

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection method to be used. Data on the number of entities (e.g. establishments, State and local governmental units, households, or persons) in the universe and the corresponding sample are to be provided in tabular form. The tabulation must also include expected response rates for the collection as a whole. If the collection has been conducted before, provide the actual response rate achieved.

This survey is a benchmark survey, or census. In the benchmark survey, a Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank is required for all U.S. affiliates whose data are not consolidated or merged into a BE-12 report filed by another U.S. affiliate. BEA plans to mail the survey to approximately 18,550 U.S. companies.

This information collection employs statistical methods for the purpose of expanding data reported on the BE-12(SF) short form and BE-12 Mini form to the same level of data reported on the BE-12(LF) long form. The methods, which are described in more detail in B. 2. below, are well-established and have been used in previous benchmark (and annual) surveys of foreign direct investment in the United States.

2. Describe the procedures for the collection, including: the statistical methodology for stratification and sample selection; the estimation procedure; the degree of accuracy needed for the purpose described in the justification; any unusual problems requiring specialized sampling procedures; and any use of periodic (less frequent than annual) data collection cycles to reduce burden.

For majority-owned U.S. affiliates reporting on the BE-12(SF) short form or BE-12 Mini form, BEA will estimate the additional long-form detail that would have been filed on a long form report. Thus, filing by these affiliates on BE-12(SF) or Mini will not affect the amount of detail that can be published for majority-owned affiliates.

For majority-owned U.S. affiliates reporting on the BE-12 Mini form, BEA will estimate the long form detail by, first, estimating the additional short-form detail and, then, estimating the additional long-form detail.

In general, the estimation will be accomplished by prorating reported data, such as total assets, among subcomponents that are not reported, using the distribution observed in the next higher size class of companies.

3. Describe the methods used to maximize response rates and to deal with nonresponse. The accuracy and reliability of the information collected must be shown to be adequate for the intended uses. For collections based on sampling, a special justification must be provided if they will not yield "reliable" data that can be generalized to the universe studied.

Several steps will be taken to maximize response rates. First, BEA is mailing an announcement of the upcoming survey to U.S. affiliates as soon as possible after the survey forms have been approved by OMB. The announcement asks respondents to verify their mailing address and status as a U.S. affiliate and submit any corrections or changes to BEA. In addition, each BE-12 form is mailed along with a preprinted label containing the name and address of the U.S. affiliate, to all U.S. firms known to BEA to have foreign ownership. Any person specifically contacted by BEA must respond, by filing either a completed Form BE-12(LF), BE-12(SF), BE-12 Mini, BE-12 BANK, or a BE-12 Claim for Not Filing. Nonrespondents will be sent follow-up notices and, in the event of continued nonresponse, will be referred to the Office of the General Counsel for further action.

Based on responses from the prior benchmark and annual surveys, BEA expects to receive a response from about 85 percent of all potential respondents, representing roughly 95 percent of the universe data (based on total assets), in time to publish preliminary estimates in 2009. Past experience shows that because of BEA's extensive follow-up efforts during the first year of survey processing, there should be only a small difference in the responses when final estimates are published in 2010.

4. Describe any tests of procedures or methods to be undertaken. Tests are encouraged as effective means to refine collections, but if ten or more test respondents are involved OMB must give prior approval.

No tests were conducted (aside from giving respondents the opportunity to comment on proposed changes, as described in A.8., above).

5. Provide the name and telephone number of individuals consulted on the statistical aspects of the design, and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.

The survey is designed and conducted within BEA by the Direct Investment Division (DID). For further information, contact David H. Galler, Chief, DID via email at David.Galler@bea.gov or by phone at 202-606-9835.