

# Business Research Strategy Using Free Web-Based Business Information Resources

by Karen M. King

The Virginia Association of Law Libraries' 2001 annual meeting included a presentation on free Web-based business information resources that offered an overview of business research, including a discussion of basic steps for developing a well-rounded research strategy. In a role-playing exercise, conference participants became members of a legal team that represents a famous golf pro.

Their young client, who has an amazing talent for golf, has been asked to consider a product endorsement for a major cereal brand, and their law firm has been retained to evaluate the deal and negotiate a contract. In advising the client, conference participants were asked to develop a business research strategy to evaluate the product in question, as well as the company and related industry.

During the session, participants learned that some types of business information are considered objective, such as company profiles, articles and investment reports, and that other types of business resources are considered subjective, such as annual reports, and industry association reports. They were encouraged to use a balance of subjective and objective resources in their research. The following Web sites are some of the best examples of both objective and subjective business resources available free of charge on the Web.

## Step 1: Identify the Company

The initial stage of business research is similar to using a compass to determine the direction of your research strategy. Basic

information such as learning what company markets a particular brand of product, confirming how the company name is spelled, and determining whether or not the company is publicly or privately held is valuable. Directory resources, such as the following, can be useful in this initial stage of research.

- Hoover's Online (non-subscription features only) <http://www.hoovers.com>

The Hoover's database has information on more than 10,000 of the largest public and private companies in the U.S. Information includes history, products, competitors, and financial overviews.

- Thomas Register <http://www.thomasregister.com>

The Thomas Register of American Manufacturers database provides information about product and service suppliers in 52,000 categories. Access to Thomas is free but requires an initial registration.

## Step 2: Find a Company Profile

Company profiles include a company overview, history, sales figures, profits, number of employees, executives, financial statements, locations, products and services, brands and key competitors.

- Business.com <http://www.business.com/companies>
- CorporateInformation.com <http://www.corporateinformation.com>

- Hoover's Online (Company Capsules only)  
<http://www.hoovers.com>

### Step 3: Find Current News and Articles

Articles and news about the company and industry can be found on many Web sites. Articles published in leading business magazines, trade journals and newspapers often provide added insight into a company's or industry's structure, strategy and competition.

Web sites for articles about companies and industries:

- Bloomberg.com <http://www.bloomberg.com>
- Business.com <http://www.business.com>
- CEOExpress <http://www.ceoexpress.com>
- Hoover's Online <http://www.hoovers.com>

Web sites for articles about industries:

- CNNfn Industry Watch <http://cnniw.yellowbrix.com>
- Yahoo! Finance—News By Industry <http://biz.yahoo.com/industry>
- CEO Express—Industry Pages  
<http://www.ceoexpress.com/html/indinduspages.asp>

### Step 4: Company Annual Report and Web Site

Companies communicate through their Web sites, where they can showcase their products and services. Publicly traded companies usually make their latest annual reports available there. Company-generated information is important and should be included in business research. It is subjective.

- Annual Report Service <http://www.annualreportservice.com>
- Annual Report Gallery <http://www.reportgallery.com>
- Business.com <http://www.business.com>
- Google <http://www.google.com> (Use google to locate a company's Web site.)
- Hoover's Online <http://www.hoovers.com> (Web sites linked from Company Capsules)

### Step 5: Company Financial Reports, Strategy and Market Performance

Public companies issue annual and quarterly reports with income statements and balance sheets. A company's strategy can also be determined by reading the CEO's "letter to the shareholders" found in the annual report or 10-K. Web sites also offer investment information and analysis of public companies.

Web sites that include SEC Filings and Standardized Financials:

- FreeEdgar <http://www.freeedgar.com> (allows viewing and printing) This database consists of all corporate electronic filings to the Securities and Exchange Commission from 1994 to the present. It has more advanced search features than the EDGAR database.
- 10KWizard <http://www.10kwizard.com> (requires initial registration) This database contains annual reports and other Securities and Exchange Commission filings for all publicly traded U.S. companies since 1994. Also included are daily news headlines from Bloomberg, CBS Market Watch and other news agencies.
- EDGAR <http://www.sec.gov/edgar/searchedgar/webusers.htm> The EDGAR database consists of all corporate electronic filings to the Securities and Exchange Commission, from 1994 to the present.

Web sites that cover investment information and analysis:

- Quicken.Com <http://www.quicken.com>
- TheStreet.com <http://www.thestreet.com>
- Motley Fool <http://www.fool.com>
- Zack's Investment Research <http://www.zacks.com>

### Step 6: Corporate and Industry Investment Research Reports

Analysts at leading investment firms such as Merrill Lynch and Morgan Stanley Dean Witter regularly produce investment research reports on U.S. publicly traded companies as well as major industries. Most of these reports can be ordered over the Web and are fee-based. The exceptions are the free research reports found on the Wright Investor's Service Web site. Industry specialists who follow and analyze the developments that impact a company's or industry's future write these reports.

- CorporateInformation.com (Wright Investor's Service)  
<http://www.corporateinformation.com>

### Step 7: Industry Overviews, Competition Surveys, Market Share Data and Industry Statistics

Companies are affected by industry conditions and competitors' actions. Industry experts write industry overviews and competition surveys. These reports typically begin with a survey of the current environment followed by a profile of the industry, a discussion of trends, an explanation of how the industry operates, and key industry ratios and statistics. Market share data may also be included and reflects the percentage of sales for a particular brand as compared to the total sales for that product market.

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- Hoover's Online-Industries <http://www.hoovers.com>
- Business.com's Industry Center <http://www.business.com>
- CorporateInformation.com <http://www.corporateinformation.com>
- Current Industrial Reports (U.S. Census) <http://www.census.gov/cir/www/alpha.html>
- Industry and Trade Summaries (U.S. International Trade Commission) <http://www.usitc.gov/332s/332index.htm>
- Wetfeet Press [http://www.wetfeet.com/asp/industries\\_atoz.asp](http://www.wetfeet.com/asp/industries_atoz.asp)  
(Please note the underscore between *industries* and *atoz* in the Web address.)

## Step 8: Industry Web Sites and Trade Associations

Nearly every type of business has one or more trade or professional associations to promote its interests and provide a forum to collect and share information. Trade associations generate information that is important and should be included in business research. It is subjective.

- Association Central <http://www.associationcentral.com>
- IndustryLink <http://industrylink.com>
- Industry Portals/Home Pages <http://www.virtualpet.com/industry>

Using the above steps, conference participants were asked to develop a business research strategy to evaluate the product as well as the company and related industry. They discovered that the proposed cereal brand was marketed by a major consumer food company and that the company, incorporated in the late-1920s, had a history of successful product development. It was also learned that the company had a diverse line of products including desserts, flours, baking mixes, dinner food products, organic foods, snack products, beverages, yogurt products, and several brands of cereals.

The annual report of the company indicated that the cereal held a significant percentage of the market share for the overall breakfast cereal market, and, through an article, it was discovered that the company has a well-developed distribution chain for moving products from production to market. The company's financial and investment reports indicated the potential for continued profits. Industry reports for the prepared foods industry showed a rising trend in the consumption of prepared cereals. Further, an industry competition survey showed that over the last ten years the parent company of the proposed cereal brand has earned higher profits compared with other companies in the industry.

The participants concluded that the endorsement of the cereal had the potential to be a strong and successful business move for the young pro golfer. This exercise is an example of the

many ways in which business research can bring to light information of value to the legal practitioner.

Web-based resources are constantly changing. A free business information resource may evolve into a fee-based resource. It is a challenge to keep up-to-date on free Web-based resources. Contact your law librarian or business reference librarian to learn about new business databases. Explore whether your firm, local public library, community college or local university offers access to fee-based business resources such as Dow Jones News Retrieval, Gale Business & Company Resource Center, ABI/Inform or the business resources found in Lexis and Westlaw.

Researchers will find a wealth of information available free on the Web, but their most valuable resources may be their firm or local library reference staff and its collection of information resources. ☺

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## Selected Business Web sites

- <http://www.10kwizard.com>
- <http://www.annualreportservice.com>
- <http://www.reportgallery.com>
- <http://www.associationcentral.com>
- <http://www.bloomberg.com>
- <http://biz.yahoo.com>
- <http://www.business.com>
- <http://www.ceoexpress.com>
- <http://www.corporateinformation.com/>
- <http://www.freedgar.com>
- <http://cnniiv.yellowbrix.com>
- <http://www.corporateinformation.com>
- <http://www.hoovers.com>
- <http://www.fool.com>
- <http://www.census.gov/cir/www/alpha.html> **Current Industrial Reports**
- <http://industrylink.com>
- <http://www.virtualpet.com/industry> **Industry Portals and Home Pages**
- <http://www.quicken.com/>
- <http://www.thomasregister.com/>



**Karen King** is the director of the Darden Graduate Business Library at the University of Virginia. She received her B.A. from the University of North Carolina at Chapel Hill, her M.S.I.S from The Catholic University of America, and her M.B.A. from James Madison University.