

The excess of purchase price over the fair values of the net assets acquired was approximately \$15.6 million and was recorded as goodwill and other intangible assets, which is being amortized on a straight-line basis as follows (in thousands):

	Amount	Life
Customer base	\$ 900	7 years
Research content	\$ 600	3 years
Assembled workforce	\$ 100	7 years
Goodwill	\$14,019	20 years

FORIT's historical financial position and results of operations since the date of acquisition were not material to Forrester's financial position and results of operations.

On November 15, 1999, Forrester acquired 100% of the outstanding shares of Fletcher Research Limited (Fletcher). The transaction has been accounted for as a pooling of interests. However, Fletcher's historical financial position and results of operations were not material to Forrester's financial position and results of operations. Accordingly, the historical financial statements of Forrester have not been restated. Forrester incurred approximately \$694,000 of various costs including legal, accounting, investment banking, printing, filing, and other fees and expenses related to this transaction, which have been separately stated in the accompanying consolidated statement of income for the year ended December 31, 1999.

(3) Cash, Cash Equivalents, and Marketable Securities

Forrester considers all short-term, highly liquid investments with maturities of 90 days or less from the original date of purchase to be cash equivalents.

Forrester accounts for investments in accordance with SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities*. Under SFAS No. 115, securities purchased in order to be held for indefinite periods of time and not intended at the time of purchase to be held until maturity are classified as available-for-sale securities. At December 31, 1999 and 2000, these securities consisted of investments in federal and state government obligations and corporate obligations, which were recorded at fair market value, with any unrealized gains and losses reported as a separate component of accumulated other comprehensive loss. There were no held-to-maturity or trading securities at December 31, 1999 and 2000.

At December 31, 1999 and 2000, marketable securities consisted of the following (in thousands):

	1999	2000
U.S. Treasury notes	\$ 7,911	\$ 6,990
Federal agency obligations	13,531	22,697
State and municipal bonds	19,415	100,454
Corporate obligations	44,485	28,750
	\$85,342	\$158,891

The following table summarizes the maturity periods of marketable securities as of December 31, 2000:

	Less than 1 Year	1 to 2 Years	3 to 5 Years	Total
U.S. Treasury notes	\$ 6,990	\$ —	\$ —	\$ 6,990
Federal agency obligations	22,697	—	—	22,697
State and municipal bonds	52,241	41,855	6,358	100,454
Corporate obligations	15,706	13,044	—	28,750
	\$97,634	\$54,899	\$6,358	\$158,891