

## Course Goals

- Become aware of the primary sources for all business information.
- Learn which are the leading resellers or aggregators of the same information.
- How to present business information for easy understanding .
- Understand the **perspective** of business users based on **their** goals.
- Know which products are worth paying for and which are not.

## Expectations and Grading Criteria

1. Find the answer. (1 point)
2. ( Except for the first assignment on SEC docs) **Find two database or aggregator or reference sources** that answer the question, and try uncover new resources i.e. Mergent, articles, online directory, special issues of magazine, associations (1 point for each)
3. ( Except for the SEC assignment) Describe the "search string" for online, databases, print source and or websites (.5 point)

**Examples** (*I am mixing wild cards, formats, descriptors. Don't take these literally*)

- +company name and ("reseller or alliance\* or agreement or direct sales or indirect sales or distribut\*)
  - atleast5 (company name) and pd > \_\_\_\_\_
  - head (acqui\* or sold or merg\*)
  - (merg? or acqui?)/de,ti,lead
4. All financial or numerical data in a table or spreadsheet
  5. No "*Including by reference*"; I need to see the data
  6. Need to see the use of searching skills whether word count (*eg. atleast5 (company name, placement (eg. (merg? or acqui?)/de,ti,lead) or indexing (sn=wall street journal)*)
  7. If you revise an assignment, turn in the original, and make the corrections obvious
  8. Presentation of information—KISS principle. Simpler is better.
  9. Email your assignment before coming to class—but also have it handy to refer to for discussion

## Readings: On Blackboard

### Assignments:

#### Assignment A) Corporate Structure and SEC documents (53 points)

Pick a public US-based company that you like.

Present financial data in Table or Spreadsheet Form. (See table below).

Indicate the actual Calendar quarter (CQ) with the Fiscal quarter (FQ)—sometimes they are not the same

**A1) Using only SEC filings for the last 24 or so months, find the following data:** *Use the template provided. This also can be downloaded from Blackboard.*

	FQ2/CQ2	FQ1/CQ1	FY2010	FY2009	FY2008	FY2007	FY2006
	Q2 2011	Q1 2011	DEC (2)	DEC (2)	DEC (2)	DEC (2)	DEC (2)
\$ in millions	(1) Jun	March	DEC (2)	DEC (2)	DEC (2)	DEC (2)	DEC (2)
<b>Income Statement</b>							
Sales (or Revenue)							
Cost of Revenues							
Gross Profit							
Gross Profit Margin%							
Net Income							

**Balance Sheet**

Cash & Cash equivalents  
Total Shares Outstanding (TSO  
end of quarter)<sup>(3)</sup>  
Share Price (end of Quarter)  
Market Capitalization-(end of  
Quarter)  
Earnings/Share (EPS)(diluted &  
undiluted)

(1) source

(2)source

(3) as of date, source (use p.1, 10Q)

**Financial Growth (38 points):**

- Most recent (all quarters since last year) quarterly revenues, net income, cash & cash equivalents, total shares outstanding, Market Cap, and earnings per share.
- Latest 5 year's revenues, net income, profit margin%, cash & cash equivalents, total shares outstanding, earnings per share
- Compensation for CEO (show & add up the different parts to total compensation)  
Industry Strengths (4 points)
- Using the Proxy, read the Board of Directors backgrounds. For each director, summarize their industry experience. (ie, semiconductor, software, banking, clothing, food etc) List and **Highlight** or **Bold** any companies that seem particularly peculiar or relevant.(3 points)
- Any venture capital investors?, (look in board backgrounds for mentioning of LP or equity or venture or check out their websites for clarification)Do any of them own a large amount of shares? ( 1 point)  
Market Growth Strategies (5 points)
- By looking in Notes-List** any acquisitions and divestitures , their cost and dates mentioned in the last 10k and current 10Q's ?( 3 points). Try free text searching *acqui\* or divest\* or purchas\* or sold or selling or sale or "discontinued operations"* (3 pts)

- g) Any marketing agreements or reseller licenses (*alliances or partnerships or joint ventures*) with other companies? (1 point) check 8k's, 10k's. Try free text: "entered near(5)(agreement or alliance or partnership or venture)".
- h) List all registrations and type (debt or common stock offering, not S8's) for the last 24 months; who are the underwriters? ( 1 point)  
Business Model (3 points)
- i) (From the 10k) Describe the business:
  - (1) What is the industry? How do they make money, what is their business model ? ( for instance are they a retail , service or manufacturing business, or all three?; do they outsource labor; depend on advertising or licenses or subscription?; do they sell via "brick & mortar" stores or purely online? etc) ,
  - (2) Who are their competitors?
  - (3) What are their market dynamics ( ie macroeconomic forces, risks, influences, demographics, the weather, etc)
- j) Compare the business description of SEC docs to : Yahoo-Finance, Mergent, and Dow Jones/Factiva (3 points)
- k) Bonus: Inferring from the last 3 quarters of revenue, what do you predict their upcoming annual revenue to be? How does this compare to analyst reports, such as in Yahoo Finance?
- l) How many hours did you spend on this assignment?

**A2) Find a prospectus (424B) for the initial stock offering of a competitor to your corporation ( or to any of the divisions or subsidiaries of your corporation)(Search by SIC or use Mergent's own short list of competitors , Check with me if it's a good fit) It should be a competitor that went public after 1992—when Edgar went digital. Answer the following using the competitor's prospectus or s-1(20 points) Attach (or provide a link to) the prospectus via email**

- m) What was their revenue when still private? All years and quarters available (1 pt)
- n) Compare the CEO's industry backgrounds to those of your company? (1 pt)
- o) Who are the underwriters, both Lead or co-lead (listed first) and co-investors (listed below) on page 1 of the prospectus? (1 pt)
- p) Any venture capital investors? (1 pt) *check board backgrounds and the beneficial owners table*
- q) Offering price—, total shares outstanding after the offering (TSO) (usually around p. 6 of the prospectus) and hence the market cap at the offering? (3 pts)
- r) When did they start trading? What is the market cap at end of first day, after 3 months, 6 months, and 12 months? Show the price, tso and market cap. Compare to your company's market cap. ( all dates that apply) (Do not use the balance sheet AVG but instead calculate the exact

- end of month's price x closest TSO to that date. Use historical quotes in finance.yahoo.com ( 9 pts) *put this in table format*
- s) How large do they say their industry is? Do they also say the industry is growing, by how much? (3 pts)
  - t) Who do they list as their competitors? (1 pt)
  - u) How many hours did you spend on this assignment?

**A3)Using the resources in the table below, evaluate each source by comparing the resources' answers for the following questions. Present (informally)to the class, the discrepancies you find . You are expected to look at all the resources. Also tell us something about the company: 10 minutes (41 pts)**

**Organize by Resource below and answer the following (55 points):**

- 1) Who is the publisher? How often is it updated? Where do they get their data from? (1.5)
- 2) Which resources list establishments, addresses and SIC's/NAICS?(5)
  - (i) How many establishments, (including storefronts, subsidiaries, and branches) are there for your company in each of these sources? Count them. And does it list their addresses?
  - (ii) List the SIC's/NAICS and summarize the nature of the business descriptions for the Ultimate, Divisions, Subsidiaries, headquarters if any.
  - (iii).Aside from SEC docs, which other sources would you compares the source to?
  - (iv)What special items does the resource have that others don't—be sure to look outside the context of just your company? Which covers private or international companies, for instance?
  - (v) Is the employee count accurate?
  - (vi)How many hours did you spend on this assignment?
- 3) Find and read a reasonably current in-depth, 3<sup>rd</sup> party, historical description of the company including corporate culture and founders. (Try to find both a book and article length) . Bibliographic reference is sufficient for the book-no need to bring the book, but describe to the class the 'cool facts' about your company. (4.5)

<p><b>Resources</b></p> <p><b><a href="http://www.lib.utexas.edu/indexes/titles.php?subject=Business">http://www.lib.utexas.edu/indexes/titles.php?subject=Business</a></b></p> <p><b>Use the following</b></p>	
<p><b>UT Paid Resources for question A</b></p> <ul style="list-style-type: none"> <li>1. Corporate affiliations.(LexisNexis)</li> <li><b>2) Standard &amp; Poor's NetAdvantage</b></li> <li><b>3) Mergent Online (note subsidiary info &amp; sic codes)</b></li> </ul>	<p><b>Paid Resources and/or WEB for question B</b></p> <ul style="list-style-type: none"> <li>Amazon</li> <li>Yahoo-Finance <a href="http://finance.yahoo.com">finance.yahoo.com</a></li> <li>Company Website</li> </ul>

<p><b>4)</b> Business &amp; Company Resource Center(Gale)(note sic codes)  <b>5)</b> Factiva (DowJones)  <b>6)</b> Reference USA (InfoUSA)  <b>7)</b> Valueline  <b>8)</b> Morningstar  <b>9)</b> Business Source Complete(Ebsco)  <b>10) SEC docs</b></p>	<p>UT Net Cat, NetLibrary &amp; Google Scholar</p>
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**Assignment B) CEO & CFO (answer all) (table or spreadsheet format)**

1. Financial: *General Problem area: Who is making money among my competitors? What should our company be worth ? (45 pts)*

a)What is the most recent market cap, net income and cash& cash equivalents of your top 3 public competitors, for a) LTM b) last 2 quarters c) value & percentage difference between the quarters? Make sure the calendar quarters match.(use press releases if the 10q/10k not out yet .Format in a spreadsheet comparing the companies-you may use MultiCompany Template in Blackboard-SampleSpreadsheet10-Multicompany tab)

2. Human Resource/Compensation: *General Problem area: How much can I offer the new executives to be competitive? How can I keep my workforce productive? Use two different database aggregators and Google to get full survey if you only found a reference. (26 points)*

a) How much should I offer my new CEO? (Find 3 comparable TOTAL salaries: by revenue & similar SIC, not necessarily exact competition) *single proxy source ok, (3 pts)*

b) How much should I pay my Executive Assistant? (Look at the city of your company and job classification) *2 sources (2 pts)*

c) What are some of the latest (2010:2011) workforce management trends for US *Fortune 500* or large corporations? Avoid IT discussions. What are the problems and what are examples of solutions? Are there any best practice studies? Use 2 distinct database searches to find multiple articles. Find at least 5 articles that list multiple solutions and problems; or you'll have to find many more articles if all you find are articles that focus on just one problem/solution. (Start by reverse engineering the good articles found by previous classes, posted on Blackboard—find the subject headings —explore how to use the different databases “limiting” or “narrowing” abilities. And use these strategies to find more recent articles) If you find an article that mentions a study—try to find the actual study on the web. Send the articles electronically, but put the bibliographic reference with the search used the find it, in a doc. Do not narrow to your industry. (21 pts)

**Assignment C) COO, Product Development, Marketing & Sales (20 pts)—Use at least 2 resources for each question (*to give you practice at searching structured sources and obtaining thorough or different results*)**

1. Suppliers & Supply Chain: *I need better suppliers*
  - I need to find 3 “best” furniture suppliers in each of 3 states around me that offer office furniture (Mfg, retail or wholesale)
2. Customer Service & Business Process: *I need to be more efficient*
  - What is business process outsourcing? How is it applied to my industry?
3. Manufacturing Process: *How can I be more efficient?*
  - Who founded “just in time” manufacturing, and what US companies were the first to implement it?
4. Regulation: *Do I have to worry about any agencies rulings?*
  - What regulatory agencies affect my industry? Be very inclusive and broad. Any major lawsuits involving you or your competitors this past year? Any fines?
5. Sales Prospecting: *I need more customers*
  - Find top 10 companies in Austin area that would be model customers. I need the name of their CEO or local director and contact information.

**Assignment D) Market and Industry statistics (answer all). (31 pts)**

1. What are the best public portal or gateway or introductory sites for your industry, with the most useful current industry information?-highlight unique qualities of the **two best** (2 pts)
2. Who are the publishers of market data on your industry? Find at least one publisher for each of the following
  - a. research firm, or specific experts (use article databases to find references “according to...” + (billion or million)(1pt)
  - b. specific government source (s)that tracks the industry (1 pt)
  - c. leading investment bank and analyst name, - (check star analyst for your company in Yahoo-Finance ) (4pts),
  - d. newsletter (1 pt)
  - e. association. What is their leading conference on your industry? When and where is the next conference? *What association is your company a member? What trade association show did they exhibit in this or last year—did they have a booth? (4 pts)*
  - f. leading editorial writer on your industry and their blog ( 2 pts)
3. What magazine has an annual “industry overview”, Which month’s issue has the buyers guide?(3)
4. How large is your market US & WW? What are the forecasts? According to who? (don’t use the company’s own word) Include the table if available? Does the market forecast account for inflation? (4 pts)

5. What is the US population and expected growth in 1 yr, 5yr and 10 yrs? Include value and percentage change. Any correlation with the market growth expectation from question 4? (9 pts)

Possible resources:

Start with Statistical Abstracts: <http://www.census.gov/compendia/statab> and Current Industrial Reports: <http://www.census.gov/manufacturing/cir/index.html>  
[www.marketresearch.com](http://www.marketresearch.com)  
<http://www.mindbranch.com>  
[www.ceoexpress.com](http://www.ceoexpress.com)  
<http://www.specialissues.com/>

UT Resources:

Mintel  
Lexis/Nexis Table  
Datamonitor  
eMarketer  
Factiva  
Business Source Complete  
Plunkett's ...(various industry books) (UT Library Catalog-Netlibrary)  
BUSLIB: <http://www.montague.com/review/buslibbest.html>

### Assignment E. Client Project

A selection of Austin companies will present, for 20 minutes each, about a current and pressing information problem they have. You, the researchers, have to ask questions so that you can do a thorough job of researching the answer(s). In many cases, they will willingly and fully describe what they are looking for and why; but in other cases, you have to draw it out of them. Before they leave the class, be sure you understand thoroughly, the following: (*I expect each of you to speak up and ask questions*)

**Who they are:** in the industry they describe, what role do they play, and who are their leading competitors? What do they do—know their product line, or line of services and what they are thinking about making in the future. Where do they see themselves in the future?

**What are their goals for this research?** What is their hypothesis that they are trying to prove. For example “they think companies are doing X in which case we will do Y” otherwise some other strategy needs to be implemented “or they might believe they are unique in their strategy and you have to try to disprove it.

**Where** have they already looked for the answers to the question(s)? What resources do they subscribe to, especially any market research firms?

**Why** is this requested? Is it information critical? What business problem will it solve?

**How** do they want it presented? What are the deliverables? A tabbed spreadsheet? Powerpoint? A website? A Wiki? A Word document? A combination?

You are all expected to pay attention to each presentation as though it were from your own client. Only at the end of class will you be assigned one of the companies. You will be paired with another classmate or two for each company. The research and final report is a team effort. During the last class, your team will present what your final product looks like, and how you did it. You will describe resources, strategies, successes

and failures. I will critique your work at that point and suggest any final corrections, before you send it on to your client. I expect you to communicate with them directly if you need any clarification throughout the research process. They are usually chafing at the bit for your answers. They do not generally give easy questions, or ones they can solve themselves; but some questions are not necessarily difficult but just need time or multiple researchers working. They are always extremely grateful for your efforts. There are examples of previous final reports for you to see Blackboard.

Every report must include:

1. An **Introduction** describing the information problem.
2. **Answers** to each part, complete with footnotes. Include excerpted tables directly in the text when possible.
3. A **Bibliography of sources**-articles, books, market research reports, webpages.
4. A **Bibliography of Resources**/aggregators that you used to find your sources. i.e.|.Factiva, Hoovers, Stat Abstract etc, special issues etc.; and also where they can be found i.e.| UT, APL, websites. Try to find the most accessible resources for them. If you found an article via a proprietary database, search to see if the same article is on the web or available in an APL database.
5. A description of the **search strategies** for each resource that led to sources, so they could recreate the search if needed to, i.e. Google search string, "link to:" search strings, association trade show lists, etc...; and include a taxonomy of keywords .
6. **An addendum** of full text of sources in the bibliography if they are not prohibited by copyright. Include only "excerpts" if they are protected by copyright.
7. Be sure to put the School of Information Logo and your names and contact information all over the document. This is our branding.