U.S. DEPARTMENT OF COMMERCE,
BUREAU OF INTERNATIONAL COMMERCE,
Washington, D.C.

Approximately a year ago, your firm took part in an overseas Commercial Exhibition sponsored by the Bureau of International Commerce. We are now trying to determine the results of the exhibition, and would like to know if your business estimates made at the show's close have been fulfilled.

A brief form is provided below, which contains the information you supplied approximately a year ago. Please complete it. Your information will be held in strict confidence by this group. A copy of this inquiry is attached for your files.

Sincerely yours,

JAMES E. MURRIN,
Director, Program Evaluation Group.

1. Exhibition:
2. Dates:
3. Sales made at Exhibition:
4. *Original estimate of sales* resulting from show for 12 months following exhibition close:
5. *Present estimate of sales* in U.S. dollars resulting from show for the 12 months following exhibition's close: $__________
6. Number of agents or distributors appointed: __________
7. Primary objective in participating (*Check one only*)
   Appointment of Agent or Distributor ( )
   Selection of Licensee/Joint Venture Partner ( )
   Exposure to New Business Prospects ( )
   Product Testing/Market Research ( )
   Immediate Sales ( )
   Other (specify) ( )
8. Was primary objective achieved? Yes —— No —— Partially ——
9. Please estimate the sales that you expect during the next 12 months as a result of your participation: $______________
   Executive's Name & Title ____________________

EXPERIENCE TO DATE WITH THE 1968 INVESTMENTS UNDER THE MANDATORY INVESTMENTS RESTRAINT PROGRAM AND RELATIONSHIP OF THIS PROGRAM TO EXPORTS

a. The 1968 direct investment picture

The Office of Foreign Direct Investments (OFDI), which administers the mandatory investment restraint program instituted in January 1968, has received to date almost 900 applications for specific authorization. The applications show planned foreign direct investments amounting to over $1.4 billion above the allowable amounts in the Regulations (excluding Canada). The Foreign Direct Investments Program is designed to reduce new capital flows and reinvested earnings by $1 billion in 1968 from the amount invested in 1967 in these two categories. The third category available to the companies is to finance the projects represented by this $1.4 billion abroad directly, or indirectly through their subsidiaries. To date, all available reports show that companies have been and will be successful to a very large extent in financing abroad. Thus, we estimate that the total amount of funds going into U.S. investments abroad in 1968 from all sources should show an increase over 1967.

b. Investment restraint program and exports

Although it is generally recognized that there is a relationship between export trade and overseas investment, there is much less agreement as to the exact nature of this relationship and the impact of direct investments abroad on the U.S. balance of payments. While it is clear that over the long-run direct investments abroad are advantageous to the balance of payments, there is disagreement over the short-run impact, especially short-run effects on trade. There is reason to believe that some overseas investments drain away investments and exports from the United States, having a short-run adverse effect on our balance of payments. Some observers, however, maintain that the creation of overseas investments not only directly increase exports but also produce indirect exports even within a few years and that although these cannot be measured adequately, they are sufficiently large to produce a beneficial short-run effect on the balance of payments. The latter is the contention of a number of firms and also is the finding of a study prepared by the National Industrial Conference Board several