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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 4, 2016 18,060,000 shares of the registrant's common stock were outstanding.

FORRESTER RESEARCH, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FORRESTER RESEARCH, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except per share data, unaudited)

	June 30, 2016	December 31, 2015
ASSETS		
Current Assets:		
Cash and cash equivalents	\$68,856	\$53,331
Marketable investments (Note 3)	57,673	47,775
Accounts receivable, net	42,714	67,355
Deferred commissions	11,576	13,529
Prepaid expenses and other current assets	14,208	15,737
Total current assets	195,027	197,727
Property and equipment, net	25,833	27,569
Goodwill	74,444	74,071
Intangible assets, net	1,933	2,334
Other assets	18,837	17,290
Total assets	\$316,074	\$318,991
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$694	\$525
Accrued expenses and other current liabilities	30,648	41,252
Deferred revenue	138,597	140,676
Total current liabilities	169,939	182,453
Non-current liabilities	9,436	9,236
Total liabilities	179,375	191,689
Stockholders' Equity (Note 7):		
Preferred stock, \$0.01 par value		
Authorized - 500 shares; issued and outstanding - none	—	—
Common stock, \$0.01 par value		
Authorized - 125,000 shares		
Issued - 21,258 and 21,063 shares as of June 30, 2016 and December 31, 2015, respectively		
Outstanding - 17,947 and 17,752 shares as of June 30, 2016 and December 31, 2015, respectively	213	211
Additional paid-in capital	141,869	134,967

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Retained earnings	119,456	117,135
Treasury stock - 3,311 shares as of June 30, 2016 and December 31, 2015, at cost	(120,185)	(120,185)
Accumulated other comprehensive loss	(4,654)	(4,826)
Total stockholders' equity	136,699	127,302
Total liabilities and stockholders' equity	\$316,074	\$318,991

The accompanying notes are an integral part of these consolidated financial statements.

FORRESTER RESEARCH, INC.

CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share data, unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2016	2015	June 30, 2016	2015
Revenues:				
Research services	\$55,023	\$52,604	\$108,271	\$104,462
Advisory services and events	32,798	30,207	56,951	53,536
Total revenues	87,821	82,811	165,222	157,998
Operating expenses:				
Cost of services and fulfillment	34,417	32,560	65,540	63,321
Selling and marketing	29,335	28,481	59,739	58,112
General and administrative	10,300	9,276	20,273	19,034
Depreciation	2,076	2,096	4,041	4,203
Amortization of intangible assets	210	224	419	445
Reorganization costs	11	81	1,026	3,505
Total operating expenses	76,349	72,718	151,038	148,620
Income from operations	11,472	10,093	14,184	9,378
Other income (expense), net	473	(99)	145	183
Gains (losses) on investments, net	(54)	10	(54)	(9)
Income before income taxes	11,891	10,004	14,275	9,552
Income tax provision	4,431	4,254	5,526	4,026
Net income	\$7,460	\$5,750	\$8,749	\$5,526
Basic income per common share	\$0.42	\$0.32	\$0.49	\$0.31
Diluted income per common share	\$0.41	\$0.31	\$0.49	\$0.30
Basic weighted average common shares outstanding	17,863	18,007	17,812	18,033
Diluted weighted average common shares outstanding	18,145	18,268	18,035	18,314
Cash dividends declared per common share	\$0.18	\$0.17	\$0.36	\$0.34

The accompanying notes are an integral part of these consolidated financial statements.

FORRESTER RESEARCH, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net income	\$7,460	\$5,750	\$8,749	\$5,526
Other comprehensive income (loss), net of taxes:				
Foreign currency translation	(1,429)	1,067	52	(1,933)
Net change in market value of investments	3	(51)	120	47
Other comprehensive income (loss)	(1,426)	1,016	172	(1,886)
Comprehensive income	\$6,034	\$6,766	\$8,921	\$3,640

The accompanying notes are an integral part of these consolidated financial statements.

FORRESTER RESEARCH, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands, unaudited)

	Six Months Ended June 30, 2016	2015
Cash flows from operating activities:		
Net income	\$ 8,749	\$ 5,526
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	4,041	4,203
Amortization of intangible assets	419	445
Net losses from investments	54	9
Deferred income taxes	(1,409)	(1,514)
Stock-based compensation	3,761	3,661
Amortization of premium on investments	187	381
Foreign currency losses	147	70
Changes in assets and liabilities		
Accounts receivable	24,445	24,353
Deferred commissions	1,953	2,769
Prepaid expenses and other current assets	892	(511)
Accounts payable	189	(195)
Accrued expenses and other liabilities	(10,891)	(7,268)
Deferred revenue	(1,915)	(7,168)
Net cash provided by operating activities	30,622	24,761

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Cash flows from investing activities:		
Purchases of property and equipment	(2,318)	(1,678)
Purchases of marketable investments	(23,902)	(18,575)
Proceeds from sales and maturities of marketable investments	14,025	12,478
Other investing activity	(35)	266
Net cash used in investing activities	(12,230)	(7,509)
Cash flows from financing activities:		
Dividends paid on common stock	(6,428)	(6,126)
Repurchases of common stock	—	(11,786)
Proceeds from issuance of common stock under employee equity incentive plans	4,147	1,906
Excess tax benefits from stock-based compensation	70	31
Net cash used in financing activities	(2,211)	(15,975)
Effect of exchange rate changes on cash and cash equivalents	(656)	(764)
Net increase in cash and cash equivalents	15,525	513
Cash and cash equivalents, beginning of period	53,331	49,650
Cash and cash equivalents, end of period	\$ 68,856	\$ 50,163

The accompanying notes are an integral part of these consolidated financial statements.

FORRESTER RESEARCH, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Note 1 — Interim Consolidated Financial Statements

Basis of Presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) for reporting on Form 10-Q. Accordingly, certain information and footnote disclosures required for complete financial statements are not included herein. The year-end balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America. It is recommended that these financial statements be read in conjunction with the consolidated financial statements and related notes that appear in the Forrester Research, Inc. (“Forrester”) Annual Report on Form 10-K for the year ended December 31, 2015. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair statement of the financial position, results of operations, comprehensive income and cash flows as of the dates and for the periods presented have been included. The results of operations for the three and six months ended June 30, 2016 may not be indicative of the results for the year ending December 31, 2016, or any other period.

Fair Value Measurements

The carrying amounts reflected in the Consolidated Balance Sheets for cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value due to their short-term maturities. See Note 3 – Marketable Investments - for the fair value of the Company’s marketable investments.

Note 2 — Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive income (loss) are as follows (in thousands):

	Net Unrealized Gain (Loss) on Marketable Investments	Cumulative Translation Adjustment	Total Accumulated Other Comprehensive Income (Loss)
Balance at January 1, 2016	\$ (100)	\$ (4,726)	\$ (4,826)
Foreign currency translation	—	52	52
Unrealized gain on investments, net of tax of \$79	120	—	120

	Net Unrealized Gain (Loss) on Marketable Investments	Cumulative Translation Adjustment	Total Accumulated Other Comprehensive Income (Loss)
Balance at April 1, 2015	\$ 24	\$ (4,539)	\$ (4,515)
Foreign currency translation before reclassification	—	749	749
Reclassification adjustment for write-off of foreign currency translation loss	—	318	318
Unrealized loss on investments, net of tax of \$33	(51)	—	(51)
Balance at June 30, 2015	\$ (27)	\$ (3,472)	\$ (3,499)

Note 3 — Marketable Investments

The following table summarizes the Company's marketable investments (in thousands):

	As of June 30, 2016			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Market Value
Corporate obligations	\$57,639	\$ 50	\$ (16)	\$57,673

	As of December 31, 2015			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Market Value
Corporate obligations	\$47,939	\$ —	\$ (164)	\$47,775

Realized gains and losses on securities are included in earnings and are determined using the specific identification method. Realized gains or losses on the sale of the Company's corporate obligations were not material in the three and six months ended June 30, 2016 or 2015.

The following table summarizes the maturity periods of the marketable securities in the Company's portfolio as of June 30, 2016 (in thousands).

Total

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	FY	FY	FY	
	2016	2017	2018	
Corporate obligations	\$9,071	\$34,789	\$13,813	\$57,673

The following table shows the gross unrealized losses and market value of Forrester's available-for-sale securities with unrealized losses that are not deemed to be other-than-temporary, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position (in thousands):

As of June 30, 2016				
	Less Than 12		12 Months or	
	Months		Greater	
	Market	Unrealized	Market	Unrealized
	Value	Losses	Value	Losses
Corporate obligations	\$20,531	\$ 16	\$ —	\$ —

As of December 31, 2015				
	Less Than 12		12 Months or	
	Months		Greater	
	Market	Unrealized	Market	Unrealized
	Value	Losses	Value	Losses
Corporate obligations	\$45,748	\$ 158	\$2,027	\$ 6

Fair Value

The Company measures certain financial assets at fair value on a recurring basis, including cash equivalents and available-for-sale securities. The fair values of these financial assets have been classified as Level 1, 2 or 3 within the fair value hierarchy as described in the accounting standards for fair value measurements.

Level 1 — Fair value based on quoted prices in active markets for identical assets or liabilities.

Level 2 — Fair value based on inputs other than Level 1 inputs that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 — Fair value based on unobservable inputs that are supported by little or no market activity and such inputs are significant to the fair value of the assets or liabilities.

The following table represents the Company's fair value hierarchy for its financial assets (cash equivalents and investments) measured at fair value on a recurring basis (in thousands):

	As of June 30, 2016			
	Level	Level		Total
	1	Level 2	3	
Money market funds (1)	\$866	\$—	\$	—\$866
Corporate obligations	—	57,673	—	57,673
Total	\$866	\$57,673	\$	—\$58,539

	As of December 31, 2015			
	Level	Level		Total
	1	Level 2	3	
Money market funds (1)	\$325	\$—	\$	—\$325
Corporate obligations	—	47,775	—	47,775
Total	\$325	\$47,775	\$	—\$48,100

(1)Included in cash and cash equivalents.

Level 2 assets consist of the Company's entire portfolio of corporate obligations. Level 2 assets have been initially valued at the transaction price and subsequently valued, at the end of each reporting period, typically utilizing third party pricing services or other market observable data. The pricing services utilize industry standard valuation methods, including both income and market based approaches and observable market inputs to determine value. These observable market inputs include reportable trades, benchmark yields, credit spreads, broker/dealer quotes, bids, offers, current spot rates and other industry and economic events.

Note 4 — Non-Marketable Investments

At June 30, 2016 and December 31, 2015, the carrying value of the Company's non-marketable investments, which were composed primarily of interests in technology-related private equity funds, was \$3.6 million and is included in other assets in the Consolidated Balance Sheets.

One of the Company's investments, with a book value of \$0.4 million at June 30, 2016 and December 31, 2015, is being accounted for using the cost method and, accordingly, is valued at cost unless an other-than-temporary impairment in its value occurs. The other investments are being accounted for using the equity method as the investments are limited partnerships and the Company has an ownership interest in excess of 5% and, accordingly, the Company records its share of the investee's operating results each period. Gains and losses from non-marketable investments were insignificant during the three and six months ended June 30, 2016 and 2015, and are included in gains (losses) on investments, net in the Consolidated Statements of Income. No distributions were received from the funds during the six months ended June 30, 2016. During the six months ended June 30, 2015, distributions of \$0.1 million were received from the funds.

Note 5 — Reorganization

In the first quarter of 2016, the Company implemented a reduction in its workforce of approximately 2% of its employees across various geographies and functions. The Company recorded \$1.0 million of severance and related costs for this action during the three months ended March 31, 2016. All costs under this plan are expected to be paid during 2016.

In the first quarter of 2015, the Company implemented a reduction in its workforce of approximately 4% of its employees across various geographies and functions, in order to reallocate investment in 2015 to planned sales expansion and to delivery areas seeing the greatest client demand. The Company incurred \$(0.2) million and \$3.2 million of severance and related costs for this action during the three and six months ended June 30, 2015. In addition, the Company incurred \$0.3 million during the three months ended June 30, 2015 primarily for a non-cash charge for the liquidation of a small non-U.S. subsidiary.

The following table rolls forward the activity in the reorganization accrual for the six months ended June 30, 2016 (in thousands):

	Workforce Reduction	Subsidiary Liquidation	Products Group Reorganization	Total
Accrual at December 31, 2015	\$ 41	\$ 7	\$ 433	\$481
Additions	1,022	—	4	1,026
Cash payments	(924)	(7)	(436)	(1,367)
Accrual at June 30, 2016	\$ 139	\$ —	\$ 1	\$140

Note 6 — Net Income Per Common Share

Basic net income per common share is computed by dividing net income by the basic weighted average number of common shares outstanding during the period. Diluted net income per common share is computed by dividing net income by the diluted weighted average number of common shares and common equivalent shares outstanding during the period. The weighted average number of common equivalent shares outstanding has been determined in accordance with the treasury-stock method. Common equivalent shares consist of common stock issuable on the exercise of outstanding options and vesting of restricted stock units when dilutive.

Basic and diluted weighted average common shares are as follows (in thousands):

Three Months Ended June 30,	Six Months Ended June 30,
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	2016	2015	2016	2015
Basic weighted average common shares outstanding	17,863	18,007	17,812	18,033
Weighted average common equivalent shares	282	261	223	281
Diluted weighted average common shares outstanding	18,145	18,268	18,035	18,314
Options excluded from diluted weighted average share calculation as effect would have been anti-dilutive	911	1,012	1,324	852

Note 7 — Stockholders' Equity

Equity Plans

Stock option activity for the six months ended June 30, 2016 is presented below (in thousands, except per share data and contractual term):

	Number of Shares	Weighted - Average Exercise Price Per Share	Weighted - Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding at December 31, 2015	2,171	\$ 33.84		
Granted	61	34.00		
Exercised	(122)	30.57		
Forfeited	(174)	35.80		
Outstanding at June 30, 2016	1,936	\$ 33.88	6.51	\$ 6,554
Exercisable at June 30, 2016	1,066	\$ 32.69	4.91	\$ 4,729
Vested and expected to vest at June 30, 2016	1,845	\$ 33.82	6.40	\$ 6,345

Restricted stock unit activity for the six months ended June 30, 2016 is presented below (in thousands, except per share data):

	Number of Shares	Weighted- Average Grant Date Fair Value
Unvested at December 31, 2015	504	\$ 33.67
Granted	36	33.38
Vested	(75)	34.41
Forfeited	(29)	34.15
Unvested at June 30, 2016	436	\$ 33.49

Stock-Based Compensation

Forrester recognizes the fair value of stock-based compensation in net income over the requisite service period of the individual grantee, which generally equals the vesting period. Stock-based compensation was recorded in the following expense categories (in thousands):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
Cost of services and fulfillment	\$870	\$798	\$2,064	\$2,035
Selling and marketing	109	89	423	423
General and administrative	647	588	1,274	1,203
Total	\$1,626	\$1,475	\$3,761	\$3,661

Forrester utilizes the Black-Scholes valuation model for estimating the fair value of stock options. Options granted under the equity incentive plans and shares subject to purchase under the employee stock purchase plan were valued using the following assumptions:

	Three Months Ended		Three Months Ended	
	June 30, 2016		June 30, 2015	
	Equity Incentive Plans	Employee Stock Purchase Plan	Equity Incentive Plans	Employee Stock Purchase Plan
Average risk-free interest rate	1.26 %	0.47 %	1.35 %	0.11 %
Expected dividend yield	2.3 %	2.3 %	1.8 %	1.8 %
Expected life	5.0 Years	0.5 Years	5.1 Years	0.5 Years
Expected volatility	24 %	27 %	25 %	22 %
Weighted average fair value	\$ 6.15	\$ 7.06	\$ 6.80	\$ 7.93

	Six Months Ended June 30, 2016			Six Months Ended June 30, 2015		
	Equity Incentive Plans	Employee Stock Purchase Plan		Equity Incentive Plans	Employee Stock Purchase Plan	
Average risk-free interest rate	1.39 %	0.47 %		1.37 %	0.11 %	
Expected dividend yield	2.3 %	2.3 %		1.8 %	1.8 %	
Expected life	5.0 Years	0.5 Years		5.1 Years	0.5 Years	
Expected volatility	24 %	27 %		25 %	22 %	
Weighted average fair value	\$ 5.84	\$ 7.06		\$ 7.38	\$ 7.93	

Dividends

In the six months ended June 30, 2016, the Company declared and paid dividends of \$6.4 million consisting of a \$0.18 per share dividend in each of the first two quarters of 2016. In the six months ended June 30, 2015, the Company declared and paid dividends of \$6.1 million consisting of a \$0.17 per share dividend in each of the first two quarters of 2015. In July 2016, the Company declared a dividend of \$0.18 per share payable on September 21, 2016 to shareholders of record as of September 7, 2016.

Treasury Stock

As of June 30, 2016, Forrester's Board of Directors had authorized an aggregate \$460.0 million to purchase common stock under its stock repurchase program. The shares repurchased may be used, among other things, in connection with Forrester's employee and director equity incentive and purchase plans. The Company did not repurchase shares of common stock in the six months ended June 30, 2016. In the three and six months ended June 30, 2015, the Company repurchased approximately 0.2 million and 0.3 million shares, respectively, of common stock at an aggregate cost of approximately \$6.1 million and \$11.8 million, respectively. From the inception of the program through June 30, 2016, Forrester repurchased 15.0 million shares of common stock at an aggregate cost of \$423.1 million.

Note 8 — Income Taxes

Forrester provides for income taxes on an interim basis according to management's estimate of the effective tax rate expected to be applicable for the full fiscal year. Certain items such as changes in tax rates and tax benefits related to disqualifying dispositions of incentive stock options are treated as discrete items and are recorded in the period in which they arise.

Income tax expense for the six months ended June 30, 2016 was \$5.5 million resulting in an effective tax rate of 38.7% for the period. Income tax expense for the six months ended June 30, 2015 was \$4.0 million resulting in an effective tax rate of 42.1% for the period. The decrease in the effective tax rate for the six months ended June 30, 2016 compared to the prior year period was primarily due to a decrease in non-deductible stock compensation during 2016 as compared to 2015 and the inclusion of a \$0.3 million non-deductible loss on the liquidation of a foreign subsidiary in the 2015 period that did not recur in 2016.

Note 9 — Operating Segments

The Research segment includes the costs of the Company's research personnel who are responsible for writing the research and performing the webinars and inquiries for the Company's Research and Connect products. In addition, the research personnel deliver advisory services (such as workshops, speeches and advisory days) and a portion of the Company's project consulting services. Revenue in this segment includes only revenue from advisory services and project consulting services that are delivered by the research personnel in this segment.

The Product segment includes the costs of the product management organization that is responsible for product pricing and packaging and the launch of new products. In addition, this segment includes the costs of the Company's Data, Connect and Events organizations. Revenue in this segment includes all revenue for the Company (including Research and Connect) except for revenue from advisory services and project consulting services that are delivered by personnel in the Research and Project Consulting segments.

The Project Consulting segment includes the costs of the consultants that deliver the majority of the Company's project consulting services. Revenue in this segment includes the project consulting revenue delivered by the consultants in this segment.

The Company evaluates reportable segment performance and allocates resources based on segment revenues and expenses. Segment expenses include the direct expenses of each segment organization and exclude selling and marketing expenses, general and administrative expenses, stock-based compensation expense, depreciation expense, adjustments to incentive bonus compensation from

target amounts, amortization of intangible assets, reorganization costs, other income (expense), and gains (losses) on investments. The accounting policies used by the segments are the same as those used in the consolidated financial statements.

	Products	Research	Project Consulting	Consolidated
Three Months Ended June 30, 2016				
Research services revenues	\$ 55,023	\$ —	\$ —	\$ 55,023
Advisory services and events revenues	9,157	12,676	10,965	32,798
Total segment revenues	64,180	12,676	10,965	87,821
Segment expenses	12,544	12,822	7,022	32,388
Contribution margin (loss)	51,636	(146)	3,943	55,433
Selling, marketing, administrative and other expenses				(43,740)
Amortization of intangible assets				(210)
Reorganization costs				(11)
Other income (expense) and gains (losses) on investments				419
Income before income taxes				\$ 11,891

	Products	Research	Project Consulting	Consolidated
Three Months Ended June 30, 2015				
Research services revenues	\$ 52,604	\$ —	\$ —	\$ 52,604
Advisory services and events revenues	8,255	11,323	10,629	30,207
Total segment revenues	60,859	11,323	10,629	82,811
Segment expenses	11,532	12,808	6,773	31,113
Contribution margin (loss)	49,327	(1,485)	3,856	51,698
Selling, marketing, administrative and other expenses				(41,300)
Amortization of intangible assets				(224)
Reorganization costs				(81)
Other income (expense) and gains (losses) on investments				(89)
Income before income taxes				\$ 10,004

	Products	Research	Project Consulting	Consolidated
Six Months Ended June 30, 2016				
Research services revenues	\$ 108,271	\$ —	\$ —	\$ 108,271
Advisory services and events revenues	11,858	23,262	21,831	56,951
Total segment revenues	120,129	23,262	21,831	165,222
Segment expenses	21,422	26,159	13,802	61,383
Contribution margin (loss)	98,707	(2,897)	8,029	103,839
Selling, marketing, administrative and other expenses				(88,210)
Amortization of intangible assets				(419)
Reorganization costs				