



2003 PROFIT Survey

**Survey Deadline
March 15, 2003**

Your data will be treated confidentially by the Profit Planning Group.
 No one from AVDA will have access to individual company data.
 Participant data will be aggregated in a way that prevents identification of any individual company.

Please complete **no later than March 15, 2003** and mail with your **check for \$850 payable to AVDA** in the enclosed envelope to: Profit Planning Group, 1525 Spruce Street, Suite 300, Boulder, Colorado 80302.

INSTRUCTIONS

- (1) Enter the financial statement figures for your **most recently completed fiscal year** (12 months of data). Full year data is required, but the data need not be audited.
- (2) As an option, **you may submit a copy of your balance sheet and income statement** (12 months of data) instead of answering questions 23 and 24 on this questionnaire.
- (3) Feel free to estimate if necessary. It is better to make an educated guess than to leave a field blank.
- (4) **If you have any questions** concerning this survey, please fax John Mackay at the Profit Planning Group, (303) 444-9245 or email info@profitplanninggroup.com.
- (5) Please provide your name and address below. Each participant will receive an individual **Performance Analysis Report** with an action plan for improving the performance of your firm and a **Profit Toolkit** computer program. (Type or print clearly.)

Name/Title _____

Company Name _____

Mailing Address _____

City, State, Zip Code _____

Telephone (_____) _____ Fax (_____) _____

Email Address (required if you request Adobe® PDF file report—see below) _____

Format desired for Performance Analysis Report (check **ONLY** one) Adobe® PDF file* by email Hard copy by U.S. mail
 (*Note: Adobe Acrobat® Reader® software is available free at the www.adobe.com website)

QUESTIONS

1. What type of distributor do you consider yourself primarily to be? (check only one)
 - Ethical Distributor (sell primarily to veterinarians)
 - OTC/Food Animal (sell direct to end-users)

2. Employees by function	<u>Full-Time</u>	<u>Part-Time</u>
Executives (key, top level managers & owners)	_____	_____
Office/Clerical/Accounting/Administration	_____	_____
Data Processing	_____	_____
Purchasing/Inventory Control	_____	_____
Outside Sales (including sales manager).....	_____	_____
Inside Sales, Counter Sales	_____	_____
Warehouse (including warehouse supervisor)	_____	_____
Delivery (including supervisors)	_____	_____
Other (including any "outsourced" employees, estimate full-time equivalents if necessary).....	_____	_____
Total Employees (all employees, including execs.)	_____	_____

3. Product Category Information (include generic products in the appropriate category)	<u>% of Sales</u>	<u>Gross Margin %*</u> <u>Rate Per Category</u>
Pet Foods (premium pet foods, therapeutic diets and specialty diets)	_____ %	_____ %
Equipment & Instruments (cages, surgical tables, x-ray machines, etc.)	_____ %	_____ %
Needles, etc. (needles, syringes, catheters, sutures, etc.)	_____ %	_____ %
Pharmaceuticals (antibiotics, steroids, antihistamines, anabolics, anticholinergics, etc.)	_____ %	_____ %
Biologicals (killed and modified live vaccines for immunization of animals against specific disease conditions)	_____ %	_____ %
White Goods (cotton, gauze, tape, and casting material)	_____ %	_____ %
Fluids (electrolytes, amino acids, lactated ringers and saline solutions)	_____ %	_____ %
Insecticides & Parasiticides (pharmaceutical products for treatment & prevention of parasites and insects)	_____ %	_____ %
Implants & Ear Tags (subcutaneous ear implants; insecticide and identification ear tags)	_____ %	_____ %
Diagnostics (products for animals to determine agents causing a disease condition)	_____ %	_____ %
Other (products not included above)	_____ %	_____ %
Total Sales	100%	*Enter front end margin before vendor rebates for each category.
4. Sales by type of sale		
Stocked items (products normally stocked in warehouse)	_____ %	
Special Orders (items not normally stocked, but are received at your dock before being delivered to customers)	_____ %	
Drop shipments to customer (supplier direct to customer)	_____ %	
Total Sales	100%	
5. Sales by type of customer		
Food animal practitioner (customers with 75% or more in food animal)	_____ %	
Equine practitioner (customers with 75% or more in equine)	_____ %	
Small Animal practitioner (customers with 75% or more in small animal)	_____ %	
Mixed/Other (customers not included above, i.e., less than 75% in any category)	_____ %	
Total Sales	100%	
6. Average number of invoice lines received per month (in-bound merchandise received from vendors)	_____ #	
7. Number of stockkeeping units carried (SKUs or inventory line items)	_____ #	
8. Number of active customers (6 or more orders per year)	_____ #	
9. Average number of invoices shipped per month	_____ #	
10. Average number of lines per invoice	_____ #	
11. Total number warehouse hours paid per year, including overtime for all hourly warehouse employees (Include hourly workers only, exclude supervisors. Exclude delivery drivers)	_____ Hrs.	
12. Average number of orders taken per inside telephone salesperson/telemarketer labor hour	_____ #	
13. Average number of vendor invoices paid per accounts payable administrator/clerk (per year)	_____ #	
14. Average number of customer payments processed per accounts receivable administrator/clerk (per year) (Customer payments should include checks as well as credit card payments processed annually.)	_____ #	
15. Sales by customer payment terms		
Cash or Check at the time of sale or C.O.D.	_____ %	
Credit Card	_____ %	
Open Account (you carry the receivable, usually standard terms such as Net 30, etc.)	_____ %	
Total Sales	100%	

- 16. When does your fiscal year end?
- 17. Net sales for **previous** fiscal year (2001) \$
- 18. **Sales forecast** for fiscal year 2003 \$
- 19. Were you on a LIFO Inventory Valuation System last year (fiscal 2002)? Yes No
 - a. If yes, how much was your annual **addition** to LIFO reserves for the year? \$
 - b. If yes, how much was your total **ending** LIFO reserve?..... \$
- 20. Average Accounts Receivable (Sum of 12 Month-End Balances ÷ 12) \$
- 21. Average Inventory (Sum of 12 Month-End Balances ÷ 12; LIFO value, if you use LIFO)..... \$
- 22. Average Accounts Payable (Sum of 12 Month-End Balances ÷ 12)..... \$



You have two options:

- 1. Complete questions 23 and 24
OR
- 2. Attach your latest full-year balance sheet and income statement.
Detailed financial statements are required so that Profit Planning Group can complete the survey for you.

23. **BALANCE SHEET** (end of fiscal year)

Assets

Current Assets

- Cash & Marketable Securities \$
- Accounts Receivable (trade)
- Inventory.....
- Other Current Assets
- Total Current Assets** \$

Total Fixed & Noncurrent Assets (net of depreciation)

Total Assets \$

Liabilities And Net Worth

Current Liabilities

- Accounts Payable (trade) \$
- Notes Payable (due within one year)
- Other Current Liabilities (including accruals).....
- Total Current Liabilities** \$

Long Term Liabilities

Loans from Stockholders

Net Worth/Owner Equity (paid-in capital & retained earnings)

Total Liabilities and Net Worth..... \$

24. **INCOME STATEMENT** (12 months of data)

Net Sales (less returns, discounts & allowances)	\$ _____
Cost Of Goods Sold (include freight-in, less rebates & purchase discounts)	_____
Gross Profit (Net Sales - Cost Of Goods Sold)	\$ _____
Plus Commission Income Received (Agency commissions, net of sales rep commissions)	_____
Gross Profit and Commission Income	\$ _____
Payroll Expenses	
Executive Salaries & Bonuses	\$ _____
Office/Administrative Salaries, Wages & Bonuses	_____
Data Processing Salaries, Wages & Bonuses	_____
Purchasing Salaries, Wages & Bonuses	_____
Outside Sales Salaries, Wages, Commissions & Bonuses	_____
Inside/Counter Sales Salaries, Wages, Commissions & Bonuses	_____
Warehouse Salaries, Wages & Bonuses	_____
Delivery Salaries, Wages & Bonuses	_____
All Other Employee Salaries, Wages & Bonuses	_____
Contract/Temporary Labor	_____
Total Salaries, Wages, Commissions & Bonuses (including Contract/Temporary Labor)	\$ _____
Payroll Taxes (FICA, Unemployment, Workers' Comp.)	_____
Group Insurance (medical, hospitalization, etc.)	_____
Employee Benefits (include profit sharing, pension fund, etc.)	_____
Total Payroll Expenses (Salaries, Wages & Bonuses + Taxes + Group Insurance + Benefits)	\$ _____
Freight Out/Distribution Expenses (costs of leasing or owning trucks, including gas, oil, repairs & maintenance, insurance, depreciation, leasing, etc., and over-the-road vehicles, payments to public carriers for delivery of products to customers, net of outbound customer freight billed)	\$ _____
Occupancy Expenses	
Utilities: Heat, Light, Power, Water	\$ _____
Telephone	_____
Building Repairs and Maintenance	_____
Rent (include rent, mortgage interest, building depreciation, insurance, real estate taxes, etc.)	_____
Total Occupancy Expenses	\$ _____
Other Operating Expenses	
Advertising & Promotion	\$ _____
Outside Sales Expense (OSR travel, entertainment, auto, etc., excluding compensation, payroll taxes, benefits)	_____
Warehouse & Shipping Supplies (corrugated packaging, ice packs, mailers, etc.)	_____
Insurance (business liability & casualty)	_____
Depreciation (fixtures & equipment; exclude building & vehicle)	_____
Credit Card Processing Fees	_____
Bad Debt Losses	_____
All Other Operating Expenses	_____
Total Other Operating Expenses	\$ _____
TOTAL OPERATING EXPENSES (Payroll + Freight + Occupancy + Other)	\$ _____
Operating Profit (Gross Profit - Total Operating Expenses)	\$ _____
Other Income (interest income, sale of assets, etc.)	_____
Interest Expense (exclude mortgage interest)	_____
Other Non-Operating Expenses	_____
Profit Before Taxes	\$ _____
Income Taxes (Local, State, Federal)	_____
Net Profit After Taxes	\$ _____