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# 2006 Annual Services Report
# Service Annual Survey

## Integrated Record Production/Distribution

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

FORM

**SA-51222**

138 SAS_I

512220

**REPORT DUE**

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

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 releasing, promoting, and distributing sound recordings. These establishments manufacture or arrange for the manufacture of recordings, such as audio tapes/cassettes and compact discs, and promote and distribute these products to wholesalers, retailers, or directly to the public. Establishments in this industry produce master recordings themselves, or obtain reproduction and distribution rights to master recordings produced by record production companies or other integrated record companies.

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

0001
1 ☐ 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 2006 calendar year if possible.
- For locations that were sold or acquired during a year, only report for the periods that this firm operated the locations.

0006
1 ☐ 2006 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).

**2006**

| | 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.

**Include:**
- Allowances for cash or other discounts.

**Exclude:**
- Transfers made within the company.

### Licensing Revenue

**2006 Operating Revenue**

| | | Bil. | Mil. | Thou. | Dol. |
|---|---|---|---|---|---|
| 1. **Licensing of rights to use musical compositions –** Granting the right to use a musical composition (whose rights you own), on a fee or royalty basis. A musical composition may be the lyrics, the music, or both. **Include** public performance rights, mechanical rights, synchronization rights, videogram rights, commercial advertisement rights, and print rights. | 6008 | $ | | | |
| 2. **Licensing of rights to use musical recordings –** Granting the right to use a copyrighted recording (whose rights you own), on a fee or royalty basis. **Exclude** permission to use the copyrighted composition from line **1**. | 6009 | $ | | | |

### Other Operating Revenue

| | | | | | |
|---|---|---|---|---|---|
| 3. **Sales of recordings –** The sale of recordings (i.e., CDs, music streaming and downloads, cassette tapes, vinyl records) containing a variety of sound material (i.e., music, plays, poetry, comedic routines). The sale of a recording is typically accompanied by an implicit license, based upon the law, that places some limits on the usage of the recording by the end customer. | 6010 | $ | | | |
| 4. **All other operating revenue –** Revenue not reported in lines **1–3. If this item is greater than 20% of the total operating revenue, specify the primary source of the revenue here** 1560 | 1799 | $ | | | |
| 5. **TOTAL OPERATING REVENUE –** Sum of lines **1–4**. | 1800 | $ | | | |

## 4 Not Applicable

## 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.

**Exclude:**

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

### Personnel Costs

**2006 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 | $ | | | |
| **2. Employer's cost for fringe benefits –** Employer's cost for legally required programs and programs not required by law. **Include** insurance premiums for hospital plans, medical plans, and single service plans (e.g., dental, vision, prescription drugs); premium equivalents for self-insured plans and fees paid to third-party administrators (TPAs); defined benefit pension plans; defined contribution plans (e.g., profit sharing, 401K and stock option plans); and other fringe benefits (e.g., Social Security, workers' compensation insurance, unemployment tax, state disability insurance programs, life insurance benefits, Medicare). **Exclude** employee contributions. | 1822 | $ | | | |
| **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 | $ | | | |

### 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 **8**. | 1824 | $ | | | |
| **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 | $ | | | |

### 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 | $ | | | |
| **7. Purchased electricity and fuels (except motor fuels) –** If the cost of electricity and heating fuels (e.g., natural gas, propane, oil, coal) are included in lease or rental payments, report in line **8** | 1827 | $ | | | |
| **8. Lease and rental payments –** For land, buildings, offices, structures, 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. | 1828 | $ | | | |

## 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.

**Exclude:**

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

### Expensed Purchased Services – (Continued)

**2006 Operating Expenses**

| | | Bil. | Mil. | Thou. | Dol. |
|---|---|---|---|---|---|
| **9. Purchased repair and maintenance – Include** expensed repair and maintenance to buildings and integral building components (e.g., elevators, heating and cooling systems), structures, offices, machinery, vehicles, equipment, and computer hardware. **Exclude** materials, parts, and supplies used for repair and maintenance performed by this firm's employees. Report janitorial and grounds maintenance services in line **13**. | 1829 | $ | | | |
| **10. Purchased advertising and promotional services – Include** marketing and public relations services. | 1830 | $ | | | |

### Other Operating Expenses

| | | Bil. | Mil. | Thou. | Dol. |
|---|---|---|---|---|---|
| **11. 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 | $ | | | |
| **12. 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 | $ | | | |
| **13. All other operating expenses –** Report all other operating expenses not reported above, unless specifically excluded in the general instructions at the top of the page. **Exclude** purchases of merchandise for resale and non-operating expenses. | 1899 | $ | | | |
| **14. TOTAL OPERATING EXPENSES –** Sum of lines **1–13**. | 1900 | $ | | | |

## 6 Not Applicable

## 7 Sales Tax

Were sales taxes or other taxes (i.e., amusement occupancy, use, etc.) collected from customers and forwarded directly to taxing authorities?

**2006 Sales Taxes**

Bil. Mil. Thou. Dol.

2200 $

0032 1 ☐ Yes – **What was this firm's sales taxes** . . . . . .

2 ☐ No – Go to 8

## 8 E-Commerce Revenue

E-commerce includes sales and receipts 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.

**2006 E-Commerce Revenue**

Bil. Mil. Thou. Dol.

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

2000 $

0011 1 ☐ Yes – **What was this firm's e-commerce revenue?** . . . . . .

2 ☐ No – Go to 9

Month Year

0010

**When did this firm begin e-commerce sales?**. . . . . .

## 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.

**2006 Export Revenue**

Bil. Mil. Thou. Dol.

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

2100 $

0009 1 ☐ Yes – **What was this firm's revenue from exports?** . . . . . .

2 ☐ No – Go to 10

## 10 Inventories at End of Year

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

**2006 Inventories**

Bil. Mil. Thou. Dol.

1751 $

**1. Finished goods**. . . . . .

1752 $

**2. Work-in-process**. . . . . .

1753 $

**3. Materials, supplies, fuel, etc.**. . . . . .

1754 $

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

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?

Bil. Mil. Thou. Dol.

6042 $

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 the next page

## 11 Change in Structure

**Did you have an Employer Identification Number (EIN) change in 2006?**

0013
1 ☐ Yes – **Enter the new EIN.** . . . . . EIN 0015 ☐☐ – ☐☐☐☐☐☐☐
2 ☐ No – **Continue**

**Was there a change in ownership or control?**

1 ☐ Yes – **Provide the date of the change and the firm's information.** . . . . . 0018 Month ☐☐ Year ☐☐
(for multiple mergers, provide each firm's information as an attachment to this report)

0016
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** →

0033

## 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: Area code | Number | Extension

0023 Fax number: Area code | Number

0026 E-mail address

**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 5.0 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, 4700 Silver Hill Road, Stop 1500, Washington, DC 20233-1500. 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