

SURVEY OF FOREIGN BUSINESS INVESTMENTS IN THE UNITED STATES

INSTRUCTIONS AND REGULATIONS

Section I. Introduction

This Survey of Foreign Business Investments in the United States is being conducted by the Department of Commerce to provide a complete and accurate account as of 1959 of United States business organizations in which there is a substantial foreign ownership. Information to be collected will show the amount and nature of such investments, their earnings and growth during the year, and their relationship to domestic industry and to the international transactions of the United States. These data will provide a new base for the continuing collection of sample data and will contribute to more reliable balance-of-payments information in the future.


The information required in this Survey is set forth in questionnaire Form BE-145, as specified in Sections II and III of these Instructions. Each reporter, as defined below, is required under the law to submit a report on Form BE-145. The legal provisions follow:

Pursuant to Executive Order 10033 of February 8, 1949 (14 F.R. 561) issued under Section 8 of the Bretton Woods Agreements Act (59 Stat. 515, 22 U.S.C. 286f), the National Advisory Council on International Monetary and Financial Problems, after consultation with the Director of the Bureau of the Budget, has determined that the collection of data for 1959 on foreign business investments in the United States is essential in order that the United States Government may continue to comply with official requests from the International Monetary Fund for balance-of-payments information.

In accordance with Sections 2(b) and 2(c) of Executive Order 10033, the Director of the Bureau of the Budget has designated the Commerce Department as the Federal executive agency to collect the required data and the Secretary of Commerce has assigned this responsibility to the Office of Business Economics, Department of Commerce.

Replies on this Form are therefore mandatory under Section 8(b) of the Bretton Woods Agreements Act cited above.

This Survey has been approved by the Bureau of the Budget under the Federal Reports Act (Public Law No. 831, 77th Congress). All replies will be held in confidence by the Office of Business Economics, under the provisions of Section 4(b) of the Act and Section 8(c) of the Bretton Woods Agreements Act.



Secretary of Commerce

Section II. General Instructions

A. WHO MUST REPORT

1. *Basic requirement.*—Every business enterprise subject to the jurisdiction of the United States, which was controlled, as defined below, directly or indirectly by a foreign person(s) or organization(s) on December 31, 1959, is required to report. Such business enterprises shall include, but not be limited to, corporations, branches of foreign persons or organizations, partnerships, investments in real property, leaseholds, estates, trusts, and sole proprietorships or other forms of outright individual ownership. (Important: See subsections B and C-6 for exemptions and for definition of control.)

2. *Foreign beneficial interests.*—If the foreign controlling interest in a United States business enterprise, including commercial real property, was held, exercised or administered by a United States estate, trust (including irrevocable trusts), nominee, agent, representative, custodian, or other intermediary of the foreign beneficial owners, such estate, trust, nominee or other intermediary shall be responsible for reporting for the business enterprise the required information on Form BE-145, or shall instruct the United States business enterprise in question to submit the required information. This does not relieve the United States business enterprise of responsibility for reporting if such business enterprise has knowledge of the direct or indirect foreign controlling interest, but only one report should be filed for each such enterprise.

For the purposes of this Survey, accounts or transactions of a United States business enterprise with a United States estate, trust, nominee or other intermediary of foreign beneficial owners shall be considered as accounts or transactions with such beneficial owners.

3. *Consolidated reports.*—If a reporter held a controlling interest in other U. S. enterprises engaged in the same type of business and required to report, the information requested in Part B of Form BE-145 may be consolidated for such reporter and enterprises, provided all accounts are fully consolidated. However, Part A of Form BE-145 is required for each reporter consolidated (or schedule providing such information) except Item II b and Section III which are required only for the reporter holding the controlling interest in the other enterprises consolidated.

4. *Control by affiliated foreign owners.*—When affiliated foreign owners (see subsection C-5) as a group held a controlling interest in a United States business enterprise, a report is required for such enterprise even though no one

foreign owner held as much as a 25 per cent interest.

B. EXEMPTIONS

1. *Exemption based on value.*—If the value of total assets, including real property investments, of any person or business organization otherwise required to report, was less than \$50,000 on December 31, 1959, such a person or business organization is required to file only Part A of Form BE-145 for this survey, with a notation that total assets are less than \$50,000. The value of total assets is to be determined by the cost, book value, or estimated market value, whichever is the greatest.

2. *Certain property exempted.*—Reports are not required for foreign-owned assets in the United States not employed in connection with a United States business enterprise controlled abroad. Assets of religious bodies, charitable organizations or other non-profit organizations are exempt from reporting, except for the interest of such groups in U. S. enterprises primarily conducting business for profit. Real or personal property acquired for personal use or occupancy by a foreign owner is exempt from reporting. However, interests in real property in the United States acquired for business purposes by a foreign owner must be reported, except as otherwise exempted by this Section.

C. DEFINITIONS

For the purpose of this survey and any instructions or rulings issued hereunder, the following definitions are prescribed:

1. "Person" shall mean an individual, partnership, association, corporation, estate or trust, or other organization or form of business enterprise.

2. "Person subject to the jurisdiction of the United States" shall mean (1) any individual ordinarily resident in the United States; (2) any corporation, business enterprise, estate, trust, or other organization created or organized under the laws of the United States or any State, territory, district, or possession thereof; (3) any other entity resident in the United States on December 31, 1959, including branches of foreign organizations, real property, leaseholds, sole proprietorships and partnerships.

3. "United States" shall mean the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the Panama Canal Zone, and any territory or possession of the United States.

4. "Foreign or foreign person" shall include any area or any person or organization subject to the jurisdiction of a country other than the United States.

5. "Affiliates" shall mean (1) In relation to any corporation or other organization issuing stock or similar securities, any person who, directly or in-

directly, owned, controlled, or held with power to vote, 10 percent or more of the outstanding voting securities thereof.

(2) As to any other organization, any person who owned or controlled 10 percent or more of the comparable ownership rights therein. (3) Any group of persons who ordinarily exercise their voting rights in a business organization as a unit. (4) (a) individuals married to each other, their direct forebears, and their children; (b) brothers and sisters; (c) estates or trusts for the benefit of or created by persons, are deemed to be affiliates of such persons and of each other; (d) nominees, representatives or intermediaries are deemed to be affiliates of their principals and of each other; (e) estates, trusts, nominees or intermediaries of affiliated persons are deemed to be affiliates of each other.

Any corporation or other organization of which a person was an affiliate also shall be deemed to have been an affiliate of such person, and all persons who were affiliates of the same person shall be deemed to have been affiliates of each other.

6. "Control or controlling interest" shall mean, for the statistical purposes of this survey, the direct ownership and/or indirect ownership through intermediaries or affiliates of 25 percent or more of the voting securities of a corporation, or of other ownership equities in other types of organizations.

7. "Parent" shall mean any person or affiliated group of persons directly owning 25 percent or more of the voting securities of a corporation or of other ownership equities in other types of organizations. In some cases there may be more than one parent. (See subsection A-2 regarding beneficial ownership through intermediaries.)

8. "Branch" shall mean an unincorporated business enterprise subject to the jurisdiction of the United States controlled by a foreign person or organization, including all assets or liabilities connected with the operations of such a branch.

9. "Reporter" is the business enterprise for which a report is required. If the enterprise is in the nature of a leasehold or real property not identifiable by name, the report may be filed on behalf of the reporter by an agent or representative of the foreign beneficial owner or by such owner.

D. OTHER GENERAL INSTRUCTIONS

1. *Space on form insufficient.*—When space does not permit a full answer to any question on the Form, the information required should be submitted on supplementary sheets appropriately labeled and incorporated by reference under the question.

2. *Estimates.*—Every question on the Form which a reporter is required to use in rendering his report must be answered. If the information is not available as specified in the form, a reasonable estimate should be entered, labeled as such. If there is no basis

for such an estimate, state "unknown" with an appropriate explanation. However, if and when the information becomes available, a supplementary report must be filed promptly with a full explanation.

Space not needed or inapplicable for supplying requested information should be left entirely blank. When there is nothing to report under any question, state "no" or "none."

3. *Number of copies.*—A single original copy should be filed. In addition, each person reporting should retain a copy of his report.

4. *Time and place of filing reports.*—Reports shall be filed on or before July 15, 1960, with the Department of Commerce, Office of Business Economics, BE-50, Washington 25, D. C.

5. *Information regarding preparation of reports.*—Anyone desiring information concerning this survey or copies of Forms may apply directly to the United States Department of Commerce, Office of Business Economics, BE-50, Washington 25, D. C., or to any Field Office of the United States Department of Commerce.

Section III. Specific Instructions for Form BE-145

The items below and the abbreviated descriptions which follow refer to the same designated items in the report form to which the instructions apply.

PART A.—IDENTIFICATION

Item I.a.—*Name of reporter* (see above Section II, C-9).

Item I.b.—*Address of principal office in the United States.*—If reporter had no office in the United States, enter United States postal address of person submitting report. If no United States address, make explanatory note and enter foreign address.

Item I.d.—*Year of establishment of reporter or predecessor.*—Enter year in which business enterprise came into existence regardless of ownership. For real property investments enter year of purchase by reporter.

Item I.e.—*Year control of reporter or predecessor acquired by foreign owners.*—If reporter or predecessor was established under foreign control the year entered would be the same as for preceding item. For real property investments enter year of purchase by reporter.

Item I.g.—*Type of business of reporter.*—Give a brief but definite description of principal products produced or sold, of services rendered and of other business activity, e.g., manufacturing electrical appliances, distributing imported textiles, banking. For real property investments briefly describe type of property. *Insurance companies* may supply copies of reports for 1958 and 1959 furnished insurance commissions or similar regulatory authorities in the United States in lieu of the financial schedules required in Part B, pro-

viding such reports contain the basic information requested in Part B.

Item II.—*Identification of owners of reporter.*—Foreign persons holding beneficial ownership in reporter through a United States estate, trust, nominee, or similar U. S. intermediary, not itself a business enterprise, shall be considered as holding direct ownership in reporter. Such beneficial owners should be shown as foreign parents of reporter if their beneficial ownership amounted to 25 percent or more of the voting stock or of analogous interests of a non-corporate reporter. The name of the intermediary should also be noted.

In some cases, such as foreign-owned sole proprietorships, branches, real property, or partnerships, the names of the reporter and the foreign parent may be identical.

PART B.—FINANCIAL SCHEDULES OF REPORTER

General.—The schedules are designed to conform as far as possible to standard accounting records maintained by most types of United States business enterprises. Certain of the breakdowns requested may require special analysis, however, and reasonable estimates of such breakdowns are acceptable where actual figures do not appear in the accounts. Where the accounts of the reporter have categories or designations which differ substantially from those provided in the schedules appropriate designations may be substituted.

Item I.c.—*Investment in and advances to foreign affiliates.*—Include amounts only for your foreign branches and for your foreign subsidiaries in which you owned 25 percent or more of the voting stock. Investment in and advances to all other foreign affiliates should be included in "Other assets."

Item II.—*Schedule of net worth and debts of reporter.*—The total of each item should agree with the amount shown in the balance sheet, Item I, under "Liabilities" and "Net Worth" for the same item and the same year. The total of surplus or deficit should agree with the amount shown in the balance sheet for earned surplus and other surplus and surplus reserves.

Item III.—*Schedule of net worth and debts of foreign affiliates owned by or due to reporter.*—Do not report in this item amounts for investments in your own foreign branches or for your foreign subsidiaries in which you owned 25 percent or more of the voting stock. If you have such foreign branches or subsidiaries, and have not reported for them on Forms BE-10A, B or C, you should obtain these forms from the Office of Business Economics.

Amounts shown in this item should be given as they appear in the accounts of the reporter.

Item VI.—*Schedule of income and fees paid or credited by reporter to foreign parent or affiliates.*—Exclude any income or fees paid if credited to foreign parent or affiliate in a previous year.

**PART B
FINANCIAL
SCHEDULES
OF
REPORTER
(Continued)**

Section II - Schedule of net worth and debts of reporter held by category of owners or creditors as of December 31, 1959 and December 31, 1958
Enter in thousands of dollars the net worth of reporter (capital stock, surplus, or other ownership equities) held directly by owners and amount of debt, long-term and short-term, owed by reporter to creditors.

Net worth and debts of reporter	Owners or creditors of reporter						
	Total	Foreign parent	Other foreign affiliates ^{1/}	Other foreign persons	U. S. parent ^{2/}	Other U. S. affiliates ^{2/}	Other U. S. persons
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
(Thousands of dollars)							
December 31, 1959							
a. Common stock							
b. Surplus or deficit (-)							
c. Preferred stock							
d. Long-term debt							
e. Short-term debt							
f. Home office account or other non-corporate ownership							
g. Other (Specify)							
h. Total							
December 31, 1958							
i. Common stock							
j. Surplus or deficit (-)							
k. Preferred stock							
l. Long-term debt							
m. Short-term debt							
n. Home office account or other non-corporate ownership							
o. Other (Specify)							
p. Total							

^{1/}For any entry of \$100,000 or more note country of foreign affiliates; if more than one country show the amount for each in an appended note.
^{2/}Make entries only for U. S. parents and affiliates in which a controlling interest was known to be held by a foreign person or organization.

Section III - Schedule of net worth and debts of foreign affiliates owned by or due to reporter as of December 31, 1959 and December 31, 1958
Enter in thousands of dollars the net worth of foreign affiliates (capital stock and other ownership equities) owned by reporter and amount of debt of foreign affiliates, long-term and short-term, due to reporter. (Exclude any foreign affiliates in which reporter held a controlling interest).

Net worth and debts of foreign affiliates	Foreign parent		Other foreign affiliates	
	December 31, 1959	December 31, 1958	December 31, 1959	December 31, 1958
	(1)	(2)	(3)	(4)
(Thousands of dollars)				
a. Stock				
b. Long-term debt				
c. Short-term debt				
d. Home office account or other non-corporate ownership				
e. Other (Specify)				
f. Total				

Section IV - Banks, brokers, and security dealers - In order to eliminate duplication of information reported on Treasury Foreign Exchange Forms B-1, B-2 and S-4, please complete the following schedule.

	December 31, 1959	December 31, 1958
	(1)	(2)
(Thousands of dollars)		
a. Amount due from foreign head office, or foreign affiliates of head office, as reported on Treasury Forms B-2 or S-4		
b. Amount due to foreign head office, or foreign affiliates of head office, as reported on Treasury Forms B-1 or S-4		

Section V - Statement of income and earned surplus - Enter in the following statement of income and earned surplus the required data for the calendar year 1959 or nearest fiscal year.

	Amount (Thousands of dollars)
Income	
a. Net sales or revenues	
b. Dividends and interest	
c. From U. S. affiliates	
d. From foreign affiliates	
e. Other	
f. Other	
g. Total income	
Costs and expenses	
h. Cost of goods and services sold	
i. Depreciation of plant and equipment	
j. Depletion	
k. Provision for U. S. income taxes	
l. Other U. S. taxes	
m. Other	
n. Total costs and expenses	
o. Net income (deficit -)	
Earned surplus (or deficit -) (To be entered by incorporated reporters only)	
p. Balance at beginning of year	
q. Net income (deficit -)(same as line "o")	
r. Less preferred dividends paid or credited	
s. Less common dividends paid or credited	
t. Other charges or credits (specify major items)	
u. Balance at end of year	

Section VI - Schedule of income and fees paid or credited by reporter to foreign parent or other foreign affiliates in year ending December 31, 1959, or nearest fiscal year.

Income and fees	Gross	U. S. with- holding taxes	Net
	(1)	(2)	(3)
(Thousands of dollars)			
a. Dividends on common stock			
b. Dividends on preferred stock			
c. Interest			
d. Royalties, license and patent fees			
e. Other fees (management, service charges, etc.)			
f. Net earnings of non-corporate reporters			
g. Total			

**PART C
CERTIFI-
CATION**

Certification - The undersigned reporter and the official executing this certification on his behalf, hereby certify that the information contained in this report is correct, and complete to the best of their knowledge and belief.

Name of reporter	Signature of authorized official
Date	Title

The U. S. Code, Title 18 (Crimes and Criminal Procedure), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction. Persons who have access to individual company information are subject to penalties for unauthorized disclosure.

FORM BE-145
(3-24-60)

U.S. DEPARTMENT OF COMMERCE
OFFICE OF BUSINESS ECONOMICS

DO NOT
USE

**SURVEY OF FOREIGN BUSINESS INVESTMENTS IN
THE UNITED STATES**

Return completed forms to:

U.S. Department of Commerce
Office of Business Economics, BE-50
Washington 25, D.C.

Not later than JULY 15, 1960

NOTE - Read the instructions carefully before completing this report;
for specific items see Section III of the instructions.

**PART A
IDENTIFI-
CATION**

Section I - Identification of Reporter (See instructions, Section II, C9)

a. Name

b. Address of principal office in U.S.

c. States or territories in which principal plants, facilities or properties in U.S. are located

d. Year of establishment of reporter or predecessor.....

e. Year control of reporter or predecessor acquired by foreign owners.....

f. Type of organization of reporter (Check one):
 Corporation Partnership
 Branch Sole proprietorship Other (Specify) _____

g. Type of business (See instructions, Section III)

NOTE - Insurance companies see instructions, Section III

Section II - Identification of owners of reporter

a. Enter name, address and percent direct ownership of voting stock of reporter, if incorporated, or of other ownership equities, if not incorporated, as of December 31, 1959.

Name of owner	Address (If foreign, include country)	Percent direct ownership
1. Foreign parent (See instructions, Section II, C7 and Section III)		
2. Other foreign affiliates		
3. U. S. parent		
4. Other U. S. affiliates		
5. Other U. S. persons or organizations (Percent only).....		
6. Other foreign persons and organizations (Percent only).....		
7. TOTAL		100%

b. If the foreign parent or affiliate identified in Section IIa is primarily a foreign holding company or intermediary organization, and the beneficial interest in your enterprise is held by some other person or parent organization, please supply below the names and addresses of such beneficial owners, if known to you.

Name	Address

Section III - Identification of U.S. affiliates of reporter

a. List below U.S. affiliates in which reporter directly or indirectly held voting stock, or held other ownership equities in non-corporate affiliates.

Name	Address	Percent ownership held by reporter

b. List below other U.S. affiliates in which a controlling interest was held by reporter's foreign parent company or other foreign affiliated organizations.

Name	Address

Section IV - Identification of consolidated enterprises (See instructions, Section II, A3) - List below names and addresses of business enterprises consolidated in Part B, Financial Schedules of Reporter.

Name	Address

**PART B
FINANCIAL
SCHEDULES
OF
REPORTER**

All amounts entered should be in thousands of U. S. dollars. Data may be furnished for a fiscal year ending nearest December 31, 1959, and for dates beginning and ending such fiscal year, with proper identification in each schedule of dates or year covered. Data in all schedules must be as of the same date or period.

Section I - Balance sheet data - Enter in the following balance sheet the required data from the accounting records of the reporter as of December 31, 1959, and December 31, 1958.

ASSETS	December 31, 1959	December 31, 1958
	(1)	(2)
(Thousands of dollars)		
a. Current assets.....		
b. Investments in and advances to U. S. affiliates.....		
c. Investments in and advances to foreign affiliates (See instructions, Section III).....		
d. Property, plant and equipment.....		
e. Less: Related reserves.....		
f. Other.....		
g. Total Assets		
LIABILITIES		
h. Short-term debt.....		
i. Long-term debt.....		
j. Reserves and other liabilities.....		
k. Total Liabilities.....		
NET WORTH		
l. Common stock.....		
m. Earned surplus.....		
n. Other surplus and surplus reserves (Specify).....		
o. Preferred stock.....		
p. Home office or other ownership account (Non-incorporated reporters only).....		
q. Total Net Worth.....		

(Please complete form and sign certification on reverse side)