

2007 Annual Services Report Service Annual Survey

Advertising Agencies

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



FORM

SA-54181

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541810

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 creating advertising campaigns and placing such advertising in periodicals, newspapers, radio and television, or other media. Activities include creative services, account management, production of advertising material, media planning and consulting, and buying (i.e., placing advertising).

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 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 1 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.
- Report commissions, fees, and other operating receipts, not gross billings or gross sales.

Exclude:

- Transfers made within the company.

2007 Operating Revenue

		Bil.	Mil.	Thou.	Dol.
1. Integrated advertising services – Providing any combination of advertising services such as creative and productive services; and media planning, buying, and research, plus marketing services (including any combination of public relations, market research, and sales promotion).	3221				
		\$			
2. Advertising creative services (including graphic design services) – Creating the basic idea for an advertisement, which includes drafting the words or copy that will appear in the ad or be spoken by an actor, designing the layout for a print ad or the filming sequence of a television commercial.	3222				
		\$			
3. Media buying – Buying space or time from the media on behalf of the advertisers or advertising agencies	3223				
		\$			
4. Full public relations services – Developing and implementing a communications strategy with various target sectors of the public to influence their attitudes and opinions in the interest of promoting a person, product, place or idea. Various sectors of the public includes community groups, constituents, minority groups, employees, investors, etc.	3001				
		\$			
5. Sales promotion – Developing plans for specific promotional activities or campaigns that stimulate consumer purchasing and improve distribution efficiency for a specific product. Include providing support services for implementing the campaign, such as coordinating the logistical and personnel requirements.	3224				
		\$			
6. Direct marketing – Developing a strategy to send promotional messages directly to consumers, rather than via mass media	3225				
		\$			
7. Marketing research – Investigating all elements of the marketing mix, which includes product, place, price and promotion	3226				
		\$			
8. Other advertising services – Other services related to advertising, such as developing ad campaigns that use interactive media, conducting media verification, preparing competitive advertising reports, and producing advertisements for print, radio or television.	3227				
		\$			
9. All other operating revenue – Revenue not reported in lines 1–8. Include sale or licensing of merchandise and rental or leasing of equipment. If this item is greater than 20% of total operating revenue, specify the primary source of the revenue here ↗					
1560					
		\$			
10. TOTAL OPERATING REVENUE – Sum of lines 1–9.	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.
- 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 20	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	\$			

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.	
18. 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				
	\$					
19. 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				
	\$					
20. 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				
	\$					
21. TOTAL OPERATING EXPENSES	– Sum of lines 1–20	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?

2007 E-Commerce Revenue

	Bil.	Mil.	Thou.	Dol.
2000				
	\$			

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

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:

- 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?

2007 Export Revenue

	Bil.	Mil.	Thou.	Dol.
2100				
	\$			

- 1 Yes – What was this firm’s revenue from exports?
- 0009 2 No – Go to **11**

10 Not Applicable

