

The components of identifiable intangible assets, excluding discontinued operations, are:

	December 31, (in thousands)		Estimated Useful Life
	2019	2018	
Acquired and internally developed software costs	\$ 36,137	\$ 18,972	3 - 7 years
Customer relationships	4,860	160	7 years
Non-compete agreements	30	30	1 year
	41,027	19,162	
Less accumulated amortization	(12,389)	(11,708)	
	\$ 28,638	\$ 7,454	
Internally developed software costs not meeting general release threshold	2,500	3,005	
Trademarks, trade names (non-amortizable)	1,810	400	Indefinite
	\$ 32,948	\$ 10,859	

The expected future amortization of these intangible assets assuming straight-line amortization of capitalized software costs and acquisition related intangibles is as follows (in thousands):

2020	\$ 6,340
2021	5,493
2022	4,315
2023	3,186
2024	3,186
Thereafter	6,118
Total	\$ 28,638

The Company has tested for impairment of indefinite lived intangible assets during the fourth quarter of its fiscal year. To value the indefinite lived intangible assets, the Company utilizes the royalty method to estimate the fair values of the trademarks and trade names. There was no impairment to indefinite lived intangible assets in 2019 or 2018. The Company recorded an impairment charge of \$0.7 million and \$1.6 million on capitalized software related to its food safety software solution which had been included in costs of service for the years ended December 31, 2019 and December 31, 2018, respectively.

### Stock-based compensation

The Company recognizes all stock-based compensation to employees, including awards of employee stock options and restricted stock, in the financial statements as compensation cost over the applicable vesting periods using a straight-line expense recognition method, based on their fair value on the date of grant.

### Loss per share

Basic loss per share are computed based on the weighted average number of common shares outstanding during the period. Diluted earnings/loss per share reflect the dilutive impact of outstanding stock options and restricted stock awards. Included in the weighted average shares outstanding is the share consideration in connection with the Restaurant Magic Acquisition (See Note 2 - Acquisitions) in the amount of 908,192 for the period after the close of the transaction. The shares were issued in January 2020, however, no contingencies existed as of the date of the acquisition.

The following is a reconciliation of the weighted average shares outstanding for the basic and diluted loss per share computations (in thousands, except share and per share data):

	December 31,	
	2019	2018
Net Loss	\$ (15,571)	\$ (24,122)
<b>Basic:</b>		
Weighted average shares outstanding at beginning of year	16,041	15,949
Weighted average shares issued during the year, net	182	92
Weighted average common shares, basic	16,223	16,041
Loss from per common share, basic	\$ (0.96)	\$ (1.50)
<b>Diluted:</b>		
Weighted average common shares, basic	16,223	16,041
Dilutive impact of stock options and restricted stock awards	—	—
Weighted average common shares, diluted	16,223	16,041
Loss per common share, diluted	\$ (0.96)	\$ (1.50)

At December 31, 2019 and 2018 there were 383,000 and 750,000 incremental shares, respectively, from the assumed exercise of stock options that were excluded from the computation of diluted earnings per share because of the anti-dilutive effect on earnings per share. There were 308,000 restricted stock awards excluded from the computation of diluted earnings per share for the fiscal year ended 2019 and 113,000 for the fiscal year ended 2018.

## Goodwill

The Company tests goodwill for impairment on an annual basis, which is on the first day of the fourth quarter, or more often if events or circumstances indicate there may be impairment. The Company operates in two reportable operating segments, which are the reporting units used in the test for goodwill impairment - Restaurant/Retail and Government. Goodwill impairment testing is performed at the sub-segment level (referred to as a reporting unit). Goodwill is assigned to reporting units at the date the goodwill is initially recorded. Once goodwill has been assigned to a reporting unit, it no longer retains its association with a particular acquisition, and all of the activities within a reporting unit, whether acquired or organically grown, are available to support the value of the goodwill. Goodwill impairment analysis is a two-step test. The first step, used to identify potential impairment, involves comparing each reporting unit's fair value to its carrying value including goodwill. If the fair value of a reporting unit exceeds its carrying value, applicable goodwill is considered not to be impaired. If the carrying value exceeds fair value, there is an indication of impairment, at which time a second step would be performed to measure the amount of impairment. The second step involves calculating an implied fair value of goodwill for each reporting unit for which the first step indicated an impairment. We utilize different methodologies in performing the goodwill impairment test for each reporting unit. For both the Restaurant/Retail and Government reporting units, these methodologies include an income approach, namely a discounted cash flow method, and multiple market approaches and the guideline public company method and quoted price method. The valuation methodologies and weightings used in the current year are generally consistent with those used in our past annual impairment tests.

The discounted cash flow method derives a value by determining the present value of a projected level of income stream, including a terminal value. This method involves the present value of a series of estimated future cash flows at the valuation date by the application of a discount rate, one which a prudent investor would require before making an investment in our equity. We consider this method to be most reflective of a market participant's view of fair value given the current market conditions, as it is based on our forecasted results and, therefore, established this method's weighting at 80% of the fair value calculation. Key assumptions within our discounted cash flow model include projected financial operating results, a long-term growth rate of 3% and, depending on the reporting unit, discount rates ranging from 13.0% to 22.0%. As stated above, because the discounted cash flow method derives value from the present value of a projected level of income stream, a modification to our projected operating results, including changes to the long-term growth rate, could impact the fair value. The present value of the cash flows is determined using a discount rate based on the capital structure and capital costs of comparable public companies, as well as company-specific risk premium, as identified by us. A change to the discount rate could impact the fair value determination.