176	54	114	8	159	61	98	.....	2,400	464	603	255	191	64	.....	348	99	249	.....
Netherlands.....	1,022	338	958	459	183	222	54	499	281	218	.....	691	553	1,434	977	746	231	.....	457	47	410	.....
Norway.....	346	0	345	18	8	9	1	327	327	.....	113	22	908	904	904	.....	.....	.....	4	4	.....	.....
Spain.....	846	214	288	165	77	88	.....	123	18	105	.....	1,430	218	198	107	71	36	.....	91	38	53	.....
Sweden.....	513	0	218	50	23	27	.....	168	58	110	.....	145	82	206	177	122	55	.....	29	5	24	.....
Switzerland.....	624	185	485	104	5	96	3	381	265	116	.....	570	351	525	523	522	1	.....	2	.....	2	.....
United Kingdom.....	8,579	2,680	2,403	1,089	244	833	12	1,314	322	992	.....	5,446	3,981	3,189	1,635	1,123	512	.....	1,554	51	1,503	.....
Other.....	3,789	273	2,276	591	229	205	157	1,685	1,320	365	.....	4,048	2,460	5,061	4,465	4,362	101	2	596	92	504	.....
Latin America and Other Western Hemisphere.....	16,927	4,275	3,548	2,040	537	1,185	318	1,508	409	1,099	.....	19,591	2,896	3,650	1,665	1,474	175	16	1,985	215	1,770	.....
South and Central America.....	14,267	3,588	2,820	1,705	381	1,088	236	1,115	145	970	.....	14,010	2,240	2,126	572	385	171	16	1,554	137	1,417	.....
Argentina.....	404	241	64	42	5	37	.....	22	1	21	.....	342	76	99	9	5	4	.....	90	3	87	.....
Brazil.....	1,214	474	438	245	20	211	14	193	8	185	.....	720	261	293	66	26	40	.....	227	7	220	.....
Chile.....	267	94	257	101	4	55	42	156	37	119	.....	258	93	145	141	84	57	.....	4	2	2	.....
Mexico.....	5,700	1,158	897	422	139	228	55	475	79	396	.....	8,235	862	1,028	190	169	7	14	838	33	805	.....
Venezuela.....	964	219	111	86	20	54	12	25	11	14	.....	169	29	99	33	33	.....	66	40	26	.....
Other.....	5,718	1,402	1,053	809	193	503	113	244	9	235	.....	4,286	919	462	133	68	63	2	329	52	277	.....
Other Western Hemisphere.....	2,660	687	728	335	156	97	82	393	264	129	.....	5,581	656	1,524	1,093	1,089	4	.....	431	78	353	.....
Bermuda.....	35	21	256	59	1	9	49	197	197	.....	306	0	679	678	678	.....	.....	.....	1	.....	1	.....
Other.....	2,625	666	472	276	155	88	33	196	67	129	.....	5,275	656	845	415	411	4	.....	130	78	352	.....
Africa.....	1,097	49	750	383	305	68	10	367	24	343	.....	1,070	512	508	396	104	292	.....	112	92	20	.....
South Africa.....	252	20	151	22	8	4	10	130	11	119	.....	360	247	64	41	30	11	.....	23	8	15	.....
Other.....	845	29	598	361	297	64	.....	237	13	224	.....	710	265	444	355	74	281	.....	89	84	5	.....
Middle East.....	1,352	180	1,566	814	570	195	49	752	180	572	.....	836	520	1,092	762	446	316	.....	330	109	221	.....
Israel.....	732	171	524	259	181	69	9	265	157	108	.....	304	302	558	466	378	88	.....	92	43	49	.....
Saudi Arabia.....	172	0	170	119	91	21	7	51	20	31	.....	99	22	102	76	56	20	.....	26	26	.....	.....
Other.....	448	9	872	436	298	105	33	436	3	433	.....	433	196	432	220	12	208	.....	212	40	172	.....
Asia and Pacific.....	16,152	3,376	11,650	4,762	1,394	2,933	435	6,888	3,643	3,245	.....	9,648	5,560	16,248	11,538	8,994	2,544	.....	4,710	619	4,091	.....
Australia.....	1,502	312	321	239	58	145	36	82	1	81	.....	1,037	648	185	46	20	26	.....	139	5	134	.....
China.....	690	168	1,394	462	180	261	21	932	543	389	.....	994	161	2,223	1,813	1,264	549	.....	410	210	200	.....
Hong Kong.....	360	141	506	447	80	367	.....	59	58	1	.....	541	406	646	208	208	.....	438	62	376	.....
India.....	1,180	26	251	168	125	43	.....	83	16	67	.....	723	167	147	81	74	7	.....	66	55	11	.....
Indonesia.....	169	110	77	76	66	10	.....	1	0	1	.....	111	0	57	.....	.....	.....	1	56	21	35	.....
Japan.....	7,595	2,422	3,110	1,459	309	1,026	124	1,651	882	769	.....	2,323	966	4,763	2,745	2,195	550	.....	2,018	88	1,930	.....
Korea, Republic of.....	2,151	48	2,231	433	138	255	40	1,798	772	1,026	.....	709	1,051	2,148	2,013	1,785	228	.....	135	41	94	.....
Malaysia.....	106	0	230	172	40	132	.....	58	22	36	.....	123	86	105	87	78	9	.....	18	16	2	.....
New Zealand.....	396	12	149	20	1	8	11	129	.....	129	.....	473	439	69	23	.....	23	.....	46	2	44	.....
Philippines.....	452	53	250	125	69	56	.....	125	27	98	.....	526	301	145	92	70	22	.....	53	18	35	.....
Singapore.....	313	21	667	366	67	299	.....	301	156	145	.....	271	195	995	807	558	249	.....	188	20	168	.....
Taiwan.....	659	27	1,735	348	54	273	21	1,387	1,130	257	.....	634	788	3,141	3,010	2,598	412	.....	131	28	103	.....
Thailand.....	208	24	107	70	26	44	.....	37	1	36	.....	422	57	124	96	3	93	.....	28	12	16	.....
Other.....	371	12	622	377	181	14	182	245	35	210	.....	761	295	1,500	516	141	375	.....	984	41	943	.....
International organizations and unallocated.....	.....	.....	696	21	21	.....	.....	675	675	.....	.....	.....	2,559	2,559	2,559	.....	.....	.....	.....	.....	.....	.....
Addenda:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
European Union ¹	19,124	5,392	9,282	3,680	1,247	2,227	206	5,602	2,688	2,914	.....	17,160	10,046	13,893	9,135	7,475	1,597	63	4,758	493	4,265	.....

1. See table 2, footnote 1.

Table 3.2. Travel, Passenger Fares, and Other Transportation, 2004

[Millions of dollars]

	Receipts											Payments											
	Travel	Pas- senger fares	Other Transportation									Travel	Pas- senger fares	Other Transportation									
			Total	Freight				Port services						Total	Freight				Port services				
				Total	Ocean	Air	Other	Total	Ocean	Air	Other				Total	Ocean	Air	Other					
All countries.....	74,547	18,851	37,436	15,958	5,010	7,726	3,222	21,478	10,030	11,235	213	65,750	23,723	54,161	39,225	30,489	5,978	2,758	14,936	1,641	13,225	70	
Canada	7,996	2,499	2,787	2,160	204	115	1,841	627	86	328	213	7,293	464	4,049	3,183	414	33	2,736	866	149	647	70	
Europe	24,995	6,946	13,213	4,837	1,345	2,956	536	8,376	4,052	4,324	213	22,038	11,737	20,142	14,326	12,426	1,898	2	5,816	480	5,336	.....
Belgium-Luxembourg	506	345	546	430	258	160	12	116	61	55	.....	229	22	746	257	162	95	.....	489	137	352	.....
France	2,008	600	1,175	497	59	362	76	678	211	467	.....	3,129	1,301	1,574	751	510	241	.....	823	7	816	.....
Germany.....	3,636	1,051	2,731	786	225	493	68	1,945	880	1,065	.....	2,511	1,990	3,797	2,753	2,355	398	.....	1,044	88	956	.....
Italy.....	1,335	451	516	204	54	143	7	312	95	217	.....	2,704	622	705	418	357	61	.....	287	52	235	.....
Netherlands.....	1,162	388	1,088	559	201	309	49	529	276	253	.....	791	712	1,579	1,044	774	270	.....	535	59	476	.....
Norway	359	143	418	31	8	15	8	387	387	.....	199	8	1,353	1,350	1,350	.....	.....	.....	3	3	.....	.....
Spain.....	1,077	258	371	199	49	114	36	172	20	152	.....	1,317	249	221	142	116	26	.....	79	10	69	.....
Sweden.....	677	0	253	60	24	35	1	193	57	136	.....	145	89	266	233	170	63	.....	33	4	29	.....
Switzerland.....	670	240	707	145	2	113	30	562	315	247	.....	411	394	732	731	730	1	.....	1	.....	1	.....
United Kingdom.....	9,576	3,079	3,024	1,224	266	948	10	1,800	308	1,492	.....	6,071	3,784	3,699	1,860	1,229	631	.....	1,839	56	1,783	.....
Other	3,989	331	2,384	702	199	264	239	1,682	1,442	240	4,531	2,566	5,470	4,787	4,673	112	2	683	64	619
Latin America and Other Western Hemisphere	18,577	4,826	4,140	2,319	614	1,426	279	1,821	567	1,254	.....	20,981	3,535	4,801	2,547	2,323	204	20	2,254	243	2,011	.....
South and Central America	15,670	4,034	3,303	2,027	488	1,325	214	1,276	180	1,096	.....	16,053	2,424	2,384	717	497	200	20	1,667	115	1,552	.....
Argentina	506	261	84	52	3	47	2	32	.....	32	.....	358	63	125	6	1	5	.....	119	.....	119	.....
Brazil	1,375	495	532	323	19	271	33	209	5	204	.....	687	250	352	71	25	46	.....	281	1	280	.....
Chile	283	105	256	122	5	62	55	134	49	85	.....	235	108	176	174	118	56	.....	2	1	1	.....
Mexico	6,257	1,367	1,098	496	182	246	68	602	82	520	.....	9,317	860	1,049	219	191	8	20	830	21	809	.....
Venezuela.....	1,110	214	157	120	16	98	6	37	19	18	.....	256	38	152	71	71	.....	.....	81	26	55	.....
Other	6,139	1,592	1,176	914	263	601	50	262	25	237	.....	5,200	1,105	530	176	91	85	.....	354	66	288	.....
Other Western Hemisphere.....	2,907	792	837	292	126	101	65	545	387	158	.....	4,928	1,111	2,417	1,830	1,826	4	.....	587	128	459	.....
Bermuda.....	44	24	320	60	.....	8	52	260	260	.....	330	0	1,138	1,136	1,136	.....	.....	.....	2	.....	2	.....
Other	2,863	768	517	232	126	93	13	285	127	158	.....	4,598	1,111	1,279	694	690	4	.....	585	128	457	.....
Africa	1,128	45	1,008	714	638	69	7	294	17	277	.....	1,407	518	355	250	67	183	.....	105	88	17	.....
South Africa.....	275	8	129	33	16	10	7	96	14	82	.....	414	239	67	46	38	8	.....	21	4	17	.....
Other	853	37	879	681	622	59	.....	198	3	195	.....	993	279	288	204	29	175	.....	84	84	.....	.....
Middle East	1,626	270	2,026	1,087	796	259	32	939	200	739	.....	1,555	682	1,252	826	531	295	.....	426	111	315	.....
Israel.....	832	258	665	354	250	85	19	311	155	156	.....	381	380	572	458	384	74	.....	114	63	51	.....
Saudi Arabia.....	174	0	232	165	134	21	10	67	23	44	.....	160	26	100	83	60	23	.....	17	17	.....	.....
Other	620	12	1,129	568	412	153	3	561	22	539	.....	1,014	276	580	285	87	198	.....	295	31	264	.....
Asia and Pacific	20,225	4,265	13,405	4,820	1,392	2,901	527	8,585	4,272	4,313	.....	12,476	6,787	20,057	14,588	11,223	3,365	.....	5,469	570	4,899	.....
Australia.....	2,074	480	349	267	83	152	32	82	4	78	.....	1,128	718	277	93	26	67	.....	184	3	181	.....
China.....	894	221	1,858	513	196	279	38	1,345	757	588	.....	1,637	353	3,030	2,508	1,862	646	.....	522	216	306	.....
Hong Kong.....	390	183	493	373	68	305	.....	120	118	2	.....	1,020	802	943	474	474	.....	.....	469	52	417	.....
India.....	1,367	24	328	211	180	31	.....	117	21	96	.....	1,112	160	207	124	112	12	.....	83	61	22	.....
Indonesia.....	191	131	87	84	73	11	.....	3	1	2	.....	144	0	58	2	1	.....	.....	56	19	37	.....
Japan.....	10,051	3,043	3,715	1,632	222	1,231	179	2,083	1,011	1,072	.....	2,467	910	5,832	3,337	2,674	663	.....	2,495	67	2,428	.....
Korea, Republic of.....	2,218	64	2,514	362	65	225	72	2,152	833	1,319	.....	904	1,108	2,336	2,212	1,952	260	.....	124	18	106	.....
Malaysia	141	0	174	105	35	70	.....	69	28	41	.....	181	69	134	122	114	8	.....	12	12	.....	.....
New Zealand	469	2	176	15	.....	8	7	161	.....	161	.....	572	534	73	30	.....	30	.....	43	.....	43	.....
Philippines	509	73	287	108	58	50	.....	179	37	142	.....	710	402	202	131	109	22	.....	71	15	56	.....
Singapore	385	16	626	300	70	230	.....	326	149	177	.....	333	272	1,157	921	594	327	.....	236	15	221	.....
Taiwan	885	22	1,994	367	46	258	63	1,627	1,214	413	.....	751	989	3,459	3,352	2,839	513	.....	107	27	80	.....
Thailand.....	239	6	128	78	42	36	.....	50	6	44	.....	557	51	179	125	21	104	.....	54	18	36	.....
Other	412	0	676	405	254	15	136	271	93	178	.....	960	419	2,170	1,157	445	712	.....	1,013	47	966	.....
International organizations and unallocated .....	.....	.....	857	21	.....	.....	.....	836	836	.....	.....	.....	.....	3,505	3,505	3,505	.....	.....	.....	.....	.....	.....
Addenda:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
European Union ¹	22,730	6,449	11,744	4,419	1,222	2,783	414	7,325	3,231	4,094	.....	20,032	10,948	17,320	11,807	9,944	1,863	.....	5,513	426	5,087	.....

1. See table 2, footnote 1.

Table 3.3. Travel, Passenger Fares, and Other Transportation, 2005

[Millions of dollars]

	Receipts											Payments											
	Travel	Pas- senger fares	Other Transportation									Travel	Pas- senger fares	Other Transportation									
			Total	Freight				Port services						Total	Freight				Port services				
				Total	Ocean	Air	Other	Total	Ocean	Air	Other				Total	Ocean	Air	Other					
All countries.....	81,680	20,931	42,245	17,340	5,061	9,075	3,204	24,905	11,793	12,912	200	69,175	26,066	62,107	44,156	34,889	6,108	3,159	17,951	1,633	16,237	81	
Canada	8,952	2,634	3,031	2,284	178	136	1,970	747	100	447	200	7,002	348	4,387	3,438	474	27	2,937	949	111	757	81	
Europe	27,220	7,166	15,513	5,639	1,429	3,560	650	9,874	4,940	4,934	200	23,273	13,310	23,783	16,610	14,382	2,026	202	7,173	517	6,656	.....
Belgium-Luxembourg	535	324	578	455	250	189	16	123	63	60	.....	262	26	744	256	151	105	.....	488	138	350	.....
France	2,371	727	1,437	547	55	452	40	890	229	661	2,937	1,641	1,900	933	509	242	182	967	11	956
Germany.....	3,810	1,076	2,939	895	233	542	120	2,044	1,114	930	.....	2,591	2,424	4,492	3,322	2,939	383	.....	1,170	88	1,082	.....
Italy.....	1,594	607	551	232	58	170	4	319	92	227	.....	2,881	647	867	383	323	60	.....	484	45	439	.....
Netherlands.....	1,015	449	1,355	668	228	400	40	687	387	300	.....	982	837	1,956	1,206	959	247	.....	750	72	678	.....
Norway	369	242	470	49	11	23	15	421	421	.....	142	0	1,395	1,356	1,356	.....	.....	.....	39	3	36	.....
Spain.....	1,299	283	327	200	59	141	.....	127	22	105	.....	1,140	240	349	145	123	22	.....	204	9	195	.....
Sweden.....	695	53	281	71	28	41	2	210	60	150	.....	198	105	288	241	174	67	.....	47	6	41	.....
Switzerland.....	686	247	656	183	2	120	61	473	337	136	.....	411	420	968	738	737	1	.....	230	.....	230	.....
United Kingdom.....	10,684	2,780	3,635	1,477	269	1,102	106	2,158	379	1,779	.....	7,133	4,481	4,357	2,087	1,437	650	.....	2,270	71	2,199	.....
Other	4,162	378	3,284	862	236	380	246	2,422	1,836	586	4,596	2,489	6,467	5,943	5,674	249	20	524	74	450
Latin America and Other Western Hemisphere	18,488	5,562	5,128	2,557	630	1,719	208	2,571	758	1,813	.....	21,888	3,033	6,408	3,580	3,160	400	20	2,828	221	2,607	.....
South and Central America	15,987	4,715	3,965	2,195	454	1,581	160	1,770	209	1,561	17,015	2,443	3,037	903	537	346	20	2,134	68	2,066
Argentina	461	293	125	75	4	71	.....	50	8	42	.....	409	59	126	23	19	4	.....	103	.....	103	.....
Brazil	1,577	624	660	385	21	360	4	275	4	271	.....	674	317	393	61	12	49	.....	332	.....	332	.....
Chile	330	94	305	165	6	81	78	140	57	83	.....	238	109	228	175	125	50	.....	53	1	52	.....
Mexico	6,791	1,709	1,314	560	246	258	56	754	103	651	10,240	973	948	247	218	9	20	701	49	652
Venezuela.....	1,135	354	169	133	10	115	8	36	12	24	.....	280	63	135	50	50	.....	.....	85	.....	85	.....
Other	5,693	1,641	1,392	877	167	696	14	515	25	490	.....	5,174	922	1,207	347	113	234	.....	860	18	842	.....
Other Western Hemisphere.....	2,501	847	1,163	362	176	138	48	801	549	252	.....	4,873	590	3,371	2,677	2,623	54	.....	694	153	541	.....
Bermuda.....	44	24	433	49	.....	8	41	384	384	.....	240	0	1,683	1,647	1,647	.....	.....	.....	36	2	34	.....
Other	2,457	823	730	313	176	130	7	417	165	292	.....	4,633	590	1,688	1,030	976	54	.....	658	151	507	.....
Africa	1,179	42	778	535	453	78	4	243	32	211	.....	1,497	472	295	202	138	64	.....	93	74	19	.....
South Africa.....	314	1	157	28	11	13	4	129	16	113	.....	264	177	72	49	43	6	.....	23	4	19	.....
Other	865	41	621	507	442	65	.....	114	16	98	.....	1,233	295	223	153	95	58	.....	70	70	.....	.....
Middle East	1,819	250	1,971	932	690	198	44	1,039	196	843	.....	1,362	760	1,112	665	506	159	.....	447	98	349	.....
Israel.....	926	250	615	256	147	75	34	359	146	213	.....	388	399	612	400	352	48	.....	212	55	157	.....
Saudi Arabia.....	203	0	238	153	119	24	10	85	24	61	.....	88	18	132	87	61	26	.....	45	10	35	.....
Other	690	0	1,118	523	424	99	.....	595	26	569	.....	886	343	368	178	93	85	.....	190	33	157	.....
Asia and Pacific	24,022	5,276	14,789	5,382	1,670	3,384	328	9,407	4,743	4,664	.....	14,153	8,143	21,899	15,438	12,006	3,432	.....	6,461	612	5,849	.....
Australia.....	2,244	559	369	285	102	155	28	84	6	78	.....	1,188	901	309	119	24	95	.....	190	3	187	.....
China.....	1,181	353	1,870	573	236	289	48	1,297	621	676	.....	2,104	487	3,036	2,223	1,517	706	.....	813	216	597	.....
Hong Kong.....	447	146	452	276	66	210	.....	176	168	8	.....	1,084	873	1,225	680	649	31	.....	545	38	507	.....
India.....	1,519	98	390	227	204	23	.....	163	32	131	.....	1,493	187	302	175	157	18	.....	127	66	61	.....
Indonesia.....	209	146	142	139	102	37	.....	3	0	3	.....	176	0	46	0	.....	.....	.....	46	33	13	.....
Japan.....	12,719	3,801	4,314	1,883	274	1,533	76	2,431	1,161	1,270	.....	2,788	1,260	6,585	3,586	2,933	653	.....	2,999	68	2,931	.....
Korea, Republic of.....	2,551	57	2,479	359	64	195	100	2,120	953	1,167	.....	1,002	1,281	3,434	2,934	2,079	855	.....	500	17	483	.....
Malaysia	153	0	311	238	32	206	.....	73	24	49	.....	160	74	184	107	99	8	.....	77	15	62	.....
New Zealand	495	0	252	38	4	34	.....	214	.....	214	.....	584	607	78	41	.....	41	.....	37	.....	37	.....
Philippines	540	55	415	210	66	140	4	205	39	166	.....	488	457	239	141	114	27	.....	98	14	84	.....
Singapore	412	12	619	251	64	187	.....	368	132	236	.....	549	308	1,111	866	511	355	.....	245	19	226	.....
Taiwan	881	12	2,263	339	74	193	72	1,924	1,416	508	.....	885	1,229	3,810	3,649	3,078	571	.....	161	31	130	.....
Thailand.....	200	4	280	214	75	139	.....	66	9	57	.....	693	77	166	36	29	7	.....	130	42	88	.....
Other	471	33	633	350	307	43	.....	283	182	101	.....	959	402	1,374	881	816	65	.....	493	50	443	.....
International organizations and unallocated .....	.....	.....	1,035	11	11	.....	.....	1,024	1,024	.....	.....	.....	4,223	4,223	4,223	.....	.....	.....	.....	.....	.....	.....
Addenda:																							
European Union ¹	25,163	6,526	13,854	5,209	1,313	3,334	562	8,645	4,043	4,602	.....	21,264	12,445	20,656	13,921	11,843	1,896	182	6,735	468	6,267	.....

1. See table 2, footnote 1.

Table 4.1. Royalties and License Fees, 2003—Continues

[Millions of dollars]

	Receipts											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	46,988	35,539	32,324	3,215	11,449	4,617	538	259	526	1,353	4,105	51
Canada	3,612	2,890	2,659	232	722	145	49	11	53	136	329	0
Europe	23,362	19,243	17,195	2,049	4,118	1,573	375	135	185	363	1,483	3
Belgium-Luxembourg	767	(D)	601	(D)	(D)	44	7	1	7	(D)	20	0
France	2,233	1,767	1,603	164	466	155	44	29	16	43	180	(*)
Germany	3,213	2,049	1,908	141	1,165	470	66	31	20	50	526	1
Italy	1,182	889	869	21	293	87	38	12	20	36	100	(*)
Netherlands	1,535	1,386	1,376	10	149	38	20	6	4	11	70	(*)
Norway	161	(D)	98	(D)	(D)	4	2	2	7	(D)	18	0
Spain	590	462	456	6	128	12	22	14	12	20	48	0
Sweden	460	(D)	258	(D)	(D)	19	10	5	7	(D)	27	0
Switzerland	3,093	2,765	2,013	752	328	267	9	(*)	1	17	32	0
United Kingdom	4,280	3,430	2,782	648	850	265	115	27	46	71	325	(*)
Other	5,848	5,328	5,231	98	519	211	43	7	44	75	137	2
Latin America and Other Western Hemisphere	3,447	(D)	2,576	(D)	(D)	69	25	(D)	73	100	187	0
South and Central America	2,367	1,938	1,907	31	430	54	23	(D)	36	91	(D)	0
Argentina	133	114	114	0	19	3	1	1	(*)	4	10	0
Brazil	634	(D)	513	(D)	(D)	9	10	(D)	2	10	72	0
Chile	65	35	34	(*)	30	3	1	3	3	7	14	0
Mexico	1,202	1,039	1,021	18	163	28	8	15	15	40	58	0
Venezuela	101	77	77	0	25	6	1	4	1	4	8	0
Other	232	(D)	147	(D)	(D)	6	3	(D)	16	25	(D)	0
Other Western Hemisphere	1,080	(D)	669	(D)	(D)	15	2	(D)	37	9	6	0
Bermuda	470	458	(D)	(D)	12	9	0	(*)	(*)	(*)	2	0
Other	610	(D)	(D)	1	(D)	6	2	(D)	37	9	4	0
Africa	363	263	258	4	100	20	4	3	24	11	39	0
South Africa	226	158	154	4	68	14	3	3	7	8	33	0
Other	137	105	105	0	33	6	1	(*)	16	3	6	0
Middle East	355	162	139	24	193	58	5	(D)	44	23	39	(D)
Israel	132	67	67	0	66	24	3	(D)	6	8	15	(D)
Saudi Arabia	111	(D)	59	(D)	(D)	(D)	1	(*)	12	8	14	(D)
Other	112	(D)	13	(D)	(D)	(D)	1	(*)	27	7	10	(D)
Asia and Pacific	14,074	(D)	7,884	(D)	(D)	2,752	80	(D)	147	720	2,028	(D)
Australia	960	(D)	640	(D)	(D)	27	15	(D)	10	52	121	0
China	788	552	552	0	235	101	2	(D)	4	27	92	(D)
Hong Kong	477	357	354	2	120	22	4	(*)	18	64	13	0
India	115	57	57	(*)	58	24	1	(*)	1	5	27	1
Indonesia	73	35	35	1	38	16	1	1	11	7	3	0
Japan	6,524	3,303	3,079	224	3,221	1,351	46	(D)	24	454	1,302	(D)
Korea, Republic of	1,304	283	281	1	1,022	756	6	5	21	47	186	1
Malaysia	216	167	166	1	49	10	(*)	0	16	11	12	0
New Zealand	99	57	57	(*)	42	22	(*)	4	2	3	11	0
Philippines	129	94	94	(*)	35	11	1	2	8	10	3	0
Singapore	2,391	(D)	2,230	(D)	(D)	50	1	0	8	13	23	(D)
Taiwan	833	233	233	(*)	600	340	2	2	11	15	230	0
Thailand	126	85	85	0	41	15	(*)	2	6	9	4	5
Other	39	20	20	0	19	8	(*)	(*)	7	2	1	0
International organizations and unallocated	1,776	1,776	1,615	161	(*)	(*)	0	0	0	0	0	0
Addenda:												
European Union ¹	19,558	15,943	14,697	1,246	3,615	1,269	348	128	159	314	1,396	1

See the footnotes at the end of the table.

Table 4.1. Royalties and License Fees, 2003—Table Ends

[Millions of dollars]

	Payments											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents to their foreign affiliates	By U.S. affiliates to their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	19,033	15,179	2,645	12,534	3,854	2,358	355	182	1	281	676	1
Canada	809	531	152	378	279	172	56	1	(*)	11	38	(*)
Europe	10,394	7,558	1,351	6,207	2,836	1,683	253	157	(*)	136	606	0
Belgium-Luxembourg	247	(D)	(D)	100	(D)	36	1	(*)	0	2	(D)	0
France	1,771	1,036	193	843	736	302	(D)	12	0	21	(D)	0
Germany	1,950	(D)	(D)	1,526	(D)	214	7	2	0	19	(D)	0
Italy	119	57	26	31	62	15	(D)	(D)	0	25	(*)	0
Netherlands	1,089	(D)	(D)	406	(D)	128	4	(*)	(*)	2	(D)	0
Norway	101	(D)	(*)	(D)	(D)	7	(*)	1	0	(*)	(D)	0
Spain	51	30	15	15	21	5	7	8	0	(*)	2	0
Sweden	(D)	109	12	97	(D)	(D)	3	0	0	7	9	0
Switzerland	2,058	1,846	85	1,761	211	169	(D)	(D)	0	(*)	2	0
United Kingdom	1,851	1,184	176	1,008	667	210	193	66	(*)	49	148	0
Other	(D)	(D)	29	(D)	(D)	(D)	14	(D)	0	11	28	0
Latin America and Other Western Hemisphere	1,194	(D)	(D)	281	(D)	(D)	10	(D)	0	3	5	0
South and Central America	154	(D)	54	(D)	(D)	(D)	9	(D)	0	3	4	0
Argentina	9	(D)	(D)	(*)	(D)	(D)	1	0	0	(*)	0	0
Brazil	31	12	9	4	19	(D)	1	(D)	0	2	3	0
Chile	2	2	1	(*)	(*)	0	0	0	0	(*)	0	0
Mexico	105	(D)	35	(D)	(D)	6	1	0	0	(*)	1	0
Venezuela	2	(D)	(D)	0	(D)	(D)	1	0	0	(*)	0	0
Other	5	(D)	2	(D)	(D)	(D)	1	0	0	0	0	0
Other Western Hemisphere	1,040	1,018	(D)	(D)	22	19	1	(*)	0	0	2	0
Bermuda	987	(D)	(D)	(D)	(D)	(D)	0	0	0	0	0	0
Other	53	(D)	(D)	(D)	(D)	(D)	1	(*)	0	0	2	0
Africa	9	7	6	1	2	1	(*)	(*)	0	(*)	(*)	0
South Africa	4	(D)	(D)	(*)	(D)	(D)	(*)	(*)	0	(*)	0	0
Other	5	(D)	(D)	1	(D)	(D)	0	(*)	0	0	0	0
Middle East	64	30	30	1	34	25	1	0	0	2	5	0
Israel	60	30	29	1	30	22	1	0	0	2	5	0
Saudi Arabia	4	(*)	(*)	(*)	4	4	0	0	0	(*)	0	0
Other	(*)	(*)	(*)	0	(*)	0	0	0	0	0	(*)	0
Asia and Pacific	5,799	(D)	(D)	5,117	(D)	439	34	(D)	(*)	32	21	1
Australia	110	70	27	42	41	14	8	(D)	(*)	1	(*)	0
China	34	10	10	0	24	(D)	(*)	0	0	(*)	0	0
Hong Kong	41	25	25	(*)	16	(*)	(D)	0	0	(*)	0	0
India	16	1	1	0	16	1	(D)	0	0	(D)	0	0
Indonesia	(D)	(D)	(D)	0	(D)	0	(D)	0	0	(*)	0	0
Japan	5,470	5,045	15	5,029	425	385	8	(D)	(*)	28	3	(*)
Korea, Republic of	53	(D)	9	(D)	(D)	(D)	(D)	(*)	0	(*)	0	0
Malaysia	5	3	3	0	1	1	0	0	0	0	0	0
New Zealand	3	(*)	(*)	(*)	3	1	1	0	0	0	0	0
Philippines	1	(*)	(*)	0	(*)	(*)	(*)	0	0	0	0	0
Singapore	25	23	22	1	2	1	0	0	0	(*)	1	0
Taiwan	34	(D)	16	(D)	(D)	1	0	0	0	(D)	0	0
Thailand	(D)	(D)	(D)	0	(D)	(D)	(*)	0	(*)	(*)	0	0
Other	3	0	0	0	3	1	0	(*)	0	2	0	0
International organizations and unallocated	761	665	117	548	96	0	0	0	0	96	0	0
Addenda:												
European Union ¹	7,976	5,535	1,262	4,273	2,441	1,354	236	122	(*)	135	594	0

(*) Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. See table 2, footnote 1.

Table 4.2. Royalties and License Fees, 2004—Continues

[Millions of dollars]

	Receipts											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	52,512	39,074	35,414	3,660	13,438	5,660	641	232	607	1,671	4,561	65
Canada	3,841	3,083	3,011	72	758	185	55	7	42	135	333	1
Europe	25,782	21,236	18,854	2,382	4,546	1,672	463	93	237	557	1,510	14
Belgium-Luxembourg	779	(D)	615	(D)	38	9	1	(D)	21	24	6	
France	2,373	2,009	1,827	183	364	151	60	14	13	41	85	(*)
Germany	3,490	2,190	2,022	168	1,300	467	77	11	25	86	633	1
Italy	1,259	968	949	19	291	71	46	10	16	40	108	1
Netherlands	1,608	1,460	1,432	28	148	30	25	1	5	16	70	(*)
Norway	176	(D)	115	(D)	7	5	4	(*)	(D)	4	12	(*)
Spain	684	554	526	28	130	7	18	12	18	24	50	(*)
Sweden	591	(D)	300	(D)	7	57	12	2	(D)	11	27	(*)
Switzerland	3,738	3,380	2,240	1,140	359	279	11	2	2	15	50	(*)
United Kingdom	4,668	3,755	3,289	466	913	289	141	28	75	67	313	(*)
Other	6,416	(D)	5,538	(D)	(D)	279	61	12	(D)	232	138	6
Latin America and Other Western Hemisphere	4,034	(D)	2,721	(D)	(D)	86	27	(D)	69	121	230	(*)
South and Central America	2,549	2,025	1,992	33	524	67	(D)	(D)	45	111	219	(*)
Argentina	153	127	127	0	26	2	2	6	(*)	6	9	0
Brazil	679	535	533	2	144	22	10	8	2	13	90	(*)
Chile	69	37	37	0	32	2	1	4	2	11	11	0
Mexico	1,242	1,068	1,040	28	174	24	7	16	14	42	71	(*)
Venezuela	133	98	95	3	36	13	1	7	2	6	7	(*)
Other	274	161	161	(*)	113	5	(D)	(D)	25	34	32	(*)
Other Western Hemisphere	1,485	(D)	728	(D)	(D)	19	1	(D)	24	10	11	(*)
Bermuda	883	875	(D)	(D)	9	4	0	(*)	(*)	1	4	0
Other	602	(D)	(D)	2	(D)	15	1	(D)	24	9	7	(*)
Africa	410	299	298	2	111	16	5	2	34	17	38	(*)
South Africa	239	168	167	1	71	11	5	1	8	12	34	0
Other	172	131	131	(*)	40	5	(*)	1	26	5	4	(*)
Middle East	314	134	123	11	181	51	4	(D)	52	21	31	(D)
Israel	103	48	47	1	55	19	2	3	5	7	15	4
Saudi Arabia	129	65	64	1	64	26	(*)	(D)	14	3	10	(D)
Other	83	21	11	10	62	7	(*)	(*)	33	10	7	3
Asia and Pacific	16,177	(D)	8,638	(D)	(D)	3,650	87	(D)	174	822	2,419	32
Australia	1,058	821	788	34	237	35	21	12	11	56	102	(*)
China	979	676	675	(*)	303	181	2	3	17	36	63	2
Hong Kong	519	381	378	3	137	17	2	(D)	17	75	(D)	(*)
India	167	91	90	(*)	76	34	(*)	(*)	4	7	31	(*)
Indonesia	81	37	37	0	44	17	1	(*)	14	10	2	(*)
Japan	7,814	(D)	3,448	(D)	(D)	1,950	47	38	30	502	1,540	(D)
Korea, Republic of	1,617	326	325	1	1,291	1,002	6	1	21	51	206	4
Malaysia	221	163	162	1	57	13	1	0	17	16	10	(*)
New Zealand	84	66	66	0	19	1	1	(D)	2	4	(D)	0
Philippines	143	96	96	0	47	21	(*)	2	8	13	3	0
Singapore	2,311	2,214	2,212	2	97	38	1	(*)	10	15	30	3
Taiwan	1,000	236	236	(*)	764	327	2	2	11	15	(D)	(D)
Thailand	151	112	112	0	39	10	(*)	2	7	15	4	2
Other	31	12	12	0	19	4	(*)	(*)	7	7	1	(*)
International organizations and unallocated	1,953	1,953	1,770	183	(*)	0	(*)	0	0	(*)	0	0
Addenda:												
European Union ¹	21,456	17,429	16,242	1,187	4,027	1,374	438	86	212	504	1,402	10

See the footnotes at the end of the table.

Table 4.2. Royalties and License Fees, 2004—Table Ends

[Millions of dollars]

	Payments											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents to their foreign affiliates	By U.S. affiliates to their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	23,211	17,946	2,699	15,247	5,265	2,778	265	969	2	499	690	63
Canada	801	542	126	416	260	173	42	(*)	(*)	11	26	5
Europe	12,505	9,348	1,348	8,000	3,157	1,847	193	(D)	1	309	633	(D)
Belgium-Luxembourg	307	279	99	180	28	24	1	0	0	2	1	(*)
France	1,997	1,093	217	876	903	(D)	30	4	0	23	(D)	1
Germany.....	2,155	1,869	36	1,833	286	230	9	6	0	23	16	2
Italy.....	143	(D)	(D)	24	(D)	11	5	(D)	0	30	(*)	(*)
Netherlands.....	1,460	(D)	(D)	683	(D)	154	2	(*)	1	3	(D)	1
Norway	120	(D)	1	(D)	(D)	4	(*)	1	0	(*)	(D)	1
Spain	62	47	21	26	16	7	4	1	0	1	2	2
Sweden	650	(D)	11	(D)	359	2	2	1	0	(D)	(D)	1
Switzerland.....	2,625	2,352	81	2,271	273	214	4	(D)	0	35	(D)	2
United Kingdom.....	2,216	1,528	201	1,327	688	240	130	53	(*)	170	82	13
Other	770	(D)	(D)	391	(D)	263	6	(D)	0	(D)	30	(D)
Latin America and Other Western Hemisphere	1,643	(D)	(D)	405	(D)	215	9	5	(*)	(D)	2	(D)
South and Central America.....	233	129	65	64	105	19	9	4	0	(D)	(D)	(D)
Argentina.....	9	7	7	(*)	2	1	(*)	(*)	0	(*)	(*)	0
Brazil	31	13	10	3	18	14	2	2	0	(*)	(*)	0
Chile.....	2	1	1	0	1	1	(*)	(*)	0	(*)	(*)	0
Mexico.....	180	105	44	61	75	3	5	2	0	(D)	(D)	(D)
Venezuela.....	2	1	1	0	1	(*)	1	0	0	(*)	(*)	0
Other	10	2	2	(*)	8	(*)	1	0	0	7	(*)	(*)
Other Western Hemisphere.....	1,410	(D)	(D)	341	(D)	(D)	(*)	(*)	(*)	(*)	2	(*)
Bermuda.....	1,108	1,106	(D)	(D)	2	2	0	0	0	0	(*)	(*)
Other	302	(D)	(D)	(D)	(D)	(D)	(*)	(*)	(*)	(*)	2	0
Africa	7	5	3	2	2	1	1	1	0	(*)	(*)	0
South Africa.....	4	3	2	1	1	1	(*)	(*)	0	(*)	(*)	0
Other	3	2	1	1	1	(*)	(*)	(*)	0	(*)	(*)	0
Middle East	75	44	43	1	31	21	1	0	0	(*)	(*)	8
Israel.....	74	44	43	1	30	21	1	(*)	(*)	(*)	(*)	7
Saudi Arabia.....	(*)	(*)	(*)	0	(*)	(*)	0	0	0	(*)	(*)	0
Other	1	0	0	0	1	(*)	(*)	0	0	0	(*)	1
Asia and Pacific	(D)	(D)	(D)	5,756	(D)	520	19	(D)	1	(D)	21	(D)
Australia.....	148	111	15	96	37	10	5	(D)	(*)	1	5	(D)
China	37	8	8	0	29	24	0	2	0	0	3	(*)
Hong Kong.....	38	(D)	25	(D)	(D)	5	(*)	0	0	0	(D)	1
India.....	11	1	1	0	10	(*)	(*)	3	0	0	7	0
Indonesia.....	2	1	1	0	(*)	(*)	(*)	0	0	0	0	0
Japan.....	6,163	5,651	26	5,625	512	461	8	(*)	0	38	2	2
Korea, Republic of.....	36	(D)	5	(D)	(D)	15	1	0	0	1	(D)	(D)
Malaysia	4	3	3	0	1	1	(*)	1	0	0	(*)	0
New Zealand.....	3	(*)	(*)	0	3	(*)	1	0	0	0	(*)	0
Philippines.....	6	6	6	0	(*)	(*)	0	0	0	0	(*)	0
Singapore.....	22	21	18	3	1	(*)	0	0	0	0	(*)	0
Taiwan.....	38	(D)	(D)	(D)	(D)	3	3	0	0	(D)	(D)	1
Thailand.....	4	1	1	0	2	(*)	(*)	0	1	(*)	(*)	1
Other	3	0	0	0	3	(*)	(*)	(D)	0	(D)	0	(*)
International organizations and unallocated	(D)	785	118	667	(D)	0	0	(D)	0	81	0	0
Addenda:												
European Union ¹	9,558	6,880	1,264	5,616	2,678	1,442	189	129	1	272	620	25

(*) Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. See table 2, footnote 1.

Table 4.3. Royalties and License Fees, 2005—Continues

[Millions of dollars]

	Receipts											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	57,410	42,106	37,939	4,167	15,304	6,633	658	244	687	1,499	5,470	112
Canada	4,441	3,676	3,556	120	765	156	63	7	50	134	337	18
Europe	27,351	22,557	19,728	2,828	4,795	1,637	465	119	270	462	1,803	39
Belgium-Luxembourg	773	(D)	628	(D)	(D)	45	9	2	7	10	35	(D)
France	2,466	2,059	1,901	158	407	155	49	28	13	51	112	(*)
Germany	3,462	2,184	2,047	138	1,278	383	74	7	24	60	728	2
Italy	1,294	988	969	19	306	86	50	10	20	45	96	1
Netherlands	1,721	1,546	1,534	12	174	36	32	3	4	22	77	(*)
Norway	196	164	126	37	33	7	4	2	5	6	9	(*)
Spain	829	(D)	577	(D)	(D)	31	12	11	23	30	69	(D)
Sweden	829	(D)	410	(D)	(D)	80	14	(D)	6	9	31	(*)
Switzerland	3,765	3,409	2,455	954	356	275	10	8	1	12	49	(*)
United Kingdom	5,313	4,316	3,365	951	997	224	150	29	104	92	393	5
Other	6,704	(D)	5,716	(D)	(D)	314	61	(D)	64	126	204	5
Latin America and Other Western Hemisphere	4,353	(D)	2,979	(D)	(D)	98	23	(D)	76	147	305	13
South and Central America	2,887	(D)	(D)	(D)	(D)	75	23	(D)	56	140	296	12
Argentina	195	160	160	0	36	5	2	2	(*)	10	16	(*)
Brazil	738	554	554	(*)	184	23	12	2	3	19	112	12
Chile	94	41	41	0	53	5	1	5	3	12	27	0
Mexico	1,403	(D)	1,153	(D)	(D)	21	5	(D)	16	53	105	(*)
Venezuela	140	(D)	(D)	1	(D)	15	1	7	2	7	(D)	0
Other	317	202	202	(*)	115	5	2	(D)	31	39	(D)	0
Other Western Hemisphere	1,467	(D)	(D)	(D)	(D)	23	(*)	(D)	20	8	8	1
Bermuda	863	(D)	(D)	(D)	(D)	5	0	(*)	(*)	(D)	3	0
Other	604	547	544	3	57	18	(*)	(D)	20	(D)	5	1
Africa	491	353	344	9	138	34	5	(D)	16	(D)	50	0
South Africa	305	209	202	7	96	(D)	4	(D)	8	13	46	0
Other	186	144	142	2	42	(D)	(*)	1	8	(D)	4	0
Middle East	396	169	154	15	227	58	3	(D)	61	(D)	63	(D)
Israel	118	(D)	47	(D)	(D)	18	2	(D)	5	9	29	5
Saudi Arabia	142	79	79	(*)	64	28	(*)	(*)	17	4	7	8
Other	136	(D)	29	(D)	(D)	12	1	(*)	39	(D)	26	(D)
Asia and Pacific	18,267	(D)	9,282	(D)	(D)	4,650	100	51	214	707	2,913	(D)
Australia	1,182	956	885	72	225	21	23	7	16	48	110	(*)
China	1,118	801	801	(*)	317	188	3	2	21	34	66	3
Hong Kong	519	(D)	393	(D)	(D)	10	2	7	20	38	(D)	(*)
India	199	116	116	0	83	16	(*)	(*)	4	8	55	(*)
Indonesia	82	42	42	0	40	13	(*)	(*)	16	11	(*)	0
Japan	8,706	3,884	3,663	221	4,821	2,581	58	22	38	410	1,703	9
Korea, Republic of	2,011	404	401	3	1,607	1,246	6	1	24	59	269	2
Malaysia	222	156	155	1	66	14	1	1	21	17	12	0
New Zealand	115	94	94	0	21	1	2	3	2	6	6	(*)
Philippines	129	81	81	0	48	14	(*)	1	16	13	3	(*)
Singapore	2,446	2,272	2,270	2	174	113	1	5	10	15	(D)	(D)
Taiwan	1,338	(D)	264	(D)	(D)	405	2	1	13	18	(D)	7
Thailand	161	103	103	(*)	57	24	(*)	2	6	17	7	1
Other	40	15	15	0	25	5	(*)	(*)	7	12	1	(*)
International organizations and unallocated	2,105	2,105	1,896	209	0	0	0	0	0	0	0	0
Addenda:												
European Union ¹	22,818	18,585	16,779	1,806	4,233	1,340	444	104	251	400	1,658	35

See the footnotes at the end of the table.

Table 4.3 Royalties and License Fees, 2005—Table Ends

[Millions of dollars]

	Payments											
	Total	Affiliated			Unaffiliated							
		Total	By U.S. parents to their foreign affiliates	By U.S. affiliates to their foreign parents	Total	Industrial processes	Books, records, and tapes	Broadcasting and recording of live events	Franchise fees	Trademarks	General use computer software	Other intangibles
All countries	24,501	20,360	3,155	17,205	4,141	2,747	235	183	(*)	244	667	65
Canada	816	591	157	434	225	149	31	4	(*)	7	27	6
Europe	13,730	10,572	1,618	8,954	3,158	2,087	178	147	(*)	152	586	8
Belgium-Luxembourg	238	(D)	(D)	121	(D)	21	1	(*)	0	(*)	(D)	(*)
France	2,307	1,269	207	1,062	1,038	524	10	(D)	0	19	(D)	(*)
Germany	2,477	2,202	80	2,122	275	218	10	12	0	17	18	(*)
Italy	94	59	34	25	34	4	5	7	0	19	1	(*)
Netherlands	1,830	(D)	(D)	1,019	(D)	142	3	4	(*)	4	(D)	(*)
Norway	165	(D)	3	(D)	(D)	7	(*)	(*)	0	(*)	(D)	(*)
Spain	78	(D)	(D)	33	(D)	(*)	5	3	0	(*)	(D)	(*)
Sweden	880	480	60	419	(D)	2	2	(*)	0	5	3	4
Switzerland	3,018	2,750	81	2,668	268	221	4	9	0	32	2	(*)
United Kingdom	1,567	974	212	762	593	287	131	63	(*)	41	67	4
Other	1,077	732	(D)	(D)	345	277	7	(D)	0	15	(D)	(*)
Latin America and Other Western Hemisphere	1,502	(D)	(D)	393	(D)	25	8	(D)	0	1	1	27
South and Central America	174	123	56	67	51	18	8	(D)	0	1	1	(D)
Argentina	12	11	11	(*)	2	1	1	1	0	(*)	(*)	0
Brazil	16	4	4	(*)	12	10	1	1	0	(*)	(*)	0
Chile	1	1	1	0	(*)	(*)	(*)	0	0	(*)	(*)	0
Mexico	137	104	37	67	33	7	4	(D)	0	(*)	(*)	(D)
Venezuela	4	2	2	0	3	(*)	1	0	0	(*)	(*)	2
Other	4	2	2	0	2	(*)	1	(*)	0	(*)	(*)	(*)
Other Western Hemisphere	1,328	(D)	(D)	326	(D)	7	1	1	0	(*)	(*)	(D)
Bermuda	1,268	(D)	(D)	292	(D)	0	0	0	0	(*)	(*)	(D)
Other	60	52	17	35	8	7	0	1	0	(*)	(*)	(*)
Africa	9	5	4	1	4	(*)	(*)	1	0	(*)	2	(*)
South Africa	3	2	2	0	1	1	0	1	0	0	0	(*)
Other	6	3	2	1	3	(*)	(*)	(*)	0	(*)	2	0
Middle East	111	(D)	(D)	(*)	(D)	52	1	1	0	(*)	14	(D)
Israel	90	(D)	(D)	(*)	(D)	47	1	0	0	(*)	(*)	(*)
Saudi Arabia	6	(*)	(*)	0	6	6	(*)	1	0	(*)	(*)	0
Other	15	(*)	(*)	0	14	(*)	(*)	1	0	(*)	(*)	(D)
Asia and Pacific	7,405	(D)	(D)	6,670	(D)	434	17	(D)	(*)	43	37	19
Australia	224	179	24	155	45	5	6	15	(*)	2	(D)	(D)
China	63	23	23	0	41	22	(*)	(D)	0	(*)	(*)	0
Hong Kong	43	(D)	26	(D)	(D)	1	1	3	0	3	1	(D)
India	15	7	6	1	8	2	2	2	0	4	4	0
Indonesia	1	1	0	0	(*)	(*)	(*)	0	0	0	0	0
Japan	6,956	6,512	28	6,484	444	385	9	(D)	0	35	3	(D)
Korea, Republic of	23	11	5	6	12	8	2	2	0	0	0	(*)
Malaysia	3	3	3	0	(*)	(*)	(*)	0	0	0	0	0
New Zealand	1	(*)	(*)	0	1	(*)	(*)	(*)	0	0	0	0
Philippines	11	11	9	2	(*)	(*)	(*)	0	0	0	0	0
Singapore	24	(D)	(D)	2	(D)	(D)	(*)	3	0	(*)	(*)	0
Taiwan	36	(D)	17	(D)	(D)	(D)	(*)	0	0	(*)	(*)	0
Thailand	2	1	1	0	1	(*)	(*)	0	(*)	0	0	0
Other	2	0	0	0	2	(*)	(*)	(*)	0	1	0	0
International organizations and unallocated	930	889	137	752	41	0	0	0	0	41	0	0
Addenda:												
European Union ¹	10,322	7,657	1,532	6,125	2,665	1,673	172	118	(*)	118	575	8

(*) Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. See table 2, footnote 1.

Table 5.1. Other Private Services, 2003

(Millions of dollars)

	Receipts							Payments						
	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services
Total	130,561	13,312	23,899	5,974	4,452	65,899	17,025	79,710	3,148	9,796	25,234	4,255	36,554	725
Affiliated.....	43,006		5,200	(²)	(³)	35,118	2,688	31,459		5,800	(²)	(³)	25,639	20
Unaffiliated	87,555	13,312	18,699	5,974	4,452	30,781	14,337	48,251	3,148	3,996	25,234	4,255	10,915	705
Unaffiliated by Country:														
Canada	7,271	649	1,118	775	673	3,245	811	4,331	61	183	498	379	3,008	202
Europe	32,135	2,069	8,143	3,126	1,427	12,339	5,031	22,419	1,922	2,435	12,404	1,097	4,364	197
Belgium-Luxembourg	1,194	21	546	67	45	376	138	335	20	58	95	30	125	7
France	3,092	168	776	144	106	1,375	523	1,449	199	187	592	120	331	20
Germany	3,976	216	550	656	185	1,367	1,002	4,333	79	217	3,380	119	509	30
Italy	1,950	76	662	39	96	598	478	733	278	98	34	126	168	29
Netherlands	1,610	39	512	55	147	715	142	632	27	138	166	80	214	7
Norway	394	34	118	32	23	136	51	128	4	26	7	22	68	1
Spain	1,372	111	296	35	50	389	491	572	289	82	18	35	137	10
Sweden	736	81	148	17	40	281	168	253	10	48	46	20	128	1
Switzerland	1,587	34	559	69	59	802	64	2,925	17	132	2,574	31	159	12
United Kingdom.....	(D)	204	3,182	1,675	442	4,010	(D)	8,161	755	1,128	4,134	234	1,849	62
Other	(D)	1,084	794	337	232	2,290	(D)	2,897	245	321	1,358	279	674	20
Latin America and Other Western Hemisphere	18,316	1,591	5,949	1,142	1,012	4,015	4,607	15,617	665	537	12,110	1,363	890	52
South and Central America	12,333	1,245	1,685	490	842	3,560	4,511	2,876	570	252	51	1,150	805	47
Argentina	644	84	152	28	33	283	64	148	25	8	11	13	90	2
Brazil	1,761	193	312	44	89	912	211	320	29	44	11	52	170	13
Chile	370	40	77	39	41	138	35	(D)	41	9	2	30	16	(D)
Mexico	6,187	295	447	189	340	1,059	3,857	1,140	220	74	5	538	287	16
Venezuela.....	635	123	203	21	23	187	78	55	3	1	4	19	24	4
Other	2,735	511	494	169	316	980	266	(D)	254	116	17	498	219	(D)
Other Western Hemisphere	5,984	346	4,264	652	171	455	96	12,742	95	285	12,059	213	85	5
Bermuda.....	2,040	16	1,483	442	14	86	0	10,201	3	105	10,034	42	15	3
Other	3,943	330	2,781	210	157	369	96	2,541	92	180	2,025	171	70	3
Africa	(D)	908	239	30	178	1,224	(D)	(D)	84	152	1	197	338	(D)
South Africa.....	469	52	58	9	63	192	95	166	32	27	0	17	88	3
Other	(D)	856	181	21	115	1,031	(D)	(D)	52	125	1	180	249	(D)
Middle East	(D)	483	440	52	183	1,751	(D)	(D)	20	71	5	152	334	(D)
Israel	(D)	80	105	32	68	261	(D)	(D)	19	13	1	35	90	(D)
Saudi Arabia.....	(D)	94	78	2	51	567	(D)	(D)	0	16	1	36	43	16
Other	1,635	309	257	18	63	924	64	341	1	42	2	82	201	13
Asia and Pacific	21,855	7,613	2,802	744	979	8,176	1,542	4,470	395	618	201	1,068	1,980	208
Australia	1,887	70	457	181	103	786	290	622	211	70	14	57	235	35
China	2,521	1,253	148	17	78	920	105	246	18	13	1	45	128	41
Hong Kong	922	156	254	39	68	350	54	278	2	60	3	44	146	23
India	2,078	1,443	57	7	90	452	29	643	3	23	1	191	423	2
Indonesia.....	653	202	70	9	16	325	31	113	0	8	1	28	72	4
Japan.....	5,449	996	757	320	133	2,592	651	998	53	169	150	108	470	49
Korea, Republic of.....	2,334	996	278	52	113	784	111	286	3	80	8	85	102	7
Malaysia	(D)	128	57	7	26	209	(D)	52	0	9	1	18	22	2
New Zealand	344	26	54	20	21	158	65	119	31	33	0	14	37	4
Philippines.....	399	69	48	4	106	146	26	(D)	0	19	7	154	44	(D)
Singapore.....	(D)	81	302	38	40	308	(D)	202	1	60	5	33	93	10
Taiwan	1,257	542	177	39	77	381	41	181	1	43	8	44	79	6
Thailand	470	193	42	8	17	182	28	76	4	15	1	28	23	5
Other	2,294	1,458	101	2	90	584	59	(D)	68	16	0	221	106	(D)
International organizations and unallocated	2,146	0	8	106	0	31	2,001	15	0	0	15	0	0	0
Addenda:														
European Union ⁴	27,023	994	7,214	2,944	1,228	10,154	4,490	18,490	1,768	2,114	9,804	865	3,772	167

^{*} Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

¹ See table 1, footnote 11.

² Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies, because the services are deemed to be provided to the policyholders who pay the insurance premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated trade in insurance services are included in affiliated "other business, professional, and technical services."

nical services."

³ Transactions in basic telecommunications services are deemed to be unaffiliated, even when the services flow through affiliated channels, because they represent the distribution of revenues collected from unaffiliated customers. Other types of telecommunications services, such as value-added services, may flow through either affiliated or unaffiliated channels. For the latter, unaffiliated telecommunications transactions are included under "telecommunications"; data on affiliated transactions are not separately available and are included in affiliated "other business, professional, and technical services."

⁴ See table 2, footnote 1.

Table 5.2. Other Private Services, 2004

(Millions of dollars)

	Receipts							Payments						
	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services
Total	144,654	13,643	30,085	6,838	4,463	72,102	17,523	90,390	3,556	11,509	29,038	4,542	40,778	967
Affiliated.....	45,175		4,900	(²)	(³)	37,579	2,696	33,915		6,200	(²)	(³)	27,700	15
Unaffiliated	99,479	13,643	25,185	6,838	4,463	34,523	14,827	56,475	3,556	5,309	29,038	4,542	13,078	952
Unaffiliated by Country:														
Canada	7,649	695	1,363	858	758	3,086	890	4,614	78	214	677	328	3,058	260
Europe	37,440	2,109	10,866	3,431	1,547	14,191	5,296	24,031	2,183	3,167	11,794	1,205	5,450	232
Belgium-Luxembourg	1,452	21	903	57	43	378	90	378	23	83	91	34	141	6
France	3,566	168	904	353	112	1,449	580	1,508	228	304	478	92	355	51
Germany	4,264	215	735	832	203	1,583	697	4,057	91	204	2,882	183	659	39
Italy	(D)	81	574	37	118	681	(D)	820	319	123	53	147	171	8
Netherlands	1,731	37	517	44	175	840	118	615	31	161	42	74	299	8
Norway	464	34	191	36	23	124	56	140	3	26	11	37	62	1
Spain	1,432	93	389	42	53	398	458	683	349	91	22	42	173	5
Sweden	865	79	200	18	31	386	150	402	15	55	85	12	233	1
Switzerland	1,555	29	575	67	110	733	40	3,569	3	203	3,104	39	208	12
United Kingdom	13,167	215	4,285	1,615	463	4,755	1,835	8,407	861	1,511	3,307	256	2,394	78
Other	(D)	1,136	1,593	330	215	2,907	(D)	3,453	261	406	1,719	290	755	22
Latin America and Other Western Hemisphere	21,378	1,655	8,283	1,454	862	4,316	4,808	20,257	744	619	16,315	1,382	1,136	61
South and Central America	12,720	1,290	1,836	475	717	3,694	4,709	3,228	621	324	72	1,192	975	44
Argentina	613	87	230	27	28	193	48	139	42	10	17	16	53	2
Brazil	1,786	186	559	56	106	700	180	420	60	60	13	85	192	11
Chile	423	38	90	56	38	162	38	118	49	13	2	30	23	2
Mexico	6,800	296	435	161	252	1,612	4,044	1,284	255	108	17	509	378	18
Venezuela	694	133	93	23	29	296	120	50	2	4	3	13	24	4
Other	2,405	549	429	152	265	731	280	1,219	214	129	22	539	307	8
Other Western Hemisphere	8,657	365	6,447	979	145	621	100	17,028	124	295	16,242	190	160	18
Bermuda	2,513	14	1,756	614	10	118	0	11,960	5	137	11,785	13	18	3
Other	6,145	351	4,691	365	135	504	100	5,067	119	158	4,457	177	142	15
Africa	(D)	909	279	41	164	1,540	(D)	(D)	96	185	21	203	498	(D)
South Africa	564	49	75	17	64	238	121	174	30	28	15	15	85	2
Other	(D)	860	204	24	101	1,302	(D)	66	157	8	188	413	(D)	
Middle East	(D)	450	764	64	189	2,140	(D)	(D)	8	97	12	189	633	(D)
Israel	(D)	83	170	46	67	277	(D)	1	17	2	33	186	(D)	
Saudi Arabia	(D)	84	110	2	37	566	(D)	129	2	23	1	52	38	13
Other	2,230	283	484	16	86	1,297	64	600	5	57	10	104	410	14
Asia and Pacific	24,031	7,826	3,605	921	941	9,204	1,534	5,578	446	1,027	215	1,231	2,304	355
Australia	1,995	69	539	213	80	768	326	838	208	100	42	46	233	209
China	2,965	1,273	157	38	95	1,278	124	274	27	21	1	61	155	9
Hong Kong	934	152	233	51	63	397	39	443	3	199	2	61	149	28
India	(D)	1,643	89	7	69	560	(D)	837	35	46	3	238	513	2
Indonesia	543	183	70	12	10	226	42	(D)	4	16	3	25	70	(D)
Japan	5,938	961	1,021	408	163	2,837	549	1,112	59	303	121	102	474	53
Korea, Republic of	2,618	1,082	401	60	115	859	101	310	23	94	11	75	101	6
Malaysia	419	134	61	14	29	167	15	60	3	15	2	15	23	2
New Zealand	367	25	57	18	27	158	83	146	35	16	1	29	63	2
Philippines	(D)	71	52	5	88	148	(D)	148	2	27	9	224	48	(D)
Singapore	(D)	82	351	35	37	431	(D)	221	2	85	4	27	92	10
Taiwan	1,391	540	259	50	61	442	39	378	11	61	10	90	199	7
Thailand	471	184	48	8	17	177	36	85	4	23	1	24	27	6
Other	2,609	1,428	267	3	88	756	67	439	30	21	2	214	157	14
International organizations and unallocated	2,057	0	25	69	0	49	1,914	10	0	4	3	3	0	
Addenda:														
European Union ⁴	31,936	1,289	9,525	3,254	1,328	11,734	4,806	19,677	2,123	2,798	8,671	976	4,903	207

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. See table 1, footnote 11.

2. Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies, because the services are deemed to be provided to the policyholders who pay the insurance premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated trade in insurance services are included in affiliated "other business, professional, and technical services."

nical services."

3. Transactions in basic telecommunications services are deemed to be unaffiliated, even when the services flow through affiliated channels, because they represent the distribution of revenues collected from unaffiliated customers. Other types of telecommunications services, such as value-added services, may flow through either affiliated or unaffiliated channels. For the latter, unaffiliated telecommunications transactions are included under "telecommunications"; data on affiliated transactions are not separately available and are included in affiliated "other business, professional, and technical services."

4. See table 2, footnote 1.

Table 5.3. Other Private Services, 2005

(Millions of dollars)

	Receipts							Payments						
	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services	Total	Education ¹	Financial services	Insurance	Telecommunications	Business, professional, and technical services	Other services
Total	158,223	14,123	34,081	6,831	4,724	80,761	17,703	98,714	4,029	12,349	28,482	4,658	47,696	1,502
Affiliated.....	49,389		4,800	(²)	(²)	41,270	3,319	38,989		5,800	(²)	(²)	33,180	9
Unaffiliated	108,834	14,123	29,281	6,831	4,724	39,491	14,384	59,725	4,029	6,549	28,482	4,658	14,516	1,493
Unaffiliated by Country:														
Canada	7,895	739	1,590	981	588	3,196	801	(D)	90	342	668	337	3,188	(D)
Europe	41,634	2,169	13,749	3,014	1,742	15,807	5,153	28,857	2,515	4,092	14,487	1,277	6,244	242
Belgium-Luxembourg	1,656	21	1,122	52	66	311	83	460	24	98	110	44	176	8
France	3,626	169	1,090	314	120	1,565	367	1,683	227	511	415	108	395	28
Germany	4,610	222	1,051	716	181	1,676	764	3,927	106	300	2,486	185	820	30
Italy	2,186	84	701	33	127	799	442	979	413	140	40	137	236	13
Netherlands	2,066	39	730	38	196	961	103	693	28	232	14	85	326	9
Norway	558	34	243	38	26	156	60	139	2	27	27	37	45	1
Spain	1,694	110	491	55	64	638	337	757	375	117	21	52	186	6
Sweden	(D)	97	219	9	41	375	(D)	430	16	81	158	17	157	1
Switzerland.....	1,867	25	671	87	161	886	37	5,547	2	195	5,033	51	254	12
United Kingdom.....	14,899	218	5,756	1,263	529	5,074	2,059	9,270	949	1,898	3,137	276	2,901	110
Other	(D)	1,149	1,675	410	231	3,366	(D)	4,971	374	493	3,047	284	748	25
Latin America and Other Western Hemisphere	22,641	1,699	8,442	1,389	878	5,478	4,754	17,381	845	733	13,058	1,407	1,275	63
South and Central America	13,842	1,357	1,897	453	747	4,727	4,661	3,533	680	402	47	1,229	1,134	41
Argentina.....	632	84	212	23	28	241	44	(D)	26	11	11	16	53	(D)
Brazil	1,866	181	431	58	104	901	191	458	29	85	13	103	215	13
Chile	497	83	98	47	27	201	41	127	50	11	2	14	48	2
Mexico	7,375	322	547	158	258	2,089	4,001	1,394	279	143	5	540	418	9
Venezuela.....	736	131	98	23	36	361	87	64	0	5	3	18	34	5
Other	2,737	556	511	146	294	934	296	(D)	296	147	13	538	367	(D)
Other Western Hemisphere	8,796	343	6,545	935	130	751	93	13,848	165	331	13,011	178	140	23
Bermuda.....	2,703	12	1,880	665	9	137	0	10,405	6	148	10,220	9	18	3
Other	6,093	331	4,665	270	121	614	93	3,441	158	183	2,789	169	122	20
Africa	4,043	953	375	40	219	2,225	232	(D)	100	219	26	209	505	(D)
South Africa.....	570	46	125	17	90	196	96	(D)	41	32	12	16	79	(D)
Other	3,473	907	250	23	129	2,029	136	890	59	187	14	193	426	11
Middle East	(D)	590	714	53	195	2,646	(D)	1,036	14	135	8	160	681	38
Israel	(D)	112	157	38	64	331	(D)	270	3	20	2	32	206	7
Saudi Arabia.....	(D)	103	158	2	42	650	(D)	140	3	54	2	49	17	15
Other	(D)	375	399	12	89	1,665	(D)	627	9	61	4	79	459	15
Asia and Pacific	(D)	7,974	4,395	1,255	1,101	10,089	(D)	6,343	464	1,028	227	1,268	2,619	736
Australia	2,190	71	734	200	114	785	286	1,241	121	121	26	63	248	563
China.....	3,927	1,539	349	35	117	1,707	180	381	81	24	1	64	198	14
Hong Kong	1,197	179	455	54	70	396	43	324	7	86	6	54	144	27
India	(D)	2,042	116	9	76	462	(D)	932	25	56	7	245	597	2
Indonesia.....	526	162	68	13	11	235	38	118	0	19	0	25	69	5
Japan.....	6,705	1,018	1,253	710	160	3,120	444	1,268	66	334	135	105	561	66
Korea, Republic of.....	2,894	1,308	344	74	150	930	88	359	18	125	15	74	120	8
Malaysia.....	(D)	128	70	14	34	233	(D)	70	0	20	10	10	28	2
New Zealand	372	23	64	20	28	170	68	160	30	8	0	37	73	12
Philippines.....	440	74	59	8	124	150	26	(D)	2	38	1	245	46	(D)
Singapore.....	1,066	94	347	42	55	493	35	325	4	69	6	30	208	8
Taiwan	1,587	641	302	56	59	499	29	269	4	66	10	96	86	7
Thailand	(D)	180	63	13	21	237	(D)	106	5	25	4	23	42	7
Other	1,470	516	171	10	81	673	19	(D)	2	37	6	196	200	(D)
International organizations and unallocated	2,089	0	16	101	(*)	46	1,926	15	0	0	10	0	4	0
Addenda:														
European Union ⁴	35,610	1,316	12,291	2,794	1,468	13,031	4,710	22,451	2,471	3,648	9,419	1,045	5,648	219

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. See table 1, footnote 11.

2. Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies, because the services are deemed to be provided to the policyholders who pay the insurance premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated trade in insurance services are included in affiliated "other business, professional, and technical services."

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3. Transactions in basic telecommunications services are deemed to be unaffiliated, even when the services flow through affiliated channels, because they represent the distribution of revenues collected from unaffiliated customers. Other types of telecommunications services, such as value-added services, may flow through either affiliated or unaffiliated channels. For the latter, unaffiliated telecommunications transactions are included under "telecommunications"; data on affiliated transactions are not separately available and are included in affiliated "other business, professional, and technical services."

4. See table 2, footnote 1.

Table 6.1. Insurance, 2003

[Millions of dollars]

	Insurance sold to foreigners						Insurance purchased from foreigners					
	Receipts for insurance services			Supplemental Detail			Payments for insurance services			Supplemental Detail		
	Total ¹	Reinsurance	Primary and other insurance	Premiums Received		Losses paid ²	Total ³	Reinsurance	Primary and other insurance	Premiums Paid		Losses recovered ⁴
				Reinsurance	Primary insurance					Reinsurance	Primary insurance	
All countries	5,974	4,381	1,593	13,879	2,313	11,573	25,234	21,076	4,158	51,075	3,881	33,778
Canada	775	519	256	1,645	442	1,300	498	297	201	719	214	630
Europe	3,126	2,403	721	7,614	813	6,681	12,404	9,770	2,634	23,677	2,407	18,491
Belgium-Luxembourg	67	61	5	193	11	196	95	90	6	217	4	190
France	144	119	25	377	38	220	592	414	178	1,004	173	765
Germany.....	656	569	88	1,802	110	1,809	3,380	3,175	205	7,693	27	4,620
Italy.....	39	31	7	99	12	76	34	32	2	78	(*)	-2
Netherlands.....	55	37	18	116	29	57	166	85	82	205	2	(D)
Norway.....	32	12	20	38	35	29	7	1	6	3	4	7
Spain.....	35	27	8	86	5	46	18	15	3	37	2	16
Sweden.....	17	12	5	39	6	35	46	39	7	95	7	118
Switzerland.....	69	52	17	165	13	50	2,574	2,516	58	6,096	57	7,491
United Kingdom.....	1,675	1,292	384	4,092	443	3,813	4,134	2,055	2,077	4,981	2,128	3,171
Other.....	337	192	145	607	111	351	1,358	1,347	11	3,265	5	(D)
Latin America and Other Western Hemisphere	1,142	881	261	2,790	445	2,198	12,110	10,809	1,300	26,195	1,255	14,223
South and Central America.....	490	366	124	1,159	237	690	51	13	39	31	7	47
Argentina.....	28	18	10	56	20	23	11	7	4	(D)	(*)	(D)
Brazil.....	44	24	20	76	40	79	11	1	10	3	(*)	17
Chile.....	39	28	12	87	23	49	2	0	2	1	(*)	(*)
Mexico.....	189	161	28	511	50	272	5	2	3	5	1	15
Venezuela.....	21	16	5	51	10	67	4	0	4	1	1	(*)
Other.....	169	119	49	378	93	201	17	2	15	(D)	4	(D)
Other Western Hemisphere.....	652	515	137	1,631	208	1,507	12,059	10,797	1,262	26,164	1,249	14,176
Bermuda.....	442	431	11	1,364	12	1,217	10,034	8,841	1,192	21,426	1,190	11,266
Other.....	210	84	126	267	196	290	2,025	1,955	70	4,738	59	2,911
Africa	30	22	9	68	17	64	1	0	1	-1	(*)	1
South Africa.....	9	6	3	20	5	26	0	0	0	(*)	(*)	(*)
Other.....	21	15	6	48	12	39	1	0	1	-1	(*)	1
Middle East	52	40	12	126	24	92	5	2	3	4	2	7
Israel.....	32	29	3	92	6	86	1	0	1	(*)	1	1
Saudi Arabia.....	2	2	1	5	1	1	1	1	0	2	0	3
Other.....	18	9	9	29	17	4	2	1	1	2	(*)	4
Asia and Pacific	744	500	244	1,585	393	1,153	201	184	18	445	3	414
Australia.....	181	86	95	272	132	487	14	13	1	32	(*)	48
China.....	17	11	6	35	8	1	1	0	1	1	(*)	-1
Hong Kong.....	39	14	26	(D)	(D)	48	3	2	1	4	(*)	-6
India.....	7	6	1	20	1	1	1	1	0	3	0	4
Indonesia.....	9	8	1	26	1	20	1	0	1	-1	1	(*)
Japan.....	320	272	47	863	63	376	150	147	3	355	1	312
Korea, Republic of.....	52	35	16	112	33	92	8	8	0	20	(*)	40
Malaysia.....	7	6	1	19	2	4	1	1	0	(D)	0	(D)
New Zealand.....	20	7	13	(D)	(D)	35	0	0	0	(*)	(*)	(*)
Philippines.....	4	3	1	8	2	1	7	7	0	(D)	(*)	(D)
Singapore.....	38	19	19	(D)	(D)	49	5	3	2	7	(*)	1
Taiwan.....	39	26	14	82	27	31	8	1	7	2	(*)	3
Thailand.....	8	4	4	14	7	6	1	1	0	2	(*)	1
Other.....	2	2	1	6	1	6	0	0	0	-1	(*)	1
International organizations and unallocated	106	17	90	53	180	85	15	15	0	36	0	12
Addenda:												
European Union ⁵	2,944	2,290	654	7,256	700	6,499	9,804	7,235	2,569	17,533	2,346	10,965

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. The \$5,974 million in receipts for insurance services in 2003 consisted of the share of premiums that represents charges for insurance services of \$3,794 million (total premiums were \$16,193 million and premiums for settlement of normal losses were \$12,399 million), auxiliary insurance services of \$440 million, and premium supplements of \$1,740 million. (See note below.)

2. The \$25,234 million in payments for insurance services in 2003 consisted of the share of premiums that represents charges for insurance services of \$18,661 million (total premiums were \$54,956 million and premiums for settlement of normal losses were \$36,295 million), auxiliary insurance services of \$524 million, and premium supplements of \$6,049 million. (See note below.)

3. The \$11,573 million in losses paid in 2003 consisted of \$10,621 million paid on reinsurance and \$952 million paid on primary insurance.

4. The \$33,778 million in losses recovered in 2003 consisted of \$33,702 million recovered on reinsurance and \$76

million recovered on primary insurance.

5. See table 2, footnote 1.

NOTE: Insurance services consist of: (1) A share of premiums (the remaining share is for settlement of "normal" losses, where normal losses are inferred from the relationship between actual losses and premiums, averaged over several years), (2) auxiliary insurance services, such as agents' commissions, actuarial services, brokering and agency services, and salvage administration services, and (3) premium supplements, representing income on funds held by insurance companies on which policyholders have a claim. This income is treated as accruing to the policyholders, who pay it back to insurers as premium supplements to cover part of the cost of insurance services. Differences between the portion of premiums allocated to loss settlement and the amount of losses actually incurred or recovered—sometimes termed "net insurance settlements"—are recorded in unilateral current transfers in the U.S. international transactions accounts. A positive (negative) amount for net insurance settlements would occur if losses paid are less (greater) than normal and/or if losses recovered are greater (less) than normal. In 2003, net insurance settlements were -\$1,692 million (losses paid were \$826 million less than normal and losses recovered were \$2,517 million less than normal).

Table 6.2. Insurance, 2004

[Millions of dollars]

	Insurance sold to foreigners						Insurance purchased from foreigners					
	Receipts for insurance services			Supplemental Detail			Payments for insurance services			Supplemental Detail		
	Total ¹	Reinsurance	Primary and other insurance	Premiums Received		Losses paid ²	Total ³	Reinsurance	Primary and other insurance	Premiums Paid		Losses recovered ⁴
				Reinsurance	Primary insurance					Reinsurance	Primary insurance	
All countries	6,838	4,604	2,233	16,197	2,756	10,843	29,038	25,498	3,538	62,154	3,106	32,150
Canada	858	604	254	2,125	429	1,530	677	359	318	874	282	618
Europe	3,431	2,338	1,093	8,225	997	5,989	11,794	9,662	2,131	23,551	1,807	15,570
Belgium-Luxembourg	57	50	8	174	14	166	91	85	6	206	4	109
France	353	231	122	812	23	721	478	357	120	870	74	922
Germany	832	692	140	2,433	99	1,653	2,882	2,613	270	6,368	37	4,255
Italy	37	23	14	81	22	86	53	52	1	126	(*)	65
Netherlands	44	24	20	85	25	38	42	42	0	102	(*)	6
Norway	36	9	27	31	43	19	11	2	9	(D)	(D)	(D)
Spain	42	32	10	112	10	77	22	19	3	(D)	1	(D)
Sweden	18	14	4	48	2	34	85	83	3	201	3	129
Switzerland	67	38	29	135	16	103	3,104	3,054	50	7,443	(D)	(D)
United Kingdom	1,615	1,038	577	3,652	609	2,570	3,307	1,654	1,653	4,032	1,627	2,027
Other	330	188	142	662	134	523	1,719	1,702	17	4,149	6	318
Latin America and Other Western Hemisphere	1,454	903	550	3,178	727	1,915	16,315	15,265	1,049	37,210	1,003	15,607
South and Central America	475	353	122	1,242	277	607	72	37	36	89	8	-9
Argentina	27	12	15	41	30	84	17	13	4	(D)	(*)	(D)
Brazil	56	25	30	89	60	34	13	5	8	11	(*)	-34
Chile	56	43	14	150	27	38	2	0	2	1	(*)	(*)
Mexico	161	139	22	490	48	227	17	12	4	29	4	2
Venezuela	23	16	8	55	17	27	3	-1	3	-2	1	(*)
Other	152	118	33	416	95	197	22	8	13	(D)	3	(D)
Other Western Hemisphere	979	550	429	1,936	450	1,308	16,242	15,228	1,015	37,120	996	15,616
Bermuda	614	446	168	1,569	228	736	11,785	10,852	933	26,453	933	12,578
Other	365	105	260	368	222	572	4,457	4,377	80	10,668	62	3,038
Africa	41	31	10	110	21	66	21	16	5	40	(*)	1
South Africa	17	16	1	56	4	26	15	14	1	(D)	(*)	(*)
Other	24	15	9	54	17	40	8	3	5	(D)	(*)	1
Middle East	64	42	22	148	30	87	12	10	2	24	(*)	30
Israel	46	32	15	112	15	65	2	0	2	(D)	(*)	(D)
Saudi Arabia	2	1	1	5	1	3	1	1	0	2	0	0
Other	16	9	7	30	14	19	10	9	1	(D)	(*)	(D)
Asia and Pacific	921	668	253	2,349	451	1,177	215	183	31	447	13	311
Australia	213	132	81	465	117	458	42	37	5	89	(*)	42
China	38	11	27	39	25	25	1	1	0	2	(*)	1
Hong Kong	51	17	34	(D)	(D)	71	2	0	2	0	(*)	(*)
India	7	5	2	18	4	8	3	2	1	5	(*)	2
Indonesia	12	9	3	30	6	18	3	2	1	5	1	(*)
Japan	408	376	32	1,323	55	363	121	115	7	281	4	245
Korea, Republic of	60	46	14	(D)	(D)	105	11	10	1	25	1	10
Malaysia	14	10	4	35	6	22	2	2	0	4	0	(*)
New Zealand	18	4	14	14	28	24	1	0	1	(*)	(*)	(*)
Philippines	5	3	2	11	4	8	9	9	0	(D)	0	8
Singapore	35	12	23	42	47	4	4	2	2	6	1	3
Taiwan	50	34	17	119	27	43	10	1	9	3	4	(*)
Thailand	8	5	3	(D)	(D)	21	1	1	0	3	0	(*)
Other	3	4	-1	13	11	7	2	1	2	(D)	1	(*)
International organizations and unallocated	69	18	51	63	103	79	4	3	1	8	0	14
Addenda:												
European Union ⁵	3,254	2,248	1,006	7,907	866	5,749	8,671	6,601	2,070	16,090	1,751	7,858

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. The \$6,838 million in receipts for insurance services in 2004 consisted of the share of premiums that represents charges for insurance services of \$4,079 million (total premiums were \$18,953 million and premiums for settlement of normal losses were \$14,874 million), auxiliary insurance services of \$840 million, and premium supplements of \$1,918 million. (See note below.)

2. The \$29,038 million in payments for insurance services in 2004 consisted of the share of premiums that represents charges for insurance services of \$21,582 million (total premiums were \$65,260 million and premiums for settlement of normal losses were \$43,679 million), auxiliary insurance services of \$629 million, and premium supplements of \$6,826 million. (See note below.)

3. The \$10,843 million in losses paid in 2004 consisted of \$9,583 million paid on reinsurance and \$1,259 million paid on primary insurance.

4. The \$32,150 million in losses recovered in 2004 consisted of \$31,939 million recovered on reinsurance and \$211

million recovered on primary insurance.

5. See table 2, footnote 1.

NOTE: Insurance services consist of: (1) A share of premiums (the remaining share is for settlement of "normal" losses, where normal losses are inferred from the relationship between actual losses and premiums, averaged over several years), (2) auxiliary insurance services, such as agents' commissions, actuarial services, brokering and agency services, and salvage administration services; and (3) premium supplements, representing income on funds held by insurance companies on which policyholders have a claim. This income is treated as accruing to the policyholders, who pay it back to insurers as premium supplements to cover part of the cost of insurance services. Differences between the portion of premiums allocated to loss settlement and the amount of losses actually incurred or recovered—sometimes termed net insurance settlements—are recorded in unilateral current transfers in the U.S. international transactions accounts. A positive (negative) amount for net insurance settlements would occur if losses paid are less (greater) than normal and/or if losses recovered are greater (less) than normal. In 2004, net insurance settlements were -\$7,496 million (losses paid were \$4,032 million less than normal and losses recovered were \$11,528 million less than normal).

Table 6.3. Insurance, 2005

[Millions of dollars]

	Insurance sold to foreigners						Insurance purchased from foreigners					
	Receipts for insurance services			Supplemental Detail			Payments for insurance services			Supplemental Detail		
	Total ¹	Reinsurance	Primary and other insurance	Premiums Received		Losses paid ²	Total ³	Reinsurance	Primary and other insurance	Premiums Paid		Losses recovered ⁴
				Reinsurance	Primary insurance					Reinsurance	Primary insurance	
All countries	6,831	4,367	2,465	15,303	3,105	14,625	28,482	25,262	3,222	61,088	2,909	43,867
Canada	981	528	452	1,850	791	1,080	668	307	361	(D)	(D)	815
Europe	3,014	1,997	1,015	6,999	989	8,967	14,487	12,684	1,805	30,673	1,659	19,330
Belgium-Luxembourg	52	47	6	164	12	138	110	103	8	248	7	71
France	314	211	103	738	44	916	415	286	129	691	95	899
Germany	716	591	126	2,070	94	3,104	2,486	2,414	72	5,838	42	3,981
Italy	33	16	16	57	27	37	40	37	3	89	1	45
Netherlands	38	17	21	59	28	42	14	12	1	30	(*)	11
Norway	38	16	22	55	37	45	27	0	27	(D)	(D)	(D)
Spain	55	29	25	103	41	105	21	19	2	(D)	1	(D)
Sweden	9	5	5	17	3	36	158	156	2	376	1	253
Switzerland	87	49	37	173	12	113	5,033	4,986	47	12,058	(D)	(D)
United Kingdom	1,263	812	450	2,847	575	4,040	3,137	1,632	1,505	3,947	1,441	5,647
Other	410	204	206	715	118	391	3,047	3,039	10	7,349	4	-400
Latin America and Other Western Hemisphere	1,389	812	577	2,845	629	2,924	13,058	12,048	1,012	29,134	920	23,316
South and Central America	453	311	148	1,116	291	1,064	47	6	45	15	6	33
Argentina	23	13	9	47	18	102	11	8	3	(D)	(*)	(D)
Brazil	58	21	37	73	71	50	13	-1	14	-3	(*)	11
Chile	47	36	10	127	20	54	2	0	2	(*)	(*)	(*)
Mexico	158	130	28	455	52	638	5	-2	7	-4	4	(*)
Venezuela	23	13	10	45	19	30	3	0	3	-1	(*)	1
Other	146	97	54	369	111	189	13	1	15	(D)	2	(D)
Other Western Hemisphere	935	501	429	1,728	338	1,860	13,011	12,042	967	29,119	914	23,283
Bermuda	665	406	260	1,422	190	1,525	10,220	9,357	864	22,626	833	19,935
Other	270	95	169	306	148	335	2,789	2,685	104	6,493	81	3,348
Africa	40	29	11	101	23	65	26	21	6	(D)	2	(D)
South Africa	17	16	2	57	4	7	12	11	1	26	(*)	(*)
Other	23	13	10	45	19	57	14	10	5	(D)	2	(D)
Middle East	53	33	20	117	25	59	8	4	3	(D)	1	(D)
Israel	38	23	15	(D)	(D)	45	2	0	2	(*)	(*)	2
Saudi Arabia	2	2	1	6	1	4	2	2	0	5	0	(*)
Other	12	8	4	(D)	(D)	11	4	2	2	(D)	1	(D)
Asia and Pacific	1,255	956	299	3,349	486	1,493	227	194	33	(D)	(D)	331
Australia	200	114	86	400	123	431	26	24	2	(D)	(D)	39
China	35	12	23	43	24	23	1	1	0	(D)	(*)	(D)
Hong Kong	54	18	34	64	64	73	6	2	4	5	1	11
India	9	7	2	24	4	4	7	2	5	6	(*)	4
Indonesia	13	7	5	(D)	(D)	-21	0	0	0	(*)	0	0
Japan	710	671	39	2,352	68	599	135	129	7	311	4	189
Korea, Republic of	74	59	14	207	26	161	15	14	0	35	(*)	34
Malaysia	14	8	6	29	9	14	10	10	0	(D)	0	(D)
New Zealand	20	5	14	18	26	28	0	0	0	0	(*)	(*)
Philippines	8	3	5	9	10	12	1	0	1	(*)	(*)	1
Singapore	42	9	36	30	61	32	6	5	1	12	(*)	5
Taiwan	56	29	27	102	46	53	10	1	9	3	5	4
Thailand	13	10	3	(D)	(D)	9	4	4	0	10	0	1
Other	10	3	6	9	11	39	6	2	4	4	(*)	2
International organizations and unallocated	101	12	87	42	158	36	10	3	7	8	0	15
Addenda:												
European Union ⁵	2,794	1,856	936	6,504	903	8,771	9,419	7,690	1,729	18,597	1,592	10,653

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. The \$6,831 million in receipts for insurance services in 2005 consisted of the share of premiums that represents charges for insurance services of \$4,421 million (total premiums were \$18,409 million and premiums for settlement of normal losses were \$13,987 million), auxiliary insurance services of \$854 million, and premium supplements of \$1,556 million. (See note below.)

2. The \$28,482 million in payments for insurance services in 2005 consisted of the share of premiums that represents charges for insurance services of \$22,344 million (total premiums were \$63,997 million and premiums for settlement of normal losses were \$41,653 million), auxiliary insurance services of \$464 million, and premium supplements of \$5,676 million. (See note below.)

3. The \$14,625 million in losses paid in 2005 consisted of \$13,673 million paid on reinsurance and \$951 million paid on primary insurance.

4. The \$43,867 million in losses recovered in 2005 consisted of \$43,434 million recovered on reinsurance and \$433

million recovered on primary insurance.

5. See table 2, footnote 1.

NOTE: Insurance services consist of: (1) A share of premiums (the remaining share is for settlement of "normal" losses, where normal losses are inferred from the relationship between actual losses and premiums, averaged over several years), (2) auxiliary insurance services, such as agents' commissions, actuarial services, brokering and agency services, and salvage administration services, and (3) premium supplements, representing income on funds held by insurance companies on which policyholders have a claim. This income is treated as accruing to the policyholders, who pay it back to insurers as premium supplements to cover part of the cost of insurance services. Differences between the portion of premiums allocated to loss settlement and the amount of losses actually incurred or recovered—sometimes termed "net insurance settlements"—are recorded in unilateral current transfers in the U.S. international transactions accounts. A positive (negative) amount for net insurance settlements would occur if losses paid are less (greater) than normal and/or if losses recovered are greater (less) than normal. In 2005, net insurance settlements were \$1,576 million (losses paid were \$637 million greater than normal and losses recovered were \$2,213 million greater than normal).

Table 7.1. Business, Professional, and Technical Services, 2003—Continues

(Millions of dollars)

	Receipts												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	65,899	517	8,453	3,334	2,919	9,376	4,226	3,377	2,564	877	4,995	8,062	23,451
Affiliated.....	35,118	(²)	2,200	(²)	(²)	8,200	2,800	(²)	(²)	(²)	(²)	2,593	(²) 19,325
Unaffiliated	30,781	517	6,253	3,334	2,919	1,176	1,426	3,377	2,564	877	4,995	5,469	(²) 4,126
Unaffiliated by Country:													
Canada	3,245	91	1,145	751	394	139	68	344	92	39	363	473	491
Europe	12,339	227	3,091	1,763	1,328	630	562	1,734	705	185	1,753	2,354	1,097
Belgium-Luxembourg	376	5	76	44	33	15	11	54	(D)	20	108	29	(D)
France	1,375	21	227	134	93	46	17	238	33	7	221	427	137
Germany	1,367	32	301	154	147	148	43	271	38	18	245	172	100
Italy	598	23	256	33	223	11	11	49	7	(D)	76	110	(D)
Netherlands	715	6	211	152	59	14	17	92	7	5	153	156	52
Norway	136	1	24	14	10	3	1	17	2	4	28	40	18
Spain	389	17	53	27	25	9	9	38	56	(D)	51	114	(D)
Sweden	281	3	58	31	28	18	8	60	(D)	9	46	11	(D)
Switzerland	802	19	145	62	82	117	23	182	9	7	96	116	89
United Kingdom	4,010	78	1,456	1,009	448	185	95	601	73	36	516	641	328
Other	2,290	23	283	104	180	63	326	133	398	47	215	539	262
Latin America and Other Western Hemisphere	4,015	91	532	175	357	41	190	216	432	104	412	812	1,183
South and Central America	3,560	68	480	142	337	33	161	143	392	84	384	702	1,114
Argentina	283	6	38	11	27	3	3	14	44	7	25	18	124
Brazil	912	16	142	44	98	5	6	24	(D)	10	68	265	(D)
Chile	138	2	23	8	5	(*)	2	6	6	5	15	62	17
Mexico	1,059	35	174	45	129	16	23	50	33	(D)	226	244	(D)
Venezuela	187	3	31	9	22	2	11	16	26	6	5	9	79
Other	980	5	71	25	46	7	117	33	(D)	(D)	46	103	523
Other Western Hemisphere	455	24	53	33	20	8	29	73	41	20	28	111	69
Bermuda	86	(D)	12	5	7	6	3	38	1	(*)	4	(*)	(D)
Other	369	(D)	41	28	13	2	26	36	40	20	24	110	(D)
Africa	1,224	3	146	55	91	10	169	27	178	29	107	170	386
South Africa	192	1	88	33	(D)	2	22	10	5	(*)	19	(D)	27
Other	1,031	2	57	21	(D)	8	146	18	172	29	88	(D)	359
Middle East	1,751	6	235	78	157	35	166	84	321	153	319	212	222
Israel	261	4	49	25	24	16	20	48	6	4	38	12	64
Saudi Arabia	567	(*)	97	32	(D)	1	16	20	50	(D)	232	0	78
Other	924	2	89	21	(D)	18	130	15	265	(D)	49	200	80
Asia and Pacific	8,176	98	1,104	513	591	313	270	972	835	367	2,042	1,448	726
Australia	786	12	260	112	148	12	20	71	7	10	225	104	64
China	920	6	36	12	24	14	9	44	188	(D)	157	385	(D)
Hong Kong	350	13	44	16	28	2	10	61	14	(D)	79	85	(D)
India	452	3	141	97	44	6	13	12	8	(D)	23	48	(D)
Indonesia	325	2	18	12	6	(*)	48	1	63	(D)	20	119	(D)
Japan	2,592	36	369	146	223	234	54	631	70	87	846	102	163
Korea, Republic of	784	10	33	12	21	25	7	63	190	67	215	142	33
Malaysia	209	1	23	17	6	2	2	4	2	(D)	82	49	(D)
New Zealand	158	1	21	6	15	(*)	1	3	(*)	(*)	29	91	12
Philippines	146	1	8	5	4	1	28	6	26	1	35	18	21
Singapore	308	4	56	29	26	3	3	11	5	2	149	(D)	(D)
Taiwan	381	3	33	14	19	10	1	53	77	(D)	97	58	19
Thailand	182	1	22	15	7	2	8	1	(D)	(D)	63	5	16
Other	584	6	40	19	20	1	66	10	(D)	(D)	22	(D)	97
International organizations and unallocated	31	0	0	0	0	8	2	0	0	0	0	0	22
Addenda:													
European Union ⁶	10,154	191	2,842	1,642	1,200	482	329	1,465	410	148	1,530	1,891	867

See the footnotes at the end of the table.

Table 7.1. Business, Professional, and Technical Services, 2003—Table Ends

[Millions of dollars]

	Payments												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	36,554	864	5,386	1,679	207	4,410	3,957	874	303	176	670	841	19,072
Affiliated.....	25,639	(²)	3,500	(²)	(²)	3,100	2,800	(²)	(²)	(²)	(²)	683	(²) 15,556
Unaffiliated	10,915	864	1,886	1,679	207	1,310	1,157	874	303	176	670	158	(²) 3,516
Unaffiliated by Country:													
Canada	3,008	89	1,110	1,096	14	188	292	62	168	31	205	14	848
Europe	4,364	414	342	174	168	798	412	498	67	104	261	59	1,408
Belgium-Luxembourg	125	7	12	9	2	22	14	20	1	(²)	2	(D)	(D)
France	331	33	76	(D)	(D)	45	16	28	(²)	14	12	7	100
Germany	509	63	34	24	9	126	33	79	3	9	20	7	133
Italy	168	27	1	(²)	(²)	14	20	12	4	2	3	4	81
Netherlands	214	19	16	4	13	28	21	10	7	4	15	2	90
Norway	68	3	3	2	(²)	9	3	5	4	1	5	(²)	35
Spain	137	29	48	4	44	3	4	12	(²)	1	6	3	30
Sweden	128	5	1	1	(²)	20	19	10	4	(D)	38	1	(D)
Switzerland	159	14	26	6	19	48	15	12	2	(²)	1	1	39
United Kingdom	1,849	176	108	79	29	377	175	259	21	54	127	9	543
Other	674	37	20	(D)	(D)	104	91	50	21	(D)	29	(D)	302
Latin America and Other Western Hemisphere	890	105	13	11	2	93	155	94	13	11	59	10	338
South and Central America	805	103	11	9	1	90	120	86	13	11	57	9	306
Argentina	90	7	(²)	(²)	(²)	18	2	10	1	(²)	0	(²)	52
Brazil	170	32	5	5	(²)	31	13	17	1	4	31	2	32
Chile	16	2	1	1	1	3	2	3	(²)	0	(²)	0	4
Mexico	287	48	4	4	(²)	23	49	32	(D)	(D)	6	6	102
Venezuela	24	2	(²)	(²)	(²)	(²)	4	3	(²)	(²)	1	(²)	12
Other	219	12	(²)	(²)	(²)	13	50	20	(D)	(D)	(D)	(²)	103
Other Western Hemisphere	85	3	2	2	2	3	35	8	1	0	1	(²)	32
Bermuda	15	(²)	1	1	(²)	(²)	(D)	3	0	0	(²)	0	(D)
Other	70	3	1	1	(²)	1	(D)	5	1	0	1	(²)	(D)
Africa	338	6	6	6	(²)	57	57	10	(D)	0	(D)	2	188
South Africa	88	5	5	5	(²)	7	7	3	(²)	0	9	(²)	51
Other	249	(²)	1	1	(²)	49	49	7	(D)	0	(D)	2	137
Middle East	334	4	6	6	(²)	16	62	12	(D)	15	(D)	1	196
Israel	90	2	5	5	(²)	14	9	5	6	(D)	(D)	(²)	30
Saudi Arabia	43	(²)	(²)	(²)	0	1	3	3	(²)	(²)	1	(²)	35
Other	201	1	(²)	(²)	(²)	2	49	5	(D)	(D)	6	(²)	131
Asia and Pacific	1,980	246	408	386	22	159	179	197	42	16	125	72	537
Australia	235	33	3	3	(²)	21	16	33	(²)	(²)	8	(D)	(D)
China	128	9	5	5	1	6	6	21	2	3	14	0	61
Hong Kong	146	11	(D)	(D)	1	14	13	18	1	4	(D)	4	58
India	423	3	340	334	6	18	22	4	3	4	3	0	26
Indonesia	72	1	1	1	(²)	(D)	(D)	3	1	0	5	5	23
Japan	470	147	14	4	10	32	29	71	10	1	20	(D)	(D)
Korea, Republic of	102	11	1	1	1	4	5	19	16	7	7	7	33
Malaysia	22	1	5	5	(²)	(²)	7	1	(²)	(²)	4	(²)	4
New Zealand	37	4	(²)	(²)	(²)	7	3	2	(²)	0	1	(²)	20
Philippines	44	2	8	8	(²)	1	20	3	1	(²)	0	(²)	10
Singapore	93	5	5	2	3	16	9	4	(²)	1	26	(²)	27
Taiwan	79	9	(D)	(D)	(²)	15	2	11	1	(²)	17	0	13
Thailand	23	2	(²)	(²)	(²)	4	(²)	4	(²)	(²)	(²)	(²)	12
Other	106	8	3	3	(²)	(D)	(D)	3	7	0	(D)	1	49
International organizations and unallocated	0	0	0	0	0	0	0	0	0	0	0	0	0
Addenda:													
European Union ⁶	3,772	381	310	161	149	696	322	453	41	100	252	58	1,160

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Receipts for construction, architectural, and engineering services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2003, total net receipts of \$2,564 million were derived as gross operating revenues of \$5,446 million less merchandise exports of \$430 million and foreign expenses of \$2,452 million. The components of the total are as follows: Construction services - net receipts of \$557 million were derived as gross operating revenues of \$2,425 million less merchandise exports of \$293 million and foreign expenses of \$1,575 million. Architectural, engineering, and other technical services - net receipts of \$2,006 million were derived as gross operating revenues of \$3,021 million less merchandise exports of \$137 million and foreign expenses of \$877 million. Payments for construction, architectural, and engineering services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

2. Data for this type of affiliated services are not separately available. However, these data are included in "other" affiliated services and in total affiliated services.

3. Data for this type of affiliated services are not separately available. However, these data are included in total computer and information services and in total affiliated services.

4. Consists of affiliated services except for the following services that are shown in the adjacent columns: computer and information services; research, development and testing services; management, consulting, and public relations services; and operational leasing services.

5. Consists of accounting, auditing, and bookkeeping services; agricultural, mining, and on-site processing services; medical services; miscellaneous disbursements (see footnote 6 table 1); sports and performing arts; trade-related services (see footnote 7 table 1); training services; and other business, professional, and technical services (see footnote 8 table 1). Receipts for mining services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2003, mining services net receipts of \$86 million were derived as gross operating revenues of \$303 million less merchandise exports of \$14 million and foreign expenses of \$203 million. Payments for mining services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

6. See table 2, footnote 1.

Table 7.2. Business, Professional, and Technical Services, 2004—Continues

[Millions of dollars]

	Receipts												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	72,102	550	8,938	3,792	3,047	8,760	5,160	3,987	3,466	837	5,072	8,534	26,802
Affiliated.....	37,579	(²)	2,100	(²)	(²)	7,500	3,200	(²)	(²)	(²)	(²)	2,979	(²) 21,800
Unaffiliated	34,523	550	6,838	3,792	3,047	1,260	1,960	3,987	3,466	837	5,072	5,555	(²) 5,002
Unaffiliated by Country:													
Canada	3,086	87	842	481	360	126	101	349	166	49	275	442	651
Europe	14,191	244	3,721	2,205	1,516	655	754	2,033	1,184	229	1,656	2,477	1,238
Belgium-Luxembourg	338	4	70	39	31	20	22	69	24	(D)	66	27	(D)
France	1,449	34	247	153	94	58	47	284	70	16	179	402	112
Germany	1,583	30	346	167	179	135	61	319	92	47	314	115	124
Italy	681	25	275	46	230	9	28	56	19	(D)	107	103	(D)
Netherlands	840	19	199	140	59	19	65	125	24	14	102	187	85
Norway	124	2	25	14	11	4	16	(D)	(D)	3	9	26	(D)
Spain	398	7	59	21	38	11	7	31	60	(D)	22	146	(D)
Sweden	386	3	70	41	30	18	31	54	(D)	4	19	54	(D)
Switzerland	733	14	170	88	83	136	31	169	17	(D)	24	89	(D)
United Kingdom	4,755	79	1,944	1,363	581	192	149	722	114	39	472	658	387
Other	2,907	27	316	134	182	54	307	189	639	48	343	669	315
Latin America and Other Western Hemisphere	4,316	88	629	263	366	55	199	268	351	118	531	757	1,318
South and Central America	3,694	78	541	197	344	55	162	156	228	94	497	660	1,223
Argentina	193	9	36	9	27	9	4	13	19	6	46	19	32
Brazil	700	19	148	49	99	(D)	6	38	-26	(D)	154	275	60
Chile	162	2	27	10	17	(*)	3	6	17	(D)	23	56	(D)
Mexico	1,612	35	187	66	121	17	20	52	100	23	176	234	769
Venezuela	296	5	51	23	28	(D)	7	13	61	(D)	45	2	(D)
Other	731	8	92	40	53	9	124	35	56	13	53	74	267
Other Western Hemisphere	621	9	88	66	22	1	36	112	124	24	35	98	95
Bermuda	118	4	15	10	5	(*)	5	72	1	(*)	(*)	4	16
Other	504	5	73	56	17	1	31	40	123	24	34	94	79
Africa	1,540	7	216	118	98	10	198	147	191	(D)	79	192	(D)
South Africa	238	4	108	49	58	3	15	(D)	7	5	24	(D)	24
Other	1,302	3	109	68	40	7	183	(D)	184	(D)	55	(D)	458
Middle East	2,140	16	259	87	172	65	285	95	335	(D)	335	226	(D)
Israel	277	6	46	22	24	13	25	59	18	2	48	10	49
Saudi Arabia	566	(*)	111	39	72	2	7	20	101	25	218	0	82
Other	1,297	10	103	27	76	50	252	16	216	(D)	68	216	(D)
Asia and Pacific	9,204	109	1,171	637	533	330	422	1,096	1,238	325	2,195	1,461	858
Australia	768	6	302	157	145	13	30	75	1	23	128	108	81
China	1,278	6	51	31	20	15	53	62	353	30	195	435	79
Hong Kong	397	13	49	23	26	1	18	68	28	(D)	54	95	(D)
India	560	5	94	53	41	17	23	17	146	(D)	54	(D)	142
Indonesia	226	1	24	11	13	1	31	6	18	9	12	85	39
Japan	2,837	30	393	209	184	228	70	665	76	140	1,012	85	139
Korea, Republic of	859	17	55	39	16	31	10	92	201	(D)	189	157	(D)
Malaysia	167	5	24	18	5	1	2	4	16	5	74	25	11
New Zealand	158	1	27	10	17	1	1	4	1	(*)	31	(D)	(D)
Philippines	148	1	12	8	4	1	33	7	6	3	41	21	23
Singapore	431	13	52	28	23	5	14	17	17	9	197	38	68
Taiwan	442	5	28	14	13	11	2	73	81	(D)	101	100	(D)
Thailand	177	5	30	23	7	3	12	1	23	5	70	10	16
Other	756	1	31	12	19	1	123	5	271	1	38	178	107
International organizations and unallocated	49	0	0	0	0	21	2	(*)	0	0	0	0	27
Addenda:													
European Union ⁶	11,734	221	3,446	2,045	1,402	498	500	1,777	607	194	1,477	2,062	952

See the footnotes at the end of the table.

Table 7.2. Business, Professional, and Technical Services, 2004—Table Ends

[Millions of dollars]

	Payments												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	40,778	955	6,683	1,809	274	4,993	4,944	858	519	158	708	1,175	19,791
Affiliated.....	27,700	(²)	4,600	(²)	(²)	3,100	3,300	(²)	(²)	(²)	(²)	999	(²) 15,701
Unaffiliated	13,078	955	2,083	1,809	274	1,893	1,644	858	519	158	708	176	(²) 4,090
Unaffiliated by Country:													
Canada	3,058	97	1,252	1,232	20	179	362	66	119	17	197	23	745
Europe	5,450	460	436	238	198	1,308	646	501	177	102	290	34	1,496
Belgium-Luxembourg	141	6	8	7	1	25	18	18	5	2	7	(²)	51
France	355	31	67	13	54	47	22	29	4	13	24	3	115
Germany	659	57	63	51	12	157	106	77	7	14	23	1	154
Italy	171	23	3	3	(²)	31	20	12	5	1	7	(²)	70
Netherlands	299	20	23	6	17	75	35	13	(²)	3	9	(²)	120
Norway	62	6	(²)	(²)	(²)	11	2	5	2	(²)	25	1	8
Spain	173	34	48	4	44	5	6	9	4	7	8	(²)	53
Sweden	233	9	1	1	(²)	35	(D)	10	75	11	23	1	(D)
Switzerland.....	208	21	31	12	18	55	22	14	4	(²)	2	(²)	59
United Kingdom.....	2,394	213	134	84	50	744	239	259	35	40	142	8	581
Other	755	40	58	57	1	122	(D)	54	37	10	19	20	(D)
Latin America and Other Western Hemisphere	1,136	139	8	7	1	93	219	89	61	9	56	(D)	(D)
South and Central America	975	138	7	6	(²)	84	171	76	58	9	55	(D)	(D)
Argentina.....	53	7	(²)	(²)	(²)	10	4	21	1	(²)	(²)	(²)	11
Brazil	192	42	3	3	(²)	25	25	14	3	0	(D)	(D)	(D)
Chile	23	6	1	1	(²)	3	1	3	(²)	0	1	(²)	7
Mexico	378	70	3	2	(²)	30	85	19	30	8	20	9	105
Venezuela.....	24	2	(²)	(²)	(²)	5	3	3	3	1	1	(²)	9
Other	307	11	(²)	(²)	(²)	16	50	17	20	(²)	(D)	(²)	(D)
Other Western Hemisphere	160	1	2	1	1	9	48	13	3	(²)	(²)	(²)	85
Bermuda.....	18	(²)	1	1	(²)	(²)	8	5	0	(²)	(²)	0	4
Other	142	1	1	1	(²)	9	40	7	3	0	(²)	(²)	80
Africa	498	12	2	1	1	79	76	6	13	(²)	14	1	296
South Africa.....	85	11	1	(²)	(²)	7	7	3	(²)	0	11	(²)	46
Other	413	1	1	1	(²)	72	69	3	12	(²)	3	1	249
Middle East	633	13	16	15	2	13	116	15	73	17	10	1	361
Israel	186	3	10	10	(²)	11	10	6	(D)	(D)	4	0	121
Saudi Arabia.....	38	(²)	4	3	2	(²)	2	3	(D)	(D)	1	0	(D)
Other	410	9	2	2	(²)	2	104	5	(D)	(D)	5	1	(D)
Asia and Pacific	2,304	233	368	316	52	221	225	181	76	13	142	(D)	(D)
Australia	233	49	9	3	6	26	18	29	1	2	7	12	80
China	155	18	7	6	1	18	8	18	4	2	17	(²)	62
Hong Kong	149	7	2	2	(²)	16	15	19	1	(²)	7	4	77
India	513	3	287	277	10	48	29	5	43	6	2	(D)	(D)
Indonesia.....	70	2	(²)	(²)	(²)	7	14	2	4	0	10	(²)	31
Japan.....	474	104	21	9	12	38	42	66	7	1	32	(D)	(D)
Korea, Republic of.....	101	14	6	(²)	6	9	7	15	9	(²)	10	(²)	30
Malaysia	23	2	1	1	(²)	1	9	1	(²)	0	6	(²)	3
New Zealand	63	5	4	4	(²)	9	2	2	(²)	0	6	(²)	34
Philippines.....	48	2	16	4	12	1	15	2	(²)	(²)	1	0	13
Singapore.....	92	5	5	1	4	9	9	3	2	1	22	(²)	36
Taiwan	199	17	5	5	(²)	(D)	9	13	1	(²)	19	0	(D)
Thailand	27	2	(²)	(²)	(²)	5	1	3	(²)	(²)	(²)	0	16
Other	157	4	4	4	(²)	(D)	46	3	5	(²)	4	1	(D)
International organizations and unallocated	3	0	0	0	0	0	0	0	0	0	0	0	3
Addenda:													
European Union ⁶	4,903	426	398	219	179	1,201	526	459	156	96	260	33	1,349

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Receipts for construction, architectural, and engineering services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2004, total receipts were \$3,466 million for construction, architectural, and engineering services. The components of the total are as follows: Construction services - receipts of \$345 million were derived as gross operating revenues of \$2,327 million less merchandise exports of \$308 million and foreign expenses of \$1,674 million. Architectural and engineering services - receipts of \$3,121 million were derived as gross operating revenues of \$4,681 million less a BEA estimate of \$1,560 million for merchandise exports and foreign expenses. Payments for construction, architectural, and engineering services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

2. Data for this type of affiliated services are not separately available. However, these data are included in "other" affiliated services and in total affiliated services.

3. Data for this type of affiliated services are not separately available. However, these data are included in total computer and information services and in total affiliated services.

4. Consists of affiliated services except for the following services that are shown in the adjacent columns: computer and information services; research, development and testing services; management, consulting, and public relations services; and operational leasing services.

5. See table 7.1, footnote 5. In 2004, mining services receipts were \$133 million. Receipts and payments for mining services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

6. See table 2, footnote 1.

Table 7.3. Business, Professional, and Technical Services, 2005—Continues

(Millions of dollars)

	Receipts												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	80,761	606	8,239	3,527	2,512	10,095	6,419	4,306	4,080	2,327	5,852	9,393	29,442
Affiliated.....	41,270	(²)	2,200	(²)	(²)	8,800	4,200	(²)	(²)	(²)	(²)	3,200	(²) 22,870
Unaffiliated	39,491	606	6,039	3,527	2,512	1,295	2,219	4,306	4,080	2,327	5,852	6,193	(²) 6,572
Unaffiliated by Country:													
Canada	3,196	88	664	368	296	106	107	374	291	178	318	437	633
Europe	15,807	254	3,534	2,202	1,332	693	758	2,252	1,022	776	2,054	2,893	1,571
Belgium-Luxembourg.....	311	4	50	30	20	18	19	71	16	7	69	36	21
France	1,565	40	218	124	94	48	59	325	69	(D)	228	437	(D)
Germany	1,676	28	359	161	197	141	62	380	126	43	269	147	122
Italy	799	28	141	44	97	8	32	79	12	(D)	147	151	(D)
Netherlands.....	961	9	160	115	45	23	87	128	12	(D)	192	226	(D)
Norway	156	1	33	22	11	3	4	18	(D)	(D)	23	28	21
Spain	638	9	66	39	27	9	7	46	52	(D)	52	214	(D)
Sweden	375	12	78	46	32	17	32	45	(D)	6	46	65	(D)
Switzerland.....	886	19	178	80	98	142	38	195	21	(D)	63	96	(D)
United Kingdom.....	5,074	80	1,953	1,358	595	235	190	759	109	119	555	693	381
Other	3,366	25	297	182	115	50	227	205	553	245	409	800	556
Latin America and Other Western Hemisphere	5,478	112	518	209	308	57	264	314	780	318	565	860	1,691
South and Central America.....	4,727	103	461	175	286	55	231	162	599	287	529	738	1,562
Argentina.....	241	11	38	14	23	26	4	9	17	27	37	34	38
Brazil	901	29	136	48	87	4	12	43	73	48	171	305	80
Chile	201	2	22	6	17	1	4	4	33	(D)	(D)	62	(D)
Mexico	2,089	43	141	55	85	16	42	57	322	(D)	151	231	(D)
Venezuela.....	361	9	37	17	20	1	11	16	54	(D)	(D)	6	109
Other	934	10	88	34	54	7	157	33	100	18	54	101	366
Other Western Hemisphere	751	9	56	34	22	2	33	152	181	30	36	122	130
Bermuda.....	137	3	11	5	6	(*)	3	101	1	(*)	(*)	(*)	17
Other	614	7	45	29	17	2	29	51	180	30	36	122	112
Africa	2,225	9	98	81	17	11	229	35	82	(D)	216	169	(D)
South Africa.....	196	5	61	52	9	3	16	15	15	3	25	(D)	(D)
Other	2,029	4	37	29	8	8	214	20	67	(D)	191	(D)	1,302
Middle East	2,646	17	180	85	95	99	378	111	562	(D)	356	299	(D)
Israel	331	4	45	11	33	16	27	69	18	(D)	56	12	(D)
Saudi Arabia.....	650	(*)	50	33	17	1	7	21	112	(D)	186	(*)	(D)
Other	1,665	13	85	41	44	82	344	21	432	33	114	287	254
Asia and Pacific	10,089	125	1,045	582	464	323	482	1,221	1,343	761	2,343	1,536	910
Australia	785	7	236	139	96	11	37	71	11	(D)	174	108	(D)
China.....	1,707	8	70	45	25	7	78	91	575	(D)	228	426	(D)
Hong Kong.....	396	14	36	19	17	2	28	84	33	(D)	46	(D)	43
India	462	6	60	46	14	18	33	18	46	(D)	27	59	(D)
Indonesia.....	235	1	17	12	5	1	26	6	25	(D)	8	71	(D)
Japan.....	3,120	38	357	159	198	221	63	719	158	(D)	1,125	93	(D)
Korea, Republic of.....	930	17	62	49	13	2	9	102	169	(D)	190	170	(D)
Malaysia	233	6	28	25	3	1	3	3	14	(D)	96	33	(D)
New Zealand.....	170	2	15	11	4	1	1	5	1	(D)	48	(D)	15
Philippines.....	150	(*)	9	7	2	(*)	29	5	8	1	44	28	25
Singapore.....	493	15	93	30	63	21	20	16	7	(D)	190	61	(D)
Taiwan	499	5	24	12	12	15	3	93	57	(D)	86	134	(D)
Thailand	237	7	18	14	4	2	17	2	29	(D)	52	16	(D)
Other	673	2	21	14	7	2	134	5	211	4	30	166	97
International organizations and unallocated	46	0	0	0	0	6	2	0	0	0	0	0	38
Addenda:													
European Union ⁶	13,031	228	3,241	2,029	1,212	539	524	1,958	508	(D)	1,881	2,457	(D)

See the footnotes at the end of the table.

Table 7.3. Business, Professional, and Technical Services, 2005—Table Ends

(Millions of dollars)

	Payments												
	Total	Advertising	Computer and information services			Research, development, and testing services	Management, consulting, and public relations services	Legal Services	Construction, architectural, and engineering services ¹	Industrial engineering	Installation, maintenance, and repair of equipment	Operational leasing	Other
			Total	Computer and data processing services	Database and other information services								
Total	47,696	1,005	8,969	1,964	505	6,717	5,894	914	422	174	1,025	1,278	21,297
Affiliated.....	33,180	(²)	6,500	(²)	(²)	4,400	4,200	(²)	(²)	(²)	(²)	1,148	(²) 16,932
Unaffiliated	14,516	1,005	2,469	1,964	505	2,317	1,694	914	422	174	1,025	130	(²) 4,365
Unaffiliated by Country:													
Canada	3,188	96	1,362	1,339	23	226	341	83	72	20	223	13	752
Europe	6,244	516	540	179	360	1,551	631	546	134	66	382	35	1,844
Belgium-Luxembourg.....	176	10	9	6	3	28	25	25	1	1	6	(²)	71
France	395	51	68	9	59	63	24	33	5	6	12	2	132
Germany	820	64	107	56	51	200	63	81	15	7	78	1	203
Italy	236	26	15	(D)	(D)	37	26	15	18	1	24	(²)	76
Netherlands.....	326	19	30	8	23	106	26	12	2	3	14	(²)	113
Norway	45	2	1	1	1	10	(D)	5	1	1	(D)	(²)	10
Spain	186	42	51	3	47	21	9	12	2	1	15	(²)	35
Sweden	157	8	2	1	1	25	(D)	10	(²)	10	(D)	1	25
Switzerland.....	254	28	30	9	21	88	30	13	(²)	(²)	4	4	60
United Kingdom.....	2,901	214	190	55	135	828	245	287	38	25	164	11	900
Other	748	50	37	(D)	(D)	146	128	53	53	12	31	20	219
Latin America and Other Western Hemisphere	1,275	127	28	14	14	105	221	69	76	10	92	11	535
South and Central America.....	1,134	127	24	(D)	(D)	95	166	62	65	10	90	(²)	(D)
Argentina	53	8	3	(²)	(²)	13	4	6	(²)	0	(²)	(²)	18
Brazil	215	53	5	3	2	35	19	14	4	(²)	(D)	(²)	61
Chile	48	4	1	(²)	1	4	1	3	4	(²)	(²)	1	30
Mexico	418	51	8	5	3	21	73	22	29	(D)	66	8	(D)
Venezuela.....	34	3	3	(D)	(D)	1	8	3	4	(D)	(²)	(²)	12
Other	367	8	4	(²)	4	21	61	15	24	(²)	(D)	1	(D)
Other Western Hemisphere	140	1	4	(D)	9	55	7	11	11	(²)	2	(²)	(D)
Bermuda.....	18	(²)	1	(²)	(²)	1	9	1	(²)	(²)	(²)	(²)	(D)
Other	122	1	3	(D)	(D)	8	46	6	11	0	2	(²)	45
Africa	505	14	7	1	6	121	75	7	18	1	14	1	246
South Africa.....	79	14	2	(²)	2	8	6	3	1	(²)	14	0	32
Other	426	1	5	1	5	113	69	5	17	1	1	1	214
Middle East	681	12	27	(D)	(D)	23	150	15	75	7	16	(D)	(D)
Israel	206	1	15	9	6	16	15	6	3	7	8	(²)	134
Saudi Arabia.....	17	1	(D)	2	(²)	(²)	3	3	(²)	(²)	1	0	(D)
Other	459	10	(D)	(D)	(D)	6	134	6	66	(²)	8	(D)	206
Asia and Pacific	2,619	240	506	(D)	(D)	292	277	192	47	70	297	(D)	(D)
Australia	248	50	17	3	(D)	29	16	28	2	2	(D)	3	89
China	198	16	10	5	5	22	10	17	7	1	31	(D)	(D)
Hong Kong	144	11	4	1	2	13	13	18	(²)	(²)	8	3	73
India	597	8	402	381	21	61	62	7	3	9	4	2	39
Indonesia.....	69	2	3	2	1	9	18	5	3	0	4	(²)	26
Japan.....	561	95	28	(D)	22	52	48	71	5	6	98	(D)	124
Korea, Republic of.....	120	27	11	(²)	10	9	9	21	3	(²)	6	(²)	34
Malaysia	28	1	1	(²)	1	1	9	1	(²)	(²)	9	(²)	6
New Zealand	73	4	4	4	(²)	11	5	2	1	(²)	(D)	0	(D)
Philippines.....	46	2	14	11	4	2	14	2	(²)	(²)	(²)	(²)	11
Singapore.....	208	6	5	(²)	5	10	11	4	(²)	(D)	88	(²)	(D)
Taiwan	86	12	2	(²)	2	27	7	9	2	1	12	0	14
Thailand	42	2	2	(²)	2	6	1	3	(²)	(D)	(²)	0	(D)
Other	200	5	4	1	2	39	55	3	20	(²)	5	(²)	69
International organizations and unallocated	4	0	0	0	0	0	(²)	(²)	0	0	0	0	4
Addenda:													
European Union ⁶	5,648	478	498	166	332	1,394	492	512	114	61	363	35	1,700

¹ Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Receipts for construction, architectural, and engineering services are published net of merchandise exports, which are included in merchandise trade in the U.S. international transactions accounts, and net of outlays abroad for wages, services, materials, and other expenses. In 2005, total receipts were \$4,080 million for construction, architectural, and engineering services. The components of the total are as follows: Construction services - receipts of \$423 million were derived as gross operating revenues of \$2,002 million less merchandise exports of \$236 million and foreign expenses of \$1,343 million. Architectural and engineering services - receipts of \$3,657 million were derived as gross operating revenues of \$5,486 million less a BEA estimate of \$1,829 million for merchandise exports and foreign expenses. Payments for construction, architectural, and engineering services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

2. Data for this type of affiliated services are not separately available. However, these data are included in "other" affiliated services and in total affiliated services.

3. Data for this type of affiliated services are not separately available. However, these data are included in total computer and information services and in total affiliated services.

4. Consists of affiliated services except for the following services that are shown in the adjacent columns: computer and information services; research, development and testing services; management, consulting, and public relations services; and operational leasing services.

5. See table 7.1, footnote 5. In 2005, mining services receipts were \$59 million. Receipts and payments for mining services are not published net of merchandise imports and outlays for wages and other expenses. Data are not collected for merchandise imports and wages and other expenses, and no estimates are made because they are believed to be small.

6. See table 2, footnote 1.

Table 8.1. Other Private Services by Affiliation of Transactors, 2003

[Millions of dollars]

	Receipts						Payments					
	Total	Affiliated			Unaffiliated	Addendum: Film and television tape rentals ¹	Total	Affiliated			Unaffiliated	Addendum: Film and television tape rentals ²
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents				Total	Total	By U.S. parents to their foreign affiliates			By U.S. affiliates to their foreign parents	Total
All countries.....	130,561	43,006	26,313	16,693	87,555	9,825	79,710	31,459	18,841	12,618	48,251	226
Canada	12,044	4,773	3,566	1,207	7,271	688	8,008	3,677	1,400	2,277	4,331	27
Europe	56,039	23,904	13,578	10,326	32,135	6,623	41,063	18,644	10,912	7,732	22,419	89
Belgium-Luxembourg	1,973	779	571	208	1,194	141	1,199	864	656	208	335	1
France	5,797	2,705	1,380	1,325	3,092	826	3,419	1,970	823	1,147	1,449	11
Germany	7,924	3,948	1,730	2,217	3,976	1,266	6,665	2,332	1,114	1,218	4,333	7
Italy	2,641	691	590	101	1,950	580	1,156	423	283	140	733	(D)
Netherlands	4,040	2,430	1,249	1,181	1,610	520	2,712	2,080	518	1,562	632	(D)
Norway	648	254	109	144	394	43	238	110	25	85	128	0
Spain	1,805	433	375	58	1,372	616	785	213	157	56	572	6
Sweden	2,261	1,525	167	1,359	736	171	678	425	207	218	253	0
Switzerland	3,359	1,772	913	859	1,587	58	3,868	943	318	625	2,925	1
United Kingdom	17,018	(D)	4,712	(D)	(D)	1,861	16,052	7,891	5,998	1,894	8,161	36
Other	8,573	(D)	1,781	(D)	(D)	541	4,290	1,393	814	579	2,897	1
Latin America and Other Western Hemisphere	21,398	3,082	2,539	543	18,316	651	18,121	2,504	1,777	727	15,617	22
South and Central America	14,197	1,864	1,686	177	12,333	638	4,033	1,157	771	386	2,876	22
Argentina	747	103	102	1	644	41	199	51	47	3	148	0
Brazil	2,099	338	304	33	1,761	193	532	212	193	20	320	8
Chile	404	34	25	9	370	20	124	(D)	10	(D)	0	0
Mexico	7,262	1,075	962	113	6,187	226	1,941	801	458	342	1,140	9
Venezuela	728	93	90	3	635	70	79	24	24	(*)	55	0
Other	2,956	221	202	19	2,735	88	1,160	(D)	39	(D)	0	4
Other Western Hemisphere	7,202	1,218	852	366	5,984	13	14,089	1,347	1,006	341	12,742	0
Bermuda	2,529	489	244	245	2,040	0	10,680	479	411	68	10,201	0
Other	4,672	729	608	121	3,943	13	3,409	868	595	273	2,541	0
Africa	3,530	(D)	744	(D)	(D)	93	1,152	(D)	303	(D)	(D)	0
South Africa	537	68	60	7	469	86	323	157	156	1	166	0
Other	2,992	(D)	683	(D)	(D)	7	828	(D)	147	(D)	(D)	0
Middle East	3,657	(D)	291	(D)	(D)	91	1,109	(D)	430	(D)	(D)	0
Israel	685	(D)	26	(D)	(D)	43	589	(D)	395	(D)	(D)	0
Saudi Arabia	1,168	(D)	106	(D)	(D)	19	114	2	2	0	112	0
Other	1,804	169	159	10	1,635	29	405	64	32	32	341	0
Asia and Pacific	31,749	9,894	5,596	4,298	21,855	1,677	10,241	5,771	4,019	1,752	4,470	88
Australia	2,932	1,045	768	277	1,887	369	1,230	608	542	66	622	(D)
China	2,902	381	313	69	2,521	15	525	279	261	18	246	(D)
Hong Kong	1,771	849	751	98	922	54	1,304	1,026	917	109	278	0
India	2,188	110	104	6	2,078	8	919	276	193	83	643	0
Indonesia	762	109	108	2	653	23	116	3	3	0	113	0
Japan	9,938	4,489	1,866	2,623	5,449	902	3,517	2,519	1,260	1,259	998	25
Korea, Republic of	2,617	283	228	55	2,334	92	401	115	79	35	286	1
Malaysia	662	(D)	206	(D)	(D)	10	195	143	139	4	52	0
New Zealand	363	19	18	1	344	59	143	24	18	6	119	2
Philippines	493	94	87	7	399	19	315	(D)	44	(D)	(D)	0
Singapore	2,612	(D)	733	(D)	(D)	40	753	551	457	94	202	2
Taiwan	1,602	345	280	65	1,257	64	280	99	75	24	181	0
Thailand	603	133	126	8	470	19	114	38	31	7	76	0
Other	2,304	10	9	1	2,294	2	429	(D)	1	(D)	(D)	0
International organizations and unallocated	2,146	0	0	0	2,146	0	15	0	0	0	15	0
Addenda:												
European Union ³	48,599	21,576	12,279	9,297	27,023	6,201	35,896	17,406	10,442	6,964	18,490	89

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. In "other services" in table 5.1, receipts for film and television tape rentals account for \$7,137 million of total unaffiliated receipts of \$14,337 million; receipts of U.S. parents account for \$2,685 million of total affiliated receipts of \$2,688 million, and U.S. affiliates account for \$2 million.

2. In "other services" in table 5.1, payments for film and television tape rentals account for \$206 million of total unaffiliated payments of \$705 million; payments of U.S. parents account for \$19 million of total affiliated payments of \$20 million, and U.S. affiliates account for \$1 million.

3. See table 2, footnote 1.

Table 8.2. Other Private Services by Affiliation of Transactors, 2004

[Millions of dollars]

	Receipts						Payments					
	Total	Affiliated			Unaffiliated	Addendum: Film and television tape rentals ¹	Total	Affiliated			Unaffiliated	Addendum: Film and television tape rentals ²
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents	Total			Total	By U.S. parents to their foreign affiliates	By U.S. affiliates to their foreign parents	Total	
All countries.....	144,654	45,175	27,445	17,730	99,479	10,207	90,390	33,915	21,437	12,478	56,475	424
Canada	12,348	4,699	3,460	1,239	7,649	747	8,019	3,405	1,629	1,776	4,614	51
Europe	63,340	25,900	14,377	11,523	37,440	6,820	43,597	19,566	12,033	7,533	24,031	115
Belgium-Luxembourg	2,317	865	707	158	1,452	92	1,402	1,024	677	347	378	1
France	6,686	3,120	1,355	1,765	3,566	791	3,610	2,102	837	1,265	1,508	40
Germany	8,234	3,970	1,836	2,134	4,264	925	6,830	2,773	1,389	1,384	4,057	13
Italy	2,607	(D)	614	(D)	(D)	567	1,369	549	323	226	820	4
Netherlands	3,998	2,267	1,365	902	1,731	531	2,286	1,671	548	1,124	615	3
Norway	688	224	137	87	464	50	282	142	38	104	140	0
Spain	1,871	439	387	52	1,432	567	966	283	207	76	683	1
Sweden	2,188	1,323	153	1,171	865	157	707	305	130	175	402	0
Switzerland	3,936	2,381	1,096	1,285	1,555	41	4,521	952	305	646	3,569	1
United Kingdom	20,534	7,367	4,774	2,593	13,167	2,390	16,877	8,470	6,677	1,792	8,407	49
Other	10,283	(D)	1,955	(D)	(D)	709	4,748	1,295	901	394	3,453	3
Latin America and Other Western Hemisphere	24,449	3,071	2,627	444	21,378	694	22,931	2,674	1,832	842	20,257	(D)
South and Central America	14,664	1,944	1,758	186	12,720	683	4,453	1,225	784	441	3,228	(D)
Argentina	710	97	96	1	613	24	198	59	53	7	139	0
Brazil	2,110	324	300	24	1,786	168	630	210	183	27	420	6
Chile	457	34	31	3	423	23	131	13	12	1	118	0
Mexico	7,941	1,141	1,018	123	6,800	253	2,122	838	471	367	1,284	(D)
Venezuela	801	107	101	5	694	112	77	27	26	1	50	1
Other	2,647	242	212	30	2,405	103	1,297	78	39	39	1,219	2
Other Western Hemisphere	9,784	1,127	869	258	8,657	11	18,477	1,449	1,047	402	17,028	9
Bermuda	2,916	403	267	136	2,513	0	12,424	464	343	121	11,960	0
Other	6,869	724	602	122	6,145	11	6,052	985	704	281	5,067	9
Africa	3,930	(D)	770	(D)	(D)	118	1,410	(D)	324	(D)	(D)	0
South Africa	642	78	70	8	564	112	338	164	160	4	174	0
Other	3,290	(D)	700	(D)	(D)	5	1,073	(D)	164	(D)	(D)	0
Middle East	4,357	(D)	235	(D)	(D)	104	1,553	(D)	534	(D)	(D)	0
Israel	751	(D)	30	(D)	(D)	46	727	(D)	445	(D)	(D)	0
Saudi Arabia	1,179	(D)	24	(D)	(D)	30	134	5	5	0	129	0
Other	2,428	198	182	16	2,230	29	694	94	84	10	600	0
Asia and Pacific	34,173	10,142	5,975	4,167	24,031	1,722	12,870	7,292	5,086	2,206	5,578	(D)
Australia	2,891	896	782	114	1,995	406	1,610	772	687	85	838	(D)
China	3,496	531	443	89	2,965	32	633	359	304	55	274	0
Hong Kong	1,811	877	777	100	934	39	1,685	1,242	1,157	85	443	4
India	2,575	(D)	93	(D)	(D)	29	1,399	562	423	140	837	0
Indonesia	653	110	110	(*)	543	34	126	(D)	(D)	1	(D)	0
Japan	10,927	4,989	1,832	3,157	5,938	863	4,117	3,005	1,507	1,497	1,112	27
Korea, Republic of	2,896	278	248	29	2,618	80	439	129	93	36	310	0
Malaysia	659	240	221	18	419	10	234	174	168	5	60	0
New Zealand	399	32	29	3	367	76	166	20	20	1	146	0
Philippines	496	(D)	95	(D)	(D)	17	431	(D)	52	(D)	(D)	0
Singapore	2,403	(D)	914	(D)	(D)	41	962	741	534	207	221	0
Taiwan	1,711	320	257	63	1,391	65	509	131	114	16	378	0
Thailand	628	157	154	3	471	27	115	30	23	7	85	0
Other	2,628	19	18	1	2,609	4	443	4	(D)	(D)	439	0
International organizations and unallocated	2,057	0	0	0	2,057	2	10	0	0	0	10	0
Addenda:												
European Union ³	55,017	23,081	12,940	10,141	31,936	6,444	38,059	18,382	11,605	6,777	19,677	114

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. In "other services" in table 5.2, receipts for film and television tape rentals account for \$7,511 million of total unaffiliated receipts of \$14,827 million; receipts of U.S. parents account for \$2,696 million of total affiliated receipts of \$2,696 million, and U.S. affiliates account for less than \$1 million.

2. In "other services" in table 5.2, payments for film and television tape rentals account for \$409 million of total unaffiliated payments of \$952 million; payments of U.S. parents account for \$15 million of total affiliated payments of \$15 million, and U.S. affiliates account for less than \$1 million.

3. See table 2, footnote 1.

Table 8.3. Other Private Services by Affiliation of Transactors, 2005

[Millions of dollars]

	Receipts					Payments						
	Total	Affiliated		Unaffiliated	Addendum: Film and television tape rentals ¹	Total	Affiliated		Unaffiliated	Addendum: Film and television tape rentals ²		
		Total	By U.S. parents from their foreign affiliates	By U.S. affiliates from their foreign parents			Total	Total	By U.S. parents to their foreign affiliates		By U.S. affiliates to their foreign parents	Total
All countries.....	158,223	49,389	29,506	19,883	108,834	10,379	98,714	38,989	22,245	16,744	59,725	924
Canada	13,448	5,553	3,597	1,956	7,895	726	9,469	(D)	1,838	(D)	(D)	161
Europe	68,271	26,637	15,435	11,203	41,634	6,993	49,040	20,183	12,123	8,060	28,857	(D)
Belgium-Luxembourg	2,542	886	709	178	1,656	82	1,478	1,018	818	200	460	1
France	6,096	2,470	1,513	957	3,626	683	3,723	2,040	868	1,171	1,683	16
Germany.....	8,752	4,142	1,906	2,236	4,610	1,047	6,677	2,750	1,339	1,411	3,927	7
Italy.....	2,905	719	565	153	2,186	545	1,725	746	384	362	979	9
Netherlands.....	4,379	2,313	1,599	714	2,066	621	2,154	1,461	631	830	693	4
Norway	804	246	122	124	558	56	312	173	70	103	139	0
Spain.....	2,312	618	398	219	1,694	433	1,062	305	204	101	757	3
Sweden.....	2,100	(D)	161	(D)	(D)	112	750	320	142	178	430	0
Switzerland.....	4,171	2,304	1,190	1,114	1,867	37	6,632	1,085	345	740	5,547	0
United Kingdom.....	22,876	7,977	5,161	2,816	14,899	2,720	17,916	8,646	6,262	2,384	9,270	73
Other	11,334	(D)	2,109	(D)	(D)	657	6,611	1,640	1,059	581	4,971	(D)
Latin America and Other Western Hemisphere	27,280	4,639	3,036	1,604	22,641	715	20,240	2,859	1,747	1,113	17,381	29
South and Central America	16,732	2,890	1,978	912	13,842	706	4,970	1,437	867	570	3,533	(D)
Argentina	739	107	107	(*)	632	35	186	(D)	52	(D)	(D)	2
Brazil	2,253	387	341	46	1,866	239	675	217	195	21	458	10
Chile	524	27	24	3	497	26	142	15	14	1	127	0
Mexico	9,387	2,012	1,174	839	7,375	244	2,376	982	509	473	1,394	1
Venezuela.....	839	103	101	3	736	80	98	34	34	1	64	2
Other	2,991	254	232	22	2,737	81	1,493	(D)	63	(D)	(D)	(D)
Other Western Hemisphere.....	10,545	1,749	1,058	692	8,796	9	15,270	1,422	880	542	13,848	(D)
Bermuda.....	3,549	846	281	565	2,703	0	10,924	519	204	315	10,405	0
Other	6,996	903	776	127	6,093	9	4,344	903	676	227	3,441	(D)
Africa	4,886	843	828	15	4,043	102	1,524	(D)	343	(D)	(D)	2
South Africa.....	641	71	66	5	570	87	404	(D)	4	(D)	(D)	1
Other	4,246	773	762	11	3,473	15	1,120	230	(D)	(D)	890	1
Middle East.....	5,230	(D)	309	(D)	(D)	96	1,769	733	643	90	1,036	2
Israel.....	802	(D)	33	(D)	(D)	37	912	642	556	85	270	0
Saudi Arabia.....	1,276	(D)	25	(D)	(D)	22	146	6	6	0	140	0
Other	3,150	(D)	250	(D)	(D)	37	712	85	81	5	627	2
Asia and Pacific	37,016	(D)	6,301	(D)	(D)	1,746	16,660	10,317	5,551	4,766	6,343	(D)
Australia.....	3,055	865	758	107	2,190	397	2,038	797	720	76	1,241	(D)
China.....	4,556	629	543	86	3,927	49	815	434	386	48	381	1
Hong Kong.....	2,127	930	834	96	1,197	43	1,646	1,322	1,192	129	324	1
India.....	2,987	(D)	112	(D)	(D)	20	3,021	2,089	618	1,470	932	0
Indonesia.....	636	110	108	2	526	29	125	7	6	(*)	118	0
Japan.....	12,275	5,570	2,043	3,527	6,705	938	4,698	3,430	1,429	2,001	1,268	34
Korea, Republic of.....	3,200	306	282	25	2,894	65	565	206	109	97	359	4
Malaysia	687	(D)	175	(D)	(D)	9	287	217	211	6	70	0
New Zealand	429	57	55	2	372	61	189	29	28	1	160	(D)
Philippines	547	107	93	15	440	17	489	(D)	69	(D)	(D)	0
Singapore	2,264	1,198	891	307	1,066	36	1,734	1,409	586	823	325	0
Taiwan	1,887	300	246	54	1,587	49	439	170	156	14	269	0
Thailand.....	862	(D)	135	(D)	(D)	22	152	46	37	10	106	1
Other	1,502	32	27	5	1,470	10	462	(D)	3	(D)	(D)	1
International organizations and unallocated	2,089	0	0	0	2,089	0	15	0	0	0	15	0
Addenda:												
European Union ³	59,479	23,869	13,924	9,945	35,610	6,630	41,215	18,764	11,555	7,209	22,451	120

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. In "other services" in table 5.3, receipts for film and television tape rentals account for \$7,060 million of total unaffiliated receipts of \$14,384 million; receipts of U.S. parents account for \$3,319 million of total affiliated receipts of \$3,319 million, and U.S. affiliates account for less than \$1 million.

2. In "other services" in table 5.3, payments for film and television tape rentals account for \$915 million of total unaffiliated payments of \$1,493 million; payments of U.S. parents account for \$4 million of total affiliated payments of \$9 million, and U.S. affiliates account for \$4 million.

3. See table 2, footnote 1.

Table 9. Sales of Services to Foreign Persons by U.S. MNCs Through Their Nonbank MOFAs and to U.S. Persons by Foreign MNCs Through Their Nonbank MOUSAs by Country, 1997–2004

[Millions of dollars]

Country ¹	Sales by MOFAs to foreign persons ²								Sales by MOUSAs to U.S. persons ³							
	1997	1998	1999	2000	2001	2002	2003	2004	1997	1998	1999	2000	2001	2002	2003	2004
All countries	255,335	286,066	353,207	413,470	421,714	423,508	452,496	489,615	223,060	245,472	293,485	344,389	367,557	367,614	374,119	382,763
Canada	24,128	25,698	34,741	52,833	50,298	40,690	42,665	46,892	35,064	41,871	47,438	50,209	46,656	40,316	38,771	36,613
Europe	147,698	165,170	198,673	213,763	225,992	228,570	242,157	264,221	134,865	150,093	187,596	233,499	250,885	256,383	257,554	260,557
Belgium.....	4,283	4,552	4,781	5,582	5,118	4,783	6,303	6,903	130	262	850	1,237	1,006	1,018	1,217	1,349
France.....	14,567	17,704	19,641	19,703	20,178	23,335	26,250	27,983	16,011	18,456	21,436	30,113	41,815	43,062	49,438	54,039
Germany.....	19,102	20,105	29,732	24,623	24,172	25,161	26,672	29,574	22,171	27,396	29,467	41,956	42,224	45,968	47,132	54,353
Italy.....	6,319	7,455	(D)	7,470	8,250	9,265	11,899	14,808	914	818	1,926	2,169	2,157	2,506	2,252	2,457
Netherlands.....	10,911	13,504	13,466	11,497	13,953	12,951	15,816	18,999	15,411	21,210	32,759	39,751	50,677	44,514	37,640	30,355
Norway.....	1,818	2,152	2,366	2,003	2,460	(D)	2,546	3,366	1,624	1,755	5,348	1,314	1,020	1,175	962	459
Spain.....	3,115	3,302	4,176	4,802	5,542	6,041	7,467	8,598	317	333	346	(D)	920	1,283	1,130	1,179
Sweden.....	2,881	(D)	(D)	(D)	3,659	9,722	11,360	11,982	1,820	2,892	4,496	7,449	7,579	8,380	7,712	8,072
Switzerland.....	4,133	4,861	4,981	4,953	5,412	15,246	8,458	9,100	19,040	20,540	23,105	33,114	32,483	33,108	34,505	34,363
United Kingdom.....	73,112	78,849	94,158	113,379	120,241	101,478	103,224	105,530	55,035	54,944	65,683	71,608	66,101	67,168	66,602	64,034
Other.....	7,457	(D)	13,280	(D)	17,007	(D)	22,159	27,378	2,392	1,488	2,179	(D)	4,905	8,201	8,963	9,897
Latin America and Other Western Hemisphere	23,781	32,534	41,551	50,462	53,035	52,288	55,939	57,030	6,877	8,000	12,567	13,876	26,866	31,212	30,941	35,892
South and Central America.....	15,449	23,248	28,861	35,139	37,755	35,925	36,762	36,608	1,128	1,160	1,043	1,193	1,833	2,062	2,060	2,254
Argentina.....	(D)	(D)	4,793	5,801	6,283	3,521	2,984	2,808	4	5	5	6	5	(D)	(D)	29
Brazil.....	4,574	10,387	10,001	12,888	12,097	12,596	12,197	12,939	108	119	109	205	332	369	385	461
Chile.....	1,425	1,830	2,235	3,093	2,908	2,263	2,950	3,139	(D)	26	173	32	30	(D)	2	(D)
Mexico.....	(D)	3,014	5,326	(D)	(D)	8,715	9,744	8,862	559	543	354	500	871	968	1,268	1,227
Venezuela.....	(D)	2,895	3,220	3,598	4,730	4,405	(D)	3,851	232	187	(D)	283	308	201	114	159
Other.....	1,843	(D)	3,286	(D)	(D)	4,426	(D)	5,009	(D)	280	(D)	167	287	483	(D)	(D)
Other Western Hemisphere.....	8,332	9,286	12,690	15,323	15,280	16,363	19,176	20,422	5,748	6,840	11,524	12,683	25,033	29,151	28,881	33,639
Bermuda.....	(D)	6,594	7,471	7,929	7,493	7,882	10,253	11,843	2,907	3,060	5,976	6,391	15,879	18,732	18,842	22,672
Other.....	(D)	2,692	5,219	7,394	7,787	8,481	8,924	8,579	2,841	3,781	5,548	6,292	9,154	10,419	10,039	10,967
Africa, Middle East, and Asia and Pacific	56,797	60,169	78,242	96,412	92,388	101,961	111,735	121,472	44,304	42,807	(D)	(D)	(D)	36,974	44,017	47,200
Africa.....	2,102	(D)	2,536	2,978	3,177	3,405	4,103	4,746	232	923	(D)	(D)	(D)	487	276	299
South Africa.....	958	1,131	(D)	(D)	1,077	1,400	1,960	1,911	(D)	(D)	(D)	(D)	(D)	435	213	225
Other.....	1,144	(D)	(D)	(D)	2,030	2,327	2,702	2,786	41	(D)	(D)	(D)	(D)	52	63	74
Middle East.....	2,045	(D)	4,391	3,745	2,569	2,365	2,400	2,741	2,037	2,260	2,202	2,305	2,090	2,353	2,366	2,508
Israel.....	(D)	(D)	671	805	(D)	604	(D)	601	239	251	236	269	293	169	304	488
Saudi Arabia.....	(D)	(D)	(D)	(D)	(D)	813	568	524	483	483	650	612	643	(D)	572	(D)
Other.....	755	803	(D)	(D)	771	948	(D)	1,617	1,316	1,526	1,315	1,424	1,155	(D)	1,490	(D)
Asia and Pacific.....	52,649	55,347	71,315	89,889	86,643	96,191	105,233	113,985	42,036	39,623	40,810	42,184	38,892	34,134	41,375	44,393
Australia.....	9,713	11,381	14,699	15,326	14,615	15,029	17,669	18,408	8,854	9,046	8,062	9,208	10,497	10,252	11,057	12,040
China.....	776	828	(D)	2,166	2,627	3,456	3,800	5,062	(D)	64	73	80	147	321	(D)	(D)
Hong Kong.....	5,915	6,774	8,065	9,693	7,971	7,562	8,081	8,977	1,388	1,546	1,424	1,295	1,270	1,259	1,245	1,377
India.....	222	341	506	948	954	1,136	1,232	2,212	94	133	175	196	321	275	1,396	1,790
Indonesia.....	(D)	(D)	(D)	714	778	(D)	1,089	(D)	56	96	78	91	94	17	28	21
Japan.....	21,684	23,095	26,425	35,399	35,267	42,400	44,386	48,427	28,383	26,177	28,729	28,688	23,576	19,575	24,514	26,039
Korea, Republic of.....	1,229	996	1,701	2,256	2,615	3,160	3,983	4,294	300	322	374	391	393	256	232	378
Malaysia.....	(D)	1,034	1,597	(D)	1,726	1,562	1,438	1,315	328	292	(D)	(D)	(D)	(D)	(D)	(D)
New Zealand.....	1,056	869	(D)	(D)	(D)	(D)	1,869	(D)	47	51	23	25	36	16	(D)	(D)
Philippines.....	589	602	(D)	1,039	1,197	(D)	(D)	1,832	8	11	23	19	18	16	19	19
Singapore.....	3,670	3,166	4,608	5,498	5,672	5,393	6,468	6,235	1,761	1,038	879	1,077	1,428	1,377	1,702	1,571
Taiwan.....	3,965	4,190	(D)	(D)	8,264	(D)	9,538	10,164	636	581	582	723	756	428	457	475
Thailand.....	1,490	(D)	1,475	2,340	(D)	2,401	2,610	2,969	(*)	(*)	(*)	(*)	(*)	2	3	3
Other.....	254	464	(D)	(D)	1,101	(D)	(D)	(D)	(D)	213	(D)	(D)	(D)	(D)	103	107
International ⁴	2,930	2,495	.....	.....	.....	.....	.....	.....	1,950	2,701	(D)	(D)	(D)	2,728	2,836	2,501
United States ⁵.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Addenda:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
European Union ⁶	140,471	156,068	187,730	202,338	213,159	205,699	225,388	249,125	114,106	127,698	159,017	198,912	217,226	221,997	220,807	224,332

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. For MOFAs, "country" is the country of the affiliate; for MOUSAs, it is the country of the affiliate's ultimate beneficial owner.

2. Beginning in 2004, sales by foreign affiliates are classified as goods or services based on their tangible or intangible nature. In cases where a sale consists of both tangible goods and intangible services that cannot be unbundled, sales are classified based on whichever accounts for the majority of value. In previous years, sales were classified as goods or services based on the industry of sales. For 1999–2003, sales were classified as services based on industry codes derived from the North American Industry Classification System (NAICS); the estimates for prior years were based on codes derived from the 1987 Standard Industrial Classification System (SIC). The change from the use of SIC to NAICS-based codes resulted in a redefinition of sales of services by affiliates, which resulted in a net shift of sales from goods to services. See the box "Changes in the Definition and Classification of Sales of Services by Foreign Affiliates" in the November 2001 Survey of Current Business, page 58, available at <www.bea.gov>.

3. Beginning in 2002, sales by U.S. affiliates are classified as goods or services based on their tangible or intangible nature. In cases where a sale consists of both tangible goods and intangible services that cannot be unbundled, sales are classified based on whichever accounts for the majority of value. In previous years, sales were classified as goods or services based on the industry of sales. For 1997–2001, sales by U.S. affiliates were classified as goods or services based on industry codes derived from the North American Industry Classification System (NAICS); the estimates for prior years were based on codes derived from the 1987 Standard Industrial Classification System (SIC). The change from SIC to

NAICS-based codes resulted in a redefinition of sales of services by affiliates, which resulted in a net shift of sales from goods to services. See the box "Changes in the Definition and Classification of Sales of Services by U.S. Affiliates" in the October 1999 Survey, page 61, available at <www.bea.gov>.

4. Foreign affiliates classified in "international" are those that have operations in more than one country and that are engaged in petroleum shipping, other water transportation, or operating movable oil- and gas-drilling equipment. Beginning with the estimates for 1999, BEA no longer uses the "international" category in tabulations of direct investment estimates. This change was made to conform to international guidelines for the compilation of international transactions and direct investment statistics set forth by the International Monetary Fund's Balance of Payments Manual, 5th ed. In accordance with the guidelines, affiliates formerly classified in "international" were reclassified in the country of operator of the ship or equipment. In most cases the country of the operator is the same as the country of incorporation. In the few cases where the country of the operator is the United States, the affiliates were defined out of BEA's direct investment estimates.

5. Contains data for U.S. affiliates that have a foreign parent but whose ultimate beneficial owner is a U.S. person.

6. The European Union comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom; beginning in 2004, it also includes Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia.

MNCs Multinational companies
MOFAs Majority-owned foreign affiliates
MOUSAs Majority-owned U.S. affiliates

Table 10.1 Sales of Services to Foreign Persons by U.S. MNCs Through Their Nonbank MOFAs, Industry of Affiliate by Country of Affiliate, 2003

[Millions of dollars]

	All countries	Canada	Europe						Latin America and Other Western Hemisphere	Other countries		
			Total	Of which:						Total	Of which:	
				France	Germany	Netherlands	Switzerland	United Kingdom			Australia	Japan
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
All industries	452,496	42,665	242,157	26,250	26,672	15,816	8,458	103,224	55,939	111,735	17,669	44,386
Manufacturing	10,921	3,338	5,072	1,163	914	289	(D)	1,310	983	1,528	225	437
Of which:												
Food.....	(D)	0	26	0	0	21	0	2	(D)	4	3	0
Chemicals.....	612	5	13,552	(D)	134	0	0	184	(D)	39	30	8
Primary and fabricated metals.....	96	42	5	0	0	0	0	2	49	0	0	0
Machinery.....	4,506	(D)	(D)	(D)	(D)	206	(D)	666	167	(D)	165	(D)
Computers and electronic products.....	3,745	(D)	(D)	90	234	57	4	270	377	(D)	3	(D)
Electrical equipment, appliances, and components.....	42	(*)	15	7	0	0	0	1	5	22	0	0
Transportation equipment.....	1,108	988	55	11	0	0	0	34	27	38	23	0
Wholesale trade	22,818	917	16,479	2,562	3,643	934	2,420	2,445	2,155	3,267	165	440
Of which:												
Motor vehicles and motor vehicle parts and supplies.....	200	(D)	(D)	0	0	0	0	(D)	0	0	0	0
Professional and commercial equipment and supplies.....	19,462	581	14,941	2,503	3,557	917	1,676	2,146	1,448	2,492	96	424
Retail trade	577	107	442	4	55	0	(D)	(D)	27	1	0	0
Information	79,977	(D)	54,977	4,278	4,768	(D)	1,382	21,084	10,311	(D)	2,826	4,413
Publishing industries.....	(D)	872	13,552	(D)	1,362	(D)	164	6,415	(D)	164	490	(D)
Newspaper, periodical, book, and database publishers.....	(D)	539	5,796	320	519	(D)	49	4,035	226	(D)	240	(D)
Software publishers.....	12,224	333	7,756	536	843	673	115	2,379	846	3,288	250	1,707
Motion picture and sound recording industries.....	(D)	1,339	(D)	1,233	1,113	1,596	61	(D)	618	(D)	599	(D)
Motion picture and video industries.....	10,437	1,202	7,146	1,163	1,072	1,559	31	1,869	497	1,591	502	935
Sound recording industries.....	(D)	136	(D)	70	40	37	31	(D)	121	(D)	96	(D)
Broadcasting and telecommunications.....	29,572	522	19,741	871	855	1,245	122	6,210	7,494	1,815	663	602
Broadcasting, cable networks, and program distribution.....	(D)	0	(D)	97	7	(D)	0	895	603	94	45	4
Telecommunications.....	(D)	522	(D)	775	848	(D)	122	5,314	6,891	1,721	618	598
Information services and data processing services.....	(D)	(D)	(D)	1,318	1,438	676	1,035	(D)	1,126	2,605	1,075	554
Information services.....	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	417	977	(D)	380
Data processing services.....	13,083	997	9,749	(D)	(D)	(D)	(D)	4,916	709	1,628	(D)	174
Finance (except depository institutions) and insurance	123,382	10,226	48,762	2,261	6,081	1,747	454	32,450	17,123	47,271	2,897	25,740
Finance (except depository institutions).....	40,480	2,644	23,537	716	915	1,416	(D)	17,961	3,637	10,662	1,633	6,191
Nondepository credit intermediation and related services.....	10,994	(D)	5,801	547	(D)	1,333	(D)	2,212	(D)	2,559	1,177	506
Securities, commodity contracts, and other intermediation and related activities.....	(D)	930	17,668	168	579	82	157	15,731	(D)	7,775	457	5,505
Funds, trusts, and other financial vehicles.....	(D)	(D)	68	1	(D)	0	0	18	(D)	328	0	181
Insurance carriers and related activities.....	82,902	7,582	25,225	1,545	5,166	331	(D)	14,489	13,486	36,610	1,264	19,549
Insurance carriers, except life insurance carriers.....	43,118	4,678	17,410	946	(D)	(D)	(D)	9,697	10,166	10,864	810	(D)
Life insurance carriers.....	33,711	2,562	3,101	(D)	1	0	4	1,688	2,787	25,250	(D)	(D)
Agencies, brokerages, and other insurance related activities.....	6,074	342	4,714	(D)	(D)	(D)	(D)	3,104	523	495	(D)	54
Real estate and rental and leasing	16,207	1,628	11,817	2,231	837	2,297	255	3,248	1,031	1,731	802	509
Real estate.....	(D)	178	(D)	1,230	59	21	(D)	1,681	89	(D)	(D)	121
Rental and leasing (except real estate).....	(D)	1,450	(D)	1,001	778	2,276	(D)	1,567	942	(D)	(D)	388
Professional, scientific, and technical services	(D)	3,797	49,686	3,587	4,871	(D)	2,329	20,107	4,081	(D)	(D)	(D)
Architectural, engineering, and related services.....	11,290	1,028	7,652	(D)	243	176	14	701	1,910	433	(D)	55
Computer systems design and related services.....	(D)	1,084	(D)	1,009	1,829	(D)	190	(D)	1,324	(D)	(D)	(D)
Management, scientific, and technical consulting.....	10,848	698	7,341	541	1,372	460	941	2,105	1,558	469	318	318
Other.....	(D)	987	(D)	(D)	1,427	661	1,184	4,962	806	2,067	373	588
Legal services.....	1,079	10	829	235	84	0	1	370	3	236	19	57
Accounting, tax preparation, bookkeeping, and payroll services.....	598	339	201	44	0	0	0	138	18	40	21	3
Specialized design services.....	62	0	16	3	0	0	0	6	6	39	(D)	0
Scientific research and development services.....	2,220	28	1,809	105	193	60	166	853	37	347	32	(D)
Advertising and related services.....	9,895	474	7,957	1,388	917	551	248	2,574	571	894	208	(D)
Other professional, scientific, and technical services.....	(D)	136	(D)	(D)	234	50	770	1,021	171	512	(D)	103
Other industries	(D)	(D)	54,922	10,164	5,503	3,142	1,519	(D)	20,228	(D)	(D)	(D)
Agriculture, forestry, fishing, and hunting.....	174	34	14	(D)	0	5	0	4	29	97	14	0
Mining.....	12,079	1,343	4,004	(D)	77	567	126	2,127	3,369	3,363	277	5
Utilities.....	(D)	(D)	5,841	0	262	59	0	4,375	9,817	6,394	2,135	0
Construction.....	634	0	15	0	4	0	0	8	0	618	600	0
Transportation and warehousing.....	26,547	2,658	12,575	994	1,948	1,503	433	5,376	3,667	7,648	998	1,142
Of which:												
Air transportation.....	2,874	167	1,340	(D)	131	132	79	663	151	1,216	91	186
Rail transportation.....	1,880	120	(D)	0	0	0	0	(D)	(D)	395	395	0
Water transportation.....	6,152	28	2,068	0	2	(D)	130	1,536	2,381	1,675	20	(D)
Truck transportation.....	1,274	693	500	0	(D)	0	0	400	63	19	0	9
Support activities for transportation.....	4,121	431	1,833	324	199	401	14	611	325	1,532	179	0
Management of companies and enterprises.....	1,981	25	(D)	866	43	7	(D)	398	71	(D)	18	4
Administration, support, and waste management.....	(D)	1,695	(D)	6,183	883	633	336	4,096	683	3,594	1,371	1,265
Administrative and support services.....	(D)	(D)	(D)	6,183	883	633	336	4,096	683	3,586	1,371	1,265
Of which:												
Employment services.....	12,229	364	9,839	(D)	343	355	148	2,272	341	1,685	807	(D)
Travel arrangement and reservation services.....	120	6	59	0	(D)	0	0	4	29	27	2	25
Waste management and remediation services.....	(D)	(D)	0	0	0	0	0	0	(*)	7	0	0
Health care and social assistance.....	1,411	43	1,103	(D)	10	3	(D)	761	179	86	3	0
Accommodations and food services.....	(D)	3,272	(D)	1,192	1,879	76	(D)	3,915	1,835	4,727	1,249	31
Accommodations.....	(D)	562	(D)	(D)	299	69	(D)	933	610	429	177	31
Food services and drinking places.....	15,875	2,710	7,642	(D)	1,580	7	(D)	2,982	1,225	4,299	1,073	0
Miscellaneous services.....	6,553	1,323	(D)	801	396	288	128	(D)	577	(D)	(D)	(D)
Educational services.....	1,241	110	613	33	74	104	63	104	309	208	10	126
Arts, entertainment, and recreation.....	1,841	234	1,312	33	22	30	23	699	82	213	82	98
Other services (except public administration and private households).....	3,472	979	(D)	735	301	154	41	(D)	186	(D)	(D)	(D)

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Because sales resulting from construction activities are recorded as sales of goods rather than as sales of services, the sales of services through MOFAs represent sales in secondary, nonconstruction industries. In 2003, sales of goods to

foreign residents through MOFAs classified in construction were suppressed to avoid the disclosure of data of individual companies.

MNCs Multinational companies
MOFAs Majority-owned foreign affiliates

Table 10.2 Sales of Services to Foreign Persons by U.S. MNCs Through Their Nonbank MOFAs, Industry of Affiliate by Country of Affiliate, 2004

(Millions of dollars)

	All countries	Canada	Europe						Latin America and Other Western Hemisphere	Other countries		
			Total	Of which:						Total	Of which:	
				France	Germany	Netherlands	Switzerland	United Kingdom			Australia	Japan
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
All industries	489,615	46,892	264,221	27,983	29,574	18,999	9,100	105,530	57,030	121,472	18,408	48,427
Manufacturing	11,899	4,068	(D)	1,261	884	568	73	1,108	1,057	(D)	237	449
<i>Of which:</i>												
Food	321	0	28	0	0	22	0	3	289	4	4	0
Chemicals	368	1	335	133	25	0	0	154	5	28	18	9
Primary and fabricated metals	214	41	126	0	0	39	(D)	75	41	5	0	1
Machinery	4,555	339	3,048	(D)	475	211	66	424	165	1,003	186	(D)
Computers and electronic products	4,077	2,232	798	39	296	60	5	257	497	550	3	(D)
Electrical equipment, appliances, and components	65	(D)	(D)	4	0	0	0	2	5	(D)	0	0
Transportation equipment	1,276	1,125	92	2	19	0	0	51	27	32	26	0
Wholesale trade	24,072	(D)	17,227	2,979	4,218	862	2,793	2,151	1,821	(D)	285	415
<i>Of which:</i>												
Motor vehicles and motor vehicle parts and supplies	472	(D)	(D)	0	0	0	0	0	0	1	0	0
Professional and commercial equipment and supplies	19,023	535	14,379	2,874	4,060	617	1,580	1,778	1,638	2,470	154	370
Retail trade	(D)	722	(D)	0	4	0	0	(D)	108	35	0	0
Information	90,421	(D)	62,007	4,293	5,211	5,302	1,485	21,013	10,460	(D)	3,197	(D)
Publishing industries	20,342	(D)	13,974	880	1,408	820	269	5,481	1,037	(D)	478	(D)
Newspaper, periodical, book, and database publishers	7,471	(D)	6,172	412	657	(D)	(D)	3,705	154	(D)	220	(D)
Software publishers	12,871	476	7,801	469	751	(D)	(D)	1,776	883	3,711	258	2,164
Motion picture and sound recording industries	11,212	771	7,274	1,280	1,092	1,667	(D)	1,585	588	2,578	697	1,688
Motion picture and video industries	10,005	(D)	6,844	(D)	(D)	(D)	(D)	(D)	510	(D)	(D)	(D)
Sound recording industries	1,207	(D)	430	(D)	(D)	(D)	(D)	(D)	77	(D)	(D)	(D)
Telecommunications	32,196	613	20,783	(D)	(D)	1,399	(D)	6,419	7,297	3,502	(D)	(D)
Wired telecommunications carriers	7,868	(D)	4,302	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)
Wireless telecommunications carriers (except satellite)	18,090	107	13,235	136	156	46	0	4,335	4,395	353	111	11
Other telecommunications	6,239	(D)	3,246	(D)	92	(D)	2	(D)	(D)	(D)	(D)	(D)
Broadcasting (except internet)	4,814	4	3,808	(D)	(D)	325	0	990	367	635	(D)	(D)
Internet service providers, web search portals, data processing services, internet publishing and broadcasting, and other information services	21,858	(D)	16,168	989	1,545	1,091	1,009	6,539	1,170	(D)	1,185	(D)
Finance (except depository institutions) and insurance	119,651	8,564	45,910	2,002	4,198	1,897	651	30,455	16,482	48,694	2,620	26,473
Finance (except depository institutions)	34,259	2,213	20,076	562	484	1,283	(D)	15,507	2,455	9,515	1,319	5,965
Nondepository credit intermediation and related services	10,478	(D)	6,005	422	427	1,150	(D)	2,475	(D)	2,255	1,129	277
Securities, commodity contracts, and other intermediation and related activities	23,397	552	14,063	140	57	133	124	13,025	1,582	7,201	189	5,688
Funds, trusts, and other financial vehicles	384	(D)	8	0	0	0	0	7	(D)	58	0	0
Insurance carriers and related activities	85,392	6,352	25,833	1,440	3,714	614	(D)	14,948	14,027	39,179	1,301	20,508
Insurance carriers, except life insurance carriers	44,416	5,006	16,830	776	3,320	(D)	(D)	9,741	11,603	10,977	1,110	(D)
Life insurance carriers	34,347	816	3,862	(D)	3	0	3	1,959	1,852	27,818	(D)	11,983
Agencies, brokerages, and other insurance related activities	6,628	531	5,141	(D)	391	(D)	(D)	3,248	572	385	(D)	(D)
Real estate and rental and leasing	16,844	2,174	11,747	2,418	1,197	2,296	(D)	2,307	1,063	1,860	759	699
Real estate	3,508	119	3,028	1,116	40	31	4	776	106	254	(D)	146
Rental and leasing (except real estate)	13,336	2,054	8,719	1,303	1,156	2,266	281	1,530	957	1,606	(D)	553
Professional, scientific, and technical services	84,875	(D)	(D)	3,886	(D)	(D)	2,557	21,751	4,079	21,622	(D)	(D)
Architectural, engineering, and related services	9,488	761	(D)	160	188	(D)	(D)	4,742	572	(D)	244	39
Computer systems design and related services	44,395	(D)	(D)	1,147	(D)	(D)	614	(D)	1,562	(D)	(D)	(D)
Management, scientific, and technical consulting	10,873	682	7,337	631	1,463	522	369	2,403	1,407	1,448	517	321
Other	20,119	994	16,372	1,948	1,979	1,419	(D)	538	2,214	368	(D)	(D)
Legal services	2,242	5	1,784	306	292	(D)	(D)	801	30	423	24	143
Accounting, tax preparation, bookkeeping, and payroll services	782	263	(D)	(D)	0	0	0	248	66	(D)	(*)	(*)
Specialized design services	24	0	(D)	0	0	0	0	(D)	0	(D)	(D)	0
Scientific research and development services	2,527	33	2,042	69	195	95	(D)	1,087	25	428	73	(D)
Advertising and related services	9,520	452	7,955	1,442	1,151	492	280	2,590	292	821	177	180
Other professional, scientific, and technical services	5,023	240	4,168	(D)	(D)	(D)	(D)	618	126	489	51	44
Other industries	(D)	22,962	(D)	11,143	(D)	(D)	1,255	(D)	21,960	29,599	(D)	(D)
Agriculture, forestry, fishing, and hunting	238	3	49	(D)	0	(D)	0	3	19	167	0	0
Mining	11,876	1,526	3,546	(D)	91	514	57	1,586	3,482	3,322	251	(D)
Utilities	33,475	10,307	7,613	1	(D)	66	0	4,683	9,908	5,647	1,863	0
Construction	750	(D)	0	0	0	0	0	0	0	(D)	574	0
Transportation and warehousing	31,316	3,721	14,225	998	2,598	1,820	312	5,306	4,786	8,584	940	759
<i>Of which:</i>												
Air transportation	2,449	149	982	(D)	85	(D)	80	384	94	1,223	(D)	199
Rail transportation	1,994	270	1,262	0	0	0	0	1,262	(D)	(D)	(D)	0
Water transportation	6,971	(D)	1,924	0	0	(D)	0	1,482	3,265	(D)	(D)	0
Truck transportation	1,204	708	423	0	0	0	0	(D)	55	18	0	5
Support activities for transportation	5,791	444	2,641	341	(D)	439	(D)	712	525	2,181	194	(D)
Management of companies and enterprises	1,453	8	1,163	177	103	9	(D)	440	79	203	13	(D)
Administration, support, and waste management	(D)	1,854	(D)	(D)	1,154	940	295	6,051	1,005	4,601	1,807	(D)
Administrative and support services	27,091	1,101	20,601	7,671	(D)	(D)	295	918	4,471	(D)	(D)	(D)
<i>Of which:</i>												
Employment services	16,099	599	12,795	(D)	(D)	(D)	(D)	3,580	552	2,153	911	(D)
Travel arrangement and reservation services	495	4	417	4	(D)	(D)	0	(*)	(D)	(D)	(D)	0
Waste management and remediation services	(D)	753	(D)	(D)	(D)	(D)	0	(D)	87	131	(D)	0
Health care and social assistance	1,420	(D)	1,203	(D)	0	0	(D)	920	133	(D)	0	0
Accommodations and food services	(D)	4,051	13,361	1,376	1,904	86	(D)	5,890	1,909	(D)	1,502	70
Accommodations	5,165	(D)	3,394	(D)	(D)	(D)	(D)	(D)	812	(D)	219	70
Food services and drinking places	(D)	(D)	9,967	(D)	(D)	(D)	(D)	1,297	(D)	(D)	1,283	0
Miscellaneous services	(D)	(D)	(D)	714	403	243	101	(D)	638	812	(D)	(D)
Educational services	1,342	74	758	(D)	(D)	(D)	(D)	247	364	146	3	(D)
Arts, entertainment, and recreation	1,739	371	1,064	(D)	(D)	(D)	(D)	617	76	229	140	(D)
Other services (except public administration and private households)	(D)	(D)	(D)	(D)	259	146	(D)	198	437	(D)	(D)	(D)

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Because sales resulting from construction activities are recorded as sales of goods rather than as sales of services, the sales of services through MOFAs represent sales in secondary, nonconstruction industries. In 2004, sales of goods to

foreign residents through MOFAs classified in construction were suppressed to avoid the disclosure of data of individual companies.

MNCs Multinational companies

MOFAs Majority-owned foreign affiliates

Table 11.1. Sales of Services to U.S. Persons by Foreign MNCs Through Their Nonbank MOUSAs, Industry of Affiliate by Country of UBO, 2003

[Millions of dollars]

	All countries	Canada	Europe						Latin America and Other Western Hemisphere	Other countries			United States
			Total	Of which:						Total	Of which:		
				France	Germany	Netherlands	Switzerland	United Kingdom			Australia	Japan	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
All industries	374,119	38,771	257,554	49,438	47,132	37,640	34,505	66,602	30,941	44,017	11,057	24,514	2,836
Manufacturing	38,416	1,485	25,323	2,274	10,284	(D)	812	5,016	(D)	(D)	(D)	(D)	9
<i>Of which:</i>													
Food.....	101	(D)	(D)	(D)	0	0	0	0	0	26	0	24	0
Chemicals.....	1,001	0	997	(D)	68	(D)	363	(D)	4	4	0	4	0
Primary and fabricated metals.....	(D)	2	(D)	0	(D)	0	0	29	(D)	2	0	2	0
Machinery.....	(D)	(D)	4,931	(D)	(D)	(D)	(D)	(D)	0	225	0	(D)	0
Computers and electronic products.....	8,446	(D)	3,323	(D)	(D)	0	(D)	2,550	(D)	(D)	0	(D)	0
Electrical equipment, appliances, and components.....	84	0	(D)	2	4	0	(D)	0	0	(D)	0	(D)	0
Transportation equipment.....	8,111	(D)	7,093	(D)	(D)	(D)	0	290	(D)	128	0	126	0
Wholesale trade	10,083	93	5,842	298	652	1,824	274	(D)	(D)	3,930	(D)	3,642	(D)
<i>Of which:</i>													
Motor vehicles and motor vehicle parts and supplies.....	527	2	(D)	0	(D)	0	0	0	0	(D)	0	451	0
Professional and commercial equipment and supplies.....	2,425	(D)	(D)	(D)	(D)	(D)	0	5	0	(D)	0	(D)	0
Retail trade	525	(D)	80	(D)	0	(D)	2	(D)	(D)	(D)	0	(D)	0
Information	55,568	5,763	35,652	7,674	12,015	2,907	(D)	11,741	3,462	(D)	(D)	1,178	(D)
Publishing industries.....	14,086	430	12,787	776	(D)	401	(D)	6,811	3	867	(D)	732	(D)
Newspaper, periodical, book, and database publishers.....	10,360	63	10,206	(D)	(D)	(D)	(D)	5,862	2	89	(D)	40	0
Software publishers.....	3,726	367	2,581	(D)	(D)	(D)	1	949	(*)	778	1	692	(*)
Motion picture and sound recording industries.....	8,018	(D)	(D)	(D)	8	(D)	0	45	6	109	0	(D)	0
Motion picture and video industries.....	(D)	(D)	(D)	(D)	8	(D)	0	5	(D)	0	4	0	0
Sound recording industries.....	(D)	0	(D)	0	(D)	0	(D)	1	(D)	0	(D)	0	0
Telecommunications.....	(D)	(D)	11,277	199	(D)	(D)	1	3,393	228	6	(D)	(D)	(D)
Wired telecommunications carriers.....	4,084	(D)	1,232	(D)	0	(D)	0	(D)	(D)	0	(D)	(D)	(D)
Wireless telecommunications carriers (except satellite).....	(D)	1	(D)	5	(D)	0	1	(D)	20	1	0	(D)	(D)
Other telecommunications.....	2,292	(*)	(D)	(D)	(D)	(D)	0	(D)	(D)	5	0	0	0
Broadcasting (except internet).....	(D)	1	83	(D)	0	(*)	0	(D)	(D)	(D)	(D)	(D)	0
Internet service providers, web search portals, data processing services, internet publishing and broadcasting, and other information services.....	9,132	(D)	(D)	(D)	11	(D)	0	(D)	(D)	(D)	3	310	(*)
Finance (except depository institutions) and insurance	108,476	15,927	78,586	8,879	10,465	20,968	23,488	12,579	8,610	3,828	(D)	3,274	1,525
Finance (except depository institutions).....	23,947	1,379	19,453	(D)	513	714	(D)	4,335	62	(D)	(D)	(D)	(D)
Nondepository credit intermediation and related services.....	2,978	(D)	764	0	1	(D)	0	(D)	19	(D)	(D)	(D)	(*)
Securities, commodity contracts, and other intermediation and related activities.....	20,902	(D)	18,653	2,538	504	(D)	(D)	27	471	6	375	(D)	(D)
Funds, trusts, and other financial vehicles.....	67	2	36	(D)	7	0	(D)	(*)	15	13	4	(D)	(D)
Insurance carriers and related activities.....	84,529	14,547	59,133	(D)	9,952	20,254	(D)	8,244	8,548	(D)	(D)	(D)	(D)
Insurance carriers, except life insurance carriers.....	56,111	(D)	41,715	(D)	(D)	(D)	9,115	(D)	7,373	1,209	(D)	(D)	(D)
Life insurance carriers.....	26,818	(D)	17,159	(D)	(D)	(D)	(D)	(D)	(D)	8	0	(D)	0
Agencies, brokerages, and other insurance related activities.....	1,600	(D)	259	0	(*)	3	(D)	(D)	(D)	(*)	(D)	(D)	(*)
Real estate and rental and leasing	15,463	1,567	7,456	424	2,164	361	175	2,283	587	5,757	(D)	2,693	97
Real estate.....	11,548	1,520	3,940	(D)	2,151	(D)	173	641	576	(D)	(D)	2,417	(D)
Rental and leasing (except real estate).....	3,915	47	3,516	(D)	13	(D)	1	1,642	11	(D)	(*)	276	(D)
Professional, scientific, and technical services	44,191	1,945	33,406	20,258	138	1,854	462	9,807	(D)	(D)	17	1,060	(D)
Architectural, engineering, and related services.....	5,056	172	4,086	288	65	558	(D)	2,488	(D)	(D)	(*)	(D)	3
Computer systems design and related services.....	10,767	515	3,199	2,090	52	(D)	(*)	408	(D)	8	522	5	5
Management, scientific, and technical consulting.....	1,523	36	1,156	(*)	8	(D)	(D)	761	(D)	(D)	(D)	33	(*)
Other.....	26,845	1,222	24,965	17,880	12	(D)	91	6,150	11	(D)	(D)	(D)	(D)
Legal services.....	24	(D)	(D)	0	0	0	(*)	(D)	(*)	0	0	0	0
Accounting, tax preparation, bookkeeping, and payroll services.....	71	4	(D)	5	0	0	0	0	0	(D)	0	3	5
Specialized design services.....	45	2	25	0	(*)	(*)	(D)	3	(*)	19	(D)	8	0
Scientific research and development services.....	733	(D)	194	(D)	11	(D)	(D)	50	1	(D)	(*)	198	1
Advertising and related services.....	21,268	508	20,443	(D)	0	0	0	(D)	9	(D)	(*)	(D)	(D)
Other professional, scientific, and technical services.....	4,704	(D)	4,235	(D)	1	(D)	(*)	2	70	0	57	(D)	(D)
Other industries	101,397	(D)	71,209	(D)	11,414	(D)	(D)	7,342	(D)	(D)	0	(D)	353
Agriculture, forestry, fishing, and hunting.....	216	8	199	(D)	3	0	0	9	(*)	(*)	0	(*)	0
Mining.....	6,654	(D)	662	0	0	(D)	(*)	145	5,775	(D)	(*)	0	(D)
Utilities.....	12,154	1,241	10,831	(D)	(D)	0	(D)	0	0	0	0	11	(D)
Construction.....	1,190	(D)	546	4	(D)	0	0	1	(D)	0	0	(D)	(*)
Transportation and warehousing.....	30,359	6,319	19,215	459	4,703	888	(D)	7,630	418	4,402	(D)	2,656	4
<i>Of which:</i>													
Air transportation.....	169	24	40	4	(D)	(D)	1	1	26	79	0	(D)	0
Rail transportation.....	2,447	(D)	(D)	0	0	0	0	(D)	(D)	(*)	0	(*)	0
Water transportation.....	2,050	(D)	1,377	(D)	1	(*)	(D)	(D)	1	(D)	0	9	0
Truck transportation.....	2,059	(D)	(D)	1	(D)	0	0	0	(D)	(D)	0	(D)	0
Support activities for transportation.....	10,371	70	7,401	401	(D)	5	(D)	851	(D)	(D)	2	2,314	0
Management of companies and enterprises.....	1,435	(D)	892	(D)	8	(D)	(D)	(D)	2	(D)	(*)	(D)	0
Administration, support, and waste management.....	18,562	82	17,048	1,260	154	(D)	7,387	2,058	569	(D)	0	(D)	(D)
Administrative and support services.....	18,545	74	17,047	1,260	154	(D)	7,387	2,058	569	(D)	0	(D)	(D)
<i>Of which:</i>													
Employment services.....	6,291	1	6,290	0	0	(D)	(D)	(D)	(*)	(*)	0	(*)	0
Travel arrangement and reservation services.....	1,892	2	785	587	(D)	0	3	(D)	(D)	554	0	551	(D)
Waste management and remediation services.....	16	7	(*)	0	0	0	0	(*)	0	9	0	9	0
Health care and social assistance.....	(D)	1,291	(D)	0	(D)	0	0	1	(D)	(D)	0	1	1
Accommodations and food services.....	19,652	104	15,165	(D)	(D)	3	(D)	(D)	354	(D)	(*)	1,709	(D)
Accommodations.....	6,310	36	2,318	(D)	58	3	(D)	(D)	258	3,699	0	1,652	0
Food services and drinking places.....	13,342	68	12,848	(D)	(D)	0	(D)	(D)	96	(D)	(*)	57	(D)
Miscellaneous services.....	(D)	1,835	(D)	28	40	(D)	7	(D)	(D)	(D)	(D)	369	9
Educational services.....	213	(*)	65	0	0	0	0	0	8	139	0	(D)	(*)
Arts, entertainment, and recreation.....	2,718	1,776	259	(D)	14	22	0	(D)	126	556	(D)	200	0
Other services (except public administration and private households).....	(D)	58	(D)	(D)	(D)	(D)	7	(D)	(D)	(D)	(*)	(D)	9

* Less than \$500,000.

D Suppressed to avoid disclosure of data of individual companies.

1. Because sales resulting from construction activities are recorded as sales of goods rather than sales of services, the sales of services through MOUSAs in construction represent sales in secondary, nonconstruction industries. In 2003, sales of goods to U.S. residents by MOUSAs in construction were estimated to be \$26.7 billion. These sales of goods were esti-

ated by subtracting exports of goods from the total sales of goods.

MNCs Multinational companies
 MOUSAs Majority-owned U.S. affiliates
 UBO Ultimate beneficial owner

Table 11.2. Sales of Services to U.S. Persons by Foreign MNCs Through Their Nonbank MOUSAs, Industry of Affiliate by Country of UBO, 2004

[Millions of dollars]

	All countries	Canada	Europe						Latin America and Other Western Hemisphere	Other countries			United States
			Total	Of which:						Total	Of which:		
				France	Germany	Netherlands	Switzerland	United Kingdom			Australia	Japan	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
All industries	382,763	36,613	260,557	54,039	54,353	30,355	34,363	64,034	35,892	47,200	12,040	26,039	2,501
Manufacturing	40,515	1,476	26,141	2,577	13,225	(D)	1,066	4,772	(D)	(D)	(D)	(D)	8
<i>Of which:</i>													
Food	107	(D)	(D)	(D)	0	0	0	0	0	24	0	24	0
Chemicals	1,141	(D)	1,124	(D)	65	(D)	384	76	0	(D)	0	(D)	0
Primary and fabricated metals	(D)	2	(D)	0	(D)	0	0	66	(D)	(D)	(D)	2	0
Machinery	(D)	(D)	8,708	(D)	(D)	(D)	(D)	(D)	0	207	0	(D)	0
Computers and electronic products	9,249	(D)	3,543	(D)	(D)	0	(D)	2,802	(D)	(D)	0	(D)	0
Electrical equipment, appliances, and components	45	0	(D)	2	4	0	0	0	0	(D)	0	(D)	0
Transportation equipment	8,514	(D)	7,016	(D)	(D)	0	0	(D)	(D)	163	0	(D)	159
Wholesale trade	8,873	98	5,048	209	217	1,860	86	(D)	(D)	3,539	(D)	3,215	(D)
<i>Of which:</i>													
Motor vehicles and motor vehicle parts and supplies	540	2	(D)	0	(D)	0	0	0	0	(D)	0	294	0
Professional and commercial equipment and supplies	2,102	(D)	690	(D)	(D)	(D)	0	(D)	0	(D)	0	(D)	0
Retail trade	819	2	99	1	0	(D)	7	(D)	(D)	(D)	0	(D)	0
Information	56,614	5,767	36,292	7,927	14,949	2,862	2	9,415	3,212	(D)	(D)	1,336	(D)
<i>Of which:</i>													
Publishing industries	14,876	(D)	13,200	(D)	14,949	(D)	2	7,147	3	(D)	(D)	913	(*)
Newspaper, periodical, book, and database publishers	10,849	118	10,637	(D)	(D)	(D)	0	6,185	3	91	(D)	42	0
Software publishers	4,027	(D)	2,562	(D)	(D)	42	1	962	(*)	1	(D)	871	(*)
Motion picture and sound recording industries	(D)	9	(D)	(D)	8	(D)	0	60	6	113	0	(D)	0
Motion picture and video industries	(D)	9	(D)	(D)	8	(D)	0	27	6	(D)	0	4	0
Sound recording industries	(D)	0	(D)	(D)	0	0	0	33	1	0	0	(D)	0
Telecommunications	(D)	111	12,465	215	(D)	(D)	1	338	3,042	223	6	(D)	(D)
Wired telecommunications carriers	3,802	(D)	1,327	(D)	0	(D)	0	234	(D)	(D)	0	(D)	(D)
Wireless telecommunications carriers (except satellite)	(D)	1	(D)	5	(D)	0	1	(D)	(D)	21	1	0	0
Other telecommunications	2,170	(D)	(D)	(D)	(D)	(D)	0	(D)	(D)	(D)	5	(*)	0
Broadcasting (except internet)	(D)	1	(D)	0	0	(*)	0	0	(D)	(D)	(D)	4	0
Internet service providers, web search portals, data processing services, internet publishing and broadcasting, and other information services	9,129	(D)	(D)	(D)	11	(D)	0	1,870	(D)	(D)	6	(D)	(*)
Finance (except depository institutions) and insurance	105,124	14,048	72,621	10,520	11,311	(D)	22,896	9,076	12,653	4,220	(D)	3,562	1,583
<i>Of which:</i>													
Finance (except depository institutions)	23,800	1,702	18,756	(D)	482	732	(D)	4,231	76	(D)	104	(D)	(D)
Nondepository credit intermediation and related services	2,786	75	(D)	0	1	(D)	0	(D)	21	(D)	(D)	(D)	(*)
Securities, commodity contracts, and other intermediation and related activities	20,933	1,625	18,372	2,548	474	(D)	(D)	(D)	36	(D)	(D)	300	(D)
Funds, trusts, and other financial vehicles	82	2	(D)	7	7	0	25	(*)	18	(D)	(*)	4	(*)
Insurance carriers and related activities	81,323	12,346	53,865	(D)	10,829	(D)	(D)	4,844	12,577	(D)	(D)	(D)	(D)
Life insurance carriers	52,313	(D)	33,523	(D)	(D)	(D)	(D)	(D)	11,170	(D)	1,358	(D)	(D)
Life insurance carriers	27,311	6,906	20,104	(D)	(D)	(D)	(D)	(D)	(D)	(D)	0	(D)	0
Agencies, brokerages, and other insurance related activities	1,699	(D)	238	0	(*)	2	(D)	(D)	9	(D)	1	(D)	(*)
Real estate and rental and leasing	15,668	1,750	7,282	340	2,185	271	176	2,434	655	5,869	(D)	2,920	112
<i>Of which:</i>													
Real estate	(D)	1,723	3,735	(D)	2,113	271	175	721	644	(D)	(D)	2,626	(D)
Rental and leasing (except real estate)	(D)	28	3,547	(D)	72	(*)	1	1,713	11	(D)	(*)	294	(D)
Professional, scientific, and technical services	47,432	2,181	35,995	22,274	173	1,990	513	10,217	(D)	3,018	38	1,089	(D)
<i>Of which:</i>													
Architectural, engineering, and related services	4,598	205	3,946	271	68	672	(D)	2,313	(D)	(*)	(D)	3	3
Computer systems design and related services	11,110	576	2,841	(D)	55	(D)	(*)	427	(D)	(D)	29	554	5
Management, scientific, and technical consulting	1,579	16	1,166	(*)	(D)	(D)	(D)	748	(D)	(D)	7	33	(*)
Other	30,145	1,384	28,041	(D)	(D)	(D)	122	6,729	12	(D)	2	(D)	(D)
Legal services	28	(D)	(D)	0	0	0	(*)	(D)	0	(*)	0	0	0
Accounting, tax preparation, bookkeeping, and payroll services	71	4	(D)	5	0	0	0	0	0	(D)	0	3	(D)
Specialized design services	48	2	26	0	(*)	(*)	(D)	3	(*)	20	2	9	0
Scientific research and development services	788	(D)	198	36	11	1	(D)	27	(D)	(*)	(*)	195	1
Advertising and related services	23,886	578	22,978	(D)	0	0	0	(D)	9	(D)	(*)	(D)	(D)
Other professional, scientific, and technical services	5,324	(D)	4,766	(D)	(D)	(D)	(*)	(D)	2	(D)	0	(D)	(D)
Other industries	107,718	11,290	77,080	10,191	12,293	3,920	9,615	(D)	7,977	11,194	543	(D)	176
<i>Of which:</i>													
Agriculture, forestry, fishing, and hunting	240	9	225	(D)	3	(D)	(*)	7	7	(*)	0	(D)	0
Mining	7,269	385	665	0	0	(D)	(*)	322	6,206	(D)	(*)	1	(D)
Utilities	14,519	(D)	11,380	(D)	(D)	0	(D)	0	0	(D)	1	3	0
Construction	1,288	(D)	561	4	(D)	0	3	(D)	1	(D)	(D)	(D)	(*)
Transportation and warehousing	29,889	4,095	20,637	476	5,268	918	(D)	8,471	405	4,748	(D)	2,975	5
<i>Of which:</i>													
Air transportation	178	26	39	(*)	(D)	1	(D)	1	28	85	0	(D)	0
Rail transportation	2,523	(D)	(D)	0	0	0	0	(D)	(D)	(*)	0	(*)	0
Water transportation	2,584	(D)	2,154	(D)	(D)	(*)	(D)	(D)	(D)	(D)	0	10	0
Truck transportation	2,375	(D)	(D)	1	1	(D)	0	0	(D)	(D)	0	(D)	0
Support activities for transportation	10,390	80	6,925	416	(D)	5	(D)	1,019	(D)	(D)	2	2,575	0
Management of companies and enterprises	963	(D)	896	(D)	8	(D)	(D)	(D)	2	(D)	(*)	19	0
Administration, support, and waste management	20,406	84	18,963	1,486	149	(D)	7,837	3,150	606	752	0	690	1
Administrative and support services	(D)	(D)	18,963	1,486	149	(D)	7,837	3,150	606	743	0	681	1
<i>Of which:</i>													
Employment services	6,666	1	6,666	0	0	(D)	(D)	(D)	(*)	(*)	0	(*)	0
Travel arrangement and reservation services	1,886	2	908	702	(D)	0	3	(D)	(D)	(D)	0	529	0
Waste management and remediation services	(D)	(D)	0	0	0	0	0	0	0	9	0	9	0
Health care and social assistance	(D)	1,390	(D)	0	(D)	0	0	1	(D)	(D)	0	(D)	1
Accommodations and food services	21,038	112	16,434	(D)	(D)	3	(D)	(D)	513	(D)	(*)	1,738	(D)
<i>Of which:</i>													
Accommodations	6,631	37	2,648	(D)	61	3	(D)	(D)	314	3,632	0	1,675	0
Food services and drinking places	14,407	75	13,787	(D)	(D)	0	(D)	(D)	198	(D)	(*)	63	(D)
Miscellaneous services	(D)	1,845	(D)	47	42	(D)	8	(D)	(D)	789	(D)	404	(D)
<i>Of which:</i>													
Educational services	393	(*)	224	0	(D)	0	0	(*)	9	160	0	(D)	(*)
Arts, entertainment, and recreation	2,744	1,755	274	3	15	26	0	0	136	579	(D)	221	0
Other services (except public administration and private households)	(D)	89	(D)	44	(D)	(D)	8	(D)	(D)	51	(*)	(D)	(D)

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