

Item 1. Business (Continued)

Intellectual Property. We own or hold licenses to use numerous patents, trade secrets, copyrights, and trademarks on a global basis. We expect to continue building this portfolio as we actively pursue innovation in every part of our business. We also own numerous trademarks and service marks that contribute to the identity and recognition of our Company and its products and services globally. While our intellectual property rights in the aggregate are important to the operation of each of our businesses, we do not believe that our business would be materially affected by the expiration of any particular intellectual property right or termination of any particular intellectual property agreement.

Warranty Coverage, Field Service Actions, and Customer Satisfaction Actions. We provide warranties on vehicles we sell. Warranties are offered for specific periods of time and/or mileage, and vary depending upon the type of product and the geographic location of its sale. Pursuant to these warranties, we will repair, replace, or adjust parts on a vehicle that are defective in factory-supplied materials or workmanship during the specified warranty period. In addition to the costs associated with this warranty coverage provided on our vehicles, we also incur costs as a result of field service actions (i.e., safety recalls, emission recalls, and other product campaigns), and for customer satisfaction actions.

For additional information regarding warranty and related costs, see “Critical Accounting Estimates” in Item 7 and Note 25 of the Notes to the Financial Statements.

Wholesales

Wholesales consist primarily of vehicles sold to dealerships. For the majority of such sales, we recognize revenue when we ship the vehicles to our dealerships from our manufacturing facilities. See Item 7 for additional discussion of revenue recognition practices. Wholesales in each region and in certain key markets within each region during the past three years were as follows:

	Wholesales (a) (in thousands of units)		
	2020	2021	2022
United States	1,826	1,716	2,012
Canada	210	233	258
Mexico	34	40	42
North America	2,081	2,006	2,335
Brazil	135	27	21
Argentina	31	26	31
South America	185	81	83
United Kingdom	208	227	263
Germany	211	152	182
EU20 (b)	904	806	910
Türkiye	102	72	85
Europe	1,020	891	1,014
China (c)	617	649	495
Australia	57	70	71
India	46	34	—
ASEAN (d)	67	75	102
Russia	14	22	3
International Markets Group	284	315	304
Total Company	4,187	3,942	4,231

(a) Wholesale unit volumes include sales of medium and heavy trucks. Wholesale unit volumes also include all Ford and Lincoln badged units (whether produced by Ford or by an unconsolidated affiliate) that are sold to dealerships or others, units manufactured by Ford that are sold to other manufacturers, units distributed by Ford for other manufacturers, local brand units produced by our unconsolidated Chinese joint venture Jiangling Motors Corporation, Ltd. (“JMC”) that are sold to dealerships or others, and from the second quarter of 2021, Ford badged vehicles produced in Taiwan by Lio Ho Group. Vehicles sold to daily rental car companies that are subject to a guaranteed repurchase option (i.e., rental repurchase), as well as other sales of finished vehicles for which the recognition of revenue is deferred (e.g., consignments), also are included in wholesale unit volumes. Revenue from certain vehicles in wholesale unit volumes (specifically, Ford badged vehicles produced and distributed by our unconsolidated affiliates, as well as JMC brand vehicles) are not included in our revenue.

(b) EU20 markets are United Kingdom, Germany, France, Italy, Spain, Austria, Belgium, Czech Republic, Denmark, Finland, Greece, Hungary, Ireland, the Netherlands, Norway, Poland, Portugal, Romania, Sweden, and Switzerland.

(c) China includes Taiwan.

(d) ASEAN includes Philippines, Thailand, and Vietnam.