

# The OPEXEngine 2009 Operating Metrics Survey for Business-to-Business Software and Internet Vendors

The 2009 *Operating Metrics Survey for Business-to-Business Software and Internet Vendors* promises to be the timeliest and most comprehensive profile of B2B Software and Internet company performance results ever published. As a survey participant, you will receive an individual, confidential Company Performance Report that will outline your company's performance against other participants of a similar size, business model, sales emphasis, etc. In addition, your Company Performance Report will provide detailed results focusing on the metrics and business models of top performing companies. You will also receive the comprehensive Industry Report which will contain detailed analysis of the benchmarking findings, graphics and all data.

## General Information

- This confidential questionnaire has been designed to require as little effort from you as possible.
- If you cannot fill out every line, provide as much information as possible. It is OK to leave blanks. However, keep in mind that the more you are able to fill out, the more information you will get back about your own company. You may provide estimates if necessary.
- Enter figures from your fiscal years 2008 and the first half of 2009, as requested.
- If you need assistance, please contact Scott Hackworth at shackworth@opexengine.com or call the OPEXEngine office at (781) 891-4149.
- If you wish to maintain a copy of your responses, print out a copy of the questionnaire prior to submitting.
- When you have completed the current page of the questionnaire, please check the box at the bottom of each page, labeled "this page is complete" and click "Next", "Back", or "Back to Contents". Each time one of these buttons is clicked, your data is saved for the current page. If you wish to stop, close your browser AFTER the next page has loaded and return later. Please do NOT close the browser without clicking Next, Back, or Back to Contents or your input on that page will be lost.
- When you are completely finished with the survey, please check the box labeled, "I am finished with the survey." You will then be directed to a confirmation page, and you will receive a confirmation email.

A confidential identification code number has been pre-assigned to your company so that all other identification can be removed from your questionnaire. Please complete the information below so that we can issue your Company Analysis Report directly to you.

Contact Name: \_\_\_\_\_ Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_ Suite/Floor: \_\_\_\_\_

City \_\_\_\_\_ State/Province \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_

Phone: (\_\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_\_) \_\_\_\_\_

Contact Email Address: \_\_\_\_\_

<b>Line # Income Statement</b>			<b>Full Year 2008</b>	<b>First Half 2009</b>
<b>Recognized Revenue:</b>				
1.	Product Revenue (please include software as a service revenues)	\$	3	\$ 22
2.	Service Revenue	\$	4	\$ 23
3.	Total Recognized Revenue (Sum of Lines 1 & 2)	\$	5	\$ 24
<b>Operating Expenses:</b>				
4.	Cost of Products (please include software as a service costs)	\$	350	\$ 356
5.	Cost of Services	\$	351	\$ 357
6.	Total cost of revenue (cost of product + cost of services)	\$	6	\$ 25
7.	Research & Development	\$	7	\$ 26
8.	Sales	\$	8	\$ 27
9.	Marketing	\$	9	\$ 28
10.	General & Administrative	\$	11	\$ 30
11.	Total Operating Expenses (Sum of Lines 6 through 10)	\$	12	\$ 31
12.	Operating Income (Line 3 minus Line 11)	\$	13	\$ 32
<b>Non-Operating Income and Expenses:</b>				
13.	Interest Income (report an overall interest expense as a negative)	\$	14	\$ 33
14.	Other Income (report an overall expense as a negative)	\$	15	\$ 34
15.	<b>Net Income Before Taxes</b> (Line 12 plus Lines 13 and 14)	\$	16	\$ 35
16.	EBITDA	\$	355	\$ 361
17.	Total Bookings	\$	1	\$ 20
18.	Total Deferred Revenue	\$	2	\$ 21
19.	Total Recognized Maintenance Revenue	\$	17	\$ 36
20.	Total Revenue from Direct Sales	\$	352	\$ 358
21.	Total Revenue from Indirect Sales	\$	353	\$ 359
22.	Gross Margin Percentage on Product Sales		% 18	% 37
23.	Gross Margin Percentage on Services		% 19	% 38
<b>Line # Operating Expense Excluding Stock Option Expense (per FAS 123r)</b>			<b>Full Year 2008</b>	<b>First Half 2009</b>
1.	Cost of total revenue	\$	362	\$ 369
2.	R&D	\$	363	\$ 370
3.	Sales	\$	364	\$ 371
4.	Marketing	\$	365	\$ 372
5.	G&A	\$	366	\$ 373
6.	Total Operating Expense	\$	367	\$ 374
7.	EBITDA	\$	368	\$ 375
<b>Line # Cash Flow</b>			<b>Full Year 2008</b>	<b>First Half 2009</b>
1.	Net Cash from Operations	\$	376	\$ 377

<b>Line # Operating Expense Detail</b>			
<b>Please provide dollar amounts for expense items within each overall category. All totals should equal their respective listing on the Income Statement (except the Services Dept. expense).</b>			
<b>Research &amp; Development (R&amp;D) expenses:</b>		<b>Full Year 2008</b>	<b>First Half 2009</b>
1.	Compensation & Benefits Expense	\$ 39	\$ 45
2.	Consultants and Outsourced R&D Functions	\$ 40	\$ 46
3.	Travel & Entertainment	\$ 41	\$ 47
4.	Software Development Tools	\$ 42	\$ 48
5.	All Other R&D Expenses	\$ 43	\$ 49
6.	Total R&D Expenses	\$ 44	\$ 50
<b>Sales expenses:</b>		<b>Full Year 2008</b>	<b>First Half 2009</b>
7.	Fixed Compensation Expense	\$ 51	\$ 58
8.	Variable Compensation Expense	\$ 52	\$ 59
9.	Total Benefits Expense	\$ 53	\$ 60
10.	Total Compensation and Benefits Expense	\$ 54	\$ 61
11.	Travel & Entertainment	\$ 55	\$ 62
12.	All Other Sales Expenses	\$ 56	\$ 63
13.	Total Sales Expenses	\$ 57	\$ 64
<b>Marketing expenses:</b>		<b>Full Year 2008</b>	<b>First Half 2009</b>
14.	Compensation & Benefits	\$ 65	\$ 74
15.	Travel & Entertainment	\$ 66	\$ 75
16.	Events, Trade Shows, and Seminars	\$ 67	\$ 76
17.	Consulting, Outsourced P.R., and Agencies	\$ 68	\$ 77
18.	Web Spending – (website, internet marketing, search optimization)	\$ 69	\$ 78
19.	Lead Generation	\$ 70	\$ 79
20.	Non-Web-Based Advertising	\$ 71	\$ 80
21.	All Other Marketing Expenses	\$ 72	\$ 81
22.	Total Marketing Expenses	\$ 73	\$ 82
<b>Services expenses:</b>		<b>Full Year 2008</b>	<b>First Half 2009</b>
Compensation & Benefits:			
23.	Professional Services Personnel Compensation & Benefits Expense	\$ 83	\$ 92
24.	Customer Support Personnel Compensation & Benefits Expense	\$ 84	\$ 93
25.	Customer Training & Education Personnel Compensation & Benefits Expense	\$ 85	\$ 94
26.	All Other Services Personnel Compensation & Benefits Expense	\$ 86	\$ 95
27.	Total Compensation & Benefits Expense	\$ 87	\$ 96
28.	Travel & Entertainment (non-billable)	\$ 88	\$ 97
29.	Customer Support (non-compensation expenses associated with support center and not included in G&A)	\$ 89	\$ 98
30.	All Other Services Expenses	\$ 90	\$ 99
31.	Total Services Expenses	\$ 91	\$ 100
<b>General &amp; Administrative (G&amp;A) expenses:</b>		<b>Full Year 2008</b>	<b>First Half 2009</b>
32.	Compensation & Benefits	\$ 101	\$ 110
33.	Travel & Entertainment	\$ 102	\$ 111
34.	Depreciation and Amortization	\$ 103	\$ 112
35.	IT Expenses (including communication and email expenses)	\$ 104	\$ 113
36.	Facilities Expenses	\$ 105	\$ 114
37.	Legal Expenses	\$ 106	\$ 115
38.	Consulting Expenses	\$ 107	\$ 116
39.	All Other G&A Expenses	\$ 108	\$ 117
40.	Total G&A Expenses	\$ 109	\$ 118

Line # Total Company Expenses (total, including allocations in departmental expenses above)									
		Full Year 2008			First Half 2009				
41.	Total company compensation and benefits	\$ xxx			\$ xxx				
42.	Total company travel and entertainment	\$ 378			\$ 383				
43.	Total IT expenses (including communications and email expense)	\$ 379			\$ 384				
44.	Total facilities expense	\$ 380			\$ 385				
45.	Total legal expense	\$ 381			\$ 386				
46.	Total audit expense	\$ 382			\$ 387				
Line # Key Income Statement Items by Geographic Area									
1.	Please provide the following full year 2008 and first half 2009 Income Statement items as they relate to each of the following geographic areas. All totals should equal their respective listing on the Income Statement.								
		Americas		EMEA		Asia Pacific		Total	
		Full Year 2008	First Half 2009	Full Year 2008	First Half 2009	Full Year 2008	First Half 2009	Full Year 2008	First Half 2009
	Total Recognized Revenue	\$ 119	\$ xxx	\$ 127	\$ xxx	\$ 135	\$ xxx	\$ 151	\$ xxx
	Total Operating Expenses	\$ 126	\$ xxx	\$ 134	\$ xxx	\$ 142	\$ xxx	\$ 158	\$ xxx
Line # Balance Sheet Information									
Assets:		Full Year 2008			First Half 2009				
1.	Cash & Cash Equivalents	\$ 159			\$ 168				
2.	Accounts Receivable	\$ 160			\$ 169				
3.	Total Current Assets	\$ 161			\$ 170				
4.	Total Assets	\$ 162			\$ 171				
Liabilities:									
5.	Accounts Payable	\$ 163			\$ 172				
6.	Total Current Liabilities (Line 5 plus all other Current Liabilities)	\$ 164			\$ 173				
7.	Total Long-Term Liabilities	\$ 165			\$ 174				
8.	Total Net Worth or Stockholders' Equity	\$ 166			\$ 175				
9.	Total Liabilities and Net Worth (Sum of Lines 6, 7, & 8. Must equal Line 4)	\$ 167			\$ 176				
Line # SaaS Specific Metrics									
		Full Year 2008			First Half 2009				
1.	Contracted monthly recurring revenue (for subscription revenues) for Dec. '08 and June '09	\$ 354			\$ 360				
2.	Net new monthly revenue for December 2008 and June 2009 (should be the difference between monthly revenue on December 1 and December 31 or between June 1 and June 30).	\$ 232			\$ xxx				
3.	Net new customers for full year 2008 and first half 2009	\$ xxx			\$ xxx				
4.	Cost per customer to acquire new customer	\$ xxx			\$ xxx				
5.	Cost per customer to maintain a customer per month	\$ xxx			\$ xxx				
6.	Average contract value per customer	\$ xxx			\$ xxx				
7.	Average increase in number of seats per customer for 2008 and for first half 2009	% xxx			% xxx				
8.	Average upsell in dollar value per customer for 2008 and for first half 2009	\$ xxx			\$ xxx				
9.	Customer renewal rate during 2008 (as a percent of customers up for renewal during 2008)	% 230							
10.	Dollar renewal rate during 2008 (as a percent of total \$ value up for renewal during 2008)	% 231							
Line # Employee Statistics									
Please list the following employee counts (in FTEs) for each department and for each geographic area. (Include full-time contract employees) – Report as of 12/31/08 and as of 6/30/09									
		Americas		EMEA		Asia Pacific		Total	
		Full Year 2008	First Half 2009	Full Year 2008	First Half 2009	Full Year 2008	First Half 2009	Full Year 2008	First Half 2009
1.	Total R&D Employees	# 177	# xxx	# 183	# xxx	# 189	# xxx	# 201	# xxx
2.	Total Sales Employees	# 178	# xxx	# 184	# xxx	# 190	# xxx	# 202	# xxx
3.	Total Marketing Employees	# 179	# xxx	# 185	# xxx	# 191	# xxx	# 203	# xxx
4.	Total Services Employees	# 180	# xxx	# 186	# xxx	# 192	# xxx	# 204	# xxx
5.	Total G&A Employees	# 181	# xxx	# 187	# xxx	# 193	# xxx	# 205	# xxx
6.	<b>Total Employees:</b>	# 182	# xxx	# 188	# xxx	# 194	# xxx	# 206	# xxx

		Full Year 2008	
7.	How many employees (FTEs) at your company have personnel management responsibilities and hold the title of Director and above?	#	208
8.	How many directors sit on your company's Board of Directors? (If not applicable, please enter "NA")	#	209
<b>Line # Customer Information</b>			
		<b>Full Year 2008</b>	<b>First Half 2009</b>
1.	How many <b>individual companies</b> were your customers in 2008?	#	518
2.	What percent of your company's customers during 2008 were <b>new customers</b> ?	%	213
3.	How many <b>active customers</b> does your company have (as of 12/31/08)?	#	212
4.	What was your company's <b>estimated average deal size</b> during 2008, excluding prototypes?		
	Product A	\$	521
	Product B	\$	522
	Product C	\$	523
5.	What is your average term of a customer contract (if perpetual, write "perpetual")		524
6.	What is the estimated average total lifetime revenue of an average customer?	\$	219
		<b>Full Year 2008</b>	
<b>Line # Market Information</b>			
		<b>Full Year 2008</b>	
1.	What percentage of your total 2008 revenue was from the following customer types?	Direct Sales	% 233
		Resellers/Distributors	% 234
		OEM/ISVs	% 235
		Other _____	% 236
		Total	100%
2.	What percentage of your customers are global, Fortune 2000 enterprises?		% 237
3.	Which of the following best describes your primary market? 546-1 <input type="checkbox"/> Early Adopters      2 <input type="checkbox"/> Early Majority      3 <input type="checkbox"/> Mature Market		
4.	What percentage of your total customers are in the following markets?	Financial Services	% 220
		Telecommunications	% 221
		Retail/Consumer Packaged Goods	% 222
		Travel/Tourism	% 223
		Media and Entertainment	% 329
		Government	% 228
		Academic Institutions and Non Profits	% 532
		Healthcare & Pharmaceuticals	% 224
		Heavy Manufacturing	% 225
		High Tech	% 226
		Chemicals and Raw Materials	% 227
		Other _____	% 229
		Total	100%
<b>Line # Product and Pricing</b>			
		<b>Full Year 2008</b>	
1.	What percentage of your company's total product revenue is from perpetual/on-site versus on-demand (software as a service) licenses?	Perpetual/on-site	% 239
		On-demand or Subscription	% 240
2.	What percentage of your company's total product revenue is from the following pricing structures?	User-based or Seat-based Pricing (concurrent, individual, or active users)	% 241
		Server/workstation CPU-based Pricing	% 242
		Location or Enterprise-based Pricing	% 243
		Per transaction or event	% 547
		Per customer revenues	% 548
3.	If applicable, what % uplift on U.S. pricing do you have in EMEA? (If no uplift, enter "0")		% 254
4.	If applicable, what % uplift on U.S. pricing do you have in Asia Pacific? (If no uplift, enter "0")		% 255
		<b>Current</b>	<b>3 Years Ago</b>
5.	Number of product lines sold	#	281
		#	282

6. Which of the following product categories best describes your company's products?
- |  |  |
|--|--|
| 303 <input type="checkbox"/> Accounting and Finance Software                             | 304 <input type="checkbox"/> Asset Management Software                           |
| 305 <input type="checkbox"/> Billing and Service Provisioning Software                   | 306 <input type="checkbox"/> Business Intelligence Software                      |
| 307 <input type="checkbox"/> Collaborative Software                                      | 308 <input type="checkbox"/> Content and Document Management Software            |
| 309 <input type="checkbox"/> CRM, Marketing and Sales Software                           | 310 <input type="checkbox"/> Database and File Management Software               |
| 311 <input type="checkbox"/> Development Tools, Operating Systems and Utilities Software | 312 <input type="checkbox"/> E-Commerce Software                                 |
| 330 <input type="checkbox"/> Education and Training Software                             | 331 <input type="checkbox"/> Engineering, Scientific and CAD/CAM Software        |
| 332 <input type="checkbox"/> Enterprise Application Integration Software                 | 333 <input type="checkbox"/> Enterprise Resource Planning (ERP) Software         |
| 334 <input type="checkbox"/> HealthCare Management Software                              | 335 <input type="checkbox"/> Human Resources and Workforce Management Software   |
| 336 <input type="checkbox"/> Manufacturing, Warehousing and Industrial Software          | 337 <input type="checkbox"/> Messaging, Conferencing and Communications Software |
| 338 <input type="checkbox"/> Multimedia, Graphics and Publishing Software                | 339 <input type="checkbox"/> Networking and Connectivity Software                |
| 340 <input type="checkbox"/> Retail, Point-of-Sale and Inventory Management Software     | 341 <input type="checkbox"/> Security Software                                   |
| 342 <input type="checkbox"/> Storage and Systems Management Software                     | 343 <input type="checkbox"/> Supply Chain Management and Logistics Software      |
| 344 <input type="checkbox"/> Wireless Software   | 345 <input type="checkbox"/> Other _____   |

**Sales Management**

		Full Year 2008	First Half 2009
1.	What is the length of your company's average sales cycle?		
	Product A	months 555	months xxx
	Product B	months 556	months xxx
	Product C	months 557	months xxx
2.	What is your company's average sales quota?		
	Product A	558	xxx
	Product B	559	xxx
	Product C	560	xxx
3.	What is your company's average sales quota for renewals or existing customers if you have one separately from new business?	\$ 262	\$ xxx
4.	On what metric do you pay your sales people – bookings, recognized revenue, 1 <sup>st</sup> year of contract – use your own terminology	561	xxx
5a.	Do any non-sales employees in your company have revenue quotas not owned by a sales person?	<input type="checkbox"/> Yes <input type="checkbox"/> No 562	<input type="checkbox"/> Yes <input type="checkbox"/> No xxx
5b.	If yes, in which departments?	563	xxx
6.	What percentage of your 2008 or first half 2009 bookings are attributed to:		
	Inside or telesales	% xxx	% xxx
	Outside sales	% xxx	% xxx
	Channel and partner sales	% xxx	% xxx
7.	Where is your company's headquarters located for each of the following regions?		
	<b>Geographic Area</b>	<b>Location of Headquarters</b>	
	United States (City, State)	264	
	EMEA (City, Country)	265	
	Asia Pacific (City, Country)	266	

**Support Center**

		Full Year 2008
1.	What is your ratio of customers to support center representatives?	/ 1 Xxx
2.	What percent of your overall revenues are allocated to technical support organizations (even if you do not charge for technical support, how much revenue do you allocate to technical support)?	\$ xxx
3.	How many customer support incidents were registered by your company during 2008?	# 267
4.	How many customers registered customer support incidents during 2008?	# 268
5.	What percentage of support center incidents are handled by outsourced resources?	% 270
6a.	Do you offer standard customer support?	<input type="checkbox"/> Yes <input type="checkbox"/> No 256
6b.	If yes, what percentage of list price do you charge for standard customer support? (If support pricing is bundled into the price of the software, input "0")	% 257
7a.	Do you offer 24/7 customer support?	<input type="checkbox"/> Yes <input type="checkbox"/> No 258
7b.	If yes, what percentage of list price do you charge for 24/7 customer support? (If support pricing is bundled into the price of the software, input "0")	% 259

<b>R&amp;D</b>			
1.	Please answer the following as it applies currently and as it did three years ago.	<b>Current</b>	<b>3 Years Ago</b>
	Percentage of R&D that is outsourced	% 283	% 284
2.	To what country(ies) did/does your company outsource its R&D functions, currently and 3 years ago?	<b>Current</b>	<b>3 Years Ago</b>
	Country 1	285	286
	Country 2	287	288
	Country 3	289	290
	Country 4	291	292
3.	Which of the following functions of R&D does your company outsource?		
	293 <input type="checkbox"/> Requirements Definition	294 <input type="checkbox"/> Integration	295 <input type="checkbox"/> Implementation
	296 <input type="checkbox"/> Design	297 <input type="checkbox"/> Documentation	298 <input type="checkbox"/> Other _____
	299 <input type="checkbox"/> Development/Coding	300 <input type="checkbox"/> Testing	301 <input type="checkbox"/> Do Not Outsource R&D Functions
4.	When possible, does your company capitalize its cost of software development?	<input type="checkbox"/> Yes	<input type="checkbox"/> No 313
5.	What percentage of your product mix is based on:	Client/Server Architecture	% 314
		Internet Browser-based Architecture	% 315
6.	Please estimate the percentage of your R&D expense that is dedicated to engineering work related to scalability, reliability and general upkeep of your service, if you are selling software as a service.		% Xxx
7a.	How many datacenters are you using?	#	xxx
7b.	On average, how many servers are in each datacenter?	#	xxx
<b>Other Information</b>			
1.	What dollar amount of total venture capital has been taken over your company's life?	\$	318
2a.	Is your company public or private?		
	319-1 <input type="checkbox"/> Public	2 <input type="checkbox"/> Private (Skip to question 3)	
2b.	If your company is public, please answer the following:		
	What was the year of your IPO?		320
	What amount of revenue did your company generate in its fiscal year prior to its IPO?	\$	321
3.	In which month does your fiscal year end?		322
4.	In what year was your company founded?		323
5.	Which of the following phrases best describes your company's '09 expectations?		
	325-1 <input type="checkbox"/> Expect more than 50% growth in '09		
	2 <input type="checkbox"/> Expect between 20-50% growth in '09		
	3 <input type="checkbox"/> Expect less than 20% growth in '09		
	4 <input type="checkbox"/> Expect zero or negative growth in '09		
	5 <input type="checkbox"/> Other _____		
6.	What factor(s) had the greatest impact on your company's performance during 2008?		326
7.	What factor(s) do you anticipate having the greatest impact on your company's performance during 2009?		327
8.	Are there any other critical data or metrics that you would like to see in future surveys? (Please keep in mind the data needs to be readily available and defined in a way that would be consistent for comparable companies).		328

**Your survey is now complete. Thank you for participating**