

Supporting Statement
U.S. Department of Commerce
Bureau of Economic Analysis
BE-10 Benchmark Survey of U.S. Direct Investment Abroad
OMB Control Number 0608-0049

A. Justification

1. Explain the circumstances that make the collection of information necessary.

The BE-10 Benchmark Survey of U.S. Direct Investment Abroad is necessary to obtain complete and accurate data on the value of U.S. direct investment in foreign countries at yearend 2009, the changes in investments during the year, the return to U.S. persons on these investments, as well as data on the operations of the U.S. multinationals and of their foreign affiliates, such as balance sheets, income statements, employment, trade, and technology that are needed in assessing the impact of direct investment on the U.S. and foreign economies. This restatement, with change, is associated with a proposed rulemaking, RIN 0691-AA71. The proposed changes to the BE-10, contained in the rulemaking, are posted in ROCIS as a Supplementary Document. The BE-10 survey is mandatory and is conducted under the International Investment and Trade in Services Survey Act (P.L. 94-472, 22 U.S.C. 3101-3108, as amended by P.L. 98-573 and P.L. 101-533), hereinafter “the Act.”

Section 4(b) of the Act requires that with respect to United States direct investment abroad, the President shall conduct a benchmark survey covering year 1982, a benchmark survey covering year 1989, and benchmark surveys covering every fifth year thereafter. In conducting surveys pursuant to this subsection, the President shall, among other things and to the extent he deems necessary and feasible—

- (1) Identify the location, nature, and magnitude of, and changes in total investment by any parent in each of its affiliates and the financial transactions between any parent and each of its affiliates;
- (2) Obtain (A) information on the balance sheet of parents and affiliates and related financial data, (B) income statements, including the gross sales by primary line of business (with as much product line detail as is necessary and feasible) of parents and affiliates in each country in which they have significant operations, and (C) related information regarding trade, including trade in both goods and services, between a parent and each of its affiliates and between each parent or affiliate and any other person;
- (3) Collect employment data showing both the number of United States and foreign employees of each parent and affiliate and the levels of compensation, by country, industry, and skill level;
- (4) Obtain information on tax payments by parents and affiliates by country; and

(5) Determine, by industry and country, the total dollar amount of research and development expenditures by each parent and affiliate, payments or other compensation for the transfer of technology between parents and their affiliates, and payments or other compensation received by parents or affiliates from the transfer of technology to other persons.

In Section 3 of Executive Order 11961, as amended by Executive Orders 12318 and 12518, the President delegated responsibility for performing functions under the Act concerning direct investment to the Secretary of Commerce, who has redelegated it to the Bureau of Economic Analysis (BEA). The implementing regulations for the direct investment surveys conducted under the Act may be found in 15 CFR Part 806.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

The benchmark survey covers the U.S. direct investment abroad universe, and is BEA's most comprehensive survey of such investment in terms of subject matter. Direct investment is defined as the ownership or control, directly or indirectly, by one U.S. person of 10 percent or more of the voting securities of an incorporated foreign business enterprise or an equivalent interest in an unincorporated foreign business enterprise, including a branch.

The benchmark survey collects both financial and operating data for U.S. parents and foreign affiliates and data on the U.S. direct investment position abroad at book value and on balance of payments transactions between U.S. parents and their foreign affiliates. The data are disaggregated by country and industry of the foreign affiliate and by industry of the U.S. parent. Some specific uses of the data to be collected are discussed in greater detail below.

(a) Compile and improve the U.S. economic accounts:

Data from the BE-10 survey provide benchmarks for deriving current universe estimates of direct investment from sample data collected in other BEA surveys in nonbenchmark years. In particular, they serve as benchmarks for the quarterly direct investment estimates included in the U.S. international transactions and the national income and product accounts, and for annual estimates of the U.S. direct investment position abroad and of the operations of U.S. parent companies and their foreign affiliates.

BEA uses benchmark survey data on U.S. parents' and foreign affiliates' employee compensation, profits, interest receipts and expenses, income and other taxes, and assets and liabilities to derive estimates of value added in production by U.S. parents and their foreign affiliates. These estimates can be used to calculate and analyze the affiliates' share of total production in foreign host countries, the parents' share of total U.S.

production, and the respective shares of parents and affiliates in the worldwide production of U.S. multinationals.

(b) Support U.S. Government policy on direct investment:

The data are used by several U.S. Government agencies, including the Office of the U.S. Trade Representative, the International Trade Administration of the Commerce Department, the Departments of Treasury and State, the Council of Economic Advisers, and the Federal Reserve Board to support U.S. international economic policy. The benchmark survey provides detailed information, by country and industry, on assets, sales, employment, and other measures of affiliates' activities that the U.S. Government requires to assess their effects on U.S. and foreign economies.

Bilateral investment treaties (BIT's) are negotiated with interested countries to facilitate and protect U.S. investment interests. During BIT negotiations, data from this and related surveys provide important information on the level and impact of direct investment on the U.S. economy and the economies of foreign countries. The data also help identify areas where U.S. direct investment may be restricted.

The United States is a signatory to regional and multilateral commercial agreements that cover direct investment as well as cross border trade, and the data from this and related surveys provide information that can be used both during the negotiations and as an aid in monitoring the resulting agreements. For example, investment issues are covered both by the General Agreement on Trade in Services, which is the principal World Trade Organization agreement on trade in services, and by the North American Free Trade Agreement among the United States, Canada, and Mexico.

(c) Other Government uses:

Several agencies, including the Agency for International Development and the U.S. and Foreign Commercial Service (Commerce), facilitate U.S. private investment, mainly in developing countries, by providing information and assistance to investors. They use data from the benchmark survey for this purpose. They also use the data to examine the impact of direct investment on developing countries.

(d) Non-Government uses:

International organizations and private researchers also use data from the benchmark survey in assessing the impact of U.S. direct investment abroad on the U.S. and foreign economies. International organizations that regularly make use of BEA data on U.S. direct investment abroad include the United Nations, International Monetary Fund, Organisation for Economic Co-operation and Development, and World Bank. Numerous private researchers use the data; use by researchers affiliated with the National Bureau of Economic Research has been among the most extensive.

The Section 515 Information Quality Guidelines apply to this information. The information is collected according to documented procedures in a manner that reflects standard practices accepted by the relevant economic/statistical communities. BEA conducts a thorough review of the survey input data using sound statistical techniques to ensure the quality of the data before the final estimates are released. The data are collected and reviewed according to documented procedures including the use of check lists, procedures manuals and on-going review by the appropriate supervisor or team leader. The quality of the data are validated using a battery of computerized edit checks to detect potential errors and to otherwise ensure that the data are accurate, reliable, and relevant for the estimates being made. Data are routinely revised as more complete source data become available. The collection and use of this information complies with all applicable information quality guidelines, i.e., OMB, Department of Commerce, and those of the Bureau of Economic Analysis.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

BEA offers an electronic filing option that makes use of fillable PDF forms, its eFile system, for use in reporting the BE-10 benchmark survey forms as an alternative to paper forms. The eFile system enables a U.S. Reporter to download the survey forms in PDF format for each reportable business enterprise, enter the required data, and submit the forms securely to BEA. BEA has offered electronic filing to respondents when conducting recent annual surveys; currently, approximately 30 percent of the respondents take advantage of electronic filing.

In addition, BEA places all its survey forms and reporting instructions on its Web site www.bea.gov, which provides an alternative and, for some, more convenient, way to access information about BEA's surveys.

Statistics developed from the data reported on the benchmark survey will be published and analyzed in BEA's monthly journal, the *Survey of Current Business*. All of the data tabulated from the BE-10 survey that are released to the public and analyses of the data, published in the *Survey*, will be placed on BEA's Web site.

4. Describe efforts to identify duplication.

Data collected in the BE-10 benchmark survey on the operations of U.S. parents and their foreign affiliates are collected by BEA only.

The BE-10 survey eliminates duplication that might otherwise occur when the U.S. Reporter is also required to file the BE-15, Annual Survey of Foreign Direct Investment in the United States. If the U.S. company not only owns a foreign affiliate but is itself foreign-owned, then only items that are not reported on Form BE-15 must be completed. For the information requested in the remainder of Form BE-10A, BEA obtains the data from that company's Form BE-15. (Forms BE-10B, 10C, and 10D, which are for

reporting individual foreign affiliates, would still be completed in full by the U.S. Reporter.)

In cases of possible duplication between the BE-10 data for U.S. parent companies and data for U.S. companies reported to other Government agencies, data may be defined quite differently. For example, data reported to the Securities and Exchange Commission are on a worldwide consolidated basis. In contrast, data reported on Form BE-10A, report for U.S. Reporter, are on a domestic (U.S.) consolidated basis, so that they cover only U.S. companies' domestic operations; data reported on Forms BE-10B, 10C, and 10D cover their foreign operations. Thus a company's domestic and foreign operations can be analyzed separately, and their separate contributions to the company's overall operations and to the U.S. and foreign economies can be assessed. These are major components of any analysis of U.S. direct investment abroad.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

A BE-10 report is required of any U.S. company that had a foreign affiliate—that is, that had direct or indirect ownership or control of at least 10 percent of the voting stock of an incorporated foreign business enterprise, or an equivalent interest in an unincorporated foreign business enterprise, including a branch—at any time during the U.S. company's 2009 fiscal year. Few small U.S. businesses are subject to the reporting requirements of this survey. U.S. companies that have direct investments abroad tend to be quite large. BEA estimates that approximately 500 of the U.S. parent companies that will be required to respond to the BE-10 benchmark survey are small businesses according to the standards established by the Small Business Administration (SBA). U.S. businesses that meet the SBA small business standards tend to have few foreign affiliates and the foreign affiliates that they do own are small. The number of items required to be reported for a foreign affiliate is determined by the size of the affiliate's assets, sales, and net income. In the BE-10 survey, for the smallest foreign affiliates—those with assets, sales or gross operating revenues, and net income less than or equal to \$25 million (positive or negative)—only a few selected items would be reported on a schedule-type form, Form BE-10D. To further ease the reporting burden on smaller U.S. companies, U.S. Reporters with total assets, sales or gross operating revenues, and net income less than or equal to \$300 million (positive or negative) are required to report only selected items on the BE-10A form for U.S. Reporters in addition to forms they may be required to file for their foreign affiliates.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

This is a benchmark survey designed to yield universe data. By law, the survey must be taken once every five years. The benchmark survey data are updated between benchmark years by means of quarterly and annual sample surveys that are more limited in scope and coverage. A period beyond the normal benchmark interval would require reliance on

universe estimates linked to an aging base. The reliability of the estimates becomes increasingly questionable as the base ages. Conducting the survey less frequently would also reduce the timeliness of the detailed information, collected only in benchmark surveys, that is needed for policymaking purposes.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

No aspects of the proposed BE-10 data collection require a special justification.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

This submission supports a proposed rulemaking, which will solicit public comments on this survey. BEA maintains a continuing dialogue with respondents and with data users, including its own internal users through the Bureau's Source Data Improvement and Evaluation Program, to ensure that, as much as possible, the required data serve their intended purposes and are available from existing records, that instructions are clear, and that unreasonable burdens are not imposed.

In May 2009, BEA sent for comment a list of proposed changes for the 2009 benchmark survey to several potential respondent companies, and to a broad group of Government and non-Government data users. The list of changes indicated items that BEA proposed to add, delete, combine or otherwise change for the 2009 survey. In addition, BEA provided draft copies of proposed foreign affiliate forms BE-10B and BE-10C. BEA requested that written comments be submitted by June 12.

Written comments were received from 7 Government data users representing the International Trade Administration (Department of Commerce), International Trade Commission, Department of Agriculture, Bureau of Labor Statistics, National Science Foundation, Energy Information Administration and the Federal Reserve Bank of New York. Comments also were received from two university professors.

BEA carefully considered the comments of all the data users in the design of the survey. A summary of the comments follows.

Data users generally agreed with BEA's proposal to reduce the amount of detail collected on the U.S. Reporters' and foreign affiliates' balance sheets but thought that data on trade accounts and trade notes receivable and trade accounts and trade notes payable are needed for analyzing the operations of U.S. parents and their foreign affiliates. After considering these comments, BEA decided to reinstate these items.

Several data users expressed concern about the loss of information if BEA no longer collects the breakdown of total compensation between wages and salaries and employee benefit plans or the breakdown of number of employees and employment compensation by occupational classification. However, in BEA's experience, these items have not been widely used, are burdensome for companies to report, and are often left blank. Country comparisons of wage data generally are based on total compensation; definitions of the components of wages and salaries and employee benefit plans are not uniform across countries or for all industries within a country. BEA added questions for both the U.S. Reporter and the foreign affiliate on the broad occupational structure of employment for the 2004 benchmark survey, to replace more narrow questions on production workers in manufacturing. In its initial design of the survey, BEA proposed collecting data on three occupational categories but decided to request only two categories after receiving discouraging comments from respondents regarding their ability to provide the data. While BEA continued collecting these data on subsequent annual surveys, it concluded that it did not receive a sufficient number of responses to provide estimates that meet information quality standards. BEA agrees that the information on skill level is of great interest to data users and has done some exploratory work with the Bureau of Labor Statistics to determine the feasibility of linking BEA's U.S. parent data to BLS's occupational employment data. If successful, such data links would provide more detailed information on skill levels for the U.S. parent companies than BEA could possibly collect on its enterprise surveys, with no additional respondent burden.

Data users agreed with BEA's proposal to discontinue use of separate forms for bank and nonbank companies and to classify companies by industry based on their primary industry of sales. BEA is adding a question to Form BE-10A, report for U.S. Reporter, so it will be able to determine if the U.S. Reporter is a bank. As noted by one data user, BEA will need to provide clear instructions regarding how diversified companies should answer this question.

Some data users expressed interest in BEA's proposal to collect data on the use of foreign manufacturing services by U.S. parent companies to process or further manufacture goods that they own. One data user mentioned that the R&D employment was extremely valuable and he was glad BEA was planning to continue collecting it.

Several data users expressed concern about the possible negative impact on data quality resulting from the changes in the reporting criteria, particularly the increased reporting threshold for smaller affiliates that would be reported on the proposed Form BE-10D. When BEA designs a benchmark survey it reviews thresholds for reporting in light of the growth in the universe and shifts in the number of affiliates by size class. When setting these thresholds, BEA considers, among other things, the burden on the reporting companies and the resources it has available to process the survey in a timely manner. BEA estimates that about 3,000 more foreign affiliates will be reported for 2009 than for 2004 while, at the same time, its resources to process the survey have remained static. BEA has been working for some time to streamline processing of benchmark and other BEA surveys through the use of information technology and other techniques and has

realized, or expects to realize, efficiencies as a result. However, even with these gains, BEA's resources to process the benchmark survey will be inadequate if thresholds are not increased. Consequently, its proposal shifts reporting of more of the smallest affiliates to Form BE-10D, an abbreviated schedule-type form. With this change and other proposed adjustments to reporting thresholds, as well as reductions in detail, BEA will be able to publish the preliminary results in 2011, following a timetable similar to that used in previous benchmark surveys. Key items such as total assets, total sales and number of employees will continue to be collected for the affiliates reported on Form BE-10D. BEA estimates that the affiliates reported on this form will account for about 1 percent of assets, 2 percent of sales, 5 percent of employment, 4 percent of exports, and 1 percent of imports of the universe of foreign affiliates.

One data user commented that the changes in the survey form design and reporting criteria to simplify the survey would not negatively impact the quality of the data collected and should give relief to smaller companies.

One data user expressed concern that the proposed changes would preclude users from separating the direct investment data between manufacturing and marketing. BEA will continue to collect sales of its U.S. parent and foreign affiliates by detailed industry as it has on prior benchmark and annual surveys. However, it is proposing to discontinue the collection of detail on finished goods purchased for resale by foreign affiliates with operations in the wholesale or retail trade industries. These items were added to BEA surveys in recent years to allow the "margin output" of these affiliates to be estimated. However, they have proved difficult for companies to report and often left blank. BEA feels that other industry-level information can be used as the basis for continuing this series of estimates.

A few data users questioned BEA's decision to no longer collect items on cross-border services transactions between affiliated parties that are now collected on its surveys of international services. BEA explained that these items had been shifted to its surveys of cross-border transactions in services and intangible assets (the BE-45, BE-120, BE-125, and BE-185) and could not be duplicated in the benchmark survey. By collecting the affiliated and unaffiliated services transactions on the same forms and in the same detail, BEA was able to significantly expand the type-of-service detail collected on transactions with affiliated foreign persons, thereby matching the level of detail collected for transactions with unaffiliated parties. Also, by collecting both affiliated and unaffiliated services transactions on the same set of survey forms, it is less likely that the reported data will be subject to duplication, errors, and omissions. BEA will, however, continue to collect the data on U.S. parents' and foreign affiliates' sales of services by destination. If a U.S. parent reports sales of services to foreigners or a foreign affiliate reports sales of services back to its U.S. parent, then the parent will be added to the mailing list for the surveys of international services. As a result, dropping these items from the BE-10 benchmark survey will not have a negative impact on the sampling frame for the surveys of international trade in services.

Two of the data users did not have specific comments about the proposed changes.

Six potential respondents provided comments. Respondents commented very favorably regarding the proposed changes to the benchmark survey. In particular, they commended the proposal to eliminate the breakdown of total compensation between wages and salaries and employee benefit plans and the breakdown of number of employees and employment compensation by occupational classification. One respondent noted that by eliminating these details, they could more easily provide the data for total number of employees and total compensation since these data are available from their recordkeeping systems. One potential respondent had several questions about the definitions of some of the items on the survey forms. BEA reviewed the instructions and, where needed, added clarification.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

No payments or gifts to respondents are made.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

BEA provides respondents with assurance that it will keep the reported data confidential. The following statement is taken directly from the reporting instructions for the survey. “**Confidentiality** – The Act provides that your report is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.”

Sec. 5(c) of the Act (22 U.S.C. 3104) provides that the information collected may be used only for analytical and statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act. The President may authorize the exchange of information between agencies or officials designated to perform functions under the Act, but only for analytical and statistical purposes. No official or employee (including consultants and contractors and their employees) shall publish or make available any information collected under the Act in such a manner that the person to whom the information relates can be specifically identified. Reports and copies of reports prepared pursuant to the Act are confidential, and their submission or disclosure shall not be compelled by any person without the prior written permission of the person filing the report and the customer of such person, where the information supplied is identifiable as being derived from the records of such customer.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

No questions of a sensitive nature are asked.

12. Provide an estimate in hours of the burden of the collection of information.

An estimated 3,800 U.S. parent companies will file data for themselves and for about 45,000 foreign affiliates. For 2009, bank and nonbank U.S. Reporters would file Form BE-10A. A U.S. Reporter would report all domestic operations on a fully consolidated basis. All foreign affiliates, regardless of industry, would be filed on one of three foreign affiliate forms:

1. Form BE-10B - Report for a majority-owned foreign affiliate with total assets, sales, or gross operating revenues, or net income greater than \$80 million (positive or negative);
2. Form BE-10C - Report for a) majority-owned foreign affiliate with total assets, sales or gross operating revenues, or net income greater than \$25 million (positive or negative), but not greater than \$80 million (positive or negative) and b) minority-owned foreign affiliates with total assets, sales or gross operating revenues, or net income greater than \$25 million (positive or negative); or
3. Form BE-10D – Report for foreign affiliates with total assets, sales or gross operating revenues, and net income less than or equal to \$25 million (positive or negative).

A BE-10 Claim for Not Filing is available for submission by a person, or their agent, certifying to the fact that the person had no direct investment within the purview of the survey.

For purposes of calculating the number of respondents and burden per respondent, the “respondent” is deemed to be the U.S. parent company, and its “response” will consist of a Form BE-10A covering its U.S. operations and one or more of the three foreign affiliate forms covering its foreign operations. On average, response time is estimated at 121 hours for each response, producing an estimated burden of 459,400 hours for the survey. Reporting burden is estimated based upon the burden in the last BE-10 benchmark survey and other BEA surveys, feedback from respondents, and the proposed changes to the forms.

Public reporting burden for the BE-10 collection of information is estimated to vary from 14 hours for the smallest and least complex U.S. Reporter that has only one foreign affiliate, to approximately 16,000 hours for a very large U.S. Reporter that has up to 800 affiliates with a wide range of activities. The average burden for completing each form is approximately 22 hours for Form BE-10A, 20 hours for Form BE-10B, 10 hours for Form BE-10C, and 6 hours for Form BE-10D. Because each U.S. Reporter files a

different number of Forms BE-10B, BE-10C, and BE-10D, depending on how many reportable foreign affiliates it has, the variation in reporting burden is considerable.

A BE-10A form must be filed by U.S. companies (U.S. Reporters) that have at least one foreign affiliate. BEA estimates that the burden on Form BE-10A ranges from 4 hours to 350 hours. The average burden is estimated at 22 hours for Form BE-10A. The total burden for 3,800 Forms BE-10A is about 83,600 hours.

Form BE-10B is required to be filed for majority-owned foreign affiliates of U.S. Reporters for which assets, sales or gross operating revenues, or net income was greater than \$80 million (positive or negative). A majority-owned affiliate is one in which the combined direct and indirect ownership interest of all U.S. reporters of the affiliate exceeds 50 percent. BEA estimates that the burden for the BE-10B form will range from 3 hours, for an affiliate for which only Part I, items 1 through 23 (identification information and industry classification) is required, to 200 hours for an affiliate that has activities in many industries. The average burden for Form BE-10B is estimated at 20 hours. The total burden for 12,800 Forms BE-10B that BEA expects to be filed is estimated at 256,000 hours.

Form BE-10C is required to be filed for majority-owned foreign affiliates with assets, sales or gross operating revenues, or net income greater than \$25 million (positive or negative), but not greater than \$80 million (positive or negative), and minority-owned foreign affiliates with assets, sales or gross operating revenues, or net income greater than \$25 million (positive or negative). BEA estimates that the burden for the BE-10C form will range from 2 hours, for an affiliate for which only Part I, items 1 through 24 (identification information and industry classification) is required, to 40 hours, for an affiliate for which a complete report, including Part V (selected items for majority-owned affiliates), is required. The average burden for Form BE-10C is estimated at 10 hours. The total burden for the 9,700 Forms BE-10C that BEA expects to be filed is 97,000 hours.

Form BE-10D is required to be filed for foreign affiliates with assets, sales or gross operating revenues, and net income less than or equal to \$25 million (positive or negative). BEA estimates that the burden for the BE-10D form will range from 2 hours to 600 hours. A U.S. Reporter will file one schedule-type BE-10D form, if applicable, on which BEA expects it will file for one to 600 affiliates. The average number of affiliates per Reporter expected to be filed on Form BE-10D is six; the average burden for the form is estimated at 6 hours. The total burden for 3,800 Forms BE-10D that BEA expects to be filed is 22,800 hours.

The 83,600 hours for Forms BE-10A, the 256,000 hours for Form BE-10B, the 97,000 hours for Form BE-10C, and the 22,800 hours for Form BE-10D, give a total burden estimate of 459,400 hours as shown in the RISC/OIRA Consolidated Information System (ROCIS).

The estimated annual cost to respondents is about \$18,376,000, based on the estimated reporting burden of 459,400 hours and an estimated hourly cost of \$40.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in #12 above).

Other than respondent cost associated with the estimated burden of 459,400 hours (see A.12 above), the total additional annual cost burden to respondents is expected to be negligible. Total capital and start-up costs are insignificant, because new technology or capital equipment would not be needed by respondents in order to prepare their responses to the survey. As a consequence, the total cost of operating and maintaining the technology and capital equipment will also be insignificant. Purchases of services to complete the information collection are also expected to be insignificant.

14. Provide estimates of annualized cost to the Federal government.

The project cost to the Federal Government for this survey is estimated at \$3.75 million, which consists of \$2.75 million for salaries and related overhead, and \$1 million for equipment, supplies, forms design, mailing, printing, and computer processing.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB 83-I.

This request is for a reinstatement, with changes, of a previously approved collection for which approval has expired. Currently, there are no burden hours for the BE-10 survey in the inventory maintained by the OMB. Therefore, the estimated burden of 459,400 hours (see A.12 above) for this periodic collection is shown entirely as a program change in the ROCIS.

The estimate for the 2009 BE-10 benchmark survey of 459,400 burden hours is somewhat more than the respondent burden for the previous (2004) benchmark survey. For the 2004 survey, the estimated burden was 428,750 hours. The increase in burden hours is associated with an increase in the respondent universe, partly offset by changes in survey form design and reporting criteria and information to be collected.

16. For collections whose results will be published, outline the plans for tabulation and publication.

To help companies prepare for the benchmark survey, BEA plans to mail an announcement of the upcoming survey to U.S. Reporters as soon as possible after the survey forms have been approved by OMB. The survey forms will be mailed to respondents in March, 2010. A completed report (consisting of Form BE-10A and Form(s) BE-10B, BE-10C, and/or BE-10D) will be due to be filed with BEA not later

than May 28, 2010 for those U.S. Reporters filing fewer than 50, and June 30, 2010 for those U.S. Reporters filing 50 or more, Forms BE-10B, C, and/or D. Summary preliminary statistics will be published in articles in the *Survey of Current Business* in 2011; more detailed preliminary statistics will be posted on BEA's Web site www.bea.gov. Final data will be released about a year later. All of the statistics developed from the survey results, as well as the *Survey* articles, will be available on BEA's Web site.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

The OMB expiration date will be displayed on the forms.

18. Explain each exception to the certification statement identified in Item 19 of the OMB-I.

The BE-10 information collection is consistent with the certification in all aspects.