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Annual Report Budgets Rolled Back; *Pite Offers Relief Online*

By Diane Freeman, Business Report Correspondent

SUPERIOR -- After watching companies slowly back away from printing pricey glossy annual reports, Jonathan Pite hopes to lure some of those cost-conscious customers with a pre-packaged Internet annual report.

InternetAnnualReports.com, launched last summer, promises to **design and host an online annual report starting at \$995, compared with \$25,000 to \$50,000 for a traditional annual report.**

"In the last couple years, I've noticed a major downsizing of annual reports," he said. Many companies are cutting back to just producing the required 10-K to the Securities and Exchange Commission. A 10-K wrap typically contains a narrative and detailed financial information, but lacks the soft -- and appealing -- features of the traditional printed annual report, he said.

"If they simply do a 10-K, they may have fulfilled their SEC regulation, but they have nothing to show for it," Pite said. "The annual report is the most important communication that the company puts out all year.

"What I came up with was a low-cost solution," he said.

Pite, owner of Pite Creative Services in Superior, has specialized in design of annual reports and investor relations Web sites for the last 10 years. Over that period, he has produced about 150 annual reports and Web sites, he said.

InternetAnnualReports.com offers three design templates for the Web report. "They can use it for investment communications, marketing and recruitment efforts. It allows them to save thousands of dollars," Pite said.

The company has been marketing directly to chief financial officers of smaller public companies. "We've had hundreds of queries. The response is unbelievable," he said. "It's the time of the year for it. They're gearing up for it." Most public companies' year-end is Dec. 31, and their annual meetings are held in May and June, he noted.

The companies can choose their design templates. They also supply the graphics, photography and text.

The annual reports are placed on the Web site so there is no printing cost for producing copies of the annual report. The design cost is limited to the flat fee and is performed like desktop publishing, he said.

By placing the report online, it can become an important source for keeping existing shareholders informed and bringing new interest to the company's stock, attracting key talent to the organization and customer and business-to-business marketing.



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The basic annual report online costs \$995. It includes three sections such as financial highlights, a letter to shareholders and corporate information. It also includes five art images. Upon receipt of the company's information, the report can be placed online within a week where it is hosted free for the next year. It can also be transferred to other sites.

The most expensive report, the premium report, includes six sections along with 12 images. That could include three financial charts, three operational charts, two portraits, two product shots and two location shots.

Pite said the annual report templates are the first of their kind. The three styles are contemporary. "We try to make them have a concept of sophistication along with an ease of navigation," he said. "It's nothing that's too trendy."