

2007 Annual Services Report Service Annual Survey

Software Publishers

U.S. DEPARTMENT OF COMMERCE
Economics and Statistics Administration
U.S. CENSUS BUREAU



FORM

SA-5112

138 SAS_I
511210

REPORT DUE

Any questions call **1-800-772-7851**
M-F, 8:30 a.m. to 5:00 p.m. EST.
or

Visit our web site:
www.census.gov/econhelp/sas

Please correct any error in the name, address, or ZIP Code.

YOUR RESPONSE IS REQUIRED BY LAW

Title 13, U.S. Code, requires businesses and other organizations that receive this questionnaire to answer the questions and return the report to the Census Bureau.

YOUR RESPONSE IS CONFIDENTIAL BY LAW

Title 13, U.S. Code, requires that your response may be seen only by persons sworn to uphold the confidentiality of Census Bureau information and may be used only for statistical purposes. The law also provides that copies retained in your files are **immune from legal process**.

YOUR RESPONSE IS IMPORTANT

The services industries account for nearly 70 percent of all economic activity. We conduct this survey to obtain timely, comprehensive and consistent measures needed by policy-makers, businesses, and the public to accurately assess domestic economic performance.

Annual Services Report

- This report should be completed and returned on or before the due date in the preaddressed envelope provided.
- If filing within the required time frame will cause an undue burden and you would like an extension, or if you have any questions, please write to:

U.S. CENSUS BUREAU
1201 East 10th Street
Jeffersonville, IN 47132-0001

or call a Census Bureau Representative at 1-800-772-7851, weekdays from 8:30 a.m. to 5:00 p.m., Eastern Standard Time.

1 Report Coverage

This report covers all domestic locations operated by your company and its subsidiaries primarily engaged in producing and distributing computer software, such as designing, providing documentation, assisting in installation, and providing support services to software purchasers. These establishments may design, develop, and publish or publish only.

Does the above coverage describe this firm's business activity?

- 0001 Yes – Go to **2**
- 2 No – Specify the firm's business activity and complete the report where applicable beginning with **2**. →
- 0002

2 Report Periods

What periods of time will this data represent?

- Report data for the 2007 calendar year if possible.
- For locations that were sold or acquired during the year, only report for the periods that this firm operated the locations.

- 0006 2007 calendar year – Go to **3**
- 2 Other than calendar year – Enter the periods this report will cover.
 (e.g., fiscal years, periods with less than a full calendar year).

		2007		
		Month	Day	Year
0007	From			
0008	To			

3 Operating Revenue

Report the total operating revenue for this firm's locations defined in 1 for the following categories.

- Enter "0" where applicable.
- Estimates are acceptable.

Exclude:

- Transfers made within the company.

System Software Publishing

2007 Operating Revenue

Bil. Mil. Thou. Dol.

- 1. Operating systems software** – Low-level software which handles the interface to peripheral hardware, schedules tasks, allocate storage, or presents a default interface to the user when no application program is running. **Include** all client and network operating systems.

6161	\$				
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- 2. Network software** – Software that is used to control, monitor, manage, or communicate with operating systems, networks, network services, databases, storage and networked applications in an integrated and cooperative fashion across a network server software, security and encryption software, middleware.

6162	\$				
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- 3. Database management software** – Collection or suites of software programs that enable storage, modification and extraction of information from a database.

6163	\$				
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- 4. Development tools and programming languages software** – Software used to assist in the development or authoring of computer programs. **Include** all program development tools and programming languages.

6164	\$				
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- 5. Other systems software** – All other systems software publishing not reported in lines 1–4.

6165	\$				
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Application Software Publishing

- 6. General business productivity and home use applications** – Software used for general business purposes to improve productivity, or in the home for entertainment, reference or educational purposes (e.g., office suite applications such as word processors, spreadsheets, simple databases, graphics applications; project management software, computer-based training software, games, reference, home education).

6166	\$				
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- 7. Cross-industry application software** – Software that is designed to perform or manage a specific business function or process that is not unique to a particular industry (e.g., professional accounting software, human resource management, customer relations management software, Geographic Information System software, webpage design software).

6167	\$				
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- 8. Vertical market application software** – Software that performs a wide range of business functions for a specific industry (e.g., manufacturing, retail, healthcare, engineering, restaurants).

6168	\$				
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- 9. Utilities application software** – Small computer programs that perform a very specific task (e.g., compression programs, anti-virus software, search engines, font, file viewers, voice recognition software). Utilities differ from other application software in terms of size, cost, and complexity.

6169	\$				
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- 10. Other application software** – All other application software publishing not reported in lines 6–9.

6170	\$				
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3 Operating Revenue – (Continued)

Report the total operating revenue for this firm's locations defined in 1 for the following categories.

- Enter "0" where applicable.
- Estimates are acceptable.

Exclude:

- Transfers made within the company.

Other Services

		2007 Operating Revenue			
		Bil.	Mil.	Thou.	Dol.
11. Custom application design and development – Design of the structure and the writing of the computer code necessary to create and implement a software application. Include the customization and integration of packaged software.	6171	\$			
12. Information technology (IT) technical consulting services – Providing advice or expert opinion on technical matters related to the use of information technology (e.g., advice on matters such as hardware and software requirements and procurement, systems integration, and systems security; the provision of expert testimony on IT related issues). Exclude advice on issues related to business strategy.	6004	\$			
13. Application service provisioning – Providing leased software applications from a centralized, hosted, and managed computing environment.	6005	\$			
14. Re-sale of computer hardware and software – Retailing of computer hardware and software.	6006	\$			
15. IT related training services – Providing training for the use of computer hardware, software, networks, or other IT related topics.	6007	\$			
16. All other operating revenue – Revenue not reported in lines 1–15. If this item is greater than 20% of the total operating revenue, specify the primary source of the revenue here ↗	1560				
	1799	\$			
17. TOTAL OPERATING REVENUE – Sum of lines 1–16.	1800	\$			

4 Source of Revenue by Type of Software Sales

Report the percentage of total system software revenue (sum of 3 lines 1–5) and application software revenue (sum of 3 lines 6–10) by computer platform.

- Enter "0" where applicable.
- Estimates are acceptable.

	Personal Computer Software	Enterprise or Network Software	Mainframe Computer Software	Other Software	TOTAL
1. System software – sum of 3 lines 1–5	6172 <input type="text"/> %	6173 <input type="text"/> %	6174 <input type="text"/> %	6175 <input type="text"/> %	= 100%
2. Application software – sum of 3 lines 6–10	6176 <input type="text"/> %	6177 <input type="text"/> %	6178 <input type="text"/> %	6179 <input type="text"/> %	= 100%

5 Operating Expenses

Report operating expenses for this firm's locations as defined in 1 for the following categories.

- Enter "0" where applicable.
- Estimates are acceptable.
- Do not combine data of two or more detail lines.

Exclude:

- Transfers made within the company
- Capitalized expenses
- Interest
- Bad debt
- Income tax
- Impairment

Personnel Costs

2007 Operating Expenses

Bil. Mil. Thou. Dol.

1. Gross annual payroll – Total annual Medicare salaries and wages for all employees as reported on your firm's IRS Form 941, Employer's Quarterly Federal Tax Return, line 5(c) for the four quarters that correspond to the survey period. **1821**

\$				
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2. Employer's cost for fringe benefits – Employer's cost for legally required programs and programs not required by law:

a. Health insurance – Insurance premiums on hospital plans, medical plans, and single service plans such as dental, vision, prescription drugs plan. **Include** premium equivalents for self-insured plans and fees paid to third-party administrators (TPAs). **Exclude** employee contributions. **1841**

\$				
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b. Pension plans:

1. Defined benefit pension plans – Costs for both qualified and unqualified defined pension plans. Pension plans that specify the benefit to be paid to employees upon retirement, generally either a specific amount or a percentage of compensation. Employer contributions are based on actuarial computations that include the employee's compensation and years of service and are not allocated to specific accounts maintained for employees. **1842**

\$				
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2. Defined contribution plans – Costs under defined contribution plans. Pension plans that define the employer contributions to a separate account provided for each employee. The employee "benefit" at retirement depends on the amount contributed and the results of the account's activity. Examples include profits sharing plans, money purchase (e.g., 401k, 403b) and stock bonus plans (e.g., ESOPs). **1843**

\$				
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c. Other – Other fringe benefits (e.g., Social Security, workers' compensation insurance, unemployment tax, state disability insurance programs, life insurance benefits, Medicare). **1844**

\$				
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3. Temporary staff and leased employee expense – Total costs paid to Professional Employer Organizations (PEOs) and staffing agencies for personnel. **Include** all charges for payroll, benefits and services. **1823**

\$				
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Expensed Materials, Parts and Supplies (not for resale)

4. Expensed equipment – Expensed computer hardware and other equipment (e.g., copiers, fax machines, telephones, shop and lab equipment, CPUs, and monitors). Report packaged software in line 6. Report leased and rented equipment in line 14. **1824**

\$				
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5. Expensed purchases of other materials, parts, and supplies – Materials and supplies used in providing services to others; materials and parts used in repairs; office and janitorial supplies; small tools; containers and other packaging materials; and motor fuels. **1825**

\$				
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Expensed Purchased Services

6. Expensed purchases of software – Purchases of prepackaged, custom coded, or vendor customized software. **Include** software developed or customized by others, web-design services and purchases, licensing agreements, upgrades of software; and maintenance fees related to software upgrades and alterations. **1826**

\$				
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5 Operating Expenses – (Continued)

Report operating expenses for this firm’s locations as defined in **1** for the following categories.

- Enter "0" where applicable.
- Estimates are acceptable.
- Do not combine data of two or more detail lines.

Exclude:

- Transfers made within the company
- Capitalized expenses
- Impairment
- Interest
- Bad debt
- Income tax

Expensed Purchased Services (Continued)

		2007 Operating Expenses			
		Bil.	Mil.	Thou.	Dol.
7. Data processing and other purchased computer services – Include web hosting, computer facilities management services, computer input preparation, data storage, computer time rental, optical scanning services, and other computer-related advice and services, including training. Exclude expensed integrated systems, repair and maintenance of computer equipment, payroll processing and credit card transaction fees, and expenses for telecommunication services (e.g., Internet, connectivity, telephone)	1845	\$			
8. Purchased communication services – Telephone, cellular, and fax services; computer-related communications (e.g., Internet, connectivity, online), and other wired and wireless communication services	1846	\$			
9. Purchased repairs and maintenance to machinery and equipment – Expensed repair and maintenance services to machinery, vehicles, equipment, and computer hardware. Exclude materials, parts, and supplies used for repairs and maintenance performed by this firm’s employees.	1848	\$			
10. Purchased repairs and maintenance to buildings, structures, and offices – Include repair and maintenance to integral parts of buildings (e.g., elevators, heating systems). Exclude materials, parts, and supplies used for repairs and maintenance performed by this firm’s employees. Report janitorial and grounds maintenance services in line 21	1849	\$			
11. Purchased electricity – If the cost of electricity is included in lease or rental payments, report in line 15.	1850	\$			
12. Purchased fuels (except motor fuels) – Fuel for heating, power or generating electricity (e.g., natural gas, propane, oil, coal). If the costs are included in lease or rental payments, report in line 15.	1851	\$			
13. Water, sewer, refuse removal, and other utility payments – Include the cost of hazardous waste removal. If the costs of these utilities are included in a lease or rental payment, report in line 15.	1852	\$			
14. Lease and rental payments for machinery, equipment, and other tangible items – Include lease and rental of transportation equipment without operators; and penalties incurred for broken leases. Exclude capital and financing lease agreements and licensing/leasing of software.	1853	\$			
15. Lease and rental payments for land, buildings, structures, store spaces, and offices – Include penalties incurred for broken leases	1854	\$			
16. Purchased advertising and promotional services – Include marketing and public relations services.	1830	\$			
17. Purchased professional and technical services – Include management consulting, accounting, auditing, bookkeeping, legal, actuarial, payroll processing, architectural, engineering, and other professional services. Exclude salaries paid to your own employees for these services.	1855	\$			
18. Purchased software reproduction – Purchased or contracted software reproduction services.	6180	\$			

5 Operating Expenses – (Continued)

Report operating expenses for this firm’s locations as defined in **1** for the following categories.

- Enter "0" where applicable.
- Estimates are acceptable.
- Do not combine data of two or more detail lines.

Exclude:

- Transfers made within the company
- Capitalized expenses
- Impairment
- Interest
- Bad debt
- Income tax

Other Operating Expenses

		2007 Operating Expenses				
		Bil.	Mil.	Thou.	Dol.	
19. Depreciation and amortization charges	– Include depreciation charges taken against tangible assets owned and used by your firm, tangible assets and improvements owned by your firm within leaseholds, tangible assets obtained through capital lease agreements, and amortization charges against intangible assets (e.g., patents, copyrights). Exclude impairment.	1831				
		\$				
20. Governmental taxes and license fees	– Payments to government agencies for taxes and licenses. Include business and property taxes. Exclude income taxes, and sales and excise taxes collected from customers.	1832				
		\$				
21. All other operating expenses	– All other operating expenses not reported above, unless specifically excluded in the general instructions at the top of the page. Include office postage and package delivery. Exclude purchases of merchandise for resale and non-operating expenses.	1859				
		\$				
22. TOTAL OPERATING EXPENSES	– Sum of lines 1–21	1900				
		\$				

6 Not Applicable

7 Not Applicable

8 E-Commerce Revenue

E-commerce includes sales, receipts, and contributions from any transaction completed over an Internet, extranet, EDI network, electronic mail or other online system. Transactions are agreements between buyers and sellers to transfer ownership of, or rights to use, goods or services. Payment for these goods and services may or may not be made online.

Did the revenue reported in **3** include any e-commerce revenue?

- 0011 1 Yes – What was this firm’s e-commerce revenue?
- 2 No – Go to **9**

2007 E-Commerce Revenue				
	Bil.	Mil.	Thou.	Dol.
2000				
	\$			

9 Export Revenue

An exported service is a service performed for a customer or client (individual, government, business establishment, etc.) located outside the United States (i.e., outside the 50 States, District of Columbia, U.S. Commonwealth Territories, or U.S. possessions).

Include:

- Revenue from the sale of personal, business, or mainframe computer software to clients and customers located outside the United States.
- Services performed for unaffiliated and affiliated foreign firms (i.e., foreign parent firms, subsidiaries, branches, etc.).

Exclude:

- Services provided to domestic subsidiaries of foreign firms.

Did the revenue reported in **3** include any revenue from exports?

- 0009 1 Yes – What was this firm’s revenue from exports?
- 2 No – Go to **10**

2007 Export Revenue				
	Bil.	Mil.	Thou.	Dol.
2100				
	\$			

10 Inventories at End of Year

Report inventories at end of year at cost or market value using generally accepted accounting principles.

1. Finished goods.

2. Work-in-process.

3. Materials, supplies, fuel, etc..

4. TOTAL BOOK VALUE – Sum of lines 1–3.

2007 Inventories				
	Bil.	Mil.	Thou.	Dol.
1751				
	\$			
1752				
	\$			
1753				
	\$			
1754				
	\$			

Of the total inventories reported in line 4, were any stored or in route OUTSIDE the 50 U.S. States and the District of Columbia?

- 6041 1 Yes – What was the total value of those inventories? (Do not report inventory held in Foreign Trade Zones or in bond warehouses in the U.S.)
- 2 No – Go to **11**

	Bil.	Mil.	Thou.	Dol.
6042				
	\$			

11 Change in Structure

Did you have an Employer Identification Number (EIN) change in 2007?

0013 1 Yes – Enter the new EIN. EIN –

2 No – Continue

Was there a change in ownership or control?

0016 1 Yes – Provide the date of the change and the firm's information. (for multiple mergers, provide each firm's information as an attachment to this report)

0018 / Month / Year

2 No – Go to 12


0017 Name of company acquired or merged with

Street address

City, State, ZIP Code

0019 –

EIN

Specify the nature of this change here 

0035

12 Remarks – Please provide an explanation for any inconsistent or incomplete data that would aid in understanding this report. For any separate correspondence pertaining to this report, please include the identification number shown in the address label area at the top of the first page.

0027

13 Certification – This report is substantially accurate and has been prepared in accordance with the instructions.

0020 Name of person completing this report – Please print 0024 Title 0025 Date

0021 Address (Street address, City, State, ZIP Code)

0022 Telephone number			0023 Fax number		0026 E-mail address
Area code	Number	Extension	Area code	Number	<input type="text"/>

Return Completed form to:
 U.S. CENSUS BUREAU
 1201 East 10th Street
 Jeffersonville, IN 47132-0001

or fax to: 1-800-447-4613

Public reporting burden for this collection of information is estimated to average 5.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: Paperwork Project 0607-0422, U.S. Census Bureau, 4600 Silver Hill Road, AMSD-3K138, Washington, DC 20233. You may e-mail comments to Paperwork@census.gov; use "Paperwork Project 0607-0422" as the subject. Please include form name and number in all correspondence. Respondents are not required to respond to any information collection unless it displays a valid approval number from the Office of Management and Budget. This 8-digit number appears in the top right corner on the front of this form.

To see aggregate industry results of previous Service Annual Surveys, go to the following website: www.census.gov/econ/www/servmenu.html