PUBLIC SOFTWARE CAPITAL ALLOCATION SERIES · EDITION 2026.10

The Software CapEx & R&D Payback Scorecard

Which Software Engineering Budgets Actually Buy Gross Profit Across SEC Filings

EXECUTIVE RESEARCH THESIS

Across 130 ranked public software issuers in our SEC XBRL filings universe (as of Oct 22, 2026), evaluating engineering efficiency on income-statement GAAP R&D alone systematically overstates capital productivity. Modern software companies split technical reinvestment across three cash channels: expensed GAAP R&D, capitalized internal-use software payroll under FASB ASC 350-40 (60 disclosing filers), and physical data-center and accelerated compute property additions.

When all three reinvestment channels enter the denominator under our Full CapEx Test, universe median 1-year gross profit payback compresses from $0.48 to $0.41 per $1 invested (0.92x median CapEx Multiplier) and 20 issuers migrate across empirical 2×2 quadrants. This 6-page scorecard separates clean, asset-light software compounders from balance-sheet payroll deferrers and capital-intensive compute builders.

RANKED UNIVERSE
130 Issuers
128 with Full CapEx SEC data

GAAP -> FULL PAYBACK
$0.48 -> $0.41
0.92x median CapEx Multiplier

CLEAN BENCHMARK LEADER
PLTR (0.98x)
$2.66 payback · 55.6% FCF

HYPERSCALER CAPEX DRAG
MSFT 0.33x · ORCL 0.32x
20 issuers shift quadrants

SCORECARD ARCHITECTURE & SECTION GUIDE

2-PAGE PREVIEW EDITION

SEC 01	**Three SEC Accounting Lenses & The 2x2 Universe Map** Formulas, universe median cutoffs, and Exhibit 1 plotting all 130 issuers with GAAP → Full CapEx migration vectors.	PAGE 02 · PREVIEW
SEC 02	**Ten-Issuer Accounting Audit & Sub-Sector Compression** Cross-sectional SEC ledger (PLTR, FICO, KVYO, INTU, NOW, DDOG, PAYC, MSFT, ORCL, DBX) and 6 sub-sector payback bars.	PAGE 03 · GATED
SEC 03	**Issuer Deep Cuts & 20-Stock Quadrant Migration Ledger** Paired GAAP vs. Full CapEx payback chart, three balance-sheet regime studies, and top upward/downward migrators.	PAGE 04 · GATED
SEC 04	**Capital-Cycle Debate & Five-Point SEC Filing Screen** Cloud RPO monetization bull case vs. 4-to-5 year silicon depreciation bear case, 3-scenario matrix, and 5 underwriting gates.	PAGE 05 · GATED
SEC 05	**Live Underwriting Tools, Full Access & SEC Citations** Direct links to the interactive 2×2 Benchmark, free 3-statement DCF model, Full Access membership, and EDGAR citations.	PAGE 06 · GATED

Primary Data: Public SEC Form 10-K and 10-Q XBRL disclosures (Oct 22, 2026, N=130 ranked software issuers with prior-year R&D >= $10M). Published by Golden Door Asset LLC.

SECTION 01 · EXECUTIVE FRAMEWORK · EDITION 2026.10

Three SEC Accounting Lenses & The 130-Issuer Quadrant Map

Moving from income-statement R&D to total cash reinvestment lifts median intensity from 20.75% to 23.99% of revenue, trims median 1-year gross profit payback from $0.48 to $0.41, and shifts 20 software issuers across quadrants.

LENS 01

GAAP R&D Baseline

New GP_t / R&D_(t-1)

20.75% intensity · $0.48 payback

Captures income-statement engineering only; misses capitalized payroll and server racks.

LENS 02

+ Capitalized Software

M_CapSoft = R&D / (R&D + CapSoft)

23.17% intensity · $0.44 payback

60 filers disclose CapSoft additions (ASC 350-40 / 985-20); < 0.70x flags deferral.

LENS 03

Full CapEx Test

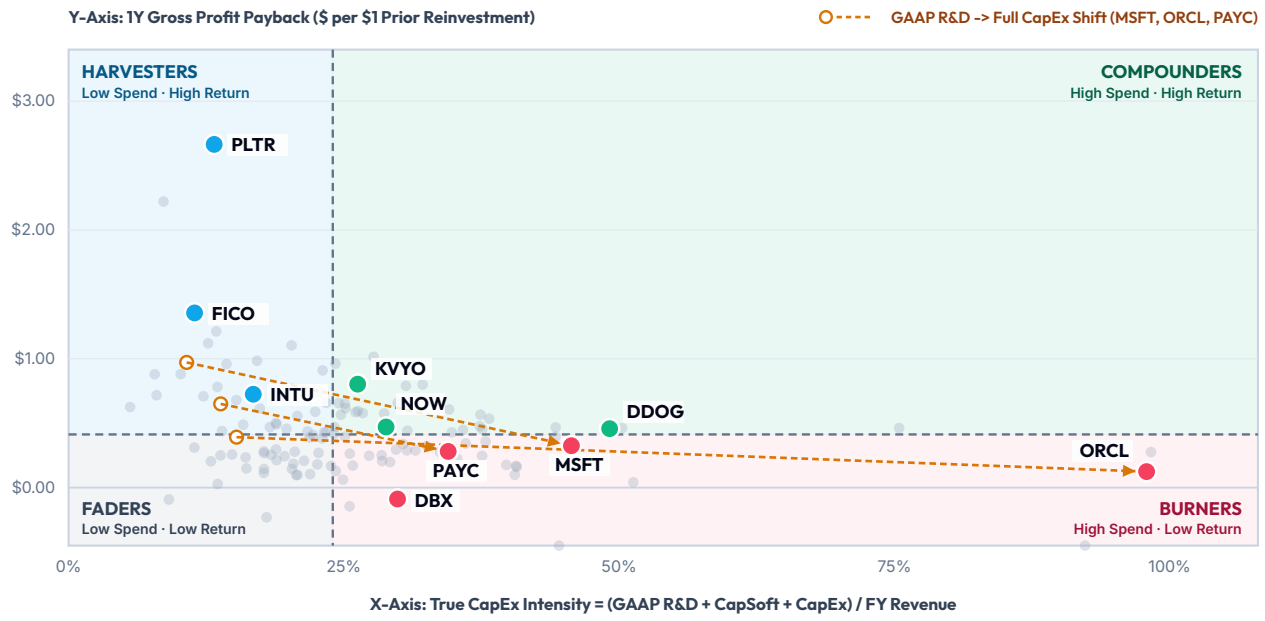
M_CapEx = R&D / (R&D + CapSoft + CapEx)

23.99% intensity · $0.41 payback

Includes data centers and GPU clusters; >= 0.85x confirms clean asset-light conversion.

Exhibit 1: Software R&D Return 2x2 Universe Under the Full CapEx Test

x = True CapEx Intensity ((R&D + CapSoft + CapEx) / FY Revenue, median 23.99%) · y = 1-Year Lagged Incremental Gross Profit per Prior Reinvestment Dollar (median $0.41). Amber arrows trace GAAP R&D → Full CapEx migration for MSFT, ORCL, and PAYC.



Source: Golden Door Asset SEC XBRL Benchmark (Oct 22, 2026, N=130 ranked issuers).

Continue Reading Pages 03 to 06 (Free With Newsletter Subscription)

This 2-page public preview includes the Cover and Section 01 Universe Map. Subscribe free on goldendoorasset.com to download the complete 6-page printable scorecard immediately.

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