

# News Release

EMBARGOED UNTIL RELEASE AT 8:30 A.M. EST, FRIDAY, NOVEMBER 13, 2020

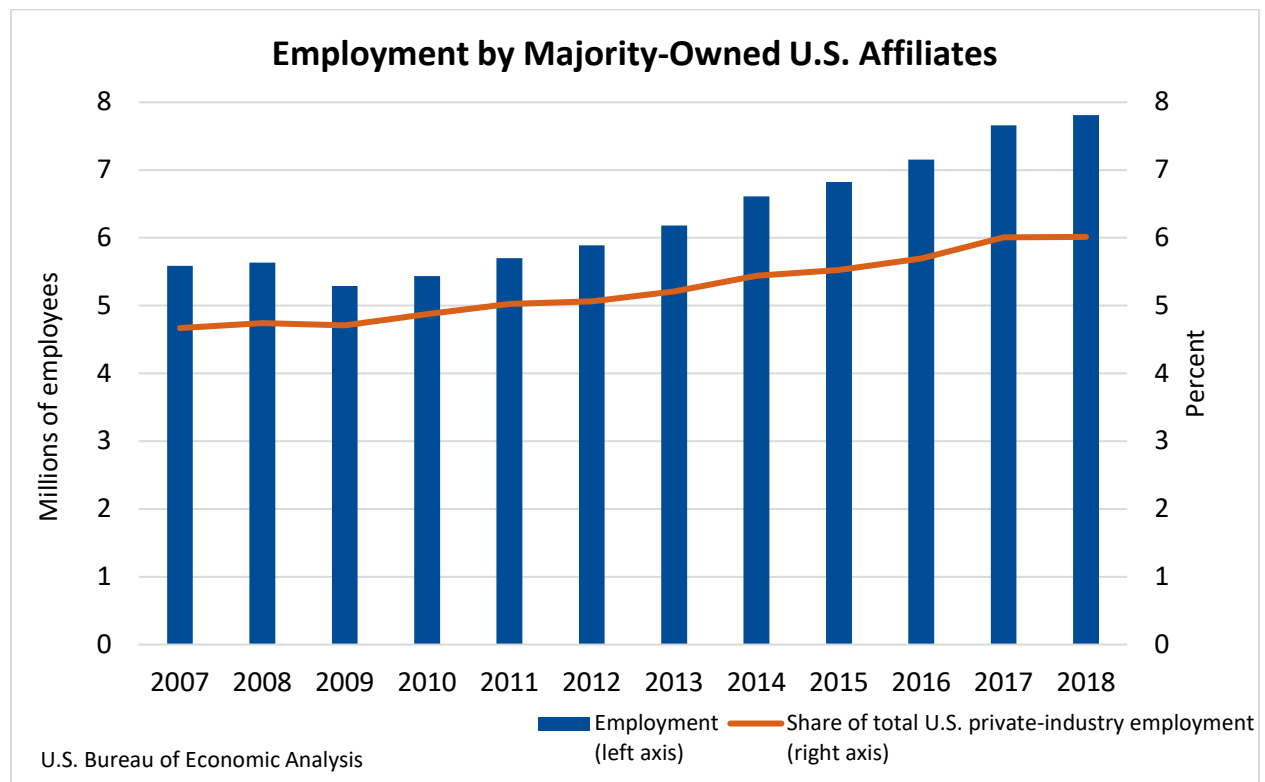
BEA 20-57

Technical:	Kirsten Brew	(301) 278-9152	<a href="mailto:Kirsten.Brew@bea.gov">Kirsten.Brew@bea.gov</a>
	Ryan Noonan	(301) 278-9131	<a href="mailto:Ryan.Noonan@bea.gov">Ryan.Noonan@bea.gov</a>
Media:	Jeannine Aversa	(301) 278-9003	<a href="mailto:Jeannine.Aversa@bea.gov">Jeannine.Aversa@bea.gov</a>

## Activities of U.S. Affiliates of Foreign Multinational Enterprises, 2018

Majority-owned U.S. affiliates (MOUSAs) of foreign multinational enterprises (MNEs) **employed 7.8 million workers** in the United States in 2018, a 1.9 percent increase from 7.7 million in 2017, according to statistics on MOUSA operations and finances released by the Bureau of Economic Analysis.

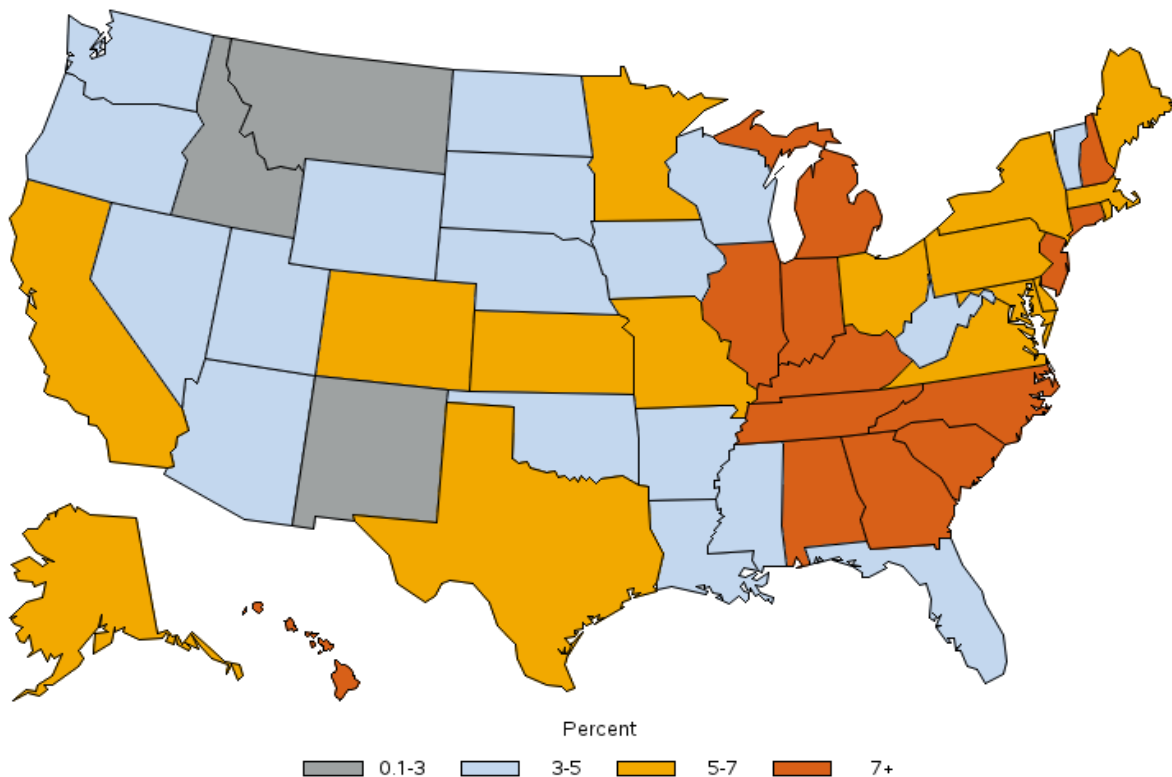
MOUSAs accounted for 6.0 percent of total private-industry employment in the United States. Employment by MOUSAs was largest in manufacturing and in retail trade. MOUSAs with ultimate owners in the United Kingdom, Japan, and Germany were the largest contributors to total MOUSA employment. (See the Additional Information for definitions of MOUSAs and other terminology used in this release.)



Current-dollar **value added** of MOUSAs, a measure of their direct contribution to U.S. gross domestic product (GDP), increased 8.4 percent to \$1.1 trillion. MOUSAs accounted for 7.1 percent of total U.S. business-sector value added.

**Expenditures for property, plant, and equipment** by MOUSAs increased 4.0 percent to \$277.4 billion. MOUSAs accounted for 16.3 percent of total U.S. private business capital expenditures. **Research and development (R&D) performed** by MOUSAs increased 6.6 percent to \$66.9 billion. MOUSAs accounted for 15.2 percent of total U.S. business R&D.

**MOUSA Share of Private-Industry Employment by State**



Source: U.S. Bureau of Economic Analysis

By **state**, private-industry employment accounted for by MOUSAs was highest in South Carolina (8.8 percent), Kentucky (8.4 percent), and Michigan (8.2 percent). In all three states, MOUSAs in the manufacturing industry employed the most workers.

Additional statistics on the activities of U.S. affiliates of foreign multinationals including sales, balance sheet and income statement items, compensation of employees, trade, and more are available on BEA's [website](#). More industry, country, and state level detail are available on the website and will be highlighted in the December issue of the *Survey of Current Business*.

## Updates to the statistics

Statistics for 2017 are revised to incorporate newly available and revised source data. Preliminary statistics for 2017 were released in November 2019 and highlighted in "[Activities of U.S. Affiliates of Foreign Multinational Enterprises in 2017](#)" in the December 2019 issue of the *Survey of Current Business*.

### Updates to Statistics on 2017 Activities of U.S. Affiliates of Foreign Multinational Enterprises

Billions of dollars, except as noted

	Preliminary estimate	Revised estimate
Number of employees (thousands)	7,357.7	7,661.3
Value added	1,020.2	1,034.7
Expenditures for property, plant, and equipment	258.6	266.8
Research and development expenditures	62.6	62.8

Next release: August 20, 2021

Activities of U.S. Affiliates of Foreign Multinational Enterprises, 2019

## Additional Information

### Resources

- Stay informed about BEA developments by reading the BEA [blog](#), signing up for BEA's [email subscription service](#), or following BEA on Twitter [@BEA\\_News](#).
- Historical time series for these estimates can be accessed in BEA's [Interactive Data Application](#).
- Access BEA data by registering for BEA's Data [Application Programming Interface \(API\)](#).
- BEA's [news release schedule](#).
- More information on the activities of U.S. affiliates of foreign MNEs will be provided in the December issue of the [Survey of Current Business](#).
- More statistics on the activities of U.S. affiliates of foreign MNEs, including more detail by industry and country, are available on the [BEA website](#).
- More information on the statistics on activities of U.S. affiliates of foreign MNEs is provided in [U.S. International Economic Accounts: Concepts and Methods](#).
- BEA also publishes a companion series on the [activities of U.S. MNEs](#). Data for 2018 were released August 21, 2020.

### Definitions

A **U.S. affiliate** is a U.S. business enterprise in which there is foreign direct investment—that is, in which a foreign parent owns 10 percent or more of the U.S. business enterprise.

A **majority-owned U.S. affiliate (MOUSA)** is a U.S. affiliate in which the combined ownership of all foreign parents, either directly or indirectly, exceeds 50 percent.

A **foreign parent** is the first person (in the broad legal sense to include any individual, partnership, corporation, or other form of organization), resident outside the United States, that has a direct investment interest in the affiliate.

The **ultimate owner**, also referred to as **ultimate beneficial owner (UBO)**, is that person, proceeding up a chain of majority-ownership (where the entity above owns more than 50 percent of the entity below), 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.

**Employment** covers the total number of full-time and part-time employees on the payroll at the end of the year.

**Value added** is the value of the final goods and services produced by a firm's labor and property. Value added represents the firm's contribution to gross domestic product. The estimates of value added in this release were prepared by summing cost and profit data collected in BEA's surveys of foreign direct investment in the United States and are conceptually consistent with BEA's estimates of U.S. value added by industry.

**Expenditures for property, plant, and equipment** cover total expenditures for land and depreciable structures and equipment; they are gross of any sales, retirements, or transfers of previously owned tangible assets.

**Research and development (R&D) performed** includes expenditures for R&D performed by the U.S. affiliate, whether the R&D was for their own use or for use by others, irrespective of the source of funding.

### Statistical conventions

The statistics on the activities of U.S. affiliates of foreign MNEs are based primarily on data reported in the [Annual and Benchmark Surveys of Foreign Direct Investment in the United States](#) conducted by BEA. The statistics provide information on the operations and finances of U.S. affiliates and cover the entire operations of the affiliate, irrespective of the percentage of foreign ownership.

MOUSA shares of domestic activity are provided in this news release for employment, value added, research and development performed, and expenditures for property, plant, and equipment. These shares are computed by dividing MOUSA activity levels by measures of domestic activity from other data sets that are approximately comparable to the MOUSA measures. MOUSA measures include activities in Puerto Rico and other U.S. territories, while these activities are excluded in the corresponding domestic measures. For the employment share presented in this news release, MOUSA data on employment in Puerto Rico and other U.S. territories are excluded to improve comparability. The domestic totals used to compute shares are detailed below:

- Employment statistics for all U.S. private industries come from line 3 (private industries) of NIPA [Table 6.4D Full-Time and Part-Time Employees by Industry](#). Statistics for state-level shares come from BEA's regional economic accounts in "Private nonfarm wage and salary

employment”, minus “Private Households”, from the [Full-Time and Part-Time Wage and Salary Employment by Industry \(SAEMP27\) table](#).

- Statistics on value added for all U.S. businesses come from line 2 (“business-sector gross domestic product”) of NIPA [Table 1.3.5 Gross Value Added by Sector table](#).
- Statistics on business R&D performed in the United States come from the National Science Foundation.
- Statistics on U.S. private business capital expenditures come from the U.S. Census Bureau’s Annual Capital Expenditures Survey.

## Related Statistics

Statistics on the activities of U.S. affiliates of foreign MNEs are one part of a broader set of U.S. international economic accounts that, taken together, provide a comprehensive, integrated and detailed picture of U.S. international economic activities.

Statistics on direct investment and multinational enterprises include annual statistics on the [activities of](#)

[U.S. MNEs, detailed annual and quarterly statistics on direct investment](#), and annual statistics on [new foreign investment in the United States](#).

Statistics on [international services](#), released annually, include detailed annual information on trade in services and on services supplied through the channel of direct investment by affiliates of MNEs.

The [international investment position \(IIP\) accounts](#) are released quarterly. The IIP is a statistical balance sheet that presents the dollar value of U.S. financial assets and liabilities with respect to foreign residents at a specific point in time.

The [international transactions accounts \(ITAs\)](#) are released quarterly. The ITAs are a statistical summary of economic activity between U.S. residents and the residents of other countries.

[U.S. international trade in goods and services](#), released by BEA and the U.S. Census Bureau, provides monthly statistics on trade in goods and services.

---

## List of News Release Tables

Table 1. Selected Data for Majority-Owned U.S. Affiliates by Industry of Affiliate, 2018

Table 2. Selected Data for Majority-Owned U.S. Affiliates by Country of Ultimate Beneficial Owner, 2018

Table 3. Employment of Majority-Owned U.S. Affiliates, State by Industry of Affiliate, 2018

Table 4. Employment of Majority-Owned U.S. Affiliates, State by Country of Ultimate Beneficial Owner, 2018





Table 3. Employment of Majority-Owned U.S. Affiliates, State by Industry of Affiliate, 2018

[Thousands of employees]

	All industries	Manufacturing	Wholesale trade	Retail trade	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services	Other industries
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Total</b>	<b>7,808.1</b>	<b>2,830.8</b>	<b>705.9</b>	<b>863.3</b>	<b>351.3</b>	<b>399.1</b>	<b>72.6</b>	<b>422.0</b>	<b>2,163.1</b>
<b>New England:</b>									
Connecticut	115.0	36.5	11.0	22.6	3.0	9.7	0.2	4.9	27.1
Maine	36.8	9.9	1.1	13.0	1.1	4.5	(*)	0.8	6.3
Massachusetts	229.3	65.2	17.8	35.6	8.5	23.7	1.3	20.3	57.1
New Hampshire	47.4	22.6	3.6	8.4	0.7	2.5	0.1	1.3	8.3
Rhode Island	26.2	6.3	1.6	5.2	0.7	1.6	0.3	3.2	7.4
Vermont	11.2	3.2	0.4	2.8	0.1	0.6	(*)	0.2	3.8
<b>Mideast:</b>									
Delaware	24.6	7.9	1.1	3.0	1.6	3.1	0.1	1.7	6.0
District of Columbia	24.1	1.3	0.9	3.0	1.6	1.1	0.4	4.0	11.7
Maryland	116.8	27.2	7.2	29.2	6.9	3.7	2.5	4.7	35.6
New Jersey	290.8	106.7	29.0	32.3	10.7	32.8	3.0	14.3	62.0
New York	519.8	91.5	41.0	77.0	41.3	86.5	5.6	40.6	136.4
Pennsylvania	320.0	107.2	19.0	57.8	8.9	12.7	2.8	25.2	86.3
<b>Great Lakes:</b>									
Illinois	375.2	141.2	27.9	34.4	14.0	25.2	1.9	23.8	106.8
Indiana	215.8	120.3	16.7	15.2	6.0	2.4	0.4	1.8	52.9
Michigan	313.0	201.7	17.2	12.1	8.5	5.7	0.6	14.7	52.6
Ohio	304.8	158.7	17.6	28.7	9.8	5.5	1.1	9.8	73.6
Wisconsin	119.5	64.4	9.1	5.9	2.7	6.2	0.4	2.3	28.5
<b>Plains:</b>									
Iowa	60.1	35.0	2.4	2.2	1.9	6.7	0.3	1.3	10.4
Kansas	69.3	24.5	11.0	5.3	9.0	2.8	0.3	2.0	14.4
Minnesota	147.2	59.4	9.7	7.4	11.5	7.8	2.4	7.0	42.0
Missouri	144.4	69.7	7.2	14.9	4.8	4.3	0.9	4.4	38.4
Nebraska	35.0	20.3	1.7	1.9	0.9	2.4	0.3	1.4	6.1
North Dakota	13.7	5.6	1.3	0.6	0.2	0.6	0.3	0.5	4.7
South Dakota	14.0	9.3	0.7	0.4	0.1	0.4	(*)	0.2	2.9
<b>Southeast:</b>									
Alabama	120.4	66.1	9.8	11.7	2.3	6.2	0.5	3.0	20.8
Arkansas	48.0	31.6	2.0	1.3	0.7	0.3	0.1	1.2	10.9
Florida	358.7	77.2	26.2	47.0	20.5	17.5	14.8	13.7	141.7
Georgia	280.7	106.4	39.1	16.7	15.3	6.2	5.0	13.2	79.0
Kentucky	137.5	73.9	21.5	6.7	1.2	1.0	0.2	2.3	30.7
Louisiana	76.8	20.7	4.5	9.5	1.5	0.8	0.3	2.6	36.8
Mississippi	39.7	14.6	10.0	2.2	0.2	0.6	0.1	0.5	11.4
North Carolina	288.9	128.5	20.7	55.1	6.0	7.0	1.2	10.2	60.2
South Carolina	158.5	86.8	16.1	16.3	2.0	4.3	1.4	3.9	27.8
Tennessee	198.7	93.4	28.5	12.0	4.5	3.9	0.6	4.5	51.3
Virginia	210.3	53.7	19.1	43.3	13.0	3.0	1.4	20.1	56.7
West Virginia	28.5	13.1	3.1	5.8	0.4	0.1	0.1	0.6	5.3
<b>Southwest:</b>									
Arizona	119.4	28.9	9.7	17.7	4.2	7.2	1.1	4.5	45.9
New Mexico	18.0	3.8	1.3	1.6	2.1	0.5	0.1	0.3	8.3
Oklahoma	56.9	22.7	3.6	4.8	2.2	0.8	0.3	1.2	21.4
Texas	666.1	203.8	73.8	55.0	28.9	20.4	7.1	62.8	214.2
<b>Rocky Mountains:</b>									
Colorado	121.3	39.4	10.9	10.4	9.5	9.1	1.4	8.4	32.3
Idaho	17.7	7.0	1.2	1.2	1.7	0.2	0.1	0.6	5.8
Montana	9.1	1.4	0.7	1.2	0.3	0.3	0.1	0.3	4.8
Utah	50.4	19.0	6.3	4.4	3.9	1.5	0.3	1.7	13.4
Wyoming	8.2	2.2	0.3	0.9	0.1	0.2	(*)	0.3	4.2
<b>Far West:</b>									
Alaska	16.9	6.7	0.4	1.9	(*)	(*)	(*)	0.2	7.7
California	845.4	249.0	100.3	87.4	52.1	40.5	6.5	57.5	252.1
Hawaii	39.0	3.8	3.4	4.8	0.5	1.0	1.5	0.6	23.5
Nevada	55.2	11.9	3.1	5.7	2.2	1.6	1.3	0.8	28.6
Oregon	71.1	20.3	12.3	4.4	4.2	5.4	0.3	3.5	20.7
Washington	140.6	33.5	14.9	14.1	14.7	3.2	1.2	12.3	46.7
Puerto Rico	22.5	8.8	0.6	1.0	1.1	3.2	(*)	0.1	7.7
Other U.S. areas	23.0	5.0	1	0.3	1.5	0.3	(*)	0.5	1
Foreign	6.3	1.8	A	0.1	0.1	0.2	0.5	0.3	H

NOTE: Size ranges are given in employment cells that are suppressed. The size ranges are: A-1 to 499; F-500 to 999; G-1,000 to 2,499; H-2,500 to 4,999; I-5,000 to 9,999; J-10,000 to 24,999; K-25,000 to 49,999; L-50,000 to 99,999; M-100,000 or more.

(\*) A nonzero value that rounds to zero

Source: U.S. Bureau of Economic Analysis



Table 4. Employment of Majority-Owned U.S. Affiliates, State by Country of Ultimate Beneficial Owner, 2018

[Thousands of employees]

	Europe									Asia and Pacific			
	All countries	Canada	Total	Of which:						Total	Of which:		
				France	Germany	Netherlands	Switzerland	United Kingdom	Other		Japan	Other	Other
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
<b>Total</b>	<b>7,808.1</b>	<b>836.0</b>	<b>4,914.0</b>	<b>780.0</b>	<b>860.7</b>	<b>550.0</b>	<b>478.5</b>	<b>1,271.1</b>	<b>973.6</b>	<b>1,466.2</b>	<b>948.1</b>	<b>518.2</b>	<b>591.9</b>
<b>New England:</b>													
Connecticut	115.0	7.7	87.9	7.1	13.0	18.1	7.8	22.1	19.9	13.2	8.0	5.2	6.2
Maine	36.8	9.4	23.4	1.3	1.7	J	2.5	2.6	H	1.8	1.4	0.5	2.2
Massachusetts	229.3	22.7	167.0	25.5	21.3	36.8	15.1	41.9	26.4	28.8	18.8	10.0	10.8
New Hampshire	47.4	6.3	33.0	3.8	3.4	I	3.9	11.9	H	6.1	5.2	0.9	2.0
Rhode Island	26.2	1.7	20.9	4.7	1.1	H	0.4	4.4	I	3.1	2.1	1.1	0.4
Vermont	11.2	1.8	8.3	1.4	0.7	H	0.9	F	1.5	0.9	0.6	0.3	0.2
<b>Mideast:</b>													
Delaware	24.6	2.4	18.3	1.6	3.2	2.3	1.4	7.6	2.3	2.4	1.5	0.9	1.5
District of Columbia	24.1	2.0	19.1	1.6	1.9	1.5	1.6	7.9	4.6	1.6	0.8	0.8	1.4
Maryland	116.8	13.5	88.7	10.7	9.2	22.6	6.8	26.3	13.1	11.1	5.5	5.7	3.4
New Jersey	290.8	28.2	204.5	46.2	30.3	16.0	31.3	40.7	40.0	45.4	25.9	19.5	12.8
New York	519.8	59.2	357.4	58.2	46.0	37.5	37.6	107.3	70.7	73.7	45.4	28.2	29.6
Pennsylvania	320.0	27.8	232.9	29.1	38.9	43.1	18.6	60.3	43.0	37.4	26.1	11.3	22.0
<b>Great Lakes:</b>													
Illinois	375.2	37.8	240.3	33.7	47.6	16.4	23.8	75.5	43.2	75.4	45.1	30.3	21.7
Indiana	215.8	17.5	126.4	30.7	18.0	12.2	10.1	37.5	18.0	64.7	57.5	7.1	7.2
Michigan	313.0	31.8	203.3	28.2	53.4	K	11.9	39.5	K	64.3	34.0	30.3	13.6
Ohio	304.8	29.1	172.8	20.2	35.9	12.5	20.4	49.1	34.7	85.5	70.1	15.4	17.4
Wisconsin	119.5	16.5	81.5	10.1	14.7	4.4	10.0	16.7	25.6	15.3	8.7	6.6	6.2
<b>Plains:</b>													
Iowa	60.1	4.2	34.2	4.1	6.4	5.4	3.5	7.2	7.6	9.5	5.1	4.5	12.2
Kansas	69.3	9.3	37.2	3.4	6.7	2.9	7.1	8.6	8.5	14.9	11.5	3.5	7.9
Minnesota	147.2	25.4	94.6	6.9	21.4	6.4	8.5	21.2	30.3	16.5	10.5	6.0	10.7
Missouri	144.4	16.6	89.6	11.8	19.6	4.7	10.5	21.6	21.5	21.9	17.2	4.6	16.3
Nebraska	35.0	2.1	17.1	3.6	2.8	1.0	1.9	4.1	3.7	6.7	5.8	0.9	9.1
North Dakota	13.7	1.8	5.1	0.7	0.7	0.9	0.3	1.6	0.8	4.9	1.0	3.9	1.9
South Dakota	14.0	2.8	5.6	1.4	1.1	0.1	0.4	1.6	0.9	1.2	0.4	0.8	4.5
<b>Southeast:</b>													
Alabama	120.4	14.0	61.5	9.6	15.7	4.4	2.6	16.4	12.8	35.5	22.2	13.3	9.5
Arkansas	48.0	4.1	28.9	6.1	2.5	1.5	4.8	6.4	7.6	8.8	6.5	2.3	6.2
Florida	358.7	53.5	229.5	37.6	39.7	12.7	29.1	67.8	42.6	43.2	24.8	18.4	32.5
Georgia	280.7	35.2	162.3	23.3	33.4	22.8	15.6	37.6	29.7	62.0	37.9	24.1	21.2
Kentucky	137.5	10.5	58.8	12.0	16.9	2.1	5.3	9.5	13.0	59.8	43.7	16.2	8.5
Louisiana	76.8	12.6	48.4	12.2	6.8	4.3	3.8	17.0	4.4	8.5	4.0	4.5	7.3
Mississippi	39.7	3.7	20.1	4.9	4.0	0.8	2.6	4.6	3.2	13.2	10.3	2.9	2.7
North Carolina	288.9	21.9	199.2	21.0	42.4	43.3	17.7	37.6	37.2	43.9	27.0	16.9	23.9
South Carolina	158.5	18.0	110.3	26.2	35.3	10.7	5.5	12.9	19.7	22.9	16.3	6.6	7.3
Tennessee	198.7	15.4	113.5	19.2	22.8	11.0	8.9	23.7	27.9	58.4	47.5	10.9	11.3
Virginia	210.3	18.2	153.1	17.1	23.2	31.3	9.3	41.2	31.0	27.1	17.1	10.0	12.0
West Virginia	28.5	6.0	13.4	1.4	1.6	2.7	1.7	3.1	2.9	5.1	4.2	0.9	4.1
<b>Southwest:</b>													
Arizona	119.4	20.6	68.9	12.6	9.9	6.6	7.0	19.9	12.9	17.0	10.8	6.2	12.9
New Mexico	18.0	2.8	11.6	2.1	3.0	0.6	1.2	2.8	1.9	2.5	1.4	1.1	1.1
Oklahoma	56.9	7.1	35.5	9.2	3.1	1.3	3.7	9.6	8.6	6.3	4.4	1.9	8.0
Texas	666.1	56.7	401.5	64.4	60.4	34.3	32.7	119.9	89.8	126.7	75.3	51.5	81.2
<b>Rocky Mountains:</b>													
Colorado	121.3	19.5	72.9	10.3	7.8	4.3	7.4	20.9	22.1	14.7	7.8	7.0	14.2
Idaho	17.7	3.2	12.5	2.8	2.5	0.9	1.0	2.2	3.2	1.3	0.9	0.4	0.6
Montana	9.1	1.5	4.2	0.9	0.2	0.2	0.2	1.6	1.1	1.1	0.4	0.7	2.3
Utah	50.4	3.2	33.2	5.5	5.2	2.1	3.4	10.7	6.3	5.2	3.0	2.3	8.8
Wyoming	8.2	0.8	5.2	1.1	0.2	0.1	0.3	2.0	1.5	1.0	0.1	0.9	1.2
<b>Far West:</b>													
Alaska	16.9	5.2	6.3	0.7	0.3	0.1	0.3	3.8	1.1	2.6	2.3	0.2	2.9
California	845.4	75.0	490.7	97.3	85.6	28.6	61.1	126.4	91.7	211.2	115.2	96.0	68.5
Hawaii	39.0	1.4	13.8	3.8	1.6	0.1	0.4	2.9	5.0	22.3	19.4	3.0	1.4
Nevada	55.2	9.5	29.8	8.5	3.7	1.4	1.9	8.1	6.3	10.2	7.2	3.0	5.7
Oregon	71.1	5.8	47.8	5.0	10.9	2.0	6.5	14.8	8.6	14.5	11.5	3.0	2.9
Washington	140.6	23.6	83.4	12.2	19.4	6.6	6.6	23.0	15.6	27.6	14.8	12.8	5.9
Puerto Rico	22.5	1.5	15.1	0.8	2.8	0.1	1.4	2.2	7.8	0.7	0.3	0.4	5.2
Other U.S. areas	23.0	3.6	11.7	6.4	0.3	(*)	0.4	3.4	1.2	I	4.1	G	G
Foreign	6.3	4.1	1.8	(*)	0.5	(*)	(*)	G	A	A	0.1	A	A

NOTE: Size ranges are given in employment cells that are suppressed. The size ranges are: A-1 to 499; F-500 to 999; G-1,000 to 2,499; H-2,500 to 4,999; I-5,000 to 9,999; J-10,000 to 24,999; K-25,000 to 49,999; L-50,000 to 99,999; M-100,000 or more.

(\*) A nonzero value that rounds to zero

Source: U.S. Bureau of Economic Analysis