



Ross School of Business at the University of Michigan

**Independent Study Project Report**

**TERM** : Summer 1999

**COURSE** : IB 750

**PROFESSOR** : Bernard Yeung

**STUDENT** : Raj Sohmshtetty

**TITLE** : Investment option value drivers of the internet companies : in search of the intangible assets of the internet companies

Raj Sohmshtetty  
Phone: 734-455-0842  
Email: [rsohmshe@umicli.edu](mailto:rsohmshe@umicli.edu)

Advisor: Prof. Bernard Yeung

## **IB750: Research Project**

### **Investment Option Value Drivers of the Internet Companies**

In Search of the "Intangible Assets" of the Internet Companies

## **Investment Option Value Drivers of Internet Companies**

### **In Search of the "Intangible Assets" of the Internet Companies**

#### **Research Objectives**

As discussed in [3], the current market values of many of the U.S. Internet companies can be justified only if they can diversify in to new revenue streams, new product lines, new business lines, and/or new geographic locations. In other words, most of the market value of the Internet companies seems to be due to their "investment option values."

According to the internalization theory of synergy [2], a firm can and should diversify only when it possesses information based competitive advantages. It was argued in [3] that the intangible assets that create diversification opportunities for the Internet companies are neither their technological advantages, nor their brand recognition. Instead, the intangible asset that these companies possess is their user base and any associated positive network externality effects. How successful these companies will be in the future will depend on their management's ability to diversify into new business models that will create and expand a loyal user base and create and enhance positive network effects.

In this research, we will attempt to understand these "intangible assets" (user base and positive network effects) possessed by the dominant Internet companies. We will analyze the Internet companies to see which of them have business models that are likely to benefit from their current customer bases and any associated positive network externality effects (and which of them merely have a large number of users but no network effects).

In this research, we will verify if there is a correlation between the aforementioned factors and the market values of the companies using regression analysis and other statistical methods. The following approach will be used to conduct this research study:

- > Overview of the Internet Companies & the Internet Economy
- Categorization of the Internet Companies
- > Generalized Business Model to describe the Internet Companies
- Identification of potentially significant factors that create value for the Internet Companies
- Regression Analysis to identify the factors that explain the variations in market values of the Internet companies.
- Conclusions and Recommendations

#### **Acknowledgements**

The author would like to thank his wife Rupa for help with the data collection and for supporting otherwise during this research.

## **Table of Contents**

<b><u>Research Objectives</u></b>	<b><u>2</u></b>
<b><u>Acknowledgements</u></b>	<b><u>2</u></b>
<b><u>Overview of the Internet Companies &amp; the Internet Economy</u></b>	<b><u>4</u></b>
<b><u>Definition of an Internet Company</u></b>	<b><u>5</u></b>
<b><u>Categorization of Internet Companies</u></b>	<b><u>6</u></b>
<b><u>Generalized Business Model of the Internet Companies</u></b>	<b><u>8</u></b>
Generalized Model of a "5C Internet Company"	9
Creation of Community of Users	10
Leveraging the Community	10
<b><u>Value Drivers for Internet Companies</u></b>	<b><u>12</u></b>
General Discussion of Value Drivers	12
Selection of Potential Value Drivers to Investigate	16
<b><u>Internet Stock Data Collection</u></b>	<b><u>16</u></b>
Internet Stock Universe	16
Data Collection	17
<b><u>Statistical Analysis</u></b>	<b><u>17</u></b>
Methodology and Assumptions	17
Transformation of Variables	18
Bivariate Regression	18
Covariance Analysis	24
Multiple Regression	27
<b><u>CONCLUSIONS</u></b>	<b><u>30</u></b>
<b><u>RECOMMENDATIONS</u></b>	<b><u>30</u></b>
<b><u>References</u></b>	<b><u>31</u></b>
<b><u>ATTACHMENTS</u></b>	<b><u>32</u></b>
I Publicly Traded Internet Companies in US (July 1999)	32
II Market Capitalization of the 5C Companies	32
III Financial Data for 5C Stocks	32
IV Ownership Data for 5C Stocks	32
V User Data for 5C Stocks	32
VI Bivariate Regression	32

## Overview of the Internet Companies & the Internet Economy

Internet is a network of networks. From a business perspective, it represents a new medium of communication. It is significantly different from any other medium that we have seen before. The following characteristics distinguish Internet from traditional media (TV, radio, newspaper, etc.):

- > Utility Aspects:
  - Allows many to many communication
  - Allows mass customization of information
  - Allows high information velocity
  - Allows all of the above simultaneously (thereby making "horizontal business models" and "horizontal economy" possible)
  - Positive network externality as a result of acceptance and use by large number of consumers and businesses
- > Cost Aspects:
  - Open architecture (public network with standardized protocols)
  - User friendly interface (hypertext interface of the web)
  - Inexpensive and highly scaleable

As a result of the above distinguishing characteristics, Internet has received a very rapid acceptance among consumer and business users. Over the last couple of years, a critical mass of users has been achieved thus creating a positive network effect and associated positive feedback cycle. Therefore, we are now in an explosive growth phase of the Internet and it is a virtual certainty that we are heading towards a New Economy in which the Internet will redefine almost every walk of life. As we transition to the Internet Economy, there will be profound effects on businesses - new businesses (with radically new business models) will appear, many traditional businesses will be redefined and many others will be rendered obsolete (these changes have already begun). Behind these rapid and seemingly random changes, one thing seems certain - the Internet will lead to highly efficient markets (capital, goods, and services markets). The business models that are aligned with this powerful force of change will do well. The new, highly efficient markets will be "horizontal" (with many traditional intermediaries eliminated) and there will be more emphasis on customization and personalization of information, goods, and services. The resulting horizontal economy will be much closer to the ideal "frictionless" economy than the traditional economies could ever be [13]. Some of the characteristics of the frictionless economy would be:

- > Informed buyers and sellers
- Equalization of bigger and smaller players (e.g., Amazon.com's independent publisher program)
- Market determined efficient pricing
- Reduced barriers/costs for entry and exit

The successful Internet companies seem to be using the following strategy:

- > Be that first mover with a new business model (that is aligned with the Internet "change force")
- Achieve a critical mass of users before competition arrives (by foregoing immediate profits for long term growth).
- > Since the traditional competitive advantages and entry barriers do not seem to exist in the cyber space, the defense strategy for these companies typically is:
  - Develop a loyal customer base and build high switching costs for them. Some of the

ways that companies create high switching costs are:

- > Provide Internet connection services (e.g., AOL - many consumers find it too much hassle to switch Internet service providers; even when AOL connections were poor, many consumers demanded that the service be improved rather than switch to a different carrier)

Provide personal productivity tools such as email, address books, and calendar (it is inconvenient to change email provider and to have to let all contacts know about the new email address)

- > Customized content (e.g., personal stock portfolios, news feeds, etc.) - again, users find it a hassle to switch a content provider (such as Yahoo) and go through registration, giving personal profile information, etc.

Provide unique and dynamic (frequently updated) content

- > Provide unique business model (the only patent protected business model is that of [Priceline.com](http://Priceline.com))

Create positive network effects (e.g., Yahoo pager, and eBay auctions)

- > Build brand recognition and loyalty (Amazon.com). One of the ways that e-commerce companies achieve user loyalty is by creating a high transactional integrity environment.

- Develop enough financial liquidity through equity and debt offerings - use the financial resources to ward off price competition

Diversify aggressively

>

## Definition of an Internet Company

To select a sample set of stocks for this research, it was necessary to think of a definition for an Internet company. It was realized that defining an Internet company was not trivial. Just like any company that uses a telephone is not a telephone company, any company that uses Internet to conduct its business should not be called an Internet company.

One way to define an Internet company is as one whose existence depends on the existence of the Internet. In other words, a company is an Internet company if it cannot find an alternative to the Internet to remain in business.

By this definition, traditional companies that have Internet presence will not be considered Internet companies. In fact, even the companies with "traditional business models" that are now using the Internet to conduct a good portion of their business (e.g., using the Internet as a main distribution channel for their products) may not be considered Internet companies because they can find alternative media to conduct their business.

For example, Dell now sells a significant portion (40%) of their products through their website. However, under the above definition, Dell is not an Internet company because it can easily find a different medium (telephone) to receive customer orders. On the other hand, the consumer to consumer auctions business of eBay would fall apart if Internet were not there because the business model of eBay depends on unique characteristics (mentioned in the previous section of this report) of the Internet vis-a-vis other communication media.

Note: As it is becoming evident, effective use of the Internet would be a competitive necessity for virtually all businesses in the future. Therefore, for the long term, trying to define an Internet company would be even more difficult (and also may be unnecessary). However, for now, the definition was useful in selecting a set of stocks to study.

## Categorization of internet Companies

One approach to categorize the Internet companies is based on their revenue streams. The following is a categorization partly based on the reported in [20]. To make the classification easy to remember, they are grouped under "8Cs":

1. Commercials (advertisements)  
Connection to Internet  
Connection to Electronic Markets  
Content  
Commerce  
Consulting  
Contracting
2. (Internet) Construction Blocks (i.e., Software/Hardware suppliers)

A brief description of each of the above categories follows:

- > Commercials:  
Online advertising is one of the primary (and was one of the early) revenue streams of the Internet companies. Advertising is a \$115 billion industry in the U.S. and over \$1.2 billion is expected to be spent online in 1999. Similar to the domination of ABC, CBS, and NBC in television, four leading web-sites - Yahoo i, Excite, Infoseek, and Lycos have earned nearly 25% of all online advertisement dollars spent to date [20]. Commercials is a high margin revenue stream because running a commercial on a web site is inexpensive for companies selling significant advertising space.
- > Connection to Internet:  
Internet connection service is estimated to grow to be at least \$8 billion business by 2002. ISP (Internet Service Provider) business is a capital-intensive business, with most of the cash going toward technology, advertising, and customer service. Therefore, this is a low margin revenue stream. In fact, already low speed Internet connections are being given away for free (so this revenue stream is being replaced by Commercials revenue stream). @HOME is the leader in high speed Internet connection business. AOL, Earthlink, and Mindspring are among the leaders in low speed Internet connection business.
- > Connection to E-Markets:  
If a company makes money by bringing buyers and sellers together, i.e., by developing and managing an electronic marketplace, its revenue stream may be characterized as Connection to E-Markets. This is different from Commerce revenue stream because, in Connection E-Markets revenue stream, the company itself is not engaged in the trade (i.e., does not buy and sell the goods), rather the company derives revenue from listing fees, membership fees, and commissions. In contrast to Commerce revenue stream, Connection to E-Markets revenue stream sports high margins. Notable companies that derive revenue by providing a connection to an electronic marketplace are Priceline.com (which manages its patented "reverse auction" marketplace), eBay (which is the leader in consumer to consumer auctions market), and Ariba (in business to business commerce). As argued in [13], the Internet will lead to more markets and more efficient markets. Therefore, Connection to E-Markets is expected to be a lucrative and significant revenue stream for the Internet companies.
- > Commerce:  
In 1998, an estimated \$43 billion was spent on Internet commerce. This number represents less than 1% of the total U.S. retail market. As E-commerce redefines the consumer and business retail market, the amount spent on online commerce is expected to grow at over 200% a year for the foreseeable future. Amazon.com is a popular

**Internet company that has Commerce revenue stream.**

- > Content:  
Most web-sites provide some form of free content to attract users, but some of the Internet companies derive revenue from selling the content. For example, [TheStreet.com](http://TheStreet.com), Dow Jones, and Hoovers sell "subscription content", AOL and Microsoft Network sell "consolidated content", and [CNN.com](http://CNN.com), [MarketWatch.com](http://MarketWatch.com), and [TimeWarner.com](http://TimeWarner.com) sell "editorial content".
- > Consulting:  
Consulting can include web-site design, marketing, research, and management consulting. Forrester Research (FORR) derives revenue from consulting.
- > Contracting:  
Contracting can include serving advertisements to sites, web-site hosting and related services. Exodus Communications (EXDS), a premier web-hosting services company, derives its revenue from contracting.
- > (Internet) Construction:  
Companies that supply the backbone hardware and software to "construct" the Internet can be categorized under this revenue stream. Cisco Systems (CSCO) is the leading network hardware supplier and Checkpoint Software (CHKP) is a leading Internet security software supplier.

•



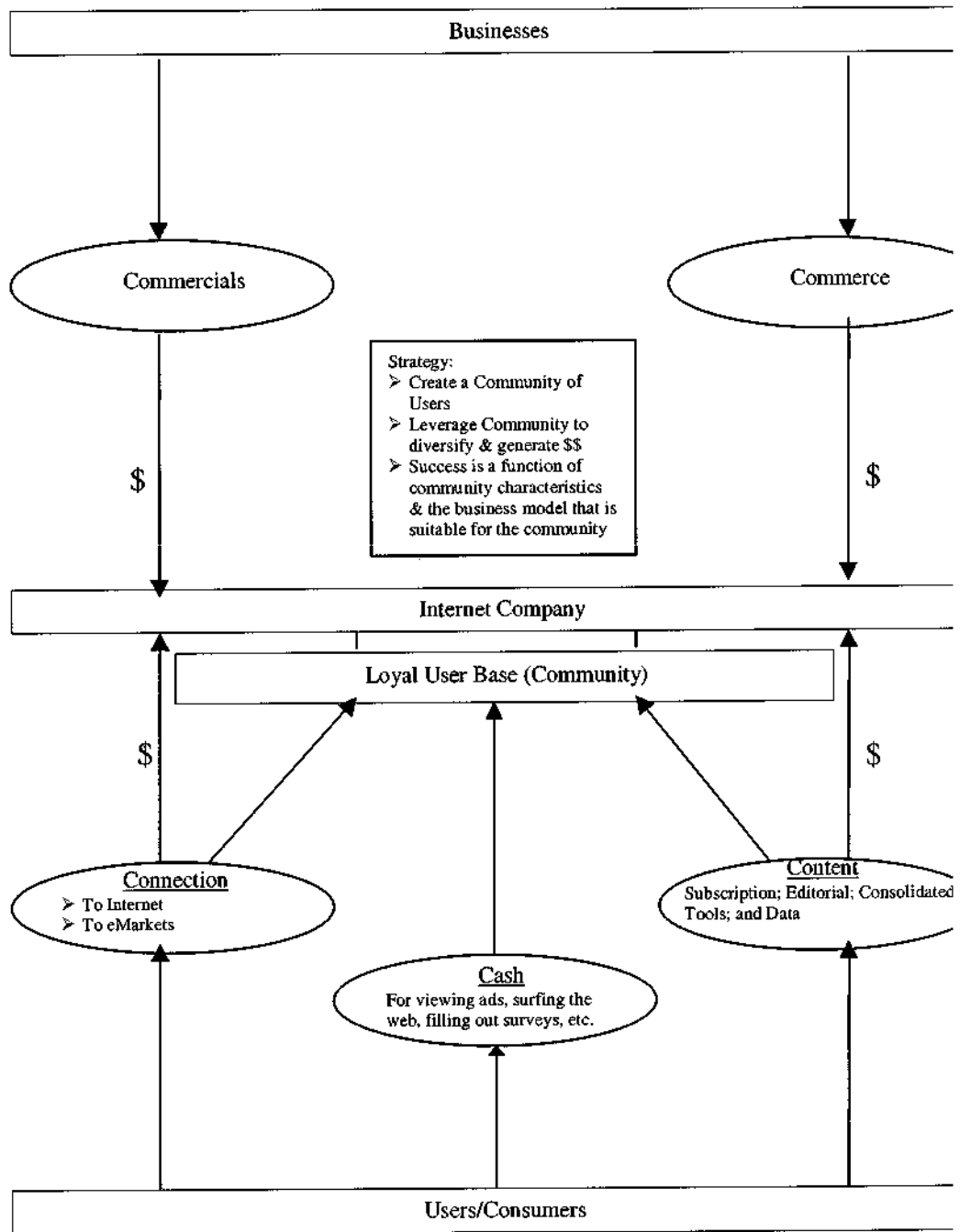
## Generalized Business Model of the Internet Companies

As described in the previous section, Internet companies can be categorized in to "8Cs" based on their revenue streams. Companies in the last three Cs (Consulting, Contracting, and Construction) tend to be more traditional businesses supporting the mainstream Internet businesses. On the other hand, the companies in the first 5Cs (Commercials, Connection to Internet, Connection to E-Market, Content, and Commerce) are really what can be considered to be the new type of businesses made possible by the Internet. For this report, the companies belonging to the first five revenue streams will be referred to as "5C Companies" and those with the last three revenue streams will be referred to as "3C Companies". Though the 3C Companies have exciting business prospects in supporting and maintaining the Internet, their businesses are more amenable to be analyzed using the traditional financial models and metrics. On the other hand, the 5C Companies seem to have valuations that have proven to be more difficult to understand.

Amazingly there are so many similarities among these "5C Internet companies" that it seems possible to describe them using a generalized business model (see figure). In fact, the 5C Internet companies can potentially diversify in to all of the 5C revenue streams, based on one intangible asset, their loyal user base.

As shown in the following figure, these companies seem to be using the following strategy:

- > Create a Community of Users
- Leverage Community to diversify & generate revenue through one or more of the 5C revenue streams
- >



**Generalized Model of a "5C Internet Company"**

## Creation of Community of Users

Most of the Internet companies that have sizable community seem to have used the following approaches to gain the community:

- > Content Means:  
The company provides (or "captures") compelling content. The content can be any of the following:
  - Subscription Content such as stock quotes (Dow Jones, [TheStreet.com](http://TheStreet.com))
  - Editorial Content (CNET, Healthon/WebMD)
  - Consolidated Content such as the content provided by web directories and search engines (Yahoo, Lycos, Go Network)Tools such as e-mail, calendar, address books, virtual hard disks, home page creation software, etc. (Yahoo, Planetall/Amazon, Hotmail/Microsoft, AOL)
  - Data such as personal information, personal home pages, personal profile that is used to customize content. The personal data is essentially gathered by providing any of the above content types and also in some cases through on-line transactions (Amazon) and sometimes simply browsing (Dell).
- > Connection Means:
  - The Connection could be simply connection to the Internet (ISPs such as AOL, ©HOME).
  - But, the Connection could be defined more broadly as providing connection to electronic markets. For example, eBay essentially provides a connection to an eMarket (consumer to consumer auctions market that it has created). Similarly, Priceline.com provides a connection to an eMarket that it has created. "Consumer to Consumer" type of commerce can be essentially characterized as "Connection to eMarket". In this case, the goods physically do not flow through the company, the company merely provides a connection to a market.
- > Cash Means:
  - [AllAdvantage.com](http://AllAdvantage.com) gives cash to users for viewing advertisements.
  - [MyPoints.com](http://MyPoints.com) gives cash equivalent points for viewing advertisements, surfing web-sites, and filling out surveys.
  -

While building a community of users, the company may charge for the means (AOL charges connection fees), or may not charge (Yahoo provides content and tools for free, Alta Vista now provides free Internet connection).

## Leveraging the Community

Once a 5C Company has built a loyal community of users, it can leverage the community to create multiple revenue streams. Some examples:

- AOL started off as a content and Internet connection provider, but now runs commercials, and is also engaged in business to business and business to consumer commerce.
- Amazon.com started off as an electronic retailer (started with books, but now has video, music, electronics, and toys). It now has consumer to consumer auctions as a revenue stream. With its over 10 million strong user base, it can easily add commercials as a revenue source.

Excite and ©HOME have merged to create a company that has connection and commerce revenue sources. Alta Vista, a search engine, that derived revenue primarily from commercials, is now offering (free) Internet connection.

Some companies have deliberately chosen not to expand beyond their core revenue sources. For example, Yahoo still has commercials as their sole revenue source, and eBay has connection to auction market as their sole revenue source. In these cases, their strategy is to be a dominant player in their chosen fields and continue to grow their core revenue sources. However, for most other Internet companies, company strategy as well as expectations of the capital markets appear to be diversification in to multiple revenue streams.

As evidenced by widely varying (market value/user) numbers, it is clear that the capital markets consider not only the size of the community but also the characteristics of the community important. Broadly, the following factors seem to be important:

> Size of the community

How "locked-in" the community is.

Characteristics (demographics) of the community

The current and potential business models that the company is capable of creating

>

Depending on the above factors, diversification potential (& hence the accorded market values) seem to be different.

## Value Drivers for Internet Companies

Valuation of Internet companies has received much attention lately. One approach to valuation is to think of the value of a company to consist of two components: the present value of expected future cash flows from the existing investments of the company and the option value of potential investments that the company can make.

During the last two to three years, the Internet and Electronic Commerce industry has seen tremendous growth, yet the industry is still in its infancy. The business models of many of the Internet companies are still evolving. It is now clear that it was incorrect to judge Amazon.com just as an online book retailer. Market value of Amazon.com was consistently several times higher than what could have been justified solely based on expected future cash flows from its book business. Much of Amazon.com's market value could be explained only based on its investment option value. Once Amazon.com established itself as a dominant online book retailer and gained a user base, its options for potential investments increased and hence its market value. As the company continues to exercise its options and expand in to new businesses (music, video, toys, electronics, drug store, pet store, sports store, and auctions), the stock market continues to reward it with a strong valuation (currently in the range of \$20 to \$30 billion). On the other hand, some Internet companies that once sported high market values (presumably because of their investment option values) have now corrected sharply as they missed the window of opportunity to exercise their options. For example, Onsale.com, an online auction company at one time sported a very respectable market capitalization of around \$2 billion, but has since fallen to a fraction of that value (to around \$300 million).

During the last few months, a significant correction has occurred in the market values of Internet companies. Many companies have lost as much as half (or even more) of their peak market values. At least a significant portion of the correction appears to be stock non-specific, therefore it may be primarily attributable to industry wide/market wide factors, such as the recent rise in interest rates. However, there appears to be some variations in corrections of the market values of the Internet companies. These variations would again be related to the changes in investment option values of these companies. Analysis of variations in the corrections from peak market values along with variations in market values themselves might provide additional insights in to which factors are responsible for generating and sustaining market values of these companies. However, even after the recent correction, in general the market values of the Internet companies are still too high to justify based on their existing business models and revenue streams.

Therefore, it appears that most of the market value of the Internet companies has been (and continues to be) attributable to their investment option values. A natural extension of this thought would be to ask what factors contribute to the investment option values of these companies. In the following sections, a number of potential value drivers (and their metrics) of Internet companies are discussed.

### General Discussion of Value Drivers

- > Traditional Factors/Metrics ("Instantaneous Value Estimators"): Factors such as Net Income, Revenue, Gross Profit, Gross Margins, and Cash Flow are used in some form or the other in traditional financial models to estimate "instantaneous value" of a security. When the companies are in early growth phase, i.e., foregoing immediate profits for future growth, traditional security analysis models that place high emphasis on the current cash flows are of little use.

Since most of the Internet companies do not have positive net income, alternative valuation metrics such as cash flows have been suggested. For example, in Reference [7], the authors argue that the New Economy companies tend to have superior cash

economics than their Old Economy counterparts. The Internet companies tend to require less investment in physical plant, property, equipment, and inventories compared to their off-line counter parts. Many online retail companies carry relatively low inventories, get paid immediately when a customer makes a purchase (using a credit card), but do not have to pay the suppliers immediately. As a result they generate cash inflows from their working capital. Exemplifying this trend, the earnings of Internet companies such as Dell, Yahoo!, and Amazon dramatically understate their ability to generate cash. According to [7], these higher cash flows offer one explanation for the high valuations in the Internet sector. Therefore, "Net Cash from Operating Activities," defined as Cash Earnings + Change in Working Capital, may be a potential metric.

- > First Mover Advantage: It is often mentioned that the first mover advantage is very significant for online businesses. If a company is the first mover in an online business category, it can potentially attract and lock-in a loyal user base and it would be very expensive for late coming competition to steal away users from the early leader. According to [9], it costs Amazon.com \$200 to acquire each customer. This number would be much higher if Amazon.com had to steal customers away from its competitors. Therefore, it is important to build loyal customers, but also be the first one to do so. Web site launch date (or "Days in Business") could be used as a metric to gage if a company is an early leader or a follower.
- >
- > Ability of the management team: This factor is important for any business, but may be more so for the Internet companies, because the Internet companies are in a more dynamic and more uncertain environment than the traditional businesses. Management's ability to identify and capture new business opportunities is very crucial to sustaining high market values of these companies. Since it is not possible to directly quantify the ability of the management, for this study, institutional investor ownership (number of institutional shareholders or/and % of stock owned by institutions) will be used as a proxy for the ability of the management team. The reasoning here is that the institutional investors are typically in direct contact with the management teams and hence have an opportunity to evaluate the ability of the management team.
  -
- > Technology based advantages: In general, technology-based advantages could be the intangible assets that explain variations in investment option values. The metrics here could be the number of business model patents, or technology patents, or research and development spending. However, except for a few notable exceptions (e.g., Priceline.com owns a patent for its reverse action business model), most Internet companies do not possess technologies or business models that cannot be copied.
  -
- > Ability to attract new users: GVU's 10<sup>th</sup> WWW User Survey [12] indicates that the top ways of finding about WWW pages are: WWW pages, search engines, friends, directories, and printed media. Some potential methods (and their metrics) to gage the ability to attract new users are:
  - Marketing spending (\$ADV or \$ADV/TA)
 Brand recognition - metric could be brand recognition surveys or cumulative ad spending, ... (or size of the current user base)
  - (Perceived/Actual) Trustworthiness/Reliability/Quality/Stability of Service (e.g., I am more likely to sign up for a free email with a company that I think will be around for some time rather than a completely unknown company) - metric could be size of the current user base
  - Presence of network effects (e.g., I am more likely to list my item to sell on eBay than Yahoo Auctions because eBay has a larger buyer population)
  - Affiliate programs and cross marketing (number of links to the site - Alexa data)
 Internet Valley's Web Influence is a similar metric? According to [12], links in

WWW pages is the #1 way new users find out about a WWW page.

- (Friends) Word of mouth is one of the primary ways new users find a web site. Word of mouth will be a function of the existing customer base (the more the number of current customers, the higher the "word of mouth") According to [12], friends/word of mouth is the top third way the users find out about WWW pages.

• Ability to attract repeat users:

This factor (sometimes in alternative descriptions such as customer loyalty, user retention rate, stickiness of the web-site) is often mentioned as a value driver. The following are some of the ways, the Internet companies attract repeat users:

- Conventional Methods of Loyalty Building
  - > High quality service (total positive experience)
  - Trust builders
    - > "Frequent Browser Points" towards next purchase (Amazon book purchasers receive \$15 certificate towards [drugstore.com](http://drugstore.com) purchase)
  - Other conventional marketing mechanisms (e.g., frequent flyer programs)
- Creating a "Sticky Web-site":

"Stickiness \stik-e-nes\ n: positive characteristics of a web site that maximizes duration, frequency and depth of a user's visit. Stickiness drives loyalty. Loyalty drives success." [5]

According to [5], stickiness has three components - duration of visits, frequency of visits, and depth of navigation. Stickiness indicates how loyal the user base is to the web-site. A web site is sticky when its users spend a long time at the web site, return often, and are drawn further into the depths of a site. Stickiness is used to increase switching costs.

The following are some means of creating a sticky web-site:

- > Content Means
  - > Depth of functionality
  - Breadth of functionality
  - Entertainment Value
  - Niches (unique content)
  - > Fresh content that changes on a predictable basis (email newsletter to alert to updates)
  - Tools (email)
  - Data (appointments)
  - > Customized Content (Up-front Customization occurs when the user enters profile information up-front and Unobtrusive/Creeping Customization occurs when the search engine keeps track of clicked links and establishes user preferences)
  - Real-time Interaction (Games)
- > Connection Means
  - > First Impressions (be a portal/entry point)
  - Be an ISP provider
  - Provide connection to a compelling and unique electronic market
- > Community Means (Users get "attached" to other users)
  - > Chat rooms
  - > Instant messaging/paging/private clubs/buddy lists
  - >

Value of the existing user base (size and characteristics of the user base)

- Size of the current user base:  
Size of the user base is measured in a number of ways: page views, hits, eyeball hours, unique visitors, cumulative number of customers, etc. Media Metrix publishes figures on unique users and Net Ratings publishes data on page views.

According to [10], value of the portal companies is driven principally by the number of viewers they attract. That is because portals derive most of their income from selling advertising, and advertisers pay for the size, quality and frequency of the audience their message is reaching. Accordingly, analysts today use measures such as "unique users" or "page views" (the number of screens of information served by a Web site) to determine the success of a portal at attracting the eyes of Internet users. On the other hand, for e-commerce companies, page views alone don't cut it because e-tailers live on sales of goods, not ad revenues. For e-commerce companies, customers count. Accordingly, analysts prefer to count the growth of actual customers, not viewers, when evaluating an e-tailer.

However, more and more Internet companies are becoming "hybrid" by encompassing all the four major revenue sources (as the Internet companies by nature have the potential to diversify in to all revenue streams). Therefore, it may be better not to differentiate the value drivers of different types of Internet companies.

- User Characteristics
  - > Anonymous/Identified
  - Registered/Unregistered
  - Authenticated (Credit Checked)
  - Surfer/Searcher
  - Subscriber/Non-subscriber
  - Buyer/Browser (i.e., type of experience desired)
  - User demographics
- - > Network Effect: Several analysts alluded to the positive network effects and the associated positive feedback cycle as a strong driver of value for some net stocks. In [11], eBay, AOL, and Real Networks were mentioned as some of the Internet companies that will/are benefiting from the network effects. If a company is benefiting from the network effects, its valuation may increase substantially.
  - >



## **Selection of Potential Value Drivers to Investigate**

The qualitative discussion presented in the previous section listed many factors that could be potential value drivers for the Internet companies. Some of the factors are difficult to quantify (for example, "stickiness" of a web site) and for others it is difficult to gather data (for example, user demographics for each Internet Company). To keep the scope of this study within the time and resources available, the following factors were selected for further investigation during this study:

### Group I - Traditional (Instantaneous Value) Metrics:

- Total Assets
- Revenue
- Gross Profit
- Gross Margin
- Net Income
- Operating Cash Flow

### Group II - Ability of the Management

- Number of institutional shareholders
- Percentage of stock held by the institutions

### Group III - Value of the Current User Base

- Size of the user base (Media Metrix and PCDATA)
- Number of days in business (i.e., days since the launch of the Web-site)

### Group IV - Ability to Attract New Users

- Number of Links in other Web-sites (Alexa Data)

### Group V - Ability to Attract Repeat Users

- Alexa Traffic Rank
- Number of Pages in the Web-site (Alexa Data)

## **Internet Stock Data Collection**

### **Internet Stock Universe**

According to Internet.Com, at the time of this study, there were around 210 publicly traded Internet stocks in U.S. [14]. These stocks are listed and categorized based on their revenue sources in Attachment I. About half of these stocks derived their revenue through consulting, contracting, or software/hardware sources and hence were considered to have more "traditional" business models and traditional valuations. These stocks were therefore excluded from further study. The remaining stocks derived their revenue through the "5C sources," namely Commercials, Connection to Internet, Connection to (Electronic) Markets, Content and Commerce. These stocks, therefore, will be referred to as "5C Stocks."

The 5C stocks are shown in Attachment II. Here, the stock market capitalization data (for four different "randomly chosen" dates during one month period) along with their average and standard deviations are shown. During these four days, the NASDAQ Composite and S&P 500 had normalized standard deviations of 3.3% and 2.6% respectively, whereas the market capitalization of the 5C stocks had an average normalized standard deviation of 18.5%. With the belief that the capital markets are more efficient on "average" rather than on any particular day, for our analyses, we would use the average market capitalization.

## Data Collection

Most of the stock financial and stock ownership data for the 5C stocks was obtained from Thomson Investors Network (through Street.Com) [15] and [Yahoo.com](http://Yahoo.com). Market capitalization data on the four randomly selected dates was obtained from [Yahoo.com](http://Yahoo.com).

The user data (the number of unique users) was obtained from Media Metrix [16] and PC DATA Online [17]. For stocks for which both Media Metrix and PC DATA numbers were available, it was observed that the number of unique users reported by Media Metrix tended to be higher than the corresponding number from PC DATA. This was presumed to be due to differences in their data collection methodologies (for example, PC DATA is based on users using PCs only). To increase the number of data samples, "Media Metrix Unique Users" were estimated from the PC DATA unique user numbers based on average ratio between the two data sets.

Rest of the user data (web traffic rank, number of links, number of pages in the web site, and number of days in business) were obtained using Alexa Web Navigation Service [18].

## Statistical Analysis

### Methodology and Assumptions

In this section, multiple regression [19] will be used to identify any relationships between market capitalization and potential value drivers of the Internet companies. The objective is to identify the factors that can explain the variations in the market capitalization of the 5C stocks. Using the results from the regression analysis, we would like to hypothesize about the factors (value drivers) that are good predictors of the market values of the Internet companies. Of course, a purely correlational research such as this will never conclusively establish causal relationships (to conclusively establish causal relationships, one would need experimental research where factors are manipulated to study the effects). However, results from correlational research coupled with intuitive reasoning would be quite valuable in understanding the causal relationships.

The following are some of the assumptions for our analyses:

- > The financial markets value stocks efficiently, i.e., the stock prices (market values) are determined rationally based on value drivers such as those discussed in this report. By taking the average of market values on four randomly chosen days, we would expect the efficiency assumption to be more likely to be true.

Linearity: As the name indicates multiple linear regression attempts to fit linear relationships between the variables. We will use bivariate scatter plots to observe any deviations from the linearity assumption.

- > Normality: It is assumed in multiple regression that the residuals (predicted minus observed values) are distributed normally (i.e., follow the normal distribution). Normal probability plots of residuals showed that this assumption was valid.
- > Multi-collinearity and Matrix Ill-Conditioning: This is more of a potential problem than

an assumption. We will use covariance/correlation checks to identify potentially related independent variables.

### Transformation of Variables

One of the first observations that was made was the presence of wide variation in the market values (as well as other factors) of the 5C companies. For example, the market capitalization of these companies varied from as high as \$109 billion (for America Online) to as low as \$28 million (for Genesis Direct, a catalogue retailer). To encompass such a wide range of values (without having to eliminate too many data points as "outliers"), it was decided to use logarithmic transformation for appropriate variables.

### Bivariate Regression

The next step was to perform bivariate regression between (log transformed) market capitalization and each of the candidate independent variables (transformed, if required). Attachment VI includes the results of all the bivariate regression analyses. The following table summarizes the results of bivariate regression analyses (sorted based on the strength of correlation):

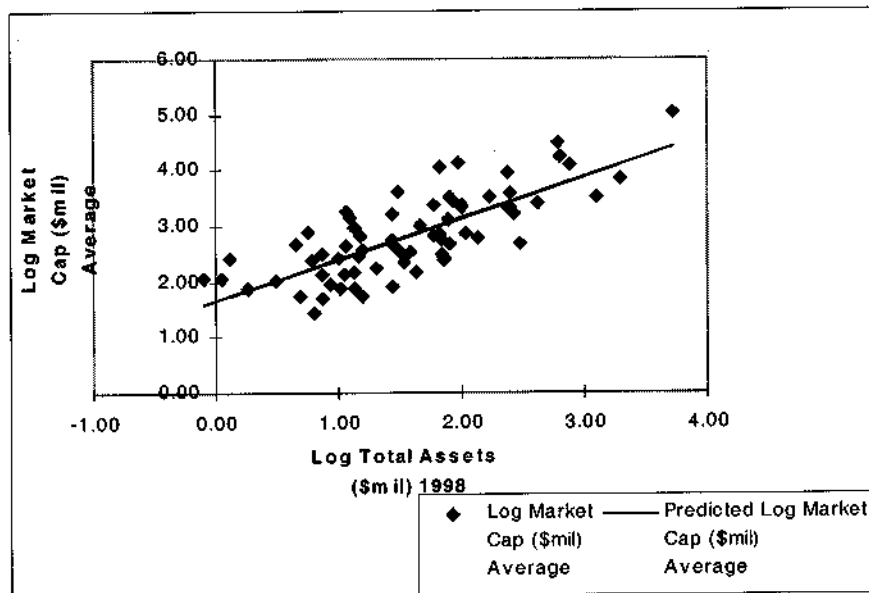
Market Capitalization Vs.	Correlation Coefficient (R)	Significance of Correlation (P-value)
Total Assets	0.77	1.3e-14
Unique Users	0.73	4.1e-06
Gross Profit	0.68	6.1e-10
Number of Institutional Shareholders	0.66	5.8e-08
Revenue	0.59	8.3e-08
Alexa Traffic Rank	0.47	4.7e-07
Percentage of Shares Held by Institutions	0.41	2.1e-03

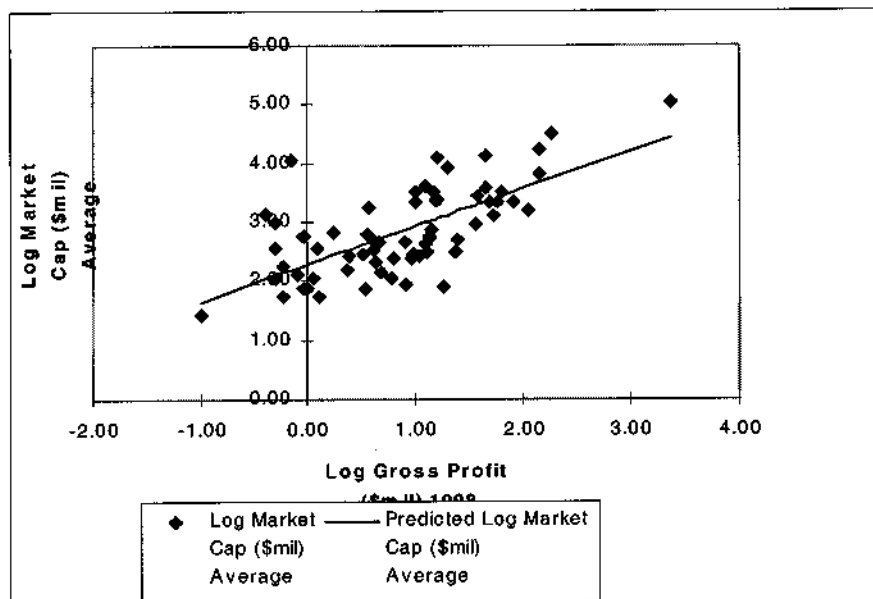
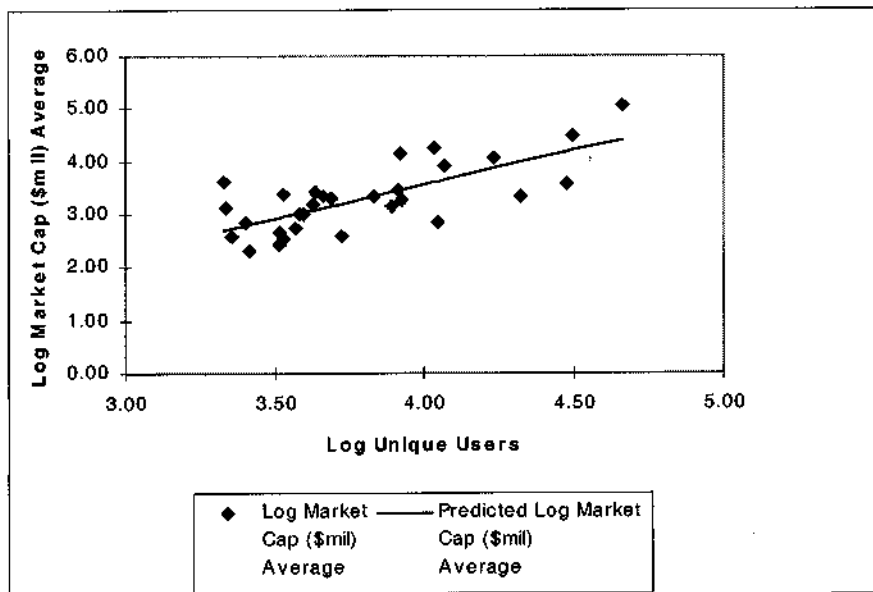
Number of Pages	0.36	2.1e-04
Number of Links	0.33	6.5e-04
Number of Days in Business	0.18	6.0e-02
Gross Margin (%)	0.14	3.0e-01

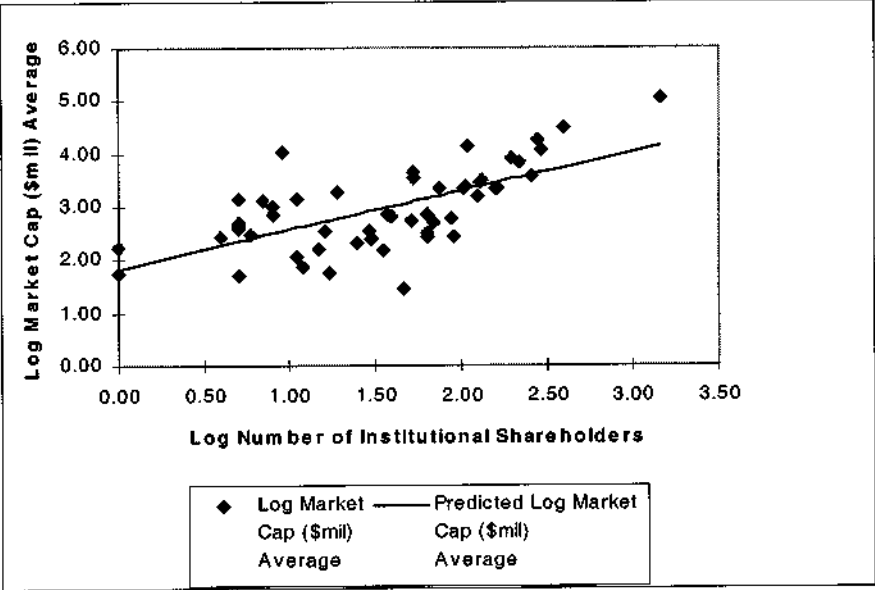
Except for Percentage of Shares Held by Institutions and Gross Margin (%), all other variables were log transformed before the regression.

Except for Gross Margin, the observed correlation for all other factors were significant (i.e., their p-values are lower than normally accepted value of 0.05). The number of samples for all the bivariate analyses was above 50 (except for Unique Users, which had 30 samples).

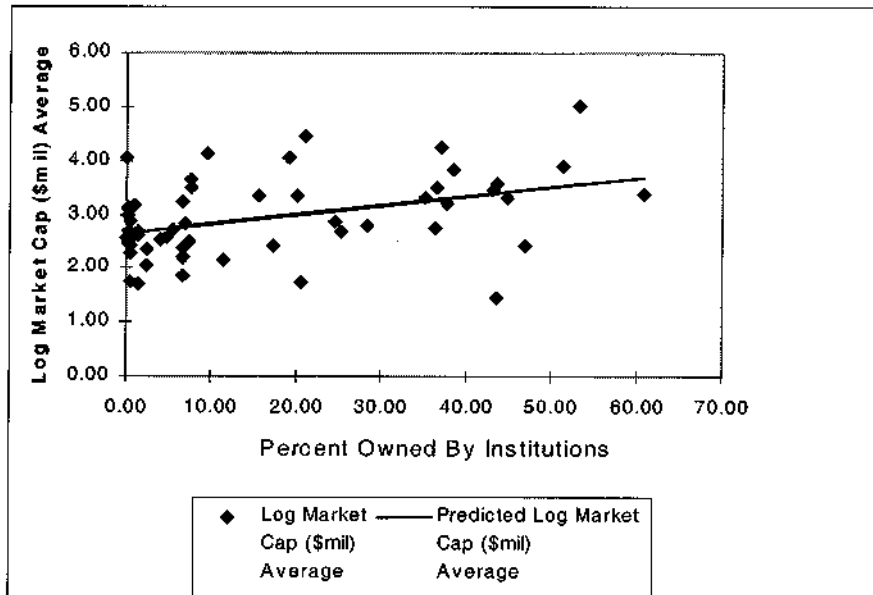
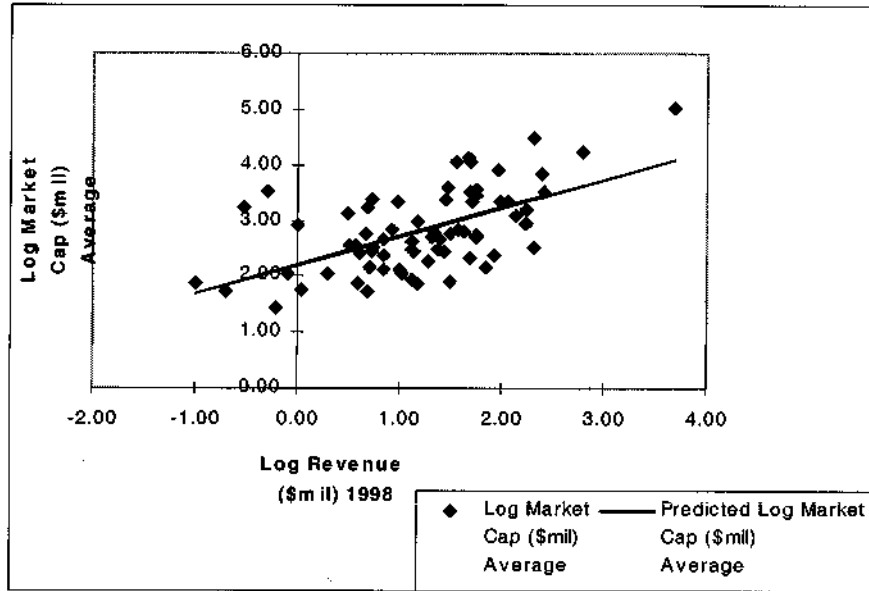
Total Assets, Unique Users, Gross Profits, and Number of Institutional Shareholders were the top four factors with correlation coefficients greater than 0.6. Scatter plots for these variables are shown below:

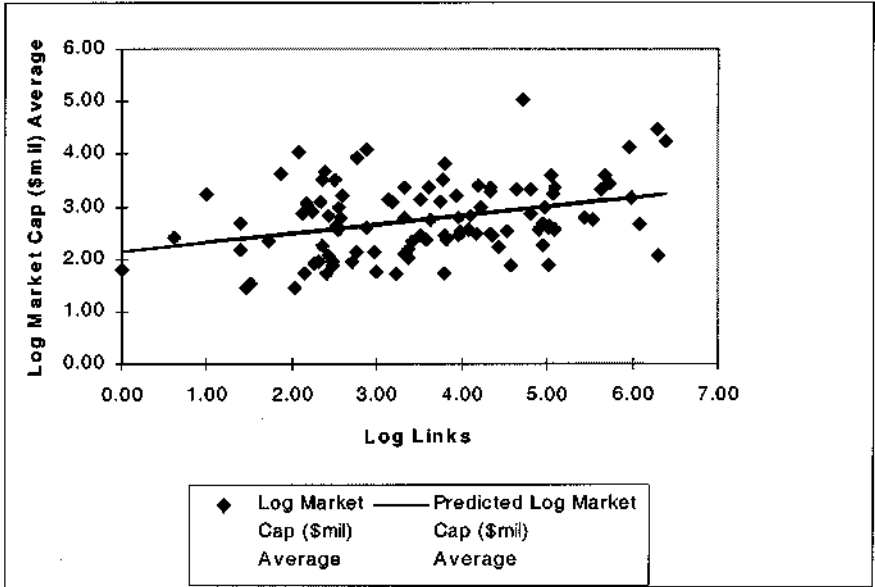
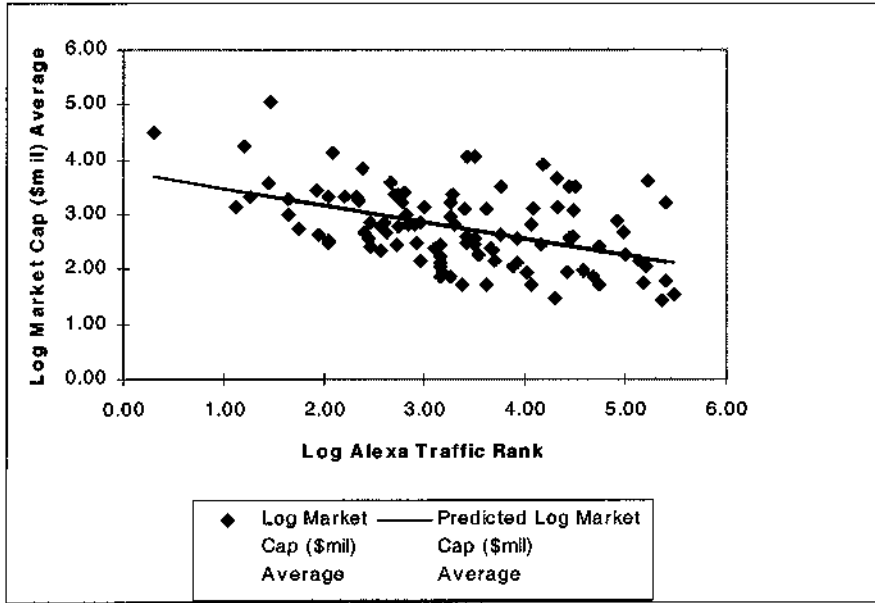




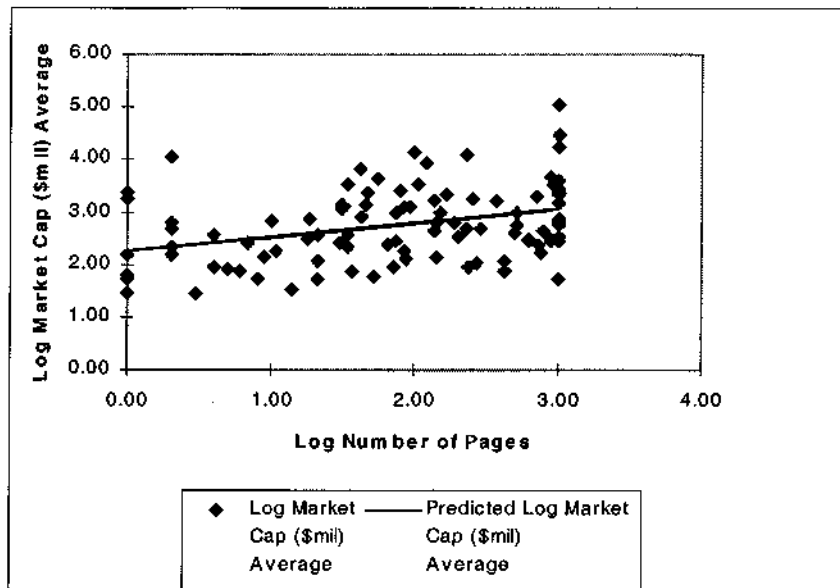


Revenue, Alexa Traffic Rank, Percentage of Shares Held by Institutions, Number of Pages, and Number of Links had correlation coefficients between 0.33 and 0.59. Scatter plots for these variables are shown below:

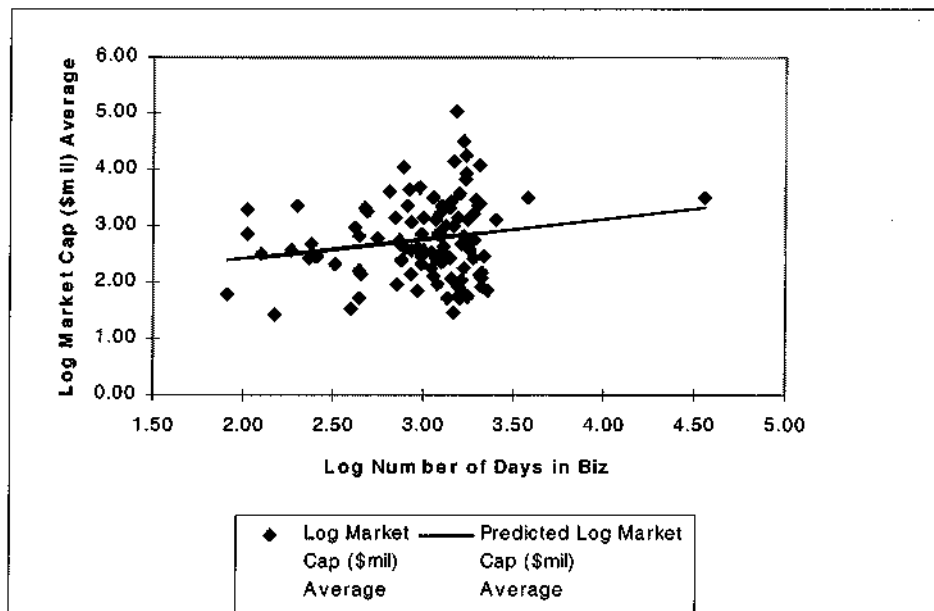


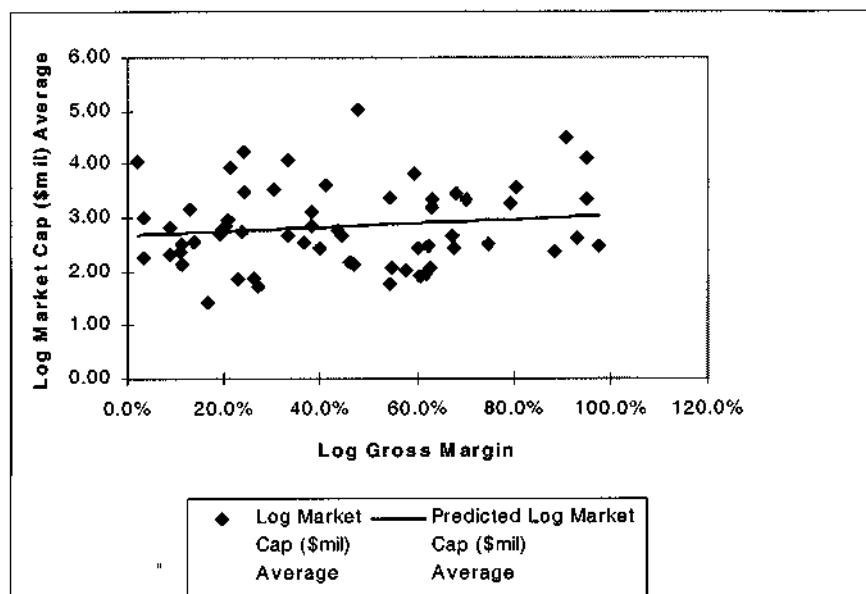






Number of Days in Business and Gross Margin were two factors that exhibited least correlation. Scatter plots for these variables are shown below:





Intuitively, lack of correlation between Gross Margin and Market Capitalization was expected because high gross margin with little or no revenue would not be significant for value creation. Lack of correlation between Market Capitalization and Number of Days in Business was also not surprising considering the fact that this factor is being compared across different business categories. A more appropriate metric might be to have a "Category Leader" variable to identify early leaders in each business category.

Other factors for which clearly there was no correlation to Market Capitalization were Net Income and Net Operating Cash Flow. Most of the Internet companies did not have positive net earnings. Of the 102 sample companies (the 5C companies), only 13 had positive net income in 1998. This was too small a sample to observe any relation between Net Income and Market Capitalization. Also, there was very little correlation between market capitalization and whether a stock had a positive net income. These observations were consistent with popular belief that the capital markets are not concerned about immediate profitability of the Internet companies.

Similar to Net Income, very few (16 out of 102) of the 5C stocks had positive Net Operating Cash Flow (= Cash Earnings + Change in Working Capital). This was considered to be too small a sample to perform regression analysis.

### Covariance Analysis

Prior to performing multiple regression to develop a model for predicting the market capitalization of the Internet companies, it was necessary to perform covariance (correlation) analysis to identify potentially correlated independent variables. Correlation coefficient data among the independent variables would help not only avoid matrix ill-conditioning problem but also to select appropriate independent variables to include in multiple regression.

#### *Potential Dependent Variables:*

An alternative to developing the regression model with Log(Market Capitalization) as the dependent variable (i.e., variable to be predicted) is to use Log(Market Cap/Total Assets) as

the dependent variable. (Market Cap/Total Assets) is known as Tobin's Q ratio [2]. Since the model for Log(Market Cap/Total Assets) can be derived from model from Log(Market Cap) if Log(Total Assets) is one of the independent variables, for this study only Log(Market Cap) will be considered as the dependent variable.

	Log Market Cap (\$mil)	Log (Market Cap/Total Assets)
Log Market Cap (\$mil)	1.00	
Log (Market Cap/Total Assets)	0.30	1.00

**Instantaneous Value Metrics:**

As shown in the following table, there is a strong correlation between Revenue and Gross Profits. Therefore, only one of these two variables would be included in multiple regression model.

	Log Revenue (\$mil)	Log Gross Profits (\$mil)	Gross Margin (%)
Log Revenue (\$mil)	1.00		
Log Gross Profits (\$mil)	0.79	1.00	
Gross Margin (%)	-0.41	0.01	1.00

**Institutional Ownership Variables:**

As shown in the following table, there is a strong correlation between Number of Institutional Shareholders and Percentage of Stock Owned by Institutions. Therefore, only one of these two variables will be included in multiple regression analysis.

	Log (Number of Institutional Shareholders)	Percentage of Stock Owned By Institutions (%)
Log (Number of Institutional Shareholders)		
Percentage of Stock Owned By Institutions (%)		

<b>Log (Number of Institutional Shareholders)</b>	1.00	
<b>Percentage of Stock Owned By Institutions (%)</b>	0.77	1.00

***User Value Variables;***

The following table shows correlation coefficients between potential user value related metrics. It is interesting to note a high negative correlation between Number of Links and Traffic Rank. Intuitively this would indicate that existence of large number of links to a web site (through, for example associate programs) would cause high traffic to the web site (thus resulting in a low Traffic Rank). This high correlation also implies that it is probably not necessary to include both Traffic Rank and Number of Links in the multiple regression model. Also, there is a fairly strong correlation between Unique Users and Traffic Rank, indicating once again that it might be sufficient to include either one of these variables in the multiple regression model.

	Log Traffic Rank	Log No. of Links	Log Days in Biz	Log No. of Pages
Log Traffic Rank	1.00			
Log No. of Links	-0.75	1.00		
Log Days in Biz	-0.09	-0.02	1.00	
Log No. of Pages	-0.42	0.47	0.27	1.00

<b>Log</b>	-0	0.	0	0
<b>Uni</b>	.4	27	.	.
<b>que</b>	6		3	2
<b>User</b>			0	3
<b>s</b>				

## Multiple Regression

Based on the observations made using bivariate regression and correlation analyses results, the list of variables to investigate for the multiple regression model was developed. The multiple regression model would be of the form:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_n X_n + \epsilon$$

For this study, the dependent variable Y is,

LMC = log (Market Capitalization)

Potential independent variables ( $X_n$ ) are:

LTA = log (Total Assets)

LGP = log (Gross Profit) or LR = log (Revenue)

LU = log (Unique Users) or LTR = log (Traffic Rank)

LNS = log (Number of Institutional Shareholders)

LNL = log (Number of Links)

It should be noted that the number of independent variables in the model must be less than 1/10<sup>th</sup> of the data samples, in order to keep the results of the regression analysis stable. Therefore, additional variables in to the model will be introduced with caution.

### Model 1:

$$LMC = \beta_0 + \beta_1 LTA + \beta_2 LU + \epsilon$$

Result of the above regression model is shown below:

Regression Statistics	
Multiple R	8.44E-01
R Square	7.12E-01
Adjusted R Square	6.84E-01
Standard Error	3.79E-01
Observations	2.40E+01

ANOVA					
	df	SS	MS	F	Significance F
Regression	2.00E+00	7.42E+00	3.71E+00	2.59E+01	2.14E-06
Residual	2.10E+01	3.01E+00	1.43E-01		
Total	2.30E+01	1.04E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-3.50E-01	8.34E-01	-4.20E-01	6.79E-01	-2.08E+00	1.38E+00	-2.08E+00	1.38E+00
Log Total Assets (\$mil) 1998	5.95E-01	1.57E-01	3.78E+00	1.10E-03	2.68E-01	9.22E-01	2.68E-01	9.22E-01
Log Unique Users MediaMetrix & PCData	6.50E-01	2.57E-01	2.52E+00	1.97E-02	1.15E-01	1.19E+00	1.15E-01	1.19E+00

Therefore, the model is:

$$LMC = -0.35 + 0.595 LTA + 0.65 LU + \epsilon$$

As indicated by low P-values (< 0.05), coefficients of both the dependent variables are significant. This simple two variable model is capable of explaining 71.2% of the variation in the market capitalization of the sample companies. By contrast, the best bivariate regression model (i.e., with only one independent variable), could explain only 58.5% of the variation.

Since the number of samples of unique users was limited (had only 30 samples), addition of extra variables to the above model was expected to lead to questionable results. Attempts to add some variables (LNS or LTR) in the presence of variable LU led to high P-values and unacceptable models, primarily due to further reduction of already low sample size (due to missing data). However, LNL could be added to the above model without reducing the sample size, and an improved model (Model 2) was obtained.

**Model 2:**

$$LMC = \beta_0 + \beta_1 LTA + \beta_2 LU + \beta_3 LNL + \varepsilon$$

Result of the above regression model is shown below:

SUMMARY OUTPUT

Regression Statistics	
Multiple R	8.56E-01
R Square	7.33E-01
Adjusted R Square	6.93E-01
Standard Error	3.73E-01
Observations	2.40E+01

ANOVA

	df	SS	MS	F	Significance F
Regression	3.00E+00	7.64E+00	2.55E+00	1.83E+01	6.01E-06
Residual	2.00E+01	2.79E+00	1.39E-01		
Total	2.30E+01	1.04E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-5.36E-01	8.36E-01	-6.42E-01	5.28E-01	-2.28E+00	1.21E+00	-2.28E+00	1.21E+00
Log Total Assets (\$mil) 1998	6.41E-01	1.60E-01	4.02E+00	6.77E-04	3.08E-01	9.74E-01	3.08E-01	9.74E-01
Log Unique Users MediaMetrix & PCData	5.41E-01	2.68E-01	2.01E+00	5.77E-02	-1.94E-02	1.10E+00	-1.94E-02	1.10E+00
Log Links (Number of Associates)	1.06E-01	8.47E-02	1.26E+00	2.24E-01	-7.03E-02	2.83E-01	-7.03E-02	2.83E-01

Therefore, the model is:

$$LMC = -0.56 + 0.64 LTA + 0.54 LU + 0.11 LNL + \varepsilon$$

This model explains 73.3% of the variation in market capitalization of the sample stocks.

**Model 3:**

As shown in Model 1 and Model 2, Unique Users is a significant factor. However, due to limited data availability, it was decided to replace Unique Users with an alternative factor, i.e., LTR (Log of Alexa Traffic Rank). Therefore, the next model is:

$$LMC = \beta_0 + \beta_1 LTA + \beta_2 LTR + \varepsilon$$



Result of the above regression model is shown below:

SUMMARY OUTPUT

Regression Statistics	
Multiple R	7.80E-01
R Square	6.09E-01
Adjusted R Square	5.97E-01
Standard Error	4.69E-01
Observations	7.00E+01

ANOVA					
	df	SS	MS	F	Significance F
Regression	2.00E+00	2.30E+01	1.15E+01	5.21E+01	2.22E-14
Residual	6.70E+01	1.48E+01	2.20E-01		
Total	6.90E+01	3.77E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	2.15E+00	2.73E-01	7.90E+00	3.66E-11	1.61E+00	2.70E+00	1.61E+00	2.70E+00
Log Total Assets (\$mil) 1998	6.57E-01	8.19E-02	8.02E+00	2.22E-11	4.93E-01	8.20E-01	4.93E-01	8.20E-01
Log Alexa Traffic Rank	-1.15E-01	5.69E-02	-2.02E+00	4.77E-02	-2.28E-01	-1.20E-03	-2.28E-01	-1.20E-03

Therefore, the model is:

$$LMC = 2.15 + 0.657 LTA - 1.15 LTR + \epsilon$$

This model explains 60.9% of the variation in market capitalization of the sample stocks. Comparing Model 3 with Model 1, one can observe that Alexa Traffic Rank is not as effective as Media Metrix Unique Users data in explaining the variations in Market Capitalization of the sample stocks. However, since more Alexa Traffic Rank data was available than Unique User data, it was decided to try Alexa Traffic Rank for further analyses. However, despite numerous trials, a better model than Model 2 could not be found.

**Selected Model:**

The following multiple regression model was, therefore, selected based on the statistical criteria for strength and significance of correlation:

$$LMC = -0.56 + 0.64 LTA + 0.54 LU + 0.11 LNL + \epsilon$$

This model explains 73.3% of the variation in market capitalization of the sample stocks. As discussed in [2], the first term (LTA) in the model is essentially a representation of the tangible assets of the company, while the second and third terms (LU and LNL) could be thought of as the intangible assets of the Internet companies.

The above model indicates that a 10% increase in the user base of an Internet company would result in 5.4% increase in market capitalization and a 10% increase in the number of links to a the company's web site would result in 1.1% increase in market value of the company.

## CONCLUSIONS

The following contributions have been made through this research study and report:

- > Provided a summary of unique features (from business perspective) of the Internet as a new medium.
  - > Provided an overview of the Internet Economy, i.e., how the Internet would influence the economy by enabling more markets and more efficient markets.
- Provided a classification of the Internet companies based on their revenue streams.
- > Developed a generalized business model of an Internet company, specifically for one which derives revenue through the 5Cs (Connection to Internet, Connection to Electronic Markets, Commercials, Commerce, and Content).
- Provided a qualitative discussion on potential market value drivers of the Internet companies.
- > Selected a sample of Internet companies and collected a wealth of fundamental, technical, and other data on those companies.
- Used statistical analyses to unearth relationships between the potential value drivers and the market values of the Internet companies.
- > Used multiple regression to develop a model that was able to explain 73.3% of the variation in the market values of the sample companies.
- >

## RECOMMENDATIONS

The following recommendations may be made to the stock analyst/investment community based on this research study:

- > Market values of the Internet companies are highly dependent on the intangible assets. The important intangible assets are Unique Users, and Number of Links to a company's web-site.
  - > In the absence of Unique User data (which is not openly available for all the companies), publicly available Alexa Traffic Rank is a good alternative to gage the intangible assets of an Internet company.
  - > Revenue and Gross Profits are important. Along with the tangible and intangible assets of the Internet companies, they show correlation to the market values of these companies.
- Net Income and Net Operating Cash Flow do not seem to be important, at least for now.
- > Use a classification and Internet business model such as the one presented in this report to categorize and compare the Internet companies.

The following recommendations may be made to the management teams of the Internet companies:

- > Your user base is your intangible asset and a strong driver of your company's market value. For every 10% increase in the user base, market value of the company is expected to increase by 5.4%.
  - > Number of links to your company's web-site is a value driver too. For every 10% increase in the number of links, the market value is expected to increase by 1.1%. Therefore, increase the number of links to your web-site using associate programs (as has been done successfully by companies like Amazon.com).
- Immediate profitability is not a driver of your market value. Use this as an opportunity to diversify and grow.

## References

- 0 Randall Morck and Bernard Yeung, "Foreign Acquisitions: When Do They Make Sense?" *Managerial Finance*, Volume 17, November 6, 1991.
- Randall Morck and Bernard Yeung, "Why Firms Diversify: Internalization vs. Agency Behavior", October 15, 1998.
- 1 Belans, Dawson, Mehta, and Sohmshtetty, "Diversification Opportunities for Internet Companies," IB620 Class Project, 1999.
- Thomas W. Malone, Joanne Yates, and Robert I. Benjamin, "Electronic Markets and Electronic Hierarchies," *Communications of ACM*, June 1987, Volume 30, Number 6.
- 2 Allison Gillepsie, Malay Krishna, et al, "Online Behavior Final Project - Stickiness," Vanderbilt (?check?) University, May 1999.
- Jakob Nielsen, "Loyalty on the Web" Alertbox for August 1, 1997.
- 3 Micheal J. Mauboussin and Bob Hiler, "Cash Flow.com - Cash Economics in the New Economy," Credit Suisse First Boston Corporation, February 26, 1999.
- Micheal J. Mauboussin and Bob Hiler, "Competitive Advantage Period - The Neglected Value Driver," Credit Suisse First Boston Corporation, January 14, 1997.
- 4 Christopher Conway and Matthew Thiel, "Internet Business Valuation Analysis - An Effective Methodology for Evaluating Internet Retailing Firms," Project 2000, Owen Graduate School of Management, Vanderbilt University, December 1998.
- 5 Randy Myers, "How to measure the value of an Internet Stock", MSN Money Central, 1999.
- 6 Jim Jubak, "Net Stocks and that special Yogi Berra factor", MSN Money Central, 1999.
- GVU's WWW User Survey, October 1998.
- R. Sohmshtetty, "Towards Friction-free Capitalism," Term Project, University of Michigan Business School, 1999.
- 7 Internet.com, "The Internet Stock List," <http://www.internetnews.com/stocks/list/>, July 1999.
- Thomson Investors Network, "Stock Reports," <http://www.thomsoninvest.net/>, August 1999.
- 8 Media Metrix, "Unique Visitors," <http://www.mediametrix.com/TopRankings/TopRankings.html>, July 1999.
- PC DATA Online, "Top Web Properties," <http://www.pcdataline.com/reports/monthlypropertyfree.asp>, July 1999.
- Alexa, "Web Navigation Service," <http://www.alexa.net/>, August 1999.
- 9 Statistics - Online Text, <http://www.statsoft.com/textbook/stathome.html>, Statsoft, Inc., 1999.
- Motley Fool Guide, "Understanding the Internet Economy," May 1999.

## **ATTACHMENTS**

- I Publicly Traded Internet Companies in US (July 1999)**
- II Market Capitalization of the 5C Companies**
- III Financial Data for 5C Stocks**
- IV Ownership Data for 5C Stocks**
- V User Data for 5C Stocks**
- VI Bivariate Regression**

Attachment I: Publicly Traded Internet Companies in US (July 1999)

Symbol	Name	URL	Business	Revenue Sources						
				Commercials	Content	Connection to Internet	Connection to E-market	Commerce	Contract Consulting	Construction (Software/Hardware)
ATHM	AT HOME CP A	//www.home.net/	High Speed Internet Connection			2				
APLN	@PLAN INC	//www.webplan.net/							1	
BOUT	ABOUT.COM INC	//www.miningco.com/	Editorial and consolidated content	1						
ABOV	ABOVENET COMMS	//www.abovenet.com/							1	
ADFC	ADFORCE INC	//www.adforce.org/							1	
ALLR	ALLAIRE CORP	//www.allaire.com/							1	
ALOY	ALLOY ONLINE	//www.alloyonline.com/	Serving Generation Y (10 to 24 year olds)	1				1		
AMZN	AMAZON COM	//www.amazon.com/	Books, music, videos, toys, electronics, and auctions				1	1		
AOL	AMERICA ONLINE	//www.aol.com/	Consolidated content	1	1	1				
AMTD	AMERITRAD HLD A	//www.ameritradeholding.com/					1			
ATHY	APPLIEDTHEORY	//www.appliedtheory.com/							1	
APNT	APPNET SYSTEMS	//www.appnet.net/							1	
ARBA	ARIBA INC	//www.ariba.com/						2		
ASKJ	ASK JEEVES INC	//www.ask.com/	Search engine with natural language processing	1						
ADBL	AUDIBLE INC	//www.audible.com/								
AHWH	AUDIOHIGHWAY	//www.audiohighway.com/	Audio news, books, music and others	1	1			1		
ABTL	AUTOBYTEL.COM	//www.autobytel.com/	New and used vehicle information and purchasing services	1			1			
AWEB	AUTOWEB.COM	//www.autoweb.com/	Automotive related commerce, content and community offerings	1			1			
AXNT	AXENT TECHNOL	//www.axent.com/							1	
BWEB	BACKWEB TECH	//www.backweb.com/								1
BNBN	BARNESANDNOBLE	//www.bn.com/	Books					1		
BYND	BEYOND.COM CORP	//www.beyond.com/	Software					1		
BIZZ	BIZNESSONLINE	//www.biznessonline.com/				1				
BFLY	BLUEFLY INC	//www.bluefly.com/	Designer & name brand apparel and accessories					1		
EPAY	BOTTOMLINE TECH	//www.bottomline.com/								1
BCST	BROADCAST.COM	//www.broadcast.com/							1	
BRCM	BROADCOM CORP	//www.broadcom.com/								1
BVSN	BROADVISION	//www.broadvision.com/								1
CAIS	CAIS INTERNET	//www.cais.com/				1				
CBDR	CAREERBUILDER	//www.careerbuilder.com/					1			
CDNW	CDNOW INC	//www.cdnw.com/	CDs and other music products					1		
CTIX	CHEAP TICKETS	//www.cheaptickets.com/	Airline tickets, cruise tickets, auto rentals and hotel reservations					1		

Attachment I: Publicly Traded Internet Companies in US (July 1999)

Symbol	Name	URL	Business	Revenue Sources								
				Commercials	Content	Connection to Internet	Connection to E-market	Commerce	Contract Consulting	Construction (Software/Hardware)		
CHKP	CHECK PT SFTWRE	//www.checkpoint.com/										1
CSCO	CISCO SYSTEMS	//www.cisco.com/										1
CLAI	CLAIMSNET.COM	//www.claimsnet.com/								1		
CLRN	CLARENT CORP	//www.clarent.com/										1
CMGI	CMGI INC	//www.cmgi.com/										
CNET	CNET INC	//www.cnet.com/	Computers, Internet, and Technology related information	1								
CMRC	COMMERCE ONE	//www.commerceone.com/						2				
CTCH	COMMTOUCH SFTWR	//www.comps.com/								1		
CDOT	COMPS.COM INC	//www.concentric.com/			1							
CNCX	CONCENT NETW	//www.connectinc.com/									1	
CNKT	CONNECT INC	//www.converg.com/									1	
COVD	COVAD COMMS GP	//www.covad.com/									1	
CPTH	CRITICAL PATH	//www.cp.net/									1	
AMEN	CROSSWALK.COM	//www.didax.com/	Content and community for Christians	1								
CYCH	CYBERCASH INC	//www.cybercash.com/									1	1
COOL	CYBERIAN OUTPST	//www.outpost.com/	Computer hardware, software, and accessories						1			
CYSP	CYBERSHOP INTL	//www.cybershop.com/	Name brand products, gifts, and electronics						1			
CYBS	CYBERSOURCE CP	//www.cybersource.com/								1		1
CYLK	CYLINK CORP	//www.cylink.com/										1
ISLD	DIGITAL ISLAND	//www.digisle.net/									1	
DGV	DIGITAL LAVA	//www.digitallava.com/										1
DRIV	DIGITAL RIVER	//www.digitalriver.com/	Third party software						2			
DIR	DONALDSN LUF DI	//www.djdirect.com/			1		1					
DCLK	DOUBLECLICK INC	//www.doubleclick.net/									1	
KOOP	DRKOOP.COM INC	//www.drkoop.com/	Healthcare information	1								
ELNK	EARTHLINK NET	//www.earthlink.net/				1						
EWBX	EARTHWEB INC	//www.earthweb.com/	Products and services for IT professionals	1			1	1				
EBAY	EBAY INC	//www.ebay.com/					1					
EDGR	EDGAR ONLINE	//www.edgar-online.com/			1							
EFAX	EFAX.COM INC	//www.efax.com/	Fax and other office services	1								1
EGGS	EGGHEAD.COM	//www.egghead.com/	Computer hardware, software, and accessories						1			
EELN	E-LOAN INC	//www.eloan.com/					1					
ENTU	ENTRUST TECH	//www.entrust.com/										1
ETYS	ETOYS INC	//www.etoys.com/	Toys, video games, software, videos, and music for children							1		

Attachment I: Publicly Traded Internet Companies in US (July 1999)

Symbol	Name	URL	Business	Revenue Sources						
				Commercials	Content	Connection to Internet	Connection to E-market	Commerce	Contract Consulting	Construction (Software/Hardware)
EGRP	E*TRADE GROUP	//www.etrade.com/					1			
EXDS	EXODUS COMMS	//www.exodus.net/							1	
FFIV	F5 NETWORKS INC	//www.f5.com/							1	
FASH	FASHIONMALL.COM	//www.fashionmall.com/	Fashion, apparel, footwear, beauty and related lifestyle products					1		
FATB	FATBRAIN.COM	//www.fatbrain.com/	Technical books, training solutions, manuals, and research reports					1		
FDOT	FINE.COM INTL	//www.fine.com/							1	
FLAS	FLASHNET COMMS	//www.flash.net/				1				
FCST	FLYCAST COMMS	//www.flycast.com/							1	
FCCN	FRONTLINE COMMS	//www.fcc.net/default2.html/				1				
FNDT	F FUNDTECH LTD	//www.fundtech.com/								1
FVCX	FVC.COM INC	//www.fvc.com/								1
GENI	GENESISINTMEDIA	//www.genesisintermedia.com/						2		
GNET	GO2NET INC	//www.go2net.com/	Personal finance, search, commerce and games	1						
GOTO	GOTO.COM INC	//www.goto.com/	Online marketplace	1						
HLTH	HEALTHEON CORP	//www.healtheon.com/	Healthcare information and services	1					1	
HSAC	HIGH SPEED ACC	//www.hsacorp.net/				2				
HCOM	HOMECOM COMM	//www.homecom.com/								1
IDTC	IDT CORP	//www.idt.net/				1				1
INFO	INFONAUTICS A	//www.infonautics.com/			1					
SEEK	INFOSEEK CP	//www.infoseek.com/	Consolidated content and search	1						
INSP	INFOSPACE.COM	//www.infospace.com/	Consolidated content	1	1					
INKT	INKTOMI CORP	//www.inktomi.com/								1
ILIF	INTELLIGNT LIFE	//www.bankrate.com/	Consolidated content related to mortgages, home equity loans, and credit cards	1						
INIT	INTERLIANT INC	//www.interliant.com/							1	
GEEK	INTERNET AMER	//www.aimail.net/				1				
INTM	INTERNET.COM	//www.internet.com/	Consolidated content focussed on Internet	1						
IFSX	INTERNET FINL	//www.abwatley.com/					1			
ITVU	INTERVU INC	//www.intervu.com/							1	1
ITRA	INTRAWARE INC	//www.intraware.com/							1	
ISSX	ISS GROUP	//iss.net/								1
TURF	ITURF INC	//www.iturf.com/	Serving Generation Y (10 to 24 year olds)	1				1		
IVIL	IVILLAGE INC	//www.ivillage.com/	Serving women	1						
IIXL	IXL ENTERPRISES	//www.ixl.com/							1	
JNPR	JUNIPER NETWORKS	//www.juniper.net/								1
JWEB	JUNO ONLINE	//www.juno.com/	Email	1		1				

Attachment I: Publicly Traded Internet Companies in US (July 1999)

Symbol	Name	URL	Business	Revenue Sources						
				Commercials	Content	Connection to Internet	Connection to E-market	Commerce	Contract Consulting	Construction (Software/Hardware)
LAUN	LAUNCH MEDIA	//www.launch.com/	New music	1	1					
LTNX	LITRONIC INC	//www.litronic.com/							1	1
LQID	LIQUID AUDIO	//www.liquidaudio.com/								1
LOAX	LOG ON AMERICA	//www.loa.com/				1				
LCOS	LYCOS INC	//www.lycos.com/	Consolidated content and search	1						
MAIL	MAIL.COM INC A	//www.mail.com/	Email	1	1					
MQST	MAPQUEST.COM	//www.mapquest.com/	Mapping and destination information	1					1	
MRBA	MARIMBA INC	//www.marimba.com/								1
MKTW	MARKETWATCH.COM	//cbs.marketwatch.com/	Business news and analytical tools	1	1					
MMXI	MEDIA METRIX	//www.mediametrix.com/							1	
MSPG	MINDSPRING ENT	//www.mindspring.com/				1				
MMPT	MODEM MEDIA	//www.modemmedia.com/							1	
MPTH	MPATH INTERACT	//www.mpath.com/								1
MLTX	MULTEX.COM INC	//www.multex.com/				1				
HITS	MUSICMAKER.COM	//www.musicmaker.com/				1				
NVDC	NAVIDEC INC	//www.navidec.com/							1	1
NESY	NEON SYSTEMS	//www.neonsys.com/								1
NTBK	NETBANK INC	//www.netbank.com/	Banking					3		
NETG	NETGRAVITY INC	//www.netgravity.com/	Domainname Registration							1
NTVN	NETIVATION.COM	//www.netivation.com/	Topic specific web sites - Votenet and Medinex	1						1
NETO	NETOBJECTS INC	//www.netobjects.com/								1
NSPK	NETSPEAK CORP	//www.netspeak.com/								1
NETP	NET PERCEPTIONS	//www.netperceptions.com/								1
NSSI	NET 1 SECURITY	//www.network-1.com/								1
NETA	NETWORK ASSOC	//www.networkassociate.com/								1
NSOL	NETWORK SOLUT	//www.netsol.com/	Domainname Registration					3		
NXCD	NEXTCARD INC	//www.nextcard.com/	Credit Cards					3		
NFNT	NFRONT INC	//www.nfront.com/								1
ONEM	ONEMAIN.COM INC	//www.onemain.com/				1				
ONES	ONESOURCE INFO	//www.onesource.com/			1					
ORCC	ONLINE RSCS COM	//www.orcc.com/							1	
LINE	ONLINETRADING	//www.onlinetradinginc.com/	Brokerage					3		
ONSL	ONSALE INC	//www.onsale.com/	Electronics and computer products				1	1		
OMKT	OPEN MARKET INC	//www.openmarket.com/								1
OTEX	OPEN TEXT CO	//www.opentext.com/								1
PCNT	F PAC INTERNET	//www.pacific.net.sg/				1			1	
PCOR	PCORDER.COM INC	//www.pcorder.com/					1			1
PPOD	PEAPOD INC	//www.peapod.com/	Groceries					1		
PRSW	PERSISTENCE SFT	//www.persistence.com/								1
PHCM	PHONE.COM INC	//www.phone.com/								1



Attachment I: Publicly Traded Internet Companies in US (July 1999)

Symbol	Name	URL	Business	Revenue Sources							
				Commercials	Content	Connection to Internet	Connection to E-market	Commerce	Contract Consulting	Construction (Software/Hardware)	
PILT	PILOT NETWORK	//www.pilot.net/								1	
PRSF	PORTAL SOFTWARE	//www.portal.com/									
PTVL	PREVIEW TRAVEL	//www.previewtravel.com/	Travel services for small businesses	1				1			
PCLN	PRICELINE.COM	//www.priceline.com/					1				
PKSI	PRIMUS KNOWLDGE	//www.primus.com/									1
PRGY	PRODIGY COMMS	//www.prodigy.com/				1					
PRTM	GENESIS DIRECT	//www.proteam.com/	Catalog retailer					1			
PXCM	PROXICOM INC	//www.proxicom.com/								1	
PSIX	PSINET INC	//www.psi.net/				1					
PASA	QUEPASA.COM INC	//www.quepasa.com/	Content for Spanish community	1							
RAMP	RAMP NETWORKS	//www.rampnet.com/				1					
RAZF	RAZORFISH INC	//www.razorfish.com/								1	1
RNWK	REALNETWORKS	//www.real.com/									1
RTHM	RHYTHMS NETCONN	//www.rhythms.net/				1					
RMI	ROCKY MT INTER	//www.rmi.net/				1				1	
RWAV	ROGUE WAVE SOFT	//www.roguewave.com/									1
ROWE	ROWECOM INC	//www.rove.com/	Magazines, newspapers, journals, and books					2			
SGNT	SAGENT TECH	//www.sagent.com/									1
SALN	SALON.COM	//www.salon.com/	Ten subject specific, demographically targeted web sites	1	1						
SCNT	SCIENT CORP	//www.scient.com/								1	
SDTI	SECUR DYNAMICS	//www.securid.com/									1
SONE	SECURITY FIRST	//www.s1.com/									1
SILK	SILK SOFTWR.COM	//www.silknet.com/									1
SWCM	SOFTWARE.COM	//www.software.com/									1
SPLN	SPORTSLINE USA	//www.cbs.sportslines.com/	Content for sports enthusiasts worldwide	1	1						
SPYG	SPYGLASS INC	//www.spyglass.com/									1
STMP	STAMPS.COM INC	//www.stamps.com/	Stamps					3			
STRM	STAR MEDIA NETWK	//www.starmedia.com/	Interest specific web sites for Spanish and Portuguese	1							
STAD	STUDENT ADVTGE	//www.studentadvantage.com/	Serving college students	1	1						
TERN	TERAYON COMMS	//www.terayon.com/									1
TGLO	THEGLOBE.COM	//www.theglobe.com/	Personal Web sites	1							
TSCM	THESTREET.COM	//www.thestreet.com/	Financial news, commentary and information	1	1						
THNK	THINK NEW IDEAS	//www.thinkinc.com/								1	
TIBX	TIBCO SOFTWARE	//www.tibco.com/									1
TMCS	TICKETMASTER B	//www.ticketmaster.com/	Live event ticketing	1				1			

Attachment I: Publicly Traded Internet Companies in US (July 1999)

Symbol	Name	URL	Business	Revenue Sources						
				Commercials	Content	Connection to Internet	Connection to E-market	Commerce	Contract Consulting	Construction (Software/Hardware)
TPN	TOWNPAGESNET.CO	//www.townpages.co.uk/	Locally focused information	1						
TUTS	TUT SYSTEMS INC	//www.tutsys.com/								2
UBID	UBID INC	//www.ubid.com/	Brand name computer, consumer electronics and home & leisure products					1		
USIX	USINTERNETWORKG	//www.usinternetworking.com/								1
SRCH	US SEARCH.COM	//www.1800ussearch.com/			1					
USWB	USWEB CP	//www.uswebcks.com/							1	
VUSA	VALUE AMERICA	//www.valueamerica.com/	Brand name products and services					1		
VRIO	VERIO INC	//www.verio.com/				1			1	
VRSN	VERISIGN INC	//www.verisign.com/							1	
VERT	VERTICALNET INC	//www.verticalnet.com/						2		
VIAN	VIANT CORP	//www.viant.com/							1	
VIGN	VIGNETTE CORP	//www.vignette.com/								1
VDAT	VISUAL DATA	//www.vdat.com/							1	
VOCL	VOCALTEC COMM	//www.vocaltec.com/								1
VONE	V-ONE CORP	//www.v-one.com/								1
VOXW	VOXWARE INC	//www.voxware.com/								1
WEBT	WEBTRENDS CORP	//www.webtrends.com/							1	
WPNE	WHITE PINE SFTW	//www.wpine.com/								1
WITC	WIT CAPITAL GP	//www.witcapital.com/	Investment Banking				1	3		
WGAT	WORLDGATE COMMS	//www.wgate.com/				1				
XMCM	XOOM.COM INC	//www.xoom.com/	Free web site hosting, email, and chat	1						
YHOO	YAHOO INC	//www.yahoo.com/	Consolidated content and search	1						
ZDZ	ZDNet Group	//www.zdnet.com/	Computers, Internet, and Technology related information	1						
ZIPL	Zip Link	//www.ziplink.net/				2				

Commerce

- 1 Business to Consumer
- 2 Business to Business
- 3 Financial and other products and services

Connection to Internet

- 1 Low speed connection
- 2 High speed connection

## Attachment II: Market Capitalizations of the 5C Companies

Symbol	Name	MktCap (\$mil) 8/19/99	MktCap (\$mil) 8/12/99	MktCap (\$mil) 7/29/99	MktCap (\$mil) 7/21/99	MktCap (\$mil) Average	MktCap (\$mil) Std Deviation	MktCap Normalized StdDev
AOL	AMERICA ONLINE	105300.00	100400	106882.75	123400	108995.69	9991.54	9.2%
YHOO	YAHOO INC	36417.00	26236	29225.33	30005	30470.83	4284.04	14.1%
AMZN	AMAZON COM	18241.00	14823	17085.18	19721	17467.55	2066.89	11.8%
EBAY	EBAY INC	15121.00	11753	13142.58	14058	13518.65	1427.98	10.6%
ATHM	AT HOME CP A	13934.00	9818	12661.05	11404	11954.26	1759.29	14.7%
PCLN	PRICELINE.COM	9518.00	9580	12097.2	13076	11067.80	1798.88	16.3%
CMGI	CMGI INC	7613.00	7333	9352.69	9531	8457.42	1144.76	13.5%
EGRP	E*TRADE GROUP	6216.00	5685	7690.97	7711	6825.74	1033.66	15.1%
ETYS	ETOYS INC	4940.00	3431	3888.68	3736	3998.92	655.60	16.4%
ARBA	ARIBA INC	4748.00	4931	4200.18	4867	4686.55	332.99	7.1%
AMTD	AMERITRAD HLD A	3739.00	3925	4410.43	5298	4343.11	696.69	16.0%
LCOS	LYCOS INC	3725.00	3054	4008.41	4237	3756.10	512.78	13.7%
PSIX	PSINET INC	3031.00	2641	3390.96	3758	3205.24	479.15	14.9%
CNET	CNET INC	2798.00	2315	2929.25	3263	2826.31	393.08	13.9%
BNBN	BARNESANDNOBLE	2725.00	2336	2721.25	2599	2595.31	182.52	7.0%
RTHM	RHYTHMS NETCONN	2724.00	2486	3354.94	4245	3202.49	785.79	24.5%
STRM	STARMEDIA NETWK	2632.00	1940	2278.85	2631	2370.46	331.65	14.0%
HLTH	HEALTHCON CORP	2520.00	2422	3721.86	4472	3283.97	988.23	30.1%
TMCS	TICKETMASTER B	2166.00	2185	2461.39	2815	2406.85	303.75	12.6%
INSP	INFOSPACE.COM	2059.00	1928	2382.11	2488	2214.28	264.04	11.9%
NSOL	NETWORK SOLUT	2026.00	1826	2360.11	2421	2158.28	281.46	13.0%
SEEK	INFOSEEK CP	2010.00	1827	2510.17	2448	2198.79	333.13	15.2%
DIR	DONALDSN LUF DI	1944.00	1976	2487.12	2645	2263.03	356.04	15.7%
MSPG	MINDSPRING ENT	1939.00	1643	2180.55	2733	2123.89	461.76	21.7%
GOTO	GOTO.COM INC	1831.00	1462	2018.01	2506	1954.25	434.36	22.2%
GNET	GO2NET INC	1829.00	1592	1731.76	1943	1773.94	148.88	8.4%
HSAC	HIGH SPEED ACC	1628.00	1290	1915.03	2002	1708.76	321.67	18.8%
ELNK	EARTHLINK NET	1465.00	1438	1672.7	1852	1606.93	194.14	12.1%
WITC	WIT CAPITAL GP	1449.00	1356	1875.58	2040	1680.15	329.74	19.6%
PRGY	PRODIGY COMMS	1260.00	945.2	1391.1	1494	1272.58	238.33	18.7%
ZDZ	ZDNet Group	1244.00	1166	1907.5		1439.17	407.46	28.3%
VERT	VERTICALNET INC	1197.00	1053	1590.36	1607	1361.84	279.81	20.5%
CMRC	COMMERCE ONE	1173.00	986.7	1143.65	1326	1157.34	139.04	12.0%
NXCD	NEXTCARD INC	1114.00	1081	1733.34	1684	1403.09	353.69	25.2%
STMP	STAMPS.COM INC	1040.00	1093	1193.07	1671	1249.27	288.23	23.1%
IVIL	IVILLAGE INC	980.90	770.2	1033.78	1140	981.22	155.46	15.8%
EELN	E-LOAN INC	862.20	855	1693.2	1779	1297.35	507.84	39.1%
CTIX	CHEAP TICKETS	848.20	883.5	1172.81	769.7	918.55	176.05	19.2%
ASKJ	ASK JEEVES INC	770.00	759.4	1072.88	1281	970.82	252.75	26.0%
XMCM	XOOM.COM INC	720.60	557.3	749.21	777.7	701.20	98.73	14.1%
WGAT	WORLDGATE COMMS	713.00	621.4	861.38	935.4	782.80	141.87	18.1%
MAIL	MAIL.COM INC A	636.50	623.3	878.46	804.8	735.77	126.00	17.1%
NTBK	NETBANK INC	613.30	549.1	635.4	784.9	645.68	99.77	15.5%
JWEB	JUNO ONLINE	596.60	531.7	601.84	823.6	638.44	127.50	20.0%
KOOP	DRKOOP.COM INC	574.40	474.6	675.81	804.8	632.40	141.27	22.3%
BYND	BEYOND.COM CORP	549.60	605.4	770.77	920.5	711.57	167.99	23.6%
VUSA	VALUE AMERICA	543.10	496	687.23	834.1	640.11	152.79	23.9%
SPLN	SPORTSLINE USA	469.20	445	601.35	853.7	592.31	187.32	31.6%
CDNW	CDNOW INC	455.30	451.6	643.49	628.4	544.70	105.55	19.4%
TSCM	THESTREET.COM	439.70	410.2	731.88	739.2	580.25	179.75	31.0%
DRIV	DIGITAL RIVER	437.00	424.4	468.51	591.9	480.45	76.58	15.9%
MLTX	MULTEX.COM INC	426.10	346.9	405.97	498.6	419.39	62.59	14.9%
MKTW	MARKETWATCH.COM	413.50	350.4	498.68	602.1	466.17	109.10	23.4%
ONEM	ONEMAJN.COM INC	411.90	360.7	531.66	613.8	479.52	114.66	23.9%
MQST	MAPQUEST.COM	410.10	317.6	476.47	569	443.29	106.15	23.9%
STAD	STUDENT ADVTGE	381.20	339.3	343.09	335.5	349.77	21.18	6.1%

Attachment II: Market Capitalizations of the 5C Companies

Symbol	Name	MktCap (\$mil) 8/19/99	MktCap (\$mil) 8/12/99	MktCap (\$mil) 7/29/99	MktCap (\$mil) 7/21/99	MktCap (\$mil) Average	MktCap (\$mil) Std Deviation	MktCap Normalized StdDev
RAMP	RAMP NETWORKS	358.50	318.4	398.63	521.5	399.26	87.83	22.0%
INTM	INTERNET.COM	336.40	280.8	415.35	507.5	385.01	98.57	25.6%
EWBX	EARTHWEB INC	336.20	332.1	387.69	397.6	363.40	34.05	9.4%
ONSL	ONSALE INC	330.40	261.9	338.91	346.3	319.38	38.87	12.2%
ADBL	AUDIBLE INC	323.50	268.8	268.78		287.03	31.59	11.0%
BOUT	ABOUT.COM INC	312.10	286.4	370.85	495.2	366.14	93.02	25.4%
HITS	MUSICMAKER.COM	295.20	295.2	378.05	518.4	371.71	105.30	28.3%
TGLO	THEGLOBE.COM	292.20	290.6	342.32	417.7	335.71	59.71	17.8%
ABTL	AUTOBYTEL.COM	283.80	251.4	294.94	359.7	297.46	45.42	15.3%
AWEB	AUTOWEB.COM	267.20	256.3	320.38	365.7	302.40	50.64	16.7%
EGGS	EGGHEAD.COM	265.50	215.1	284.29	293.9	264.70	35.11	13.3%
TURF	ITURF INC	244.80	242.6	271.88	299	264.57	26.54	10.0%
PTVL	PREVIEW TRAVEL	236.50	236.5	334.92	288.3	274.06	47.36	17.3%
UBID	UBID INC	221.20	154.9	218.96	269.8	216.22	47.13	21.8%
FLAS	FLASHNET COMMS	215.10	227.2	305.29	345.2	273.20	62.46	22.9%
CAIS	CAIS INTERNET	213.60	245.7	304.99	389.3	288.40	77.19	26.8%
COOL	CYBERIAN OUTPST	208.80	207.4	285.02	256.2	239.36	37.96	15.9%
CBDR	CAREERBUILDER	190.30	156.2	250	345.2	235.43	82.82	35.2%
PASA	QUEPASA.COM INC	179.10	142.9	244.52	282.4	212.23	62.90	29.6%
ROWE	ROWECOM INC	178.40	165.2	181.57	199.8	181.24	14.26	7.9%
LINE	ONLINETRADING	160.10	135.1	121.11	162.2	144.63	19.93	13.8%
FATB	FATBRAIN.COM	158.90	139.9	170.19	188.5	164.37	20.37	12.4%
LAUN	LAUNCH MEDIA	158.00	113.8	112.59	202.3	146.67	42.68	29.1%
ALOY	ALLOY ONLINE	147.70	134.3	105.55	156.6	136.04	22.30	16.4%
SRCH	US SEARCH.COM	145.90	135	187.28	255.9	181.02	54.76	30.3%
PPOD	PEAPOD INC	139.90	123.5	144.24	168.3	143.99	18.51	12.9%
ZIPL	Zip Link	126.50	119.4	148.83		131.58	15.36	11.7%
LOAX	LOG ON AMERICA	103.50	113.4	113.8	127.6	114.58	9.90	8.6%
EDGR	EDGAR ONLINE	98.40	101	112.8	142.8	113.75	20.36	17.9%
GEEK	INTERNET AMER	93.10	89.2	120.21	133.1	108.90	21.22	19.5%
IFSX	INTERNET FINL	85.30	82.3	102.12	99.2	92.23	9.88	10.7%
INFO	INFONAUTICS A	76.60	64.3	81.26	73	73.79	7.17	9.7%
CDOT	COMPS.COM INC	74.50	80.6	95.86	109.5	90.12	15.74	17.5%
ONES	ONESOURCE INFO	74.30	76.3	85.82	98	83.56	10.82	12.9%
SALN	SALON.COM	68.40	64.4	97.25	123.4	88.36	27.56	31.2%
ILIF	INTELLIGNT LIFE	64.70	58.8	86.52	94.1	76.03	16.95	22.3%
TPN	TOWNPAGESNET.CO	61.20	54.9	33.13	53.1	50.58	12.14	24.0%
AHWY	AUDIOHIGHWAY	59.80	60.4	90.65	88.8	74.91	17.12	22.9%
BIZZ	BIZNESSONLINE	56.80	55.1	61.58	73.2	61.67	8.16	13.2%
AMEN	CROSSWALK.COM	55.20	53.5	43.88	70.4	55.75	10.97	19.7%
CYSP	CYBERSHOP INTL	54.20	48.5	57.09	58	54.45	4.28	7.9%
FASH	FASHIONMALL.COM	50.20	43.1	56.25	60.5	52.51	7.57	14.4%
BFLY	BLUEFLY INC	47.30	42.1	60	56.7	51.53	8.27	16.1%
GENI	GENESISINTMEDIA	29.20	31.2	35.84	37.2	33.36	3.78	11.3%
FCCN	FRONTLINE COMMS	21.70	22.9	30.73	35.3	27.66	6.48	23.4%
PRTM	GENESIS DIRECT	13.10	13.1	33.38	55.6	28.80	20.27	70.4%
5C Average		2873.35	2529.62	2938.38	3317.14	2894.79	379.25	18.5%
SPX	S&P 500	1323.59	1298.16	1341.03	1379.29	1335.52	34.08	2.6%
IXIC	Nasdaq Composite	2621.43	2549.49	2640.01	2761.77	2643.18	88.18	3.3%

## Attachment III: Financial Data for 5C Stocks

Symbol	Name	Market Cap (\$mil) Average	Total Assets (\$mil) 1998	Revenue (\$mil) 1998	Gross Profits (\$mil) 1998	Gross Margins (%)	Net Income (\$mil) 1998	Net Op. Cash (\$mil) 1998
AOL	AMERICA ONLINE	108995.7	5348	4777	2277	47.7%	762	1099
YHOO	YAHOO INC	30470.8	621.9	203.3	184.7	90.9%	25.6	110.3
AMZN	AMAZON COM	17467.5	648.5	610	145.9	23.9%	-124.5	31
EBAY	EBAY INC	13518.6	92.5	47.4	45.1	95.1%	2.4	6.3
ATHM	AT HOME CP A	11954.3	780.5	48	16	33.3%	-144.1	-30.2
PCLN	PRICELINE.COM	11067.8	66.5	35.2	0.7	2.0%	-112.1	-40.9
CMGI	CMGI INC	8457.4	237.5	91.5	19.5	21.3%	16.6	-71.6
EGRP	E*TRADE GROUP	6825.7	1968.9	245.3	146	59.5%	-0.7	-30.2
ETYS	ETOYS INC	3998.9	30.7	30	12.3	41.0%	-28.6	-23.9
LCOS	LYCOS INC	3756.1	248.8	56	45.1	80.5%	-96.9	-2.8
HLTH	HEALTHCON CORP	3284.0	79.9	48.7	14.7	30.2%	-54	-27
PSIX	PSINET INC	3205.2	1284.1	259.6	62.6	24.1%	-261.8	-87.5
RTHM	RHYTHMS NETCONN	3202.5	171.6	0.5	9.9	1980.0%	-36.2	-19
CNET	CNET INC	2826.3	88.4	56.4	38.5	68.3%	2.6	9.2
TMCS	TICKETMASTER B	2406.8	416.7	27.9	15.2	54.5%	-17.2	-0.4
STRM	STARMEDIA NETWK	2370.5	61	5.3	15.7	296.2%	-45.9	-30.6
INSP	INFOSPACE.COM	2214.3	102.3	9.4	10	106.4%	-9.1	-1
SEEK	INFOSEEK CP	2198.8	101.6	50.7	48.2	95.1%	-5.7	-13.5
NSOL	NETWORK SOLUT	2158.3	243.8	93.6	58.9	62.9%	11.2	63.4
MSPG	MINDSPRING ENT	2123.9	247.6	114.6	80.4	70.2%	10.5	35.5
GNET	GO2NET INC	1773.9	11.3	4.8	3.8	79.2%	-2.4	-1.5
HSAC	HIGH SPEED ACC	1708.8	27.5	0.3	-0.4	-133.3%	-10	-7.2
ELNK	EARTHLINK NET	1606.9	266.2	175.8	110.7	63.0%	-59.7	26.6
VERT	VERTICALNET INC	1361.8	12.3	3.1	0.4	12.9%	-13.6	-11.7
PRGY	PRODIGY COMMS	1272.6	78.3	136.1	52.2	38.4%	-65	-68
IVIL	IVILLAGE INC	981.2	46.7	15	0.5	3.3%	-43.7	-32.2
CTIX	CHEAP TICKETS	918.6	13.2	171.1	35.5	20.7%	1.1	2
WGAT	WORLDGATE COMMS	782.8	5.6	1	-8.8	-880.0%	-27	-25.7
BYND	BEYOND.COM CORP	711.6	109.9	36.7	14	38.1%	-31.1	-29.4
XMCM	XOOM.COM INC	701.2	66.9	8.3	1.7	20.5%	-10.8	-3.6
VUSA	VALUE AMERICA	640.1	60	41.5	3.6	8.7%	-53.5	-30
JWEB	JUNO ONLINE	638.4	14.7	21.7	-7.3	-33.6%	-31.6	-20.9
SPLN	SPORTSLINE USA	592.3	137.6	30.6	13.4	43.8%	-35.5	-25.2
TSCM	THESTREET.COM	580.2	27.6	4.6	0.9	19.6%	-16.4	-15.8
CDNW	CDNOW INC	544.7	69	56.4	13.4	23.8%	-43.7	-40.4
DRIV	DIGITAL RIVER	480.5	80.3	20.9	4	19.1%	-13.8	-9
ONEM	ONEMAIN.COM INC	479.5	300.5	56.7	25.1	44.3%	-67.5	3.4
MKTW	MARKETWATCH.COM	466.2	4.5	7	4.7	67.1%	-12.4	-4.4
MQST	MAPQUEST.COM	443.3	11.4	24.7	8.2	33.2%	-3.2	-0.8
MLTX	MULTEX.COM INC	419.4	28	13.2	12.3	93.2%	-9.7	-6
BOUT	ABOUT.COM INC	366.1	15.7	3.7	0.5	13.5%	-15.6	-9.8
EWBX	EARTHWEB INC	363.4	30.5	3.3	1.2	36.4%	-9	-6.5
TGLO	THEGLOBE.COM	335.7	38	5.5	4.1	74.5%	-16	-13.5
ONSL	ONSALE INC	319.4	69.4	207.8	23.7	11.4%	-14.7	-8.8
AWEB	AUTOWEB.COM	302.4	7.2	13	12.7	97.7%	-11.5	-4.6
ABTL	AUTOBYTEL.COM	297.5	34.2	23.7	-5	-21.1%	-19.4	-16.2

## Attachment III: Financial Data for 5C Stocks

Symbol	Name	Market Cap (\$mil) Average	Total Assets (\$mil) 1998	Revenue (\$mil) 1998	Gross Profits (\$mil) 1998	Gross Margins (%)	Net Income (\$mil) 1998	Net Op. Cash (\$mil) 1998
CAIS	CAIS INTERNET	288.4	14.5	5.3	3.3	62.3%	-12.9	-3.2
PTVL	PREVIEW TRAVEL	274.1	72.1	14	9.5	67.9%	-27	-17
FLAS	FLASHNET COMMS	273.2	9.7	26.9	10.7	39.8%	-10.3	-5.2
TURF	ITURF INC	264.6	1.3	4	2.4	60.0%	0.5	0.6
COOL	CYBERIAN OUTPST	239.4	71.5	85.1	9.3	10.9%	-25.2	-25.5
CBDR	CAREERBUILDER	235.4	6	7	6.2	88.6%	-12	-9.2
UBID	UBID INC	216.2	34.5	48.2	4.2	8.7%	-10.2	-0.1
ROWE	ROWECOM INC	181.2	20.5	19.1	0.6	3.1%	-7.6	-9
LAUN	LAUNCH MEDIA	146.7	13.2	5	2.3	46.0%	-13.4	-10.9
PPOD	PEAPOD INC	144.0	43	69.3	-1.7	-2.5%	-21.6	-24.2
ALOY	ALLOY ONLINE	136.0	7.4	10.2	4.8	47.1%	-6.4	-5.3
ZIPL	Zip Link	131.6	11.2	7.1	0.8	11.3%	-8.4	-8.9
LOAX	LOG ON AMERICA	114.6	1.1	0.8	0.5	62.5%	-0.4	-0.3
EDGR	EDGAR ONLINE	113.8	0.8	2	1.1	55.0%	-2.2	-0.9
GEEK	INTERNET AMER	108.9	3.1	10.6	6.1	57.5%	1	1.8
CDOT	COMPS.COM INC	90.1	8.4	12.9	8	62.0%	-1.7	0.3
ONES	ONESOURCE INFO	83.6	27.6	30.4	18.4	60.5%	5.6	1.2
ILIF	INTELLIGNT LIFE	76.0	1.8	3.8	1	26.3%	-2.8	-2.8
AHWY	AUDIOHIGHWAY	74.9	13.5	0.1	0.9	900.0%	-5.8	-3.5
INFO	INFONAUTICS A	73.8	10.2	14.9	3.4	22.8%	-17.4	-11.7
AMEN	CROSSWALK.COM	55.7	4.9	1.1	0.6	54.5%	-3.5	-3.2
CYSP	CYBERSHOP INTL	54.4	15.4	4.8	1.3	27.1%	-7.9	-5.5
BFLY	BLUEFLY INC	51.5	7.2	0.2	-0.2	-100.0%	-3.7	-4.7
FCCN	FRONTLINE COMMS	27.7	6.3	0.6	0.1	16.7%	-1.7	-1.5

## Attachment IV - Ownership Data for 5C Stocks

Symbol	Name	Market Cap (\$mil) Average	Number of Institutional Shareholders	%Owned By Institutions
AOL	AMERICA ONLINE	108995.69	1434	53.2
YHOO	YAHOO INC	30470.83	395	21
AMZN	AMAZON COM	17467.55	278	37
EBAY	EBAY INC	13518.65	108	9.5
ATHM	AT HOME CP A	11954.26	297	19.1
PCLN	PRICELINE.COM	11067.80	9	0.1
CMGI	CMGI INC	8457.42	196	51.4
EGRP	E*TRADE GROUP	6825.74	218	38.5
AMTD	AMERITRAD HLD A	4343.11	53	7.5
ETYS	ETOYS INC	3998.92	0	0
LCOS	LYCOS INC	3756.10	256	43.5
HLTH	HEALTHION CORP	3283.97	53	7.5
PSIX	PSINET INC	3205.24	133	36.5
RTHM	RHYTHMS NETCONN	3202.49	0	0
CNET	CNET INC	2826.31	127	43.2
TMCS	TICKETMASTER B	2406.85	105	60.9
STRM	STARMEDIA NETWK	2370.46	0	0
INSP	INFOSPACE.COM	2214.28	74	15.6
SEEK	INFOSEEK CP	2198.79	157	20
NSOL	NETWORK SOLUT	2158.28	102	44.7
MSPG	MINDSPRING ENT	2123.89	163	35
GNET	GO2NET INC	1773.94	19	6.6
HSAC	HIGH SPEED ACC	1708.76	0	0
WITC	WIT CAPITAL GP	1680.15	0	0
ELNK	EARTHLINK NET	1606.93	123	37.7
ZDZ	ZDNet Group	1439.17	11	0
VERT	VERTICALNET INC	1361.84	5	0.3
PRGY	PRODIGY COMMS	1272.58	7	0.3
IVIL	IVILLAGE INC	981.22	8	0.3
CTIX	CHEAP TICKETS	918.55	0	0
WGAT	WORLDGATE COMMS	782.80	0	0
MAIL	MAIL.COM INC A	735.77	8	0.5
BYND	BEYOND.COM CORP	711.57	64	24.4
XMCM	XOOM.COM INC	701.20	37	6.8
NTBK	NETBANK INC	645.68	39	28.2
VUSA	VALUE AMERICA	640.11	0	0
JWEB	JUNO ONLINE	638.44	0	0
SPLN	SPORTSLINE USA	592.31	88	36.2
TSCM	THESTREET.COM	580.25	0	0
CDNW	CDNOW INC	544.70	51	5.4
DRIV	DIGITAL RIVER	480.45	69	25.2
ONEM	ONEMAIN.COM INC	479.52	5	1.3
MKTW	MARKETWATCH.COM	466.17	5	0.2
MQST	MAPQUEST.COM	443.29	0	0
MLTX	MULTEX.COM INC	419.39	5	1.3
BOUT	ABOUT.COM INC	366.14	5	0.1
EWBX	EARTHWEB INC	363.40	16	4.8
TGLO	THEGLOBE.COM	335.71	29	4.1

Attachment IV - Ownership Data for 5C Stocks

Symbol	Name	Market Cap (\$mil) Average	Number of Institutional Shareholders	%Owned By Institutions
ONSL	ONSALE INC	319.38	64	7.4
AWEB	AUTOWEB.COM	302.40	6	0.2
ABTL	AUTOBYTEL.COM	297.46	6	0.3
CAIS	CAIS INTERNET	288.40	0	0
PTVL	PREVIEW TRAVEL	274.06	91	46.9
FLAS	FLASHNET COMMS	273.20	4	0.4
EGGS	EGGHEAD.COM	264.70	63	17.2
TURF	ITURF INC	264.57	0	0
COOL	CYBERIAN OUTPST	239.36	30	6.5
CBDR	CAREERBUILDER	235.43	0	0
UBID	UBID INC	216.22	25	2.3
ROWE	ROWECOM INC	181.24	1	0.5
FATB	FATBRAIN.COM	164.37	15	6.5
LAUN	LAUNCH MEDIA	146.67	0	0
PPOD	PEAPOD INC	143.99	35	11.4
ALOY	ALLOY ONLINE	136.04	0	0
ZIPL	Zip Link	131.58	0	0
LOAX	LOG ON AMERICA	114.58	0	0
EDGR	EDGAR ONLINE	113.75	0	0
GEEK	INTERNET AMER	108.90	11	2.4
IFSX	INTERNET FINL	92.23	0	0
CDOT	COMPS.COM INC	90.12	0	0
ONES	ONESOURCE INFO	83.56	0	0
ILIF	INTELLIGNT LIFE	76.03	0	0
AHWY	AUDIOHIGHWAY	74.91	0	0
INFO	INFONAUTICS A	73.79	12	6.5
AMEN	CROSSWALK.COM	55.75	1	0.4
CYSP	CYBERSHOP INTL	54.45	17	20.6
BFLY	BLUEFLY INC	51.53	5	1.5
PRTM	GENESIS DIRECT	28.80	46	43.5
FCCN	FRONTLINE COMMS	27.66	0	0



## Attachment V - User Data for 5C Stocks

Symbol	Name	Market Cap (\$mil) Average	Unique Users MediaMetrix & PCData	Alexa Traffic Rank	Links (Number of Associates)	Number of Pages	Number of Days in Biz
AOL	AMERICA ONLINE	108995.69	46243	29	50717	1000	1497
YHOO	YAHOO INC	30470.83	31299	2	2000824	1000	1651
AMZN	AMAZON COM	17467.55	10831	16	2427979	1000	1728
EBAY	EBAY INC	13518.65	8262	118	912118	100	1455
ATHM	AT HOME CP A	11954.26	17192	2678	738	231	2043
PCLN	PRICELINE.COM	11067.80		3161	119	2	780
CMGI	CMGI INC	8457.42	11599	14901	562	122	1692
EGRP	E*TRADE GROUP	6825.74		243	6278	42	1729
ARBA	ARIBA INC	4686.55		21201	234	888	942
AMTD	AMERITRAD HLD A	4343.11		166100	74	56	841
ETYS	ETOYS INC	3998.92	2124	451	108512	1000	646
LCOS	LYCOS INC	3756.10	29963	28	488930	1000	1566
HLTH	HEALTHION CORP	3283.97		27707	222	34	1145
PSIX	PSINET INC	3205.24		5793	5918	937	3762
RTHM	RHYTHMS NETCONN	3202.49		31980	323	108	35869
CNET	CNET INC	2826.31	8202	82	522179	1000	1964
BNBN	BARNESANDNOBLE	2595.31	4330	629	15485	79	1449
TMCS	TICKETMASTER B	2406.85	3393	490	22238	1000	2023
STRM	STARMEDIA NETWK	2370.46		1904	2062	1	1258
DIR	DONALDSN LUF DI	2263.03		540	4139	47	815
INSP	INFOSPACE.COM	2214.28	6824	162	124873	1000	198
SEEK	INFOSEEK CP	2198.79	20864	18	439272	169	2019
NSOL	NETWORK SOLUT	2158.28		111	43282	1000	472
MSPG	MINDSPRING ENT	2123.89	4598	211	62913	1000	1383
GOTO	GOTO.COM INC	1954.25	4945	44	21317	716	104
GNET	GO2NET INC	1773.94	8484	220	116999	254	1266
HSAC	HIGH SPEED ACC	1708.76		256080	10	1	492
WITC	WIT CAPITAL GP	1680.15		1800	401	138	1218
ELNK	EARTHLINK NET	1606.93	4299	596	8722	375	1873
ZDZ	ZDNet Group	1439.17	7770	13	976502	1000	1552
NXCD	NEXTCARD INC	1403.09		980	3280	46	704
VERT	VERTICALNET INC	1361.84		20884	1372	31	1003
EELN	E-LOAN INC	1297.35		4131	1501	95	1178
PRGY	PRODIGY COMMS	1272.58	2155	2552	5488	84	2493
STMP	STAMPS.COM INC	1249.27		11837	215	32	1754
CMRC	COMMERCE ONE	1157.34		29879	145	31	863
IVIL	IVILLAGE INC	981.22	3822	657	93348	151	1463
ASKJ	ASK JEEVES INC	970.82	3965	43	16662	523	1340
CTIX	CHEAP TICKETS	918.55		1787	356	75	422
WGAT	WORLDGATE COMMS	782.80		84775	171	43	1235
MAIL	MAIL.COM INC A	735.77		924	132	19	1211
BYND	BEYOND.COM CORP	711.57	2511	406	65934	1000	104
XMCM	XOOM.COM INC	701.20	11059	282	12846	1000	976
NTBK	NETBANK INC	645.68		11614	271	10	443
VUSA	VALUE AMERICA	640.11		806	369	2	1252
JWEB	JUNO ONLINE	638.44		2001	9130	141	1682

Attachment V - User Data for 5C Stocks

Symbol	Name	Market Cap (\$mit) Average	Unique Users MediaMetrix & PCData	Alexa Traffic Rank	Links (Number of Associates)	Number of Pages	Number of Days in Biz
KOOP	DRKOOP.COM INC	632.40		705	2119	188	562
SPLN	SPORTSLINE USA	592.31		358	271413	1000	1732
TSCM	THESTREET.COM	580.25		551	4254	521	731
CDNW	CDNOW INC	544.70	3742	54	347655	1000	1910
DRIV	DIGITAL RIVER	480.45		425	88918	231	1609
ONEM	ONEMAIN.COM INC	479.52		95841	25	2	238
MKTW	MARKETWATCH.COM	466.17		251	1175656	290	739
MQST	MAPQUEST.COM	443.29	3268	89	105331	139	1299
MLTX	MULTEX.COM INC	419.39		5820	328	778	786
RAMP	RAMP NETWORKS	399.26		30773	766	500	937
INTM	INTERNET.COM	385.01	2252	2612	102862	508	187
HITS	MUSICMAKER.COM	371.71		3154	346	4	998
BOUT	ABOUT.COM INC	366.14	5337	274	81643	837	863
EWBX	EARTHWEB INC	363.40		27004	126480	21	1814
STAD	STUDENT ADVTGE	349.77		8354	12274	35	1099
TGLO	THEGLOBE.COM	335.71	3412	108	33843	1000	1258
ONSL	ONSALE INC	319.38		110	9605	205	126
AWEB	AUTOWEB.COM	302.40		834	22211	632	248
ABTL	AUTOBYTEL.COM	297.46		2577	15173	18	255
CAIS	CAIS INTERNET	288.40		14532	23140	1000	2162
ADBL	AUDIBLE INC	287.03		3231	6135	75	974
PTVL	PREVIEW TRAVEL	274.06		1475	9151	902	1155
FLAS	FLASHNET COMMS	273.20		529	3212	618	1396
EGGS	EGGHEAD.COM	264.70	3266	290	6697	30	1902
TURF	ITURF INC	264.57		53960	4	7	230
COOL	CYBERIAN OUTPST	239.36		1274	6613	65	758
CBDR	CAREERBUILDER	235.43		4485	3761	739	1245
UBID	UBID INC	216.22	2617	359	2669	35	982
PASA	QUEPASA.COM INC	212.23		4782	52	2	326
ROWE	ROWECOM INC	181.24		98243	222	11	1679
SRCH	US SEARCH.COM	181.02		3402	88518	86	1118
FATB	FATBRAIN.COM	164.37		1426	27198	752	441
LAUN	LAUNCH MEDIA	146.67		907	2293	2	2100
LINE	ONLINETRADING	144.63		136299	25	1	455
PPOD	PEAPOD INC	143.99		5061	913	144	2022
ALOY	ALLOY ONLINE	136.04		1471	567	9	856
ZIPL	Zip Link	131.58		8481	2123	89	1147
LOAX	LOG ON AMERICA	114.58		160551	274	21	2081
EDGR	EDGAR ONLINE	113.75		1466	1911679	431	1441
GEEK	INTERNET AMER	108.90		7600	2386	273	1607
IFSX	INTERNET FINL	92.23		38591	199	4	1188
CDOT	COMPS.COM INC	90.12		10386	305	235	724
SALN	SALON.COM	88.36		1527	503	72	1561
ONES	ONESOURCE INFO	83.56		26826	187	5	2081
ILIF	INTELLIGNT LIFE	76.03		1457	103996	421	1603
AHWY	AUDIOHIGHWAY	74.91		1803	300	6	931
INFO	INFONAUTICS A	73.79		48498	36709	37	2245

Attachment V - User Data for 5C Stocks

Symbol	Name	Market Cap (\$mil) Average	Unique Users MediaMetrix & PCData	Alexa Traffic Rank	Links (Number of Associates)	Number of Pages	Number of Days in Biz
BIZZ	BIZNESSONLINE	61.67		248838	1	1	82
AMEN	CROSSWALK.COM	55.75		149153	1010	53	1561
CYSP	CYBERSHOP INTL	54.45		11223	1703	8	1770
FASH	FASHIONMALL.COM	52.51		4108	6251	1000	1576
BFLY	BLUEFLY INC	51.53		2360	251	1	439
TPN	TOWNPAGESNET.CO	50.58		54881	142	21	1355
GENI	GENESISINTMEDIA	33.36		302103	33	14	395
PRTM	GENESIS DIRECT	28.80		20325	105	3	1462
FCCN	FRONTLINE COMMS	27.66		232576	29	1	151

### Attachment VI - Bivariate Regression Market Cap vs. Assets

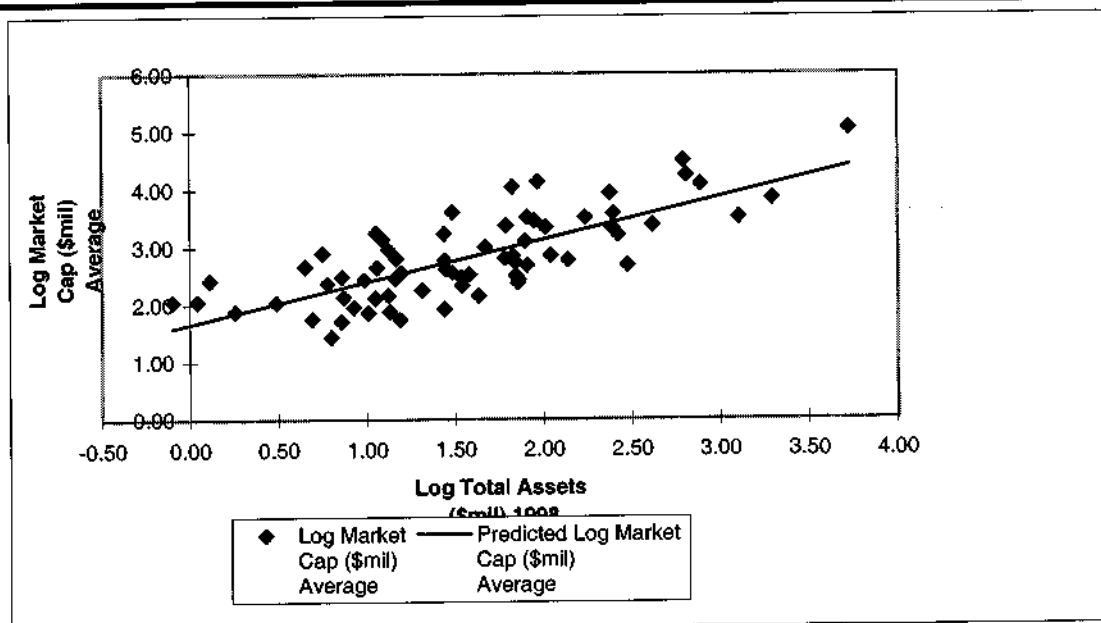
SUMMARY OUTPUT

Regression Statistics	
Multiple R	7.65E-01
R Square	5.85E-01
Adjusted R Square	5.79E-01
Standard Error	4.80E-01
Observations	7.00E+01

ANOVA

	df	SS	MS	F	Significance F
Regression	1.00E+00	2.21E+01	2.21E+01	9.59E+01	1.29E-14
Residual	6.80E+01	1.57E+01	2.30E-01		
Total	6.90E+01	3.77E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	1.67E+00	1.31E-01	1.27E+01	1.21E-19	1.41E+00	1.93E+00	1.41E+00	1.93E+00
Log Total Assets (\$mil) 1998	7.31E-01	7.47E-02	9.79E+00	1.29E-14	5.82E-01	8.80E-01	5.82E-01	8.80E-01



Attachment VI - Bivariate Regression  
Market Cap vs. Assets

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	4.40E+00	6.42E-01
2.00E+00	3.71E+00	7.72E-01
3.00E+00	3.73E+00	5.17E-01
4.00E+00	3.11E+00	1.02E+00
5.00E+00	3.78E+00	2.93E-01
6.00E+00	3.00E+00	1.04E+00
7.00E+00	3.41E+00	5.21E-01
8.00E+00	4.08E+00	-2.44E-01
9.00E+00	2.78E+00	8.45E-01
1.00E+01	3.42E+00	1.54E-01
1.10E+01	3.06E+00	4.56E-01
1.20E+01	3.94E+00	-4.36E-01
1.30E+01	3.30E+00	2.02E-01
1.40E+01	3.09E+00	3.59E-01
1.50E+01	3.58E+00	-2.03E-01
1.60E+01	2.97E+00	4.00E-01
1.70E+01	3.14E+00	2.06E-01
1.80E+01	3.14E+00	2.05E-01
1.90E+01	3.41E+00	-8.06E-02
2.00E+01	3.42E+00	-9.25E-02
2.10E+01	2.44E+00	8.10E-01
2.20E+01	2.72E+00	5.11E-01
2.30E+01	3.44E+00	-2.37E-01
2.40E+01	2.47E+00	6.68E-01
2.50E+01	3.05E+00	5.07E-02
2.60E+01	2.89E+00	1.02E-01
2.70E+01	2.49E+00	4.74E-01
2.80E+01	2.22E+00	6.77E-01
2.90E+01	3.16E+00	-3.09E-01
3.00E+01	3.00E+00	-1.58E-01
3.10E+01	2.97E+00	-1.63E-01
3.20E+01	2.52E+00	2.82E-01
3.30E+01	3.23E+00	-4.60E-01
3.40E+01	2.72E+00	4.08E-02
3.50E+01	3.01E+00	-2.78E-01
3.60E+01	3.06E+00	-3.80E-01
3.70E+01	3.48E+00	-8.00E-01
3.80E+01	2.15E+00	5.22E-01
3.90E+01	2.44E+00	2.05E-01
4.00E+01	2.73E+00	-1.05E-01
4.10E+01	2.54E+00	2.00E-02
4.20E+01	2.75E+00	-1.94E-01
4.30E+01	2.82E+00	-2.98E-01
4.40E+01	3.02E+00	-5.11E-01
4.50E+01	2.30E+00	1.84E-01
4.60E+01	2.79E+00	-3.18E-01
4.70E+01	2.52E+00	-5.85E-02
4.80E+01	3.03E+00	-5.90E-01
4.90E+01	2.39E+00	4.57E-02
5.00E+01	1.75E+00	6.70E-01
5.10E+01	3.03E+00	-6.46E-01
5.20E+01	2.24E+00	1.34E-01
5.30E+01	2.79E+00	-4.59E-01

Attachment VI - Bivariate Regression  
Market Cap vs. Assets

5.40E+01	2.63E+00	-3.70E-01
5.50E+01	2.49E+00	-3.22E-01
5.60E+01	2.86E+00	-7.05E-01
5.70E+01	2.30E+00	-1.71E-01
5.80E+01	2.44E+00	-3.17E-01
5.90E+01	1.70E+00	3.60E-01
6.00E+01	1.60E+00	4.58E-01
6.10E+01	2.03E+00	8.53E-03
6.20E+01	2.35E+00	-3.90E-01
6.30E+01	2.72E+00	-8.01E-01
6.40E+01	1.86E+00	2.51E-02
6.50E+01	2.50E+00	-6.21E-01
6.60E+01	2.41E+00	-5.39E-01
6.70E+01	2.17E+00	-4.28E-01
6.80E+01	2.54E+00	-8.02E-01
6.90E+01	2.30E+00	-5.84E-01
7.00E+01	2.25E+00	-8.12E-01

---

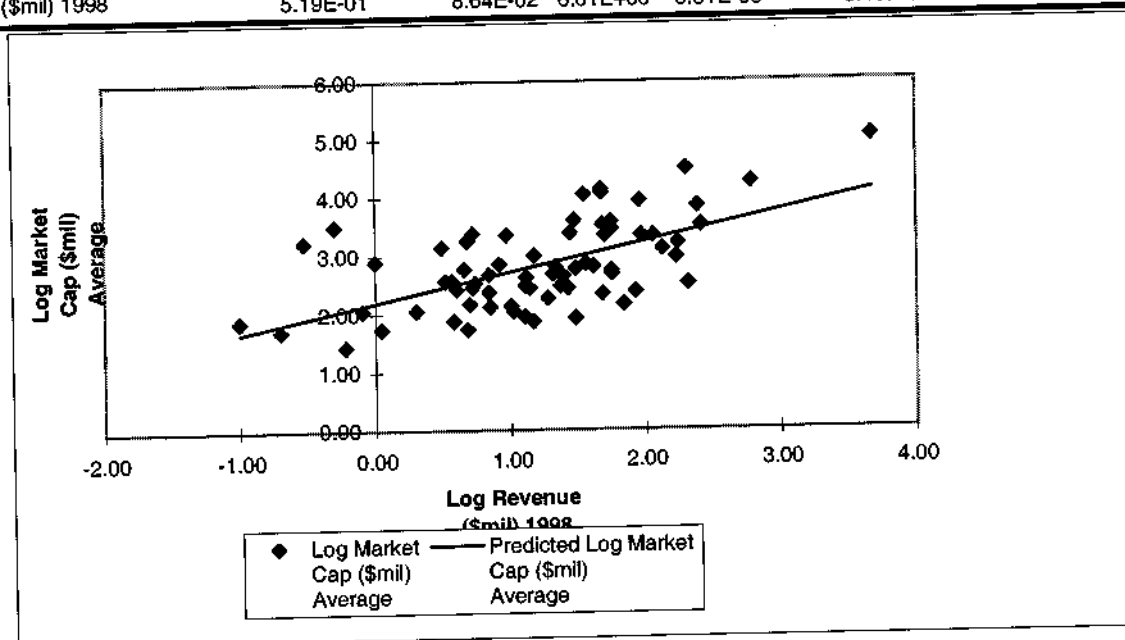
## Attachment VI - Bivariate Regression Market Cap vs. Revenue

### SUMMARY OUTPUT

Regression Statistics	
Multiple R	5.89E-01
R Square	3.47E-01
Adjusted R Square	3.37E-01
Standard Error	6.02E-01
Observations	7.00E+01

ANOVA					
	df	SS	MS	F	Significance F
Regression	1.00E+00	1.31E+01	1.31E+01	3.61E+01	8.31E-08
Residual	6.80E+01	2.46E+01	3.62E-01		
Total	6.90E+01	3.77E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	2.20E+00	1.27E-01	1.73E+01	1.44E-26	1.94E+00	2.45E+00	1.94E+00	2.45E+00
Log Revenue (\$mil) 1998	5.19E-01	8.64E-02	6.01E+00	8.31E-08	3.46E-01	6.91E-01	3.46E-01	6.91E-01



Attachment VI - Bivariate Regression  
Market Cap vs. Revenue

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	4.10E+00	9.33E-01
2.00E+00	3.39E+00	1.09E+00
3.00E+00	3.64E+00	6.02E-01
4.00E+00	3.07E+00	1.07E+00
5.00E+00	3.07E+00	1.01E+00
6.00E+00	3.00E+00	1.05E+00
7.00E+00	3.21E+00	7.14E-01
8.00E+00	3.44E+00	3.99E-01
9.00E+00	2.96E+00	6.40E-01
1.00E+01	3.10E+00	4.72E-01
1.10E+01	3.07E+00	4.45E-01
1.20E+01	3.45E+00	5.78E-02
1.30E+01	2.04E+00	1.47E+00
1.40E+01	3.10E+00	3.47E-01
1.50E+01	2.95E+00	4.36E-01
1.60E+01	2.57E+00	8.03E-01
1.70E+01	2.70E+00	6.45E-01
1.80E+01	3.08E+00	2.62E-01
1.90E+01	3.22E+00	1.16E-01
2.00E+01	3.26E+00	6.32E-02
2.10E+01	2.55E+00	7.00E-01
2.20E+01	1.92E+00	1.31E+00
2.30E+01	3.36E+00	-1.54E-01
2.40E+01	2.45E+00	6.83E-01
2.50E+01	3.30E+00	-1.98E-01
2.60E+01	2.81E+00	1.86E-01
2.70E+01	3.35E+00	-3.91E-01
2.80E+01	2.20E+00	6.98E-01
2.90E+01	3.01E+00	-1.55E-01
3.00E+01	2.67E+00	1.73E-01
3.10E+01	3.04E+00	-2.29E-01
3.20E+01	2.89E+00	-8.40E-02
3.30E+01	2.97E+00	-1.94E-01
3.40E+01	2.54E+00	2.24E-01
3.50E+01	3.10E+00	-3.68E-01
3.60E+01	2.88E+00	-1.99E-01
3.70E+01	3.11E+00	-4.25E-01
3.80E+01	2.63E+00	3.43E-02
3.90E+01	2.92E+00	-2.72E-01
4.00E+01	2.78E+00	-1.54E-01
4.10E+01	2.49E+00	7.30E-02
4.20E+01	2.46E+00	9.55E-02
4.30E+01	2.58E+00	-5.40E-02
4.40E+01	3.40E+00	-8.94E-01
4.50E+01	2.77E+00	-2.93E-01
4.60E+01	2.91E+00	-4.36E-01
4.70E+01	2.57E+00	-1.12E-01
4.80E+01	2.79E+00	-3.53E-01
4.90E+01	2.94E+00	-5.01E-01
5.00E+01	2.51E+00	-8.56E-02
5.10E+01	3.20E+00	-8.18E-01
5.20E+01	2.63E+00	-2.62E-01
5.30E+01	3.07E+00	-7.34E-01



Attachment VI - Bivariate Regression  
Market Cap vs. Revenue

5.40E+01	2.86E+00	-6.02E-01
5.50E+01	2.56E+00	-3.92E-01
5.60E+01	3.15E+00	-9.92E-01
5.70E+01	2.72E+00	-5.85E-01
5.80E+01	2.64E+00	-5.18E-01
5.90E+01	2.15E+00	-8.66E-02
6.00E+01	2.35E+00	-2.96E-01
6.10E+01	2.73E+00	-6.91E-01
6.20E+01	2.77E+00	-8.17E-01
6.30E+01	2.97E+00	-1.04E+00
6.40E+01	2.50E+00	-6.16E-01
6.50E+01	1.68E+00	1.97E-01
6.60E+01	2.80E+00	-9.36E-01
6.70E+01	2.22E+00	-4.71E-01
6.80E+01	2.55E+00	-8.13E-01
6.90E+01	1.83E+00	-1.21E-01
7.00E+01	2.08E+00	-6.39E-01

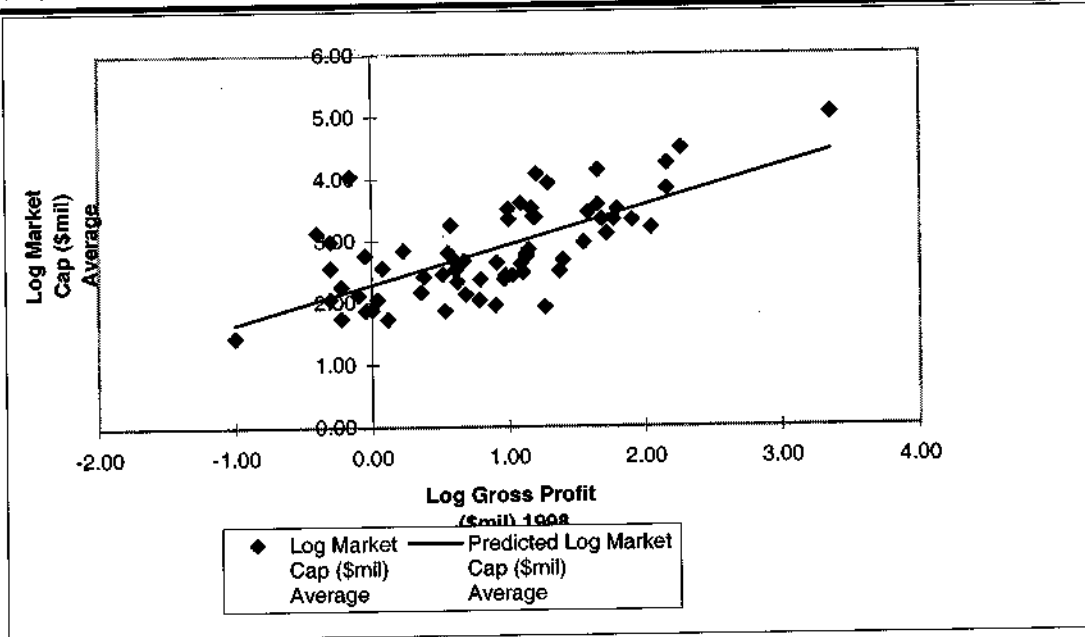
Attachment VI - Bivariate Regression  
Market Cap vs. GrossProfit

SUMMARY OUTPUT

Regression Statistics	
Multiple R	6.81E-01
R Square	4.63E-01
Adjusted R Square	4.55E-01
Standard Error	5.56E-01
Observations	6.40E+01

ANOVA					
	df	SS	MS	F	Significance F
Regression	1.00E+00	1.65E+01	1.65E+01	5.35E+01	6.10E-10
Residual	6.20E+01	1.92E+01	3.09E-01		
Total	6.30E+01	3.57E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	2.29E+00	1.03E-01	2.22E+01	3.37E-31	2.09E+00	2.50E+00	2.09E+00	2.50E+00
Log Gross Profits (\$mil) 1998	6.40E-01	8.74E-02	7.32E+00	6.10E-10	4.65E-01	8.14E-01	4.65E-01	8.14E-01



Attachment VI - Bivariate Regression  
Market Cap vs. GrossProfit

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	1.65E+00	-2.11E-01
2.00E+00	2.04E+00	1.10E+00
3.00E+00	2.10E+00	8.92E-01
4.00E+00	2.10E+00	4.64E-01
5.00E+00	2.10E+00	-4.08E-02
6.00E+00	2.15E+00	-4.04E-01
7.00E+00	2.15E+00	1.08E-01
8.00E+00	2.19E+00	1.85E+00
9.00E+00	2.23E+00	-1.11E-01
1.00E+01	2.26E+00	5.00E-01
1.10E+01	2.26E+00	-3.89E-01
1.20E+01	2.29E+00	-4.11E-01
1.30E+01	2.32E+00	-2.63E-01
1.40E+01	2.34E+00	2.17E-01
1.50E+01	2.37E+00	-6.29E-01
1.60E+01	2.44E+00	4.06E-01
1.70E+01	2.52E+00	-3.57E-01
1.80E+01	2.54E+00	-1.13E-01
1.90E+01	2.62E+00	-1.64E-01
2.00E+01	2.63E+00	-7.64E-01
2.10E+01	2.65E+00	1.58E-01
2.20E+01	2.66E+00	5.86E-01
2.30E+01	2.68E+00	4.12E-03
2.40E+01	2.68E+00	-1.58E-01
2.50E+01	2.69E+00	-3.56E-01
2.60E+01	2.72E+00	-5.38E-02
2.70E+01	2.73E+00	-5.95E-01
2.80E+01	2.79E+00	-7.58E-01
2.90E+01	2.80E+00	-4.27E-01
3.00E+01	2.87E+00	-9.15E-01
3.10E+01	2.88E+00	-2.30E-01
3.20E+01	2.91E+00	-5.33E-01
3.30E+01	2.92E+00	-4.80E-01
3.40E+01	2.93E+00	5.76E-01
3.50E+01	2.93E+00	4.13E-01
3.60E+01	2.95E+00	-5.14E-01
3.70E+01	2.99E+00	6.12E-01
3.80E+01	2.99E+00	-3.67E-01
3.90E+01	3.00E+00	-5.18E-01
4.00E+01	3.01E+00	-2.41E-01
4.10E+01	3.01E+00	-2.77E-01
4.20E+01	3.03E+00	-1.73E-01
4.30E+01	3.04E+00	4.77E-01
4.40E+01	3.05E+00	3.33E-01
4.50E+01	3.06E+00	3.17E-01
4.60E+01	3.06E+00	1.01E+00
4.70E+01	3.10E+00	-1.18E+00
4.80E+01	3.12E+00	8.10E-01
4.90E+01	3.17E+00	-6.67E-01
5.00E+01	3.19E+00	-5.07E-01
5.10E+01	3.28E+00	-3.21E-01
5.20E+01	3.31E+00	1.45E-01
5.30E+01	3.35E+00	7.80E-01

Attachment VI - Bivariate Regression  
Market Cap vs. GrossProfit

5.40E+01	3.35E+00	2.24E-01
5.50E+01	3.37E+00	-2.68E-02
5.60E+01	3.39E+00	-2.86E-01
5.70E+01	3.42E+00	-9.05E-02
5.80E+01	3.44E+00	6.43E-02
5.90E+01	3.51E+00	-1.84E-01
6.00E+01	3.60E+00	-3.94E-01
6.10E+01	3.68E+00	5.66E-01
6.20E+01	3.68E+00	1.57E-01
6.30E+01	3.74E+00	7.42E-01
6.40E+01	4.44E+00	5.98E-01

---

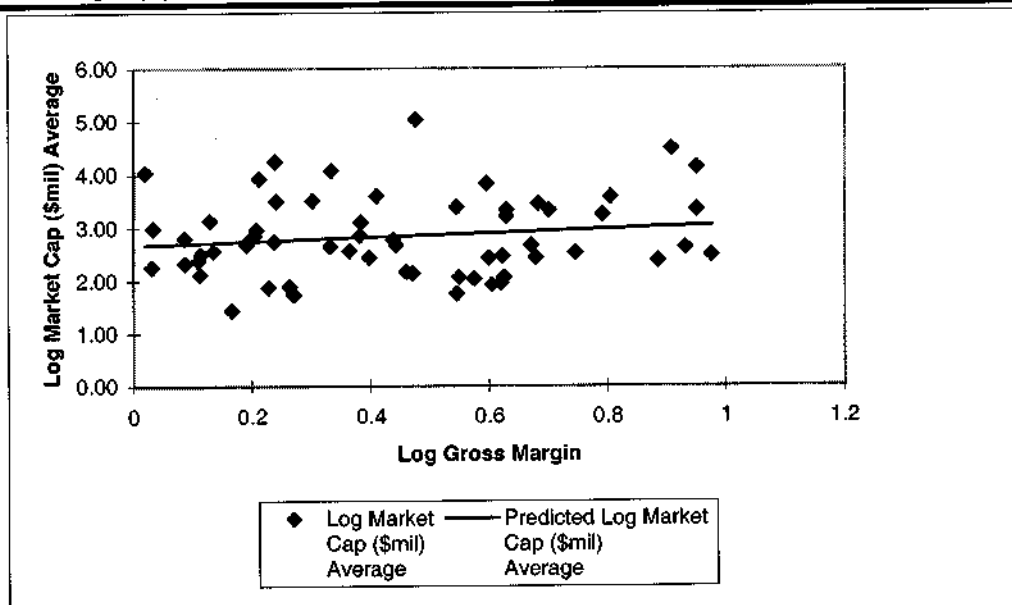
## Attachment VI - Bivariate Regression Market Cap vs. GrossMargin

### SUMMARY OUTPUT

Regression Statistics	
Multiple R	1.36E-01
R Square	1.84E-02
Adjusted R Square	1.51E-03
Standard Error	7.56E-01
Observations	6.00E+01

ANOVA					
	df	SS	MS	F	Significance F
Regression	1.00E+00	6.23E-01	6.23E-01	1.09E+00	3.01E-01
Residual	5.80E+01	3.32E+01	5.72E-01		
Total	5.90E+01	3.38E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	2.67E+00	1.89E-01	1.41E+01	1.91E-20	2.29E+00	3.05E+00	2.29E+00	3.05E+00
Gross Margins (%)	3.82E-01	3.66E-01	1.04E+00	3.01E-01	-3.50E-01	1.11E+00	-3.50E-01	1.11E+00



Attachment VI - Bivariate Regression  
Market Cap vs. GrossMargin

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	2.68E+00	1.37E+00
2.00E+00	2.68E+00	-4.25E-01
3.00E+00	2.68E+00	3.08E-01
4.00E+00	2.70E+00	1.02E-01
5.00E+00	2.70E+00	-3.69E-01
6.00E+00	2.71E+00	-3.34E-01
7.00E+00	2.71E+00	-5.95E-01
8.00E+00	2.71E+00	-2.10E-01
9.00E+00	2.72E+00	4.14E-01
1.00E+01	2.72E+00	-1.59E-01
1.10E+01	2.73E+00	-1.29E+00
1.20E+01	2.74E+00	-6.25E-02
1.30E+01	2.75E+00	1.78E-02
1.40E+01	2.75E+00	9.66E-02
1.50E+01	2.75E+00	2.13E-01
1.60E+01	2.75E+00	1.17E+00
1.70E+01	2.76E+00	-8.90E-01
1.80E+01	2.76E+00	-2.56E-02
1.90E+01	2.76E+00	1.48E+00
2.00E+01	2.76E+00	7.43E-01
2.10E+01	2.77E+00	-8.91E-01
2.20E+01	2.77E+00	-1.04E+00
2.30E+01	2.79E+00	7.30E-01
2.40E+01	2.80E+00	-1.51E-01
2.50E+01	2.80E+00	1.28E+00
2.60E+01	2.81E+00	-2.50E-01
2.70E+01	2.82E+00	3.55E-02
2.80E+01	2.82E+00	2.87E-01
2.90E+01	2.82E+00	-3.86E-01
3.00E+01	2.83E+00	7.74E-01
3.10E+01	2.84E+00	-6.57E-02
3.20E+01	2.84E+00	-1.59E-01
3.30E+01	2.85E+00	-6.80E-01
3.40E+01	2.85E+00	-7.17E-01
3.50E+01	2.85E+00	2.18E+00
3.60E+01	2.88E+00	5.02E-01
3.70E+01	2.88E+00	-1.13E+00
3.80E+01	2.88E+00	-8.25E-01
3.90E+01	2.89E+00	-8.54E-01
4.00E+01	2.90E+00	9.36E-01
4.10E+01	2.90E+00	-4.78E-01
4.20E+01	2.90E+00	-9.80E-01
4.30E+01	2.91E+00	-9.53E-01
4.40E+01	2.91E+00	-4.49E-01
4.50E+01	2.91E+00	-8.51E-01
4.60E+01	2.91E+00	4.23E-01
4.70E+01	2.91E+00	2.95E-01
4.80E+01	2.93E+00	-2.59E-01
4.90E+01	2.93E+00	-4.92E-01
5.00E+01	2.93E+00	5.20E-01
5.10E+01	2.94E+00	3.88E-01
5.20E+01	2.96E+00	-4.30E-01
5.30E+01	2.97E+00	2.76E-01

Attachment VI - Bivariate Regression  
Market Cap vs. GrossMargin

5.40E+01	2.98E+00	5.96E-01
5.50E+01	3.01E+00	-6.37E-01
5.60E+01	3.02E+00	1.47E+00
5.70E+01	3.03E+00	-4.04E-01
5.80E+01	3.03E+00	3.08E-01
5.90E+01	3.03E+00	1.10E+00
6.00E+01	3.04E+00	-5.63E-01

---

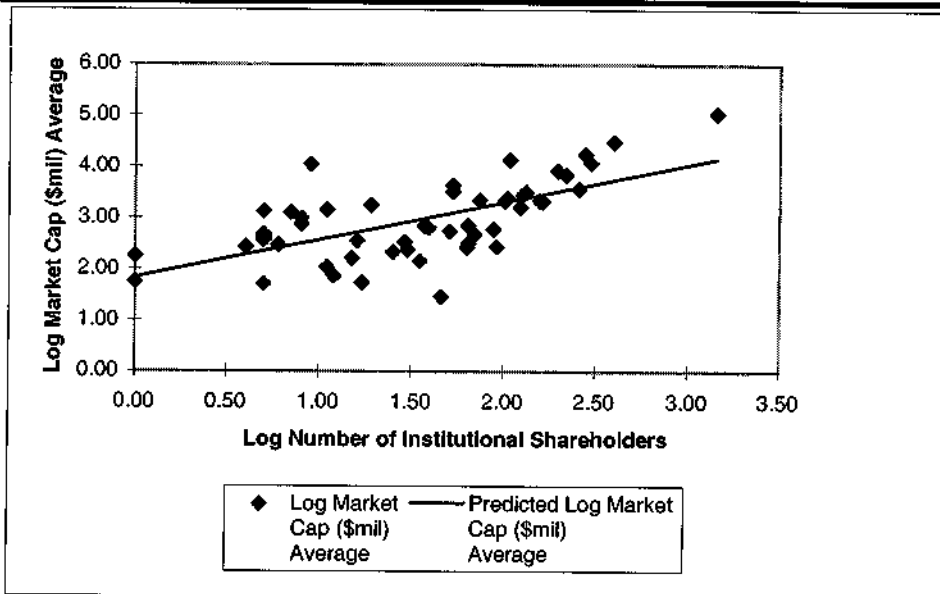
Attachment VI - Bivariate Regression  
Market Cap vs. Institutional\_Shareholders

SUMMARY OUTPUT

Regression Statistics	
Multiple R	6.60E-01
R Square	4.35E-01
Adjusted R Square	4.24E-01
Standard Error	5.73E-01
Observations	5.40E+01

ANOVA					
	df	SS	MS	F	Significance F
Regression	1.00E+00	1.31E+01	1.31E+01	4.00E+01	5.82E-08
Residual	5.20E+01	1.71E+01	3.28E-01		
Total	5.30E+01	3.02E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	1.84E+00	1.91E-01	9.64E+00	3.68E-13	1.46E+00	2.22E+00	1.46E+00	2.22E+00
Log Number of Institutional Shareholders	7.32E-01	1.16E-01	6.33E+00	5.82E-08	5.00E-01	9.64E-01	5.00E-01	9.64E-01





Attachment VI - Bivariate Regression  
Market Cap vs. Institutional\_Shareholders

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	1.84E+00	4.19E-01
2.00E+00	1.84E+00	-9.33E-02
3.00E+00	2.28E+00	1.56E-01
4.00E+00	2.35E+00	7.83E-01
5.00E+00	2.35E+00	3.30E-01
6.00E+00	2.35E+00	3.18E-01
7.00E+00	2.35E+00	2.72E-01
8.00E+00	2.35E+00	2.13E-01
9.00E+00	2.35E+00	-6.39E-01
1.00E+01	2.41E+00	7.17E-02
1.10E+01	2.41E+00	6.45E-02
1.20E+01	2.46E+00	6.47E-01
1.30E+01	2.50E+00	4.91E-01
1.40E+01	2.50E+00	3.66E-01
1.50E+01	2.54E+00	1.51E+00
1.60E+01	2.60E+00	5.57E-01
1.70E+01	2.60E+00	-5.64E-01
1.80E+01	2.63E+00	-7.61E-01
1.90E+01	2.70E+00	-4.84E-01
2.00E+01	2.72E+00	-1.60E-01
2.10E+01	2.74E+00	-1.00E+00
2.20E+01	2.78E+00	4.74E-01
2.30E+01	2.86E+00	-5.27E-01
2.40E+01	2.91E+00	-3.84E-01
2.50E+01	2.92E+00	-5.41E-01
2.60E+01	2.97E+00	-8.11E-01
2.70E+01	2.99E+00	-1.41E-01
2.80E+01	3.00E+00	-1.94E-01
2.90E+01	3.06E+00	-1.60E+00
3.00E+01	3.09E+00	-3.53E-01
3.10E+01	3.10E+00	5.37E-01
3.20E+01	3.10E+00	4.15E-01
3.30E+01	3.16E+00	-7.33E-01
3.40E+01	3.16E+00	-3.09E-01
3.50E+01	3.16E+00	-6.57E-01
3.60E+01	3.18E+00	-5.03E-01
3.70E+01	3.21E+00	1.38E-01
3.80E+01	3.26E+00	-4.90E-01
3.90E+01	3.27E+00	-8.35E-01
4.00E+01	3.31E+00	2.50E-02
4.10E+01	3.32E+00	6.31E-02
4.20E+01	3.33E+00	8.04E-01
4.30E+01	3.37E+00	-1.63E-01
4.40E+01	3.38E+00	7.24E-02
4.50E+01	3.39E+00	1.12E-01
4.60E+01	3.45E+00	-1.04E-01
4.70E+01	3.46E+00	-1.31E-01
4.80E+01	3.52E+00	4.11E-01
4.90E+01	3.55E+00	2.84E-01
5.00E+01	3.60E+00	-2.68E-02
5.10E+01	3.63E+00	6.14E-01
5.20E+01	3.65E+00	4.29E-01

Attachment VI - Bivariate Regression  
Market Cap vs. Institutional\_Shareholders

5.30E+01	3.74E+00	7.45E-01
5.40E+01	4.15E+00	8.88E-01

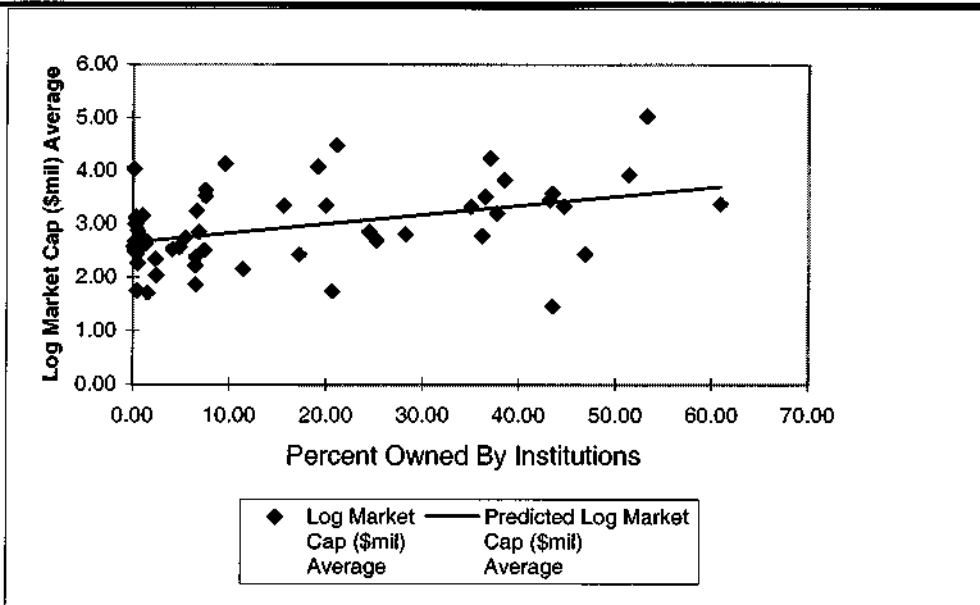
Attachment VI - Bivariate Regression  
Market Cap vs. Shares\_By\_Institutions

SUMMARY OUTPUT

Regression Statistics	
Multiple R	4.10E-01
R Square	1.68E-01
Adjusted R Square	1.52E-01
Standard Error	6.95E-01
Observations	5.40E+01

ANOVA					
	df	SS	MS	F	Significance F
Regression	1.00E+00	5.06E+00	5.06E+00	1.05E+01	2.10E-03
Residual	5.20E+01	2.51E+01	4.83E-01		
Total	5.30E+01	3.02E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	2.65E+00	1.30E-01	2.04E+01	1.81E-26	2.39E+00	2.91E+00	2.39E+00	2.91E+00
%Owned By Institutions	1.73E-02	5.34E-03	3.24E+00	2.10E-03	6.57E-03	2.80E-02	6.57E-03	2.80E-02



Attachment VI - Bivariate Regression  
Market Cap vs. Shares\_By\_Institutions

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mit) Average</i>	<i>Residuals</i>
1.00E+00	2.66E+00	-4.04E-01
2.00E+00	2.66E+00	-9.14E-01
3.00E+00	2.66E+00	-2.24E-01
4.00E+00	2.66E+00	4.76E-01
5.00E+00	2.68E+00	5.20E-03
6.00E+00	2.66E+00	1.20E-02
7.00E+00	2.68E+00	-5.30E-02
8.00E+00	2.65E+00	-9.12E-02
9.00E+00	2.68E+00	-9.67E-01
1.00E+01	2.66E+00	-1.76E-01
1.10E+01	2.66E+00	-1.85E-01
1.20E+01	2.66E+00	4.46E-01
1.30E+01	2.66E+00	3.33E-01
1.40E+01	2.66E+00	2.05E-01
1.50E+01	2.65E+00	1.39E+00
1.60E+01	2.67E+00	4.88E-01
1.70E+01	2.69E+00	-6.58E-01
1.80E+01	2.77E+00	-8.97E-01
1.90E+01	2.77E+00	-5.50E-01
2.00E+01	2.74E+00	-1.76E-01
2.10E+01	3.01E+00	-1.27E+00
2.20E+01	2.77E+00	4.82E-01
2.30E+01	2.69E+00	-3.58E-01
2.40E+01	2.72E+00	-1.98E-01
2.50E+01	2.77E+00	-3.86E-01
2.60E+01	2.85E+00	-6.92E-01
2.70E+01	2.77E+00	7.52E-02
2.80E+01	3.14E+00	-3.31E-01
2.90E+01	3.41E+00	-1.95E+00
3.00E+01	2.75E+00	-1.03E-02
3.10E+01	2.78E+00	8.55E-01
3.20E+01	2.78E+00	7.34E-01
3.30E+01	2.95E+00	-5.28E-01
3.40E+01	3.07E+00	-2.23E-01
3.50E+01	2.78E+00	-2.77E-01
3.60E+01	3.09E+00	-4.07E-01
3.70E+01	2.92E+00	4.22E-01
3.80E+01	3.28E+00	-5.06E-01
3.90E+01	3.46E+00	-1.03E+00
4.00E+01	3.43E+00	-9.17E-02
4.10E+01	3.71E+00	-3.24E-01
4.20E+01	2.82E+00	1.31E+00
4.30E+01	3.30E+00	-9.88E-02
4.40E+01	3.40E+00	5.14E-02
4.50E+01	3.28E+00	2.22E-01
4.60E+01	3.00E+00	3.43E-01
4.70E+01	3.26E+00	6.90E-02
4.80E+01	3.54E+00	3.86E-01
4.90E+01	3.32E+00	5.16E-01
5.00E+01	3.41E+00	1.70E-01
5.10E+01	3.29E+00	9.50E-01
5.20E+01	2.98E+00	1.09E+00

Attachment VI - Bivariate Regression  
Market Cap vs. Shares\_ByInstitutions

5.30E+01	3.02E+00	1.47E+00
5.40E+01	3.57E+00	1.46E+00

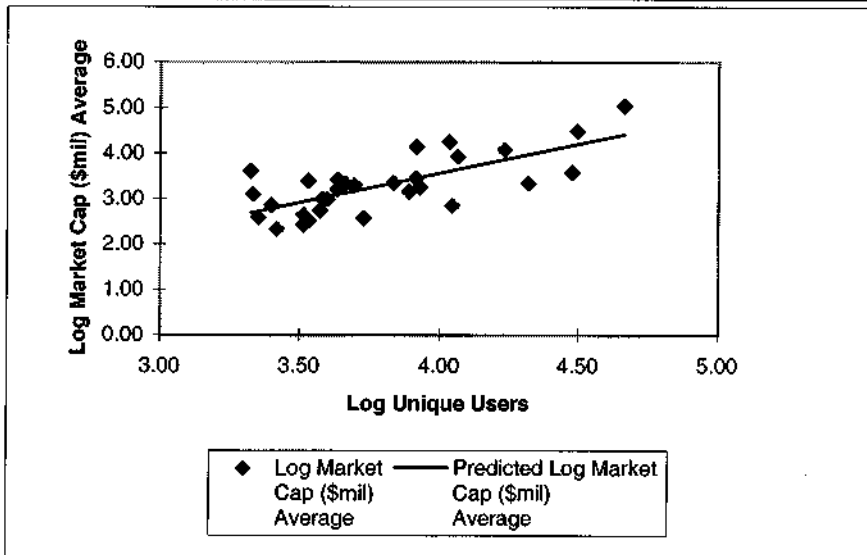
Attachment VI - Bivariate Regression  
Market Cap vs. Users

SUMMARY OUTPUT

Regression Statistics	
Multiple R	7.33E-01
R Square	5.37E-01
Adjusted R Square	5.21E-01
Standard Error	4.45E-01
Observations	3.00E+01

ANOVA					
	df	SS	MS	F	Significance F
Regression	1.00E+00	6.43E+00	6.43E+00	3.25E+01	4.12E-06
Residual	2.80E+01	5.54E+00	1.98E-01		
Total	2.90E+01	1.20E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-1.60E+00	8.62E-01	-1.85E+00	7.44E-02	-3.36E+00	1.68E-01	-3.36E+00	1.68E-01
Log Unique Users MediaMetrix & PCData	1.29E+00	2.26E-01	5.70E+00	4.12E-06	8.26E-01	1.75E+00	8.26E-01	1.75E+00



Attachment VI - Bivariate Regression  
Market Cap vs. Users

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	2.69E+00	9.11E-01
2.00E+00	2.70E+00	4.05E-01
3.00E+00	2.72E+00	-1.39E-01
4.00E+00	2.79E+00	6.69E-02
5.00E+00	2.81E+00	-4.74E-01
6.00E+00	2.93E+00	-5.10E-01
7.00E+00	2.93E+00	-2.86E-01
8.00E+00	2.95E+00	4.28E-01
9.00E+00	2.96E+00	-4.31E-01
1.00E+01	3.01E+00	-2.72E-01
1.10E+01	3.02E+00	-2.87E-02
1.20E+01	3.04E+00	-5.39E-02
1.30E+01	3.09E+00	1.20E-01
1.40E+01	3.09E+00	3.24E-01
1.50E+01	3.12E+00	2.03E-01
1.60E+01	3.16E+00	1.26E-01
1.70E+01	3.21E+00	-6.44E-01
1.80E+01	3.34E+00	2.40E-04
1.90E+01	3.42E+00	-2.60E-01
2.00E+01	3.45E+00	3.24E-03
2.10E+01	3.45E+00	6.79E-01
2.20E+01	3.47E+00	-2.18E-01
2.30E+01	3.60E+00	6.39E-01
2.40E+01	3.62E+00	-7.69E-01
2.50E+01	3.64E+00	2.85E-01
2.60E+01	3.86E+00	2.15E-01
2.70E+01	3.97E+00	-6.29E-01
2.80E+01	4.17E+00	-5.99E-01
2.90E+01	4.20E+00	2.86E-01
3.00E+01	4.42E+00	6.21E-01

Attachment VI - Bivariate Regression  
Market Cap vs. TrafficRank

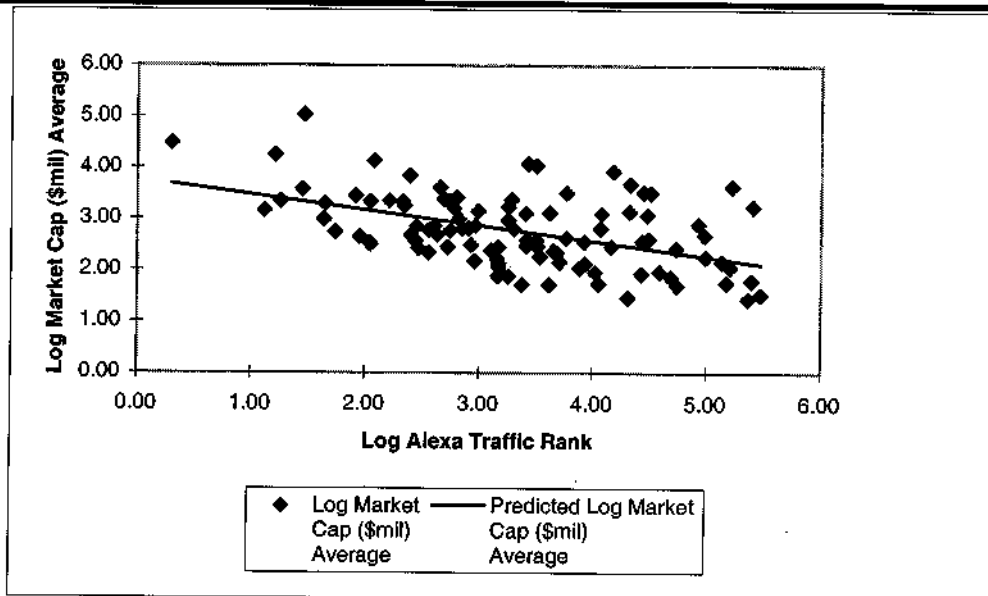
SUMMARY OUTPUT

Regression Statistics	
Multiple R	4.74E-01
R Square	2.25E-01
Adjusted R Square	2.17E-01
Standard Error	6.27E-01
Observations	1.02E+02

ANOVA

	df	SS	MS	F	Significance F
Regression	1.00E+00	1.14E+01	1.14E+01	2.90E+01	4.72E-07
Residual	1.00E+02	3.93E+01	3.93E-01		
Total	1.01E+02	5.07E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	3.77E+00	1.97E-01	1.91E+01	3.39E-35	3.38E+00	4.16E+00	3.38E+00	4.16E+00
Log Alexa Traffic Rank	-3.02E-01	5.61E-02	-5.39E+00	4.72E-07	-4.13E-01	-1.91E-01	-4.13E-01	-1.91E-01





Attachment VI - Bivariate Regression  
Market Cap vs. TrafficRank

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	3.33E+00	1.71E+00
2.00E+00	3.68E+00	8.06E-01
3.00E+00	3.41E+00	8.37E-01
4.00E+00	3.14E+00	9.88E-01
5.00E+00	2.73E+00	1.34E+00
6.00E+00	2.71E+00	1.33E+00
7.00E+00	2.51E+00	1.42E+00
8.00E+00	3.05E+00	7.86E-01
9.00E+00	2.46E+00	1.21E+00
1.00E+01	2.19E+00	1.45E+00
1.10E+01	2.97E+00	6.35E-01
1.20E+01	3.33E+00	2.43E-01
1.30E+01	2.43E+00	1.09E+00
1.40E+01	2.63E+00	8.74E-01
1.50E+01	2.41E+00	1.10E+00
1.60E+01	3.19E+00	2.61E-01
1.70E+01	2.92E+00	4.91E-01
1.80E+01	2.96E+00	4.26E-01
1.90E+01	2.78E+00	5.97E-01
2.00E+01	2.94E+00	4.12E-01
2.10E+01	3.10E+00	2.44E-01
2.20E+01	3.39E+00	-4.74E-02
2.30E+01	3.15E+00	1.83E-01
2.40E+01	3.07E+00	2.61E-01
2.50E+01	3.27E+00	1.87E-02
2.60E+01	3.06E+00	1.88E-01
2.70E+01	2.13E+00	1.10E+00
2.80E+01	2.79E+00	4.40E-01
2.90E+01	2.93E+00	2.76E-01
3.00E+01	3.43E+00	-2.74E-01
3.10E+01	2.86E+00	2.82E-01
3.20E+01	2.46E+00	6.71E-01
3.30E+01	2.68E+00	4.37E-01
3.40E+01	2.74E+00	3.65E-01
3.50E+01	2.54E+00	5.59E-01
3.60E+01	2.42E+00	6.47E-01
3.70E+01	2.92E+00	7.43E-02
3.80E+01	3.28E+00	-2.88E-01
3.90E+01	2.79E+00	1.77E-01
4.00E+01	2.28E+00	6.14E-01
4.10E+01	2.87E+00	-5.95E-03
4.20E+01	2.98E+00	-1.28E-01
4.30E+01	3.03E+00	-1.83E-01
4.40E+01	2.54E+00	2.70E-01
4.50E+01	2.89E+00	-8.44E-02
4.60E+01	2.77E+00	3.38E-02
4.70E+01	2.91E+00	-1.07E-01
4.80E+01	3.00E+00	-2.25E-01
4.90E+01	2.94E+00	-1.77E-01
5.00E+01	3.25E+00	-5.09E-01
5.10E+01	2.97E+00	-2.93E-01
5.20E+01	2.26E+00	4.17E-01

Attachment VI - Bivariate Regression  
Market Cap vs. TrafficRank

5.30E+01	3.04E+00	-3.75E-01
5.40E+01	3.18E+00	-5.33E-01
5.50E+01	2.63E+00	-8.53E-03
5.60E+01	2.41E+00	1.89E-01
5.70E+01	2.74E+00	-1.51E-01
5.80E+01	2.71E+00	-1.41E-01
5.90E+01	3.03E+00	-4.69E-01
6.00E+01	2.43E+00	1.31E-01
6.10E+01	2.58E+00	-3.99E-02
6.20E+01	3.15E+00	-6.26E-01
6.30E+01	3.15E+00	-6.48E-01
6.40E+01	2.89E+00	-4.06E-01
6.50E+01	2.74E+00	-2.65E-01
6.60E+01	2.51E+00	-5.11E-02
6.70E+01	2.71E+00	-2.50E-01
6.80E+01	2.81E+00	-3.73E-01
6.90E+01	2.98E+00	-5.09E-01
7.00E+01	3.02E+00	-6.02E-01
7.10E+01	2.34E+00	8.37E-02
7.20E+01	2.83E+00	-4.51E-01
7.30E+01	2.67E+00	-2.93E-01
7.40E+01	3.00E+00	-6.62E-01
7.50E+01	2.66E+00	-3.30E-01
7.60E+01	2.26E+00	-1.96E-03
7.70E+01	2.70E+00	-4.44E-01
7.80E+01	2.82E+00	-6.00E-01
7.90E+01	2.88E+00	-7.09E-01
8.00E+01	2.22E+00	-5.70E-02
8.10E+01	2.65E+00	-4.91E-01
8.20E+01	2.81E+00	-6.78E-01
8.30E+01	2.58E+00	-4.63E-01
8.40E+01	2.20E+00	-1.37E-01
8.50E+01	2.81E+00	-7.56E-01
8.60E+01	2.60E+00	-5.59E-01
8.70E+01	2.38E+00	-4.18E-01
8.80E+01	2.56E+00	-6.00E-01
8.90E+01	2.81E+00	-8.60E-01
9.00E+01	2.43E+00	-5.09E-01
9.10E+01	2.81E+00	-9.32E-01
9.20E+01	2.78E+00	-9.10E-01
9.30E+01	2.35E+00	-4.85E-01
9.40E+01	2.14E+00	-3.48E-01
9.50E+01	2.21E+00	-4.59E-01
9.60E+01	2.54E+00	-8.09E-01
9.70E+01	2.68E+00	-9.57E-01
9.80E+01	2.75E+00	-1.04E+00
9.90E+01	2.34E+00	-6.33E-01
1.00E+02	2.11E+00	-5.90E-01
1.01E+02	2.47E+00	-1.01E+00
1.02E+02	2.15E+00	-7.05E-01

Attachment VI - Bivariate Regression  
Market Cap vs. Links

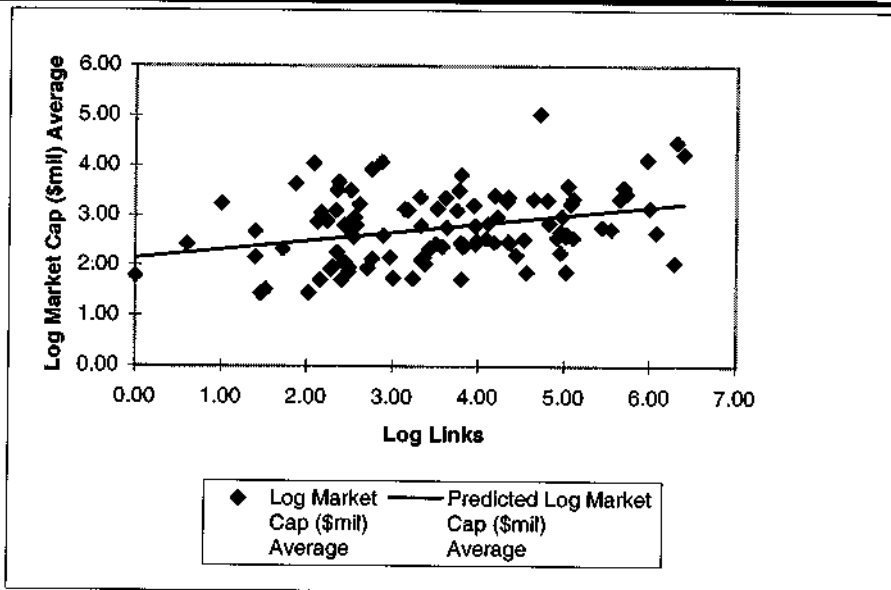
SUMMARY OUTPUT

Regression Statistics	
Multiple R	3.32E-01
R Square	1.10E-01
Adjusted R Square	1.01E-01
Standard Error	6.72E-01
Observations	1.02E+02

ANOVA

	df	SS	MS	F	Significance F
Regression	1.00E+00	5.58E+00	5.58E+00	1.24E+01	6.56E-04
Residual	1.00E+02	4.51E+01	4.51E-01		
Total	1.01E+02	5.07E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	2.14E+00	1.87E-01	1.14E+01	7.06E-20	1.77E+00	2.52E+00	1.77E+00	2.52E+00
Log Links (Number of Associates)	1.72E-01	4.89E-02	3.52E+00	6.56E-04	7.49E-02	2.69E-01	7.49E-02	2.69E-01



Attachment VI - Bivariate Regression  
Market Cap vs. Links

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	2.95E+00	2.08E+00
2.00E+00	3.23E+00	1.26E+00
3.00E+00	3.24E+00	1.00E+00
4.00E+00	3.17E+00	9.62E-01
5.00E+00	2.64E+00	1.44E+00
6.00E+00	2.50E+00	1.54E+00
7.00E+00	2.62E+00	1.31E+00
8.00E+00	2.80E+00	1.04E+00
9.00E+00	2.55E+00	1.12E+00
1.00E+01	2.47E+00	1.17E+00
1.10E+01	3.01E+00	5.92E-01
1.20E+01	3.12E+00	4.52E-01
1.30E+01	2.55E+00	9.68E-01
1.40E+01	2.79E+00	7.13E-01
1.50E+01	2.58E+00	9.29E-01
1.60E+01	3.13E+00	3.24E-01
1.70E+01	2.87E+00	5.49E-01
1.80E+01	2.89E+00	4.89E-01
1.90E+01	2.71E+00	6.60E-01
2.00E+01	2.77E+00	5.89E-01
2.10E+01	3.02E+00	3.24E-01
2.20E+01	3.11E+00	2.27E-01
2.30E+01	2.94E+00	3.92E-01
2.40E+01	2.97E+00	3.57E-01
2.50E+01	2.89E+00	4.02E-01
2.60E+01	3.02E+00	2.33E-01
2.70E+01	2.32E+00	9.16E-01
2.80E+01	2.59E+00	6.33E-01
2.90E+01	2.82E+00	3.84E-01
3.00E+01	3.17E+00	-1.63E-02
3.10E+01	2.75E+00	3.98E-01
3.20E+01	2.68E+00	4.50E-01
3.30E+01	2.69E+00	4.22E-01
3.40E+01	2.79E+00	3.17E-01
3.50E+01	2.55E+00	5.51E-01
3.60E+01	2.52E+00	5.47E-01
3.70E+01	3.00E+00	-7.37E-03
3.80E+01	2.87E+00	1.17E-01
3.90E+01	2.58E+00	3.80E-01
4.00E+01	2.53E+00	3.65E-01
4.10E+01	2.51E+00	3.57E-01
4.20E+01	2.97E+00	-1.21E-01
4.30E+01	2.85E+00	-5.23E-03
4.40E+01	2.56E+00	2.47E-01
4.50E+01	2.59E+00	2.20E-01
4.60E+01	2.83E+00	-2.05E-02
4.70E+01	2.72E+00	8.44E-02
4.80E+01	3.08E+00	-3.06E-01
4.90E+01	2.77E+00	-4.96E-03
5.00E+01	3.10E+00	-3.61E-01
5.10E+01	3.00E+00	-3.14E-01
5.20E+01	2.39E+00	2.96E-01

Attachment VI - Bivariate Regression  
Market Cap vs. Links

5.30E+01	3.19E+00	-5.20E-01
5.40E+01	3.01E+00	-3.61E-01
5.50E+01	2.58E+00	4.53E-02
5.60E+01	2.64E+00	-3.93E-02
5.70E+01	3.01E+00	-4.21E-01
5.80E+01	2.58E+00	-1.11E-02
5.90E+01	2.99E+00	-4.25E-01
6.00E+01	3.02E+00	-4.61E-01
6.10E+01	2.85E+00	-3.04E-01
6.20E+01	2.92E+00	-3.97E-01
6.30E+01	2.83E+00	-3.25E-01
6.40E+01	2.89E+00	-4.11E-01
6.50E+01	2.86E+00	-3.90E-01
6.60E+01	2.90E+00	-4.35E-01
6.70E+01	2.80E+00	-3.38E-01
6.80E+01	2.83E+00	-3.88E-01
6.90E+01	2.75E+00	-3.11E-01
7.00E+01	2.80E+00	-3.80E-01
7.10E+01	2.25E+00	1.74E-01
7.20E+01	2.80E+00	-4.22E-01
7.30E+01	2.76E+00	-3.88E-01
7.40E+01	2.73E+00	-3.99E-01
7.50E+01	2.44E+00	-1.13E-01
7.60E+01	2.55E+00	-2.90E-01
7.70E+01	3.00E+00	-7.37E-01
7.80E+01	2.91E+00	-6.91E-01
7.90E+01	2.72E+00	-5.56E-01
8.00E+01	2.39E+00	-2.25E-01
8.10E+01	2.65E+00	-4.95E-01
8.20E+01	2.62E+00	-4.84E-01
8.30E+01	2.72E+00	-5.98E-01
8.40E+01	2.56E+00	-5.05E-01
8.50E+01	3.22E+00	-1.17E+00
8.60E+01	2.73E+00	-6.88E-01
8.70E+01	2.54E+00	-5.75E-01
8.80E+01	2.57E+00	-6.17E-01
8.90E+01	2.61E+00	-6.63E-01
9.00E+01	2.54E+00	-6.13E-01
9.10E+01	3.01E+00	-1.13E+00
9.20E+01	2.57E+00	-6.96E-01
9.30E+01	2.93E+00	-1.06E+00
9.40E+01	2.14E+00	-3.55E-01
9.50E+01	2.66E+00	-9.15E-01
9.60E+01	2.70E+00	-9.64E-01
9.70E+01	2.80E+00	-1.08E+00
9.80E+01	2.56E+00	-8.45E-01
9.90E+01	2.51E+00	-8.11E-01
1.00E+02	2.41E+00	-8.83E-01
1.01E+02	2.49E+00	-1.03E+00
1.02E+02	2.40E+00	-9.54E-01

Attachment VI - Bivariate Regression  
Market Cap vs. Pages

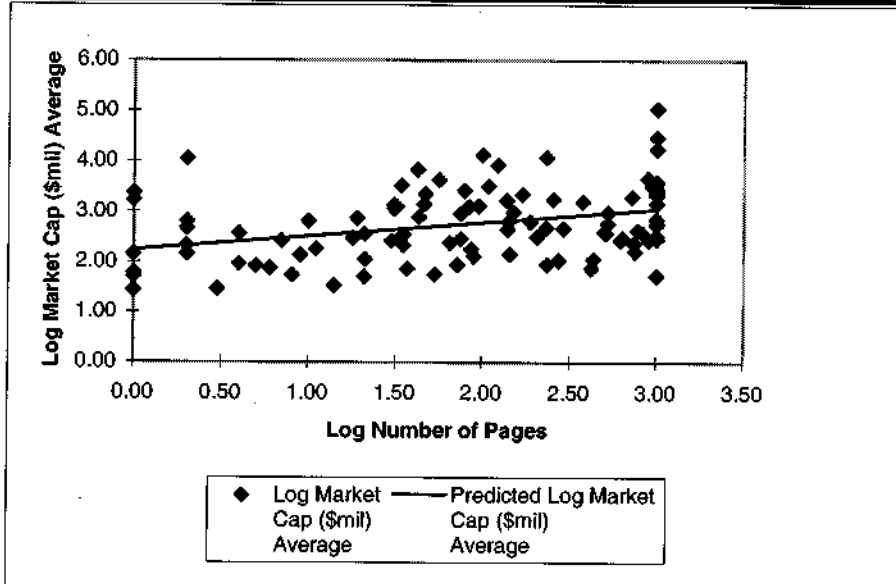
SUMMARY OUTPUT

Regression Statistics	
Multiple R	3.59E-01
R Square	1.29E-01
Adjusted R Square	1.20E-01
Standard Error	6.65E-01
Observations	1.02E+02

ANOVA

	df	SS	MS	F	Significance F
Regression	1.00E+00	6.52E+00	6.52E+00	1.48E+01	2.13E-04
Residual	1.00E+02	4.42E+01	4.42E-01		
Total	1.01E+02	5.07E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	2.24E+00	1.51E-01	1.49E+01	4.20E-27	1.94E+00	2.54E+00	1.94E+00	2.54E+00
Log Number of Pages	2.71E-01	7.05E-02	3.84E+00	2.13E-04	1.31E-01	4.11E-01	1.31E-01	4.11E-01



Attachment VI - Bivariate Regression  
Market Cap vs. Pages

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	3.05E+00	1.98E+00
2.00E+00	3.05E+00	1.43E+00
3.00E+00	3.05E+00	1.19E+00
4.00E+00	2.78E+00	1.35E+00
5.00E+00	2.88E+00	1.20E+00
6.00E+00	2.32E+00	1.72E+00
7.00E+00	2.81E+00	1.12E+00
8.00E+00	2.68E+00	1.15E+00
9.00E+00	3.04E+00	6.31E-01
1.00E+01	2.71E+00	9.24E-01
1.10E+01	3.05E+00	5.49E-01
1.20E+01	3.05E+00	5.21E-01
1.30E+01	2.66E+00	8.61E-01
1.40E+01	3.05E+00	4.60E-01
1.50E+01	2.79E+00	7.14E-01
1.60E+01	3.05E+00	3.98E-01
1.70E+01	2.75E+00	6.59E-01
1.80E+01	3.05E+00	3.28E-01
1.90E+01	2.24E+00	1.13E+00
2.00E+01	2.69E+00	6.61E-01
2.10E+01	3.05E+00	2.92E-01
2.20E+01	2.84E+00	4.98E-01
2.30E+01	3.05E+00	2.81E-01
2.40E+01	3.05E+00	2.74E-01
2.50E+01	3.01E+00	2.77E-01
2.60E+01	2.89E+00	3.57E-01
2.70E+01	2.24E+00	9.92E-01
2.80E+01	2.82E+00	4.05E-01
2.90E+01	2.94E+00	2.68E-01
3.00E+01	3.05E+00	1.05E-01
3.10E+01	2.69E+00	4.56E-01
3.20E+01	2.64E+00	4.89E-01
3.30E+01	2.78E+00	3.37E-01
3.40E+01	2.76E+00	3.43E-01
3.50E+01	2.65E+00	4.48E-01
3.60E+01	2.64E+00	4.19E-01
3.70E+01	2.83E+00	1.61E-01
3.80E+01	2.98E+00	1.00E-02
3.90E+01	2.75E+00	2.14E-01
4.00E+01	2.68E+00	2.10E-01
4.10E+01	2.59E+00	2.80E-01
4.20E+01	3.05E+00	-2.01E-01
4.30E+01	3.05E+00	-2.08E-01
4.40E+01	2.51E+00	2.98E-01
4.50E+01	2.32E+00	4.84E-01
4.60E+01	2.82E+00	-1.78E-02
4.70E+01	2.86E+00	-5.58E-02
4.80E+01	3.05E+00	-2.81E-01
4.90E+01	2.98E+00	-2.13E-01
5.00E+01	3.05E+00	-3.17E-01
5.10E+01	2.88E+00	-1.99E-01
5.20E+01	2.32E+00	3.58E-01

Attachment VI - Bivariate Regression  
Market Cap vs. Pages

5.30E+01	2.91E+00	-2.39E-01
5.40E+01	2.82E+00	-1.75E-01
5.50E+01	3.02E+00	-4.01E-01
5.60E+01	2.97E+00	-3.71E-01
5.70E+01	2.97E+00	-3.88E-01
5.80E+01	2.40E+00	1.66E-01
5.90E+01	3.03E+00	-4.69E-01
6.00E+01	2.60E+00	-3.85E-02
6.10E+01	2.66E+00	-1.15E-01
6.20E+01	3.05E+00	-5.27E-01
6.30E+01	2.87E+00	-3.63E-01
6.40E+01	3.00E+00	-5.19E-01
6.50E+01	2.58E+00	-1.07E-01
6.60E+01	3.05E+00	-5.93E-01
6.70E+01	2.75E+00	-2.91E-01
6.80E+01	3.04E+00	-6.03E-01
6.90E+01	3.00E+00	-5.60E-01
7.00E+01	2.64E+00	-2.18E-01
7.10E+01	2.47E+00	-4.72E-02
7.20E+01	2.73E+00	-3.53E-01
7.30E+01	3.02E+00	-6.46E-01
7.40E+01	2.66E+00	-3.24E-01
7.50E+01	2.32E+00	4.46E-03
7.60E+01	2.52E+00	-2.65E-01
7.70E+01	2.76E+00	-5.07E-01
7.80E+01	3.02E+00	-8.04E-01
7.90E+01	2.32E+00	-1.56E-01
8.00E+01	2.24E+00	-8.06E-02
8.10E+01	2.83E+00	-6.67E-01
8.20E+01	2.50E+00	-3.66E-01
8.30E+01	2.77E+00	-6.50E-01
8.40E+01	2.60E+00	-5.40E-01
8.50E+01	2.95E+00	-8.98E-01
8.60E+01	2.90E+00	-8.64E-01
8.70E+01	2.40E+00	-4.39E-01
8.80E+01	2.88E+00	-9.28E-01
8.90E+01	2.74E+00	-7.98E-01
9.00E+01	2.43E+00	-5.08E-01
9.10E+01	2.95E+00	-1.07E+00
9.20E+01	2.45E+00	-5.77E-01
9.30E+01	2.67E+00	-7.98E-01
9.40E+01	2.24E+00	-4.51E-01
9.50E+01	2.71E+00	-9.62E-01
9.60E+01	2.49E+00	-7.49E-01
9.70E+01	3.05E+00	-1.33E+00
9.80E+01	2.24E+00	-5.29E-01
9.90E+01	2.60E+00	-8.95E-01
1.00E+02	2.55E+00	-1.03E+00
1.01E+02	2.37E+00	-9.11E-01
1.02E+02	2.24E+00	-7.99E-01



Attachment VI - Bivariate Regression  
Market Cap vs. Days In Biz

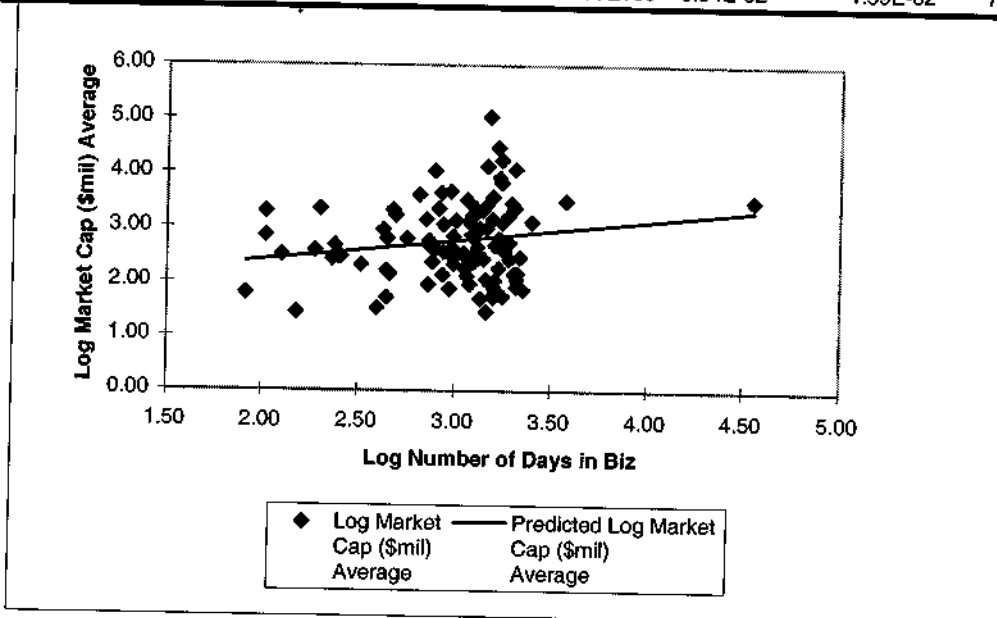
SUMMARY OUTPUT

Regression Statistics	
Multiple R	1.87E-01
R Square	3.48E-02
Adjusted R Square	2.52E-02
Standard Error	6.99E-01
Observations	1.02E+02

ANOVA

	df	SS	MS	F	Significance F
Regression	1.00E+00	1.76E+00	1.76E+00	3.61E+00	6.04E-02
Residual	1.00E+02	4.89E+01	4.89E-01		
Total	1.01E+02	5.07E+01			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	1.70E+00	5.65E-01	3.01E+00	3.35E-03	5.77E-01	2.82E+00	5.77E-01	2.82E+00
Log Number of Days in Biz	3.55E-01	1.87E-01	1.90E+00	6.04E-02	-1.59E-02	7.26E-01	-1.59E-02	7.26E-01



Attachment VI - Bivariate Regression  
Market Cap vs. Days In Biz

RESIDUAL OUTPUT

<i>Observation</i>	<i>Predicted Log Market Cap (\$mil) Average</i>	<i>Residuals</i>
1.00E+00	2.83E+00	2.21E+00
2.00E+00	2.84E+00	1.64E+00
3.00E+00	2.85E+00	1.39E+00
4.00E+00	2.82E+00	1.31E+00
5.00E+00	2.87E+00	1.20E+00
6.00E+00	2.72E+00	1.32E+00
7.00E+00	2.84E+00	1.08E+00
8.00E+00	2.85E+00	9.87E-01
9.00E+00	2.75E+00	9.17E-01
1.00E+01	2.74E+00	9.01E-01
1.10E+01	2.70E+00	9.06E-01
1.20E+01	2.83E+00	7.42E-01
1.30E+01	2.78E+00	7.32E-01
1.40E+01	2.97E+00	5.38E-01
1.50E+01	3.32E+00	1.90E-01
1.60E+01	2.87E+00	5.84E-01
1.70E+01	2.82E+00	5.94E-01
1.80E+01	2.87E+00	5.10E-01
1.90E+01	2.80E+00	5.76E-01
2.00E+01	2.73E+00	6.23E-01
2.10E+01	2.51E+00	8.32E-01
2.20E+01	2.87E+00	4.71E-01
2.30E+01	2.65E+00	6.87E-01
2.40E+01	2.81E+00	5.14E-01
2.50E+01	2.41E+00	8.77E-01
2.60E+01	2.80E+00	4.49E-01
2.70E+01	2.65E+00	5.79E-01
2.80E+01	2.79E+00	4.32E-01
2.90E+01	2.86E+00	3.46E-01
3.00E+01	2.83E+00	3.27E-01
3.10E+01	2.71E+00	4.38E-01
3.20E+01	2.76E+00	3.71E-01
3.30E+01	2.79E+00	3.25E-01
3.40E+01	2.90E+00	2.01E-01
3.50E+01	2.85E+00	2.47E-01
3.60E+01	2.74E+00	3.23E-01
3.70E+01	2.82E+00	1.70E-01
3.80E+01	2.81E+00	1.79E-01
3.90E+01	2.63E+00	3.33E-01
4.00E+01	2.80E+00	9.80E-02
4.10E+01	2.79E+00	7.42E-02
4.20E+01	2.41E+00	4.38E-01
4.30E+01	2.76E+00	8.65E-02
4.40E+01	2.64E+00	1.73E-01
4.50E+01	2.80E+00	8.53E-03
4.60E+01	2.84E+00	-3.82E-02
4.70E+01	2.67E+00	1.27E-01
4.80E+01	2.85E+00	-7.53E-02
4.90E+01	2.71E+00	4.89E-02
5.00E+01	2.86E+00	-1.27E-01
5.10E+01	2.84E+00	-1.55E-01
5.20E+01	2.54E+00	1.39E-01

Attachment VI - Bivariate Regression  
Market Cap vs. Days In Biz

5.30E+01	2.72E+00	-4.78E-02
5.40E+01	2.80E+00	-1.57E-01
5.50E+01	2.73E+00	-1.03E-01
5.60E+01	2.75E+00	-1.52E-01
5.70E+01	2.50E+00	8.11E-02
5.80E+01	2.76E+00	-1.93E-01
5.90E+01	2.74E+00	-1.77E-01
6.00E+01	2.85E+00	-2.95E-01
6.10E+01	2.78E+00	-2.34E-01
6.20E+01	2.80E+00	-2.73E-01
6.30E+01	2.44E+00	6.09E-02
6.40E+01	2.55E+00	-6.73E-02
6.50E+01	2.55E+00	-7.88E-02
6.60E+01	2.88E+00	-4.22E-01
6.70E+01	2.76E+00	-3.01E-01
6.80E+01	2.79E+00	-3.47E-01
6.90E+01	2.81E+00	-3.78E-01
7.00E+01	2.86E+00	-4.39E-01
7.10E+01	2.54E+00	-1.14E-01
7.20E+01	2.72E+00	-3.41E-01
7.30E+01	2.80E+00	-4.25E-01
7.40E+01	2.76E+00	-4.25E-01
7.50E+01	2.59E+00	-2.63E-01
7.60E+01	2.84E+00	-5.85E-01
7.70E+01	2.78E+00	-5.23E-01
7.80E+01	2.64E+00	-4.21E-01
7.90E+01	2.88E+00	-7.11E-01
8.00E+01	2.64E+00	-4.81E-01
8.10E+01	2.87E+00	-7.13E-01
8.20E+01	2.74E+00	-6.05E-01
8.30E+01	2.78E+00	-6.65E-01
8.40E+01	2.88E+00	-8.17E-01
8.50E+01	2.82E+00	-7.63E-01
8.60E+01	2.84E+00	-7.99E-01
8.70E+01	2.79E+00	-8.25E-01
8.80E+01	2.71E+00	-7.58E-01
8.90E+01	2.83E+00	-8.85E-01
9.00E+01	2.88E+00	-9.54E-01
9.10E+01	2.84E+00	-9.55E-01
9.20E+01	2.75E+00	-8.77E-01
9.30E+01	2.89E+00	-1.02E+00
9.40E+01	2.38E+00	-5.87E-01
9.50E+01	2.83E+00	-1.09E+00
9.60E+01	2.85E+00	-1.12E+00
9.70E+01	2.83E+00	-1.11E+00
9.80E+01	2.64E+00	-9.24E-01
9.90E+01	2.81E+00	-1.11E+00
1.00E+02	2.62E+00	-1.10E+00
1.01E+02	2.82E+00	-1.36E+00
1.02E+02	2.47E+00	-1.03E+00