

TRACK DATA CORP
Form 10-K
March 24, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

Annual report under section 13 or 15(d) of the securities exchange act of 1934

For the fiscal year ended December 31, 2003

Transition report under section 13 or 15(d) of the securities exchange act of 1934

Commission file number 0-24634

TRACK DATA CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

22-3181095
(I.R.S. Employer Identification No.)

95 Rockwell Place
Brooklyn, New York
(Address of principal executive offices)

11217
(Zip Code)

(718) 522-7373
(Registrant's telephone number)

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act: Common Stock, \$.01 par value

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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Indicate by checkmark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the Registrant's most recently completed second fiscal quarter. Based on the average bid and ask price of the Company's Common Stock on June 30, 2003 of \$.87 per share. \$20,503,000.

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

49,009,697 shares of common stock, \$.01 par value, as of February 29, 2004.

DOCUMENTS INCORPORATED BY REFERENCE [SEE INDEX TO EXHIBITS]

PART I

Disclosures in this Form 10-K contain certain forward-looking statements, including, without limitation, statements concerning the Company's operations, economic performance and financial condition. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate" and other similar expressions generally identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. These forward-looking statements are based largely on the Company's current expectations and are subject to a number of risks and uncertainties, including, without limitation, changes in external market factors, changes in the Company's business or growth strategy or an inability to execute its strategy due to changes in its industry or the economy generally, the emergence of new or growing competitors, various other competitive factors and other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission. Actual results could differ materially from the results referred to in the forward-looking statements. In light of these risks and uncertainties, there can be no assurance that the results referred to in the forward-looking statements contained in this Form 10-K will in fact occur. The Company makes no commitment to revise or update any forward looking statements in order to reflect events or circumstances after the date any such statement is made.

ITEM 1. BUSINESS

Track Data Corporation (the "Company") is a Delaware corporation that was formed in 1981. The Company maintains offices in the U.S. and Europe, with executive offices located at 95 Rockwell Place, Brooklyn, New York 11217. Its telephone number is 212-943-4555 or 718-522-7373.

The Company is a financial services company that provides real-time financial market data, fundamental research, charting and analytical services to institutional and individual investors through dedicated telecommunication lines and the Internet. The Company also disseminates news and third-party database information from more than 100 sources worldwide. The Company owns Track Data Securities Corp. ("TDSC"), a registered securities broker-dealer and member of the National Association of Securities Dealers, Inc. The Company provides a proprietary, fully integrated Internet-based online trading and market data system, proTrack, for the professional institutional traders, and myTrack and TrackTrade, for the individual trader. The Company also operates Track ECN, an electronic communications network that enables traders to display and match limit orders for stocks.

Background

Since its inception in 1981, the Company has been providing real-time financial market data to institutional customers through the operation of its own proprietary ticker plant. In 1998, the Company began to offer financial market data to individuals through the Internet. Later, through its wholly owned broker-dealer subsidiary, TDSC, the Company combined an online trading application with its market data in its myTrack service. In 2002, trading for institutional customers was introduced with proTrack. Further, the Company commenced operations of its Track ECN. During 2003, a new low priced trading application engineered for the hyper active traders was introduced as an additional service known as TrackTrade. The Company now offers trading and market data services to all members of the financial trading community. The offerings include trading in stocks, options and e-mini futures. Foreign currency trading is expected to commence by the second quarter of 2004 and trading in foreign stocks is also expected to be added in 2004.

Segments

The Company's operations are classified in two business segments: (1) Internet-based online trading, market data services and ECN services to the institutional professional investment community, and (2) online trading and market data services to the non-professional individual investor community. The Company also engages in arbitrage trading. See Notes C and G of Notes to Consolidated Financial Statements.

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A. ONLINE TRADING, MARKET DATA SERVICES AND ECN SERVICES TO THE INSTITUTIONAL PROFESSIONAL INVESTMENT COMMUNITY

MarkeTrack

MarkeTrack provides domestic and international market information, dynamically updating quotelines, options and futures displays, real-time spreadsheets, tick-by-tick updating graphics, news services and third-party databases, user-defined screen layouts, access to back-office order and execution services, and over 20 years of graphical price history. It allows users to calculate theoretical values of options and determine the most beneficial investment strategy through calculating returns on alternative investments, including options and futures. Service charges range between \$250 and \$600 per month per user. MarkeTrack currently serves over 1,800 customers in trading and institutional investment management positions. Customers include floor traders, block traders, market makers, OTC traders, options specialists, head traders, arbitrageurs and hedge fund managers.

proTrack Online Trading

The Company offers proTrack as a direct access state-of-the-art trading system for the professional market. Among many trading features offered by proTrack are point and click equities and options trading, direct access to market makers and ECNs, hot keys, smart order routing, reserve book, quick modification of existing orders, multiple order types and a wide variety of market data and news. proTrack offers trading through the Company's wholly-owned broker-dealer subsidiary, TDSC, clearing through Penson Financial Services, Inc., and is also available for use by other broker dealers under a service bureau arrangement. Pricing is dependent on trading volume, market data services required and necessary clearing costs.

Electronic Communications Network

TDSC operates an Electronic Communications Network ("ECN") that enables traders to display and match limit orders for stocks. The ECN allows trading of Nasdaq National Market, SmallCap, Bulletin Board and exchange-listed securities on its platform. In order to set the Track ECN apart from others, the Company has incorporated state-of-the-art trading functionality into the ECN. This functionality is normally available only on sophisticated front-end trading platforms.

Nasdaq's SuperMontage became fully operational in December, 2002. Prior to SuperMontage, Track ECN provided liquidity through SuperSoes, Nasdaq's automated execution system, where market makers were not preferenced over ECNs by Nasdaq when filling orders. Accordingly, liquidity providers to Track ECN received immediate executions in SuperSoes. Under SuperMontage, market makers and ECNs who charge no access fee are preferenced by Nasdaq (orders are filled) before ECNs charging access fees are filled. Liquidity providers to the Track ECN were experiencing difficulty in receiving executions of their orders due to broker-dealers and market makers routing their Nasdaq orders to lower cost ECNs and no fee market makers. As a result, volume on Track ECN was reduced from a high of more than 400 million shares in October, 2002 to 60 million shares in December, 2003.

Track ECN pays subscribers who add liquidity \$.0025 per share on a monthly basis and charges \$.003 per share to market participants who take liquidity. With a spread between rebate and charge of \$.0005 per share, the Company needs to handle a significant volume to achieve a material financial result. In an effort to keep costs at a minimum, Track ECN has applied to become a self-clearing ECN.

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NewsWatch Service

The Company's NewsWatch service includes a high-speed consolidated news ticker, an NT-resident database with full-text indexing, access to a variety of third-party databases, and multiple domestic/international exchanges. A typical installation is approximately \$300/month at the 5-user level and is scaled down with increased users at a location.

Marketing

The Company markets MarkeTrack to the premium end of the trading markets. Typical customers are institutional sales people, arbitrageurs, market makers and traders.

MarkeTrack, proTrack, Track ECN, as well as the NewsWatch service, are marketed primarily through a dedicated sales force, including 10 full-time sales persons. All services are sold directly, often as a result of on-site presentations and service demonstrations.

In addition to its dedicated sales force, the Company maintains relationships with a number of brokerage firms that actively sell the Company's services to the money management side of the industry for "soft dollars." In a soft dollar arrangement, the brokerage firm pays the Company for services delivered to the money managers. These brokerage firms are typically also customers of the Company.

The Company has ongoing advertising, direct mail, and public relations programs to promote product recognition and educate potential new customers in its targeted markets. In addition, the services are exhibited at major industry trade shows each year.

Competition

The Company competes with many other providers of electronically transmitted financial information. The Company competes in its service offerings to varying extents through price and quality of service.

The Company offers its MarkeTrack service in a highly competitive market in which it competes with other distributors of financial and business information, many of which have substantially greater financial resources. The Company competes, among other things, on the basis of the quality and reliability of its data, the speed of delivery and on the flexibility of its services. In the equity, options and futures trading segments, and the investment management segment, the Company's competitors include Bloomberg Financial and Bridge Information Systems. To a lesser degree, these Company services compete with ILX, a Thomson Financial Services company, and Quotron, a Reuters company, who dominate the retail brokerage market segment.

The Company's proTrack service competes primarily with the Redi System offered by Goldman Sachs, Real-Tick offered by AT Financial and a proprietary system offered by Lava, Inc. There are also many proprietary systems that offer one-stop trading and limited access to other destinations, as well as many other direct access trading systems.

The Track ECN competes with other ECNs that have substantially greater resources and have been operating for a longer period of time. The Company's competitors, among others, are Archipelago, Instinet, Island and Nasdaq.

The Company offers its NewsWatch service in a highly competitive market in which it competes with other distributors of news information, many of which have substantially greater financial resources. NewsWatch competes, among other things, on the basis of the quality and reliability of its data, the speed of delivery and on the flexibility of its services. NewsWatch's principal competitor is NewsEdge.

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B. INTERNET-BASED ONLINE TRADING, MARKET DATA SERVICES, AND OTHER SERVICES TO THE NON-PROFESSIONAL INDIVIDUAL INVESTMENT COMMUNITY

Internet-Based Online Trading and Market Data Services

General

The Company offers internet-based online trading and market data service through its myTrack and TrackTrade products. myTrack and TrackTrade offer trading of U.S.-based stocks, options and mutual funds, as well as stock index-based futures. TrackTrade is especially designed for active individual investors. The Company intends to introduce trading in foreign currency and stocks during 2004. The Company has targeted active traders and believes that myTrack and TrackTrade are well suited to satisfy their requirements. For those traders who are the most active and engage in day trading, the Company's TrackTrade contains multi windows based features and enhancements that are designed to satisfy the needs of the hyperactive trader community. Equity trades on myTrack are currently offered at prices starting at \$12.95 per trade, but volume trading rebates can result in trade costs as low as \$8.20 per trade. Futures are generally priced at \$7.00 per contract. Equity trades on TrackTrade are currently offered at 1/2 penny per share, with no ECN fees.

myTrack provides access to comprehensive information on stocks, options, indices, and news, including bid and ask prices, charts, research and other information for any listed or Nasdaq-traded stock and many OTC-BB stocks, as well as the ability to establish and track securities, cash, margin and buying power positions on a real-time basis. Real-time quotes, news, charting and technical analysis are currently available in various pay packages from \$19.95 per month plus exchange fees to \$95.00 per month (including Nasdaq Level II) plus exchange fees. Volume trading can result in rebates equivalent to the service plan charges.

Customers can also subscribe for TrackTrade market data. Real-time quotes, news, charting and technical analysis are currently available for \$99 (including Nasdaq Level II) plus exchange fees. Volume trading can result in rebates equivalent to the service plan charges. A minimum \$30,000 investment is required to open an account.

Operations

Clearing and Order Processing

The Company does not hold any funds or securities owned by its clients nor execute securities transactions. The Company clears all transactions for its clients, on a fully disclosed basis, with Penson Financial Services, Inc. ("Penson").

The Company's agreement with Penson provides that the clearing broker process all securities transactions for the Company's clients for a fee. Services of the clearing broker include billing and credit control and receipt, custody and

delivery of securities. The Company has agreed to indemnify and hold the clearing broker harmless from certain liabilities or claims, including claims arising from the transactions of its clients, which could be material in amount. The Company's clearing agreement may be terminated by either party, upon 45 days' written notice. The Company relies on the operational capacity and the ability of the clearing broker for the orderly processing of transactions.

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Clients' securities transactions are effected on either a cash or margin basis. In connection with margin transactions, credit is extended to a client, collateralized by securities and cash in the client's account, for a portion of the purchase price. The client is charged for margin financing at interest rates based on the broker call rate plus an additional amount of up to 2.50%. The broker call rate, also known as the "Call Money Rate," is the prevailing interest rate charged by banks on secured loans to broker-dealers.

Margin lending is subject to the margin rules of the Board of Governors of the Federal Reserve System. Margin lending subjects the Company to the risk of a market decline that would reduce the value of collateral below the client's indebtedness before the collateral could be sold. Under applicable rules, in the event of a decline in the market value of the securities in a margin account, the client is required to deposit additional securities or cash in the account. The margin agreement allows the Company or Person to sell securities owned by the client under certain circumstances.

Network Infrastructure

The Company's external network consists of a series of routers and other Internet-networking equipment, mail, web and File Transfer Protocol (ftp) servers; these servers are connected to the Company's internal (i.e. protected) network. This permits a moderated connection to the Company's intranet, so that any computer that can connect to the Internet can access authorized services.

The Company's technology is supported by an internal staff of programmers, developers, and operators 24 hours a day, seven days a week. The programming staff is supplemented by a team of quality control analysts, web page developers, technical writers, and design specialists who ensure the final product is user-friendly and dependable. In addition to supporting the systems, the staff continually enhances software and hardware and develops new services. Software is designed to be versatile and easily adaptable to new and emerging technologies.

Other Internet-Based Market Data Services

AIQ Systems

AIQ Systems develops and markets artificial intelligence (AI) based stock market analysis and charting software for personal computers. By simulating the reasoning of top market technicians, AIQ's "Expert Systems" delivers trading signals and valuable market insight, as well as state-of-the-art technical charting and screening capabilities. Prices for AIQ products vary from \$39 to \$79 per month.

Dial/Data Service

Dial/Data is an Internet-based service that provides historical and end-of-day pricing data for U.S., Canadian and European exchange-traded equities and related instruments, futures, equity options, futures options, mutual funds, bonds, government issues, money markets and indexes. Customers who subscribe to Dial/Data pay a flat monthly rate that ranges from \$15 to \$85, depending on the type of data received.

Marketing

The Company markets myTrack and TrackTrade by targeting active traders through advertisements. The Company's marketing efforts have included advertisements in financial and various other publications that have a demographic

similar to myTrack's and TrackTrade's target market. The Company also promotes these services through Internet web site and banner advertisements, direct mailings and trade shows. The Company expects to increase its expenditures for advertising in 2004 compared to its 2003 expenditures.

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AIQ Systems markets its software products through direct mail, the Internet, print advertising and seminars.

The marketing effort for the Dial/Data service is directed towards the software vendors who offer analytic programs for the individual investor. By agreeing to provide royalties to these vendors, the Company seeks to encourage these vendors to make their programs compatible with the Company's databases, and to encourage customers to select the Company's databases in preference to databases made available by others.

Competition

The Company's myTrack online trading service competes with services offered by online brokers, many of which have substantially greater resources. The Company faces direct competition from other discount brokerage firms, many of which provide touch-tone telephone and online brokerage services but do not maintain significant branch networks. The Company also encounters competition from established full commission brokerage firms. In addition, the Company competes with financial institutions, mutual fund sponsors and other organizations, some of which provide (or may in the future provide) electronic and other discount brokerage services.

The Company believes its competition consists of large and small brokerage firms, utilizing the Internet to transact retail brokerage business. Among these competitors are E*Trade Group, Inc., Trade Station Group, Inc., Charles Schwab & Co., Inc., TD Waterhouse, Inc. and Ameritrade, Inc. The Company also faces competition for customers from full-commission brokerage firms, including Morgan Stanley Dean Witter & Co., Merrill Lynch and Salomon Smith Barney, as well as financial institutions and mutual funds.

myTrack's market data service competes with many providers of financial information over the Internet. It competes on quality and reliability, as well as speed and price. Principal competitors to myTrack are e-Signal, DTN, PC Quote, AT Financial, as well as many other Internet providers of financial information.

Competitors to the Dial/Data service include Interactive Data Corp., The Dow Jones Retrieval Service, Compuserve, Telescan and Commodity Systems, Inc. The Company competes in this market based on price, the quality and reliability of its data, the extent and breadth of historical information, ease of access and the negotiation of agreements with vendors that provide royalty arrangements they find attractive. Some of the Company's competitors provide both software and data services. The Company competes with such full service providers by attempting to enter into agreements with vendors of superior software.

Competitors of AIQ include Equis International (MetaStock), Omega Research (SuperCharts), Windows on Wall Street, and many others. Generally, these competitors' products can be classified as "charting" packages. They concentrate their resources on general charting (graphical) and stock market back-testing capabilities, rather than the pre-programmed market analysis offered by the AIQ products. AIQ's TradingExpert Pro competes with Omega's TradeStation and MetaStock Professional.

C. MATTERS RELATED TO BOTH SEGMENTS

Securities Regulation

Track Data Securities Corp. ("TDSC") is a broker-dealer registered with the SEC and NASD and is licensed as a broker-dealer in 50 states.

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The securities industry in the United States is subject to extensive regulation under federal and state laws. In addition, the SEC, NASD, other self regulatory organizations, such as the various stock exchanges, and other regulatory bodies, such as state securities commissions, require strict compliance with their rules and regulations. As a matter of public policy, regulatory bodies are charged with safeguarding the integrity of the securities and other financial markets and with protecting the interests of clients participating in those markets, and not with protecting the interests of the Company's stockholders.

Broker-dealers are subject to regulations covering all aspects of the securities business, including sales methods, trade practices among broker-dealers, use and safekeeping of clients' funds and securities, capital structure, record keeping and the conduct of directors, officers and employees. Because of the number of complaints by online traders, the SEC, NASD and other regulatory organizations may adopt more stringent regulations for online firms and their practices. If the Company fails to comply with any laws, rules or regulations, the Company could be censured, fined, or issued a cease-and-desist order, or TDSC and/or its officers and employees could be suspended or expelled.

Net Capital Requirements

The SEC, NASD, and various other regulatory agencies have stringent rules requiring the maintenance of specific levels of net capital by securities brokers. These include the SEC's uniform net capital rule, which governs TDSC. Net capital is defined as assets minus liabilities, plus other allowable credits and qualifying subordinated borrowings less mandatory deductions that result from excluding assets that are not readily convertible into cash and from valuing other assets, such as a firm's positions in securities, conservatively. Among these deductions are adjustments in the market value of securities to reflect the possibility of a market decline prior to disposition.

As of December 31, 2003, TDSC was required to maintain minimum net capital, in accordance with SEC rules, of approximately \$1 million and had total net capital of \$3,182,000, or approximately \$2,182,000 in excess of minimum net capital requirements.

If TDSC fails to maintain the required net capital, TDSC may be subject to suspension or revocation of registration by the SEC and suspension or expulsion by the NASD and other regulatory bodies, which ultimately could require TDSC's liquidation. In addition, a change in the net capital rules, the imposition of new rules, a specific operating loss, or any unusually large charge against net capital could limit those operations of TDSC that require the intensive use of capital and could limit its ability to expand its business.

Limited Proprietary Information

The Company relies on a combination of copyright, trademark and trade secret laws and non-disclosure agreements to protect its proprietary technologies, ideas, know-how and other proprietary information. The Company holds a United States trademark registration for the myTrack name. The Company has no patents or registered copyrights. Third parties may copy or otherwise obtain and use the Company's proprietary technologies, ideas, know-how and other proprietary information without authorization or independently develop technologies similar or superior to its technologies. Policing unauthorized use of its technologies and other intellectual property is difficult, particularly because the global nature of the Internet makes it difficult to control the ultimate destination or security of software or other data transmitted.

The financial information provided by the Company for its MarkeTrack, myTrack, proTrack, myTrack Pro, Dial/Data and NewsWatch services can be purchased from third-party sources and is not proprietary. The Company maintains proprietary economic and historical financial databases. The Company protects its proprietary information with standard secrecy agreements.

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MarkeTrack, NewsWatch, myTrack, myTrack Pro, proTrack and Dial/Data are registered service marks owned by the Company. AIQ has registered trademarks for StockExpert, MarketExpert, OptionExpert and TradingExpert, as well as Opening Bell for its newsletter.

Research and Development

Expenditures for research and development incurred primarily to establish technological feasibility of a product or for product enhancement were \$242,000, \$315,000 and \$307,000 for the years ended December 31, 2003, 2002 and 2001, respectively.

Employees

The Company employed approximately 180 persons on a full-time basis as of December 31, 2003. The Company believes that its relationship with its employees is satisfactory.

ITEM 2. PROPERTIES

The Company's executive offices are located at 95 Rockwell Place, Brooklyn, NY. These offices are leased from a family partnership controlled by the Company's Chairman. The annual rental of approximately 36,000 square feet is approximately \$600,000. The lease expires in April, 2004. The Company believes that the terms of this lease are at least as favorable to it as terms which it would have obtained in a comparable transaction with unaffiliated persons.

The Company maintains sales and/or service offices in Brooklyn, NY, Chicago, IL, Los Angeles, CA, San Francisco, CA, Boston, MA, Incline Village, NV, Philadelphia, PA, Boca Raton, FL, and Dallas, TX with aggregate annual rentals of \$1,253,000. These leases expire at various dates through 2007. The Company also maintains a full service office in London, England under a lease for annual rentals of \$177,000 expiring in 2004.

The Company's facilities are fully utilized and are suitable and adequate for their purpose.

ITEM 3. LEGAL PROCEEDINGS

The Company is subject to legal proceedings and claims that arise in the ordinary course of its business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the Company's financial position.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held its Annual Meeting on August 21, 2003. The results of matters voted at that Meeting were reported in Part II, Item 4 of the Company's Form 10-Q for the period ended September 30, 2003.

 PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's Common Stock is quoted on the Nasdaq National Market System under the symbol "TRAC." On February 29, 2004, there were 282 stockholders of record of the Company's Common Stock based on information provided by the Company's transfer agent. Virtually all of the Company's publicly held shares are held in "street name" and the Company believes the actual number of beneficial holders of its Common Stock to be approximately 14,000.

The following table sets forth the high and low sales prices for the Company's Common Stock as reported on Nasdaq NMS.

	<u>Common Stock</u>	
	<u>Sale Price</u>	
	<u>High</u>	<u>Low</u>
2002		
First Quarter	\$2.90	\$1.42
Second Quarter	1.50	1.01
Third Quarter	1.15	.26
Fourth Quarter	.82	.26
2003		
First Quarter	\$.80	\$.44
Second Quarter	1.06	.44
Third Quarter	3.18	.84
Fourth Quarter	2.10	1.27

Dividends

The Company paid its first cash dividend of \$.01 per share on its Common Stock on September 22, 2003. The Company declared a second dividend on February 19, 2004 of \$.01 per share payable on March 22, 2004 to holders of record on March 8, 2004. The Company expects to consider future dividends semi-annually. The future payment of dividends, if any, on the Common Stock is within the discretion of the Board of Directors and will depend on the Company's earnings, its capital requirements, financial condition, and other relevant factors.

ITEM 6. SELECTED FINANCIAL DATA

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Year Ended December 31,	2003	2002	2001	2000	1999
	(in thousands, except earnings and dividends per share)				
SERVICE FEES AND REVENUE	\$40,881	\$57,188	\$62,217	\$ 58,767	\$ 46,620
COSTS, EXPENSES AND OTHER:					
Direct operating costs	23,201	31,309	29,539	31,484	26,989
Selling and administrative expenses	15,098	19,307	19,560	21,564	19,290
Marketing and advertising	394	659	1,243	5,472	5,684
Write off of investment in private companies	-	716	-	254	-
Gain on marketable securities	(2,515)	(569)	(1,800)	(783)	-
Gain on sale of investment in affiliate	-	-	(949)	(900)	-
Other income	-	-	(1,000)	-	(350)
Interest expense (income) - net	107	657	(58)	288	270
Total	36,285	52,079	46,535	57,379	51,883
INCOME (LOSS) BEFORE EQUITY IN NET INCOME OF AFFILIATE AND INCOME TAXES					
	4,596	5,109	15,682	1,388	(5,263)
EQUITY IN NET INCOME OF AFFILIATE					
	-	-	276	718	275
INCOME (LOSS) BEFORE INCOME TAXES					
	4,596	5,109	15,958	2,106	(4,988)
INCOME TAXES					
	1,750	2,118	4,880	47	60
NET INCOME (LOSS)					
	\$ 2,846	\$ 2,991	\$11,078	\$ 2,059	\$ (5,048)
BASIC AND DILUTED NET INCOME (LOSS) PER SHARE					
	\$.06	\$.06	\$.19	\$.03	\$ (.08)
DIVIDENDS PER SHARE					
	\$.01				
WEIGHTED AVERAGE SHARES OUTSTANDING					
	49,709	52,627	59,593	63,660	61,229
ADJUSTED DILUTIVE SHARES OUTSTANDING					
	49,800	52,900	59,874	64,056	61,229
December 31,	2003	2002	2001	2000	1999