



Economic impacts

As the world's largest technology company, HP both contributes to economies worldwide and is influenced by broader economic factors and market trends.

Our economic contribution results directly from our financial transactions and indirectly as a broader result of our business.

- Direct impacts include customer sales as well as employee salaries, supplier and tax payments, shareholder dividends, and social investments.
- Indirect impacts occur when the money we spend circulates through the economy, for example when employees, suppliers, and investors spend their earnings from HP. In addition, HP products and solutions may help make businesses, health, and education systems more productive and profitable, while also saving money by decreasing energy use.

Economic trends that influence our business include the continuing rapid shift to an information economy and the burgeoning middle classes in emerging markets, which represent growth markets for our products and services.

Performance in fiscal year 2011

The table below outlines our direct and indirect economic impacts on each stakeholder group during fiscal year 2011 (FY11). The data dashboard summarizes HP's economic performance. For more details, please see our [financial statements](#), [interactive stock chart](#), and [annual report and 10-K](#).

| Group | Direct economic impacts in FY11 | Indirect economic impacts in FY11 |
|---|--|--|
| Suppliers | HP made purchases from more than 1,000 production suppliers [*] and tens of thousands of nonproduction suppliers worldwide. | Our spending continued to support employment in supplier companies. Additionally, suppliers and their workers pay taxes and support local economies, and suppliers may pay dividends to their investors. |
| Employees | HP provided compensation and benefits to nearly 350,000 employees. ^{**} | HP's workforce grew by 8%, and those employees pay taxes and generate further economic activity by spending the money they earn. |
| Customers | HP's net revenue was \$127 billion USD. ^{***} | We continued to offer reliable, high-quality products and services to help customers improve productivity. For business customers, this may increase the employment they create and taxes they pay. Customers can save money through improved energy efficiency. |
| Sales, marketing, and distribution partners | HP helped create business for sales and service partners worldwide. | Our partners' commercial relationships with HP can contribute to their growth. |
| Local, state, and national governments | HP paid net cash income taxes of \$1.134 billion USD. | Taxes paid help enable government spending and programs. |
| Local, regional, and national communities | HP invested \$51.5 million USD in cash, products, and services for nongovernmental organizations and communities. | Our social investment activities supported further economic activity by improving education, employment, and health. |
| Investors | HP paid \$844 million USD in dividends to shareholders. | Investors may pay taxes on dividends. |

^{*} HP uses the term "direct suppliers" in other sections of this report to include both "production suppliers" that provide materials for HP products and "nonproduction suppliers" that provide services related to HP products.

^{**} As of October 31, 2011.

^{***} FY11 non-GAAP net revenue includes an additional \$0.2 billion USD of revenue resulting from the exclusion of contra revenue associated with sales incentive programs implemented in the fourth quarter in connection with the wind down of HP's webOS device business, net of fourth quarter webOS device revenue. Non-GAAP earnings and operating profit information excludes after-tax costs of \$3.3 billion USD, or \$1.56 USD per diluted share, related to the wind down of HP's webOS device business, impairment of goodwill and purchased intangible assets, amortization of purchased intangible assets, restructuring charges, and acquisition-related charges.