

Edgar Filing: INFOUSA INC - Form 11-K

INFOUSA INC
Form 11-K
July 01, 2002

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-1004

FORM 11-K

X Annual Report pursuant to Section 15(d) of the Securities Exchange Act of

1934

For the fiscal year ended December 31, 2001 or

Transition report pursuant to Section 15(d) of the Securities Exchange Act

of 1934

For the transition period from to

Commission File Number 0-19598

infoUSA Inc. 401(K) Plan
5711 South 86th Circle, Omaha, Nebraska 68127

(Full title and address of the plan)

infoUSA Inc.
5711 South 86th Circle, Omaha, Nebraska 68127

(Name of issuer of the security held pursuant to the plan and the
address of its principal executive offices)

Registrant's telephone number, including area code (402) 593-4500

Notices and communications from the Securities and Exchange
Commission relative to this report should be forwarded to:

Stormy L. Dean
Chief Financial Officer
infoUSA Inc.
5711 South 86th Circle, Omaha, Nebraska 68127

INFOUSA, INC. 401(k) PLAN

Edgar Filing: INFOUSA INC - Form 11-K

Financial Statements and Supplemental Schedule
December 30, 2001 and 2000 and December 31, 1999
(With Independent Auditors' Reports Thereon)

INFOUSA, INC. 401(k) PLAN

TABLE OF CONTENTS

Independent Auditors' Report

Statements of Net Assets Available for Plan Benefits as of December 30, 2001 and 2000

Statements of Changes in Net Assets Available for Plan Benefits for the years ended December
30, 2001 and 2000 and December 31, 1999

Notes to Financial Statements

Supplemental Schedule:

Schedule of Assets Held for Investment Purposes at End of Year

INDEPENDENT AUDITORS' REPORT

The Plan Trustees
infoUSA, Inc. 401(k) Plan:

We have audited the financial statements of the infoUSA, Inc. 401(k) Plan (the Plan) as of December 30, 2001 and 2000 and for the years ended, December 30, 2001 and 2000 and December 31, 1999, as listed in the accompanying table of contents. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial

Edgar Filing: INFOUSA INC - Form 11-K

statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 30, 2001 and 2000, and the changes in net assets available for plan benefits for the years ended December 30, 2001 and 2000 and December 31, 1999, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

KPMG LLP

Omaha, Nebraska
May 31, 2002

1

InfoUSA, INC. 401(k) PLAN

Statements of Net Assets Available for Plan Benefits

December 30, 2001 and 2000

2001

2000

Assets:

Investments at fair value:

Mutual funds (cost, \$27,797,019 and \$31,873,630 at

Edgar Filing: INFOUSA INC - Form 11-K

December 30, 2001 and 2000, respectively)	\$30,038,994	30,465,980
infoUSA common stock (cost, \$3,867,362 and \$3,310,885 at		
December 30, 2001 and 2000, respectively)	4,848,663	2,092,439
Participant loans	563,457	257,941
	-----	-----
Total investments	35,451,114	32,816,360
Receivables:		
Employer contribution	47,344	136,549
Participant contributions	122,471	322,616
Accrued interest	--	1,620
	-----	-----
Total assets	35,620,929	33,277,145
Liabilities:		
Accrued administrative expenses	5,000	33,946
	-----	-----
Net assets available for plan benefits	\$35,615,929	33,243,199
	=====	=====

See accompanying notes to financial statements

2

InfoUSA, INC. 401(k) PLAN

Statements of Changes in Net Assets Available for Plan Benefits

Years ended December 30, 2001 and 2000 and December 31, 1999

	2001	2000
	-----	-----
Additions to net assets attributed to:		
Investment income:		
Dividend income	\$ 1,170,596	2,963,32
Interest income	27,508	45,38
Net appreciation (depreciation) in fair value of investments	645,997	(4,296,61
	-----	-----
Total investment income (loss)	1,844,101	(1,287,91
Contributions:		
Participants	4,492,322	5,165,58
Employer cash contribution	844,633	--
Employer stock contribution	875,741	2,252,59
Rollover from Donnelley Marketing, Inc.	--	2,122,28
	-----	-----
Total contributions	6,212,696	9,540,45
	-----	-----
Total additions	8,056,797	8,252,54
	-----	-----
Deductions from net assets attributed to:		
Benefits paid to participants	5,611,031	5,229,73
Administrative fees	73,036	100,15
	-----	-----
Total deductions	5,684,067	5,329,88
	-----	-----
Net increase	2,372,730	2,922,65
Net assets available for plan benefits:		
Beginning of year	33,243,199	30,320,54

Edgar Filing: INFOUSA INC - Form 11-K

End of year

\$35,615,929
=====

33,243,19
=====

See accompanying notes to financial statements.

3

INFOUSA, INC. 401(K) PLAN

Notes to Financial Statements

December 30, 2001 and 2000 and December 31, 1999

(1) DESCRIPTION OF PLAN

The following description of the infoUSA, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

(a) GENERAL

The Plan is a defined contribution plan covering employees of infoUSA, Inc. (the Company) who have been employed by the Company for any consecutive 6-month period and have attained age 21. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan believes they are in compliance with such provisions. Assets from the First Data Corporation Incentive Savings Plan attributable to certain employees of Donnelley Marketing, Inc. (Donnelley) totaling approximately \$15.7 million were rolled over into the Plan October 15, 1999, with an additional approximately \$2.1 million rolled over in 2000. The assets associated with these transfers and business changes were rolled into the available investment options of the Plan at the respective transfer dates.

(b) CONTRIBUTIONS

Participants may elect to contribute up to 15% of their pre-tax annual compensation, not to exceed limits set by the Secretary of the Treasury. The Company makes matching contributions of 50% of the first 6% of participant contributions; prior to January 1, 2000, the Company made matching contributions of 50% of the first 3% of participant contributions. Effective May 1, 1999, the Company's matching contribution is in the form of Company common stock. On February 14, 2001, this was amended so that the annual matching contribution to the Plan may be in the form of Company common stock or cash. The Company also contributes to the Plan a percentage of employees' salaries based on years of service to the Company to former Donnelley employees who qualified for this benefit prior to the Plan merger, which discontinued July 1, 2001.

(c) PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's

Edgar Filing: INFOUSA INC - Form 11-K

contribution, the Company's matching contribution, and an allocation of plan earnings based on balances in their account. All contributions are directed by the participants into the various investment options offered. Effective for the first quarter of 2001, the fees charged by the Trustee are paid from the Plan participants' accounts, rather than from forfeitures. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

(d) VESTING

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service.

4

INFOUSA, INC. 401(K) PLAN

Notes to Financial Statements

December 30, 2001 and 2000 and December 31, 1999

(e) PARTICIPANT LOANS

Effective February 1, 2001, the Plan determined loans will be allowed subject to a \$1,000 minimum amount and will be granted for any purpose. In addition, the Plan assumed loans that were transferred in conjunction with plan mergers. These loans are secured by the balance in the participant's account and bear interest at rates that range from 6.0% to 9.5% at December 30, 2001. Principal and interest is paid ratably through payroll deductions. Loans are considered in default 90 days following the last payment for the loan. At the time of default, they are considered a distribution of the Plan.

(f) PAYMENT OF BENEFITS

Upon termination of service, a participant will receive a lump sum amount equal to the value of his or her account, subject to mandatory Federal income tax withholding, unless the participant rolls over the distribution into another qualified plan.

(g) FORFEITURES

Nonvested portions of terminated participants' accounts are forfeited. Forfeitures are applied against future Company contributions. Forfeitures as of December 30, 2001 and 2000 and December 31, 1999, were \$14,489, \$78,057, and \$83,985, respectively.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Edgar Filing: INFOUSA INC - Form 11-K

The following is a summary of significant accounting policies followed in the preparation of these financial statements.

(a) BASIS OF PRESENTATION

The accompanying financial statements have been prepared on an accrual basis and present the net assets available for benefits and changes in those net assets.

(b) INVESTMENTS

All Plan investments are held by T. Rowe Price (the Trustee) and are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Quoted market prices are used to determine fair value of investments. Interest income is recorded as earned on an accrual basis and dividend income is recorded on the ex-dividend date.

(c) PAYMENT OF BENEFITS

Benefits are recorded when paid.

(d) ADMINISTRATIVE EXPENSES

Certain administrative expenses are paid by the Company. The Plan is responsible for administrative fees relating to certain recordkeeping expenses.

5

INFOUSA, INC. 401(K) PLAN

Notes to Financial Statements

December 30, 2001 and 2000 and December 31, 1999

(e) USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(3) INVESTMENTS

The following table represents the fair value of individual investments which exceed 5% of the Plan's net assets at December 30, 2001 and 2000:

Edgar Filing: INFOUSA INC - Form 11-K

	2001 -----	2000 -----
Fidelity Contrafund,	\$ --	6,832,039
Fidelity Intermediate Bond Fund,	--	1,911,220
Fidelity Retirement Money Market,	--	2,135,826
Fidelity Low-priced Stock,	--	2,853,645
Fidelity Equity Income II,	--	4,432,989
Fidelity Spartan U.S. Equity Index,	--	4,757,813
Fidelity Dividend Growth,	--	4,826,186
infoUSA Inc. Common Stock,	4,848,663	2,092,439
TRP Summit Cash Reserves	2,565,126	--
PIMCO Total Return Fund	2,783,871	--
TRP Equity Income Fund	6,979,934	--
TRP Equity Index 500 Fund	4,275,366	--
TRP Growth Stock Fund	8,361,375	--
Brinson Small Cap Growth Fund	3,644,698	--

During 2001, 2000, and 1999, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value by \$645,997, \$(4,296,618), and \$1,184,250 as follows:

	2001 -----	2000 -----	1999 -----
Registered investment companies	\$(1,246,817)	(2,030,507)	400,948
infoUSA Inc. common stock,	1,892,814	(2,266,111)	783,302
	-----	-----	-----
	\$ 645,997	(4,296,618)	1,184,250
	=====	=====	=====

6

INFOUSA, INC. 401(K) PLAN

Notes to Financial Statements

December 30, 2001 and 2000 and December 31, 1999

(4) RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500:

	2001 -----	2000 -----
Net asset available for plan benefits		
per the financial statements	\$ 35,615,929	33,243,199
Benefit claims payable included on Form 5500	(72,745)	(365,580)

Edgar Filing: INFOUSA INC - Form 11-K

Net assets available for plan	-----	-----
benefits per the Form 5500	\$ 35,543,184	32,877,619
	=====	=====

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500:

Benefits paid to participants per the financial statements	\$ 35,615,929
Add benefit claims payable at December 31, 2001	72,745
Less benefit claims payable at December 31, 2000	(365,580)

Benefits paid to participants per the Form 5500	\$ 35,323,094
	=====

Benefit claims payable are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, but not yet paid as of that date.

(5) PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

(6) TAX STATUS

The Internal Revenue Service has determined and informed the Company that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

(7) RELATED-PARTY TRANSACTIONS

The Plan invests in various funds managed by T. Rowe Price and Fidelity Management Trust Company, the Plan's Trustees. As these transactions are with the Trustees, they qualify as related-party. Fees paid by the Plan for the investment management services for the years ended December 30, 2001 and 2000 and December 31, 1999 amounted to approximately \$41,000, \$100,000, and \$76,000 respectively.

Edgar Filing: INFOUSA INC - Form 11-K

(a)	(b) IDENTITY OF ISSUE, BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INVESTMENT, COLLATERAL, PAR OR MATURITY VALUE	(d) COST	(e) CURRENT VALUE
	Participant directed:			
*	T. Rowe Price Funds	Cash reserves	\$ 2,565,126	\$ 2,565,126
	Pimco Funds	Total return fund	2,909,850	2,909,850
*	T. Rowe Price Funds	Equity income fund	6,605,554	6,605,554
*	T. Rowe Price Funds	Growth stock fund	7,395,349	7,395,349
*	T. Rowe Price Funds	Equity index 500 fund	3,854,689	3,854,689
	Brinson Funds	Small cap growth fund	3,127,208	3,127,208
	Artisan Funds	Foreign stock	977,168	977,168
*	T. Rowe Price Funds	Emerging markets stock fund	12,762	12,762
*	T. Rowe Price Funds	High yield fund	15,633	15,633
*	T. Rowe Price Funds	International bond fund	14,997	14,997
*	T. Rowe Price Funds	Small-cap value fund	217,456	217,456
*	T. Rowe Price Funds	U.S. treasury long-term fund	101,227	101,227
*	Company stock	infoUSA Inc. common stock	3,867,362	3,867,362
*	Participant loans	Various maturity dates with rates from 6.0-9.5%	563,457	563,457
			\$32,227,838	\$35,400,000
			=====	=====

* Represents party in interest

See accompanying independent auditors' report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

infoUSA INC.

Date: June 28, 2002

/s/ STORMY L. DEAN

Stormy L. Dean, Chief Financial Officer
(principal financial officer)

Edgar Filing: INFOUSA INC - Form 11-K

EXHIBIT
NUMBER

DESCRIPTION

23.1

Consent of Independent Accountants, filed herewith.