



# 2008 PROFIT Survey

**Survey Deadline**  
March 15, 2008

**New Extended Date:**  
March 31, 2008

**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.

**There is a \$850 fee to participate.**

Please complete and mail with a **check payable to AVDA** to:  
Profit Planning Group, 1790 38th Street, Suite 204, Boulder, Colorado 80301.

## Instructions

- 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.
- As an option, **you may submit a copy of your balance sheet and income statement** (12 months of data) instead of answering those questions after the STOP sign on this questionnaire.
- It is better to make an educated guess than to leave a field blank.**
- If you have any questions** send them to [surveys@profitplanninggroup.com](mailto:surveys@profitplanninggroup.com).
- Please complete the following to receive access to **Profit Toolkit Online** and receive your firm's **FREE Profit Improvement Profile (PIP)** which includes an action plan for improving performance.

Name/Title \_\_\_\_\_

Company Name \_\_\_\_\_

Mailing Address \_\_\_\_\_

City, State, ZIP Code \_\_\_\_\_

Telephone (\_\_\_\_) \_\_\_\_\_ Fax (\_\_\_\_) \_\_\_\_\_

Email Address \_\_\_\_\_

### **Get your individual PIP two weeks earlier!**

- Send my PIP in an Adobe® PDF file\* by email.** To receive your PIP by email, you must:
- Provide an email address above
  - Add [mail@profitplanninggroup.com](mailto:mail@profitplanninggroup.com) to your address book and/or to your spam filter's white list

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. **Number of Full-Time Equivalent Employees** by function (convert part-time to FTE based on a 40-hour week)

**FTEs**

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 FTE Employees** ..... \_\_\_\_\_

3. <b>Product Category Information</b> (include generic products in the appropriate category)	<b>% of GAAP Sales</b>	<b>Gross Margin %* Rate Per Category</b>
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) .....	_____ %	_____ %
All Other Products (not included above) .....	_____ %	_____ %
<b>Total GAAP Sales</b> .....	<b>100%</b>	

\*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) .....	_____ %
<b>Total Sales</b> .....	<b>100%</b>

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 (customers with less than 75% in any one category listed above) .....	_____ %
<b>Total Sales</b> .....	<b>100%</b>

- |  |             |
|--|-------------|
| 6. Average number of invoice lines <b>received</b> per month (in-bound merchandise received from vendors) .....  | _____ #     |
| 7. Number of stockkeeping units carried (SKUs or inventory line items; one item carried in two warehouses is only one SKU.) .....  | _____ #     |
| 8. Number of active customers (6 or more orders per year) .....  | _____ #     |
| 9. Average number of invoices <b>shipped</b> per month .....   | _____ #     |
| 10. Average number of lines per invoice .....  | _____ #     |
| 11. Total number of <b>warehouse hours paid</b> per year, including overtime for <b>all</b> hourly warehouse employees (include hourly workers only, exclude supervisors and 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.) | _____ #     |
| <b>15. Sales by customer payment terms</b>   |             |
| 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.) .....   | _____ %     |
| <b>Total Sales</b> .....   | <b>100%</b> |

16. Net sales for **previous** (2006) fiscal year (needed to calculate sales growth) ..... \$ \_\_\_\_\_
17. **Gross Billings for 2007**
- Net Sales (less returns, discounts & allowances) ..... \$ \_\_\_\_\_
- Billings for Third Party Providers (e.g., pet foods, not included in Net Sales)..... \_\_\_\_\_
- Agency Sales (which generate agency commissions)..... \_\_\_\_\_
- Total Gross Billings**..... \$ \_\_\_\_\_
18. Were you on a LIFO Inventory Valuation System last year (fiscal 2007)? .....  Yes  No
- a. If yes, how much was your annual **change** (+/-) in LIFO reserves for the year? ..... \$ \_\_\_\_\_
- b. If yes, how much was your total **ending** LIFO reserve? ..... \$ \_\_\_\_\_
19. Average Accounts Receivable (sum of 12 month-end balances ÷ 12) ..... \$ \_\_\_\_\_
20. Average Inventory (sum of 12 month-end balances ÷ 12; LIFO value, if you use LIFO)..... \$ \_\_\_\_\_
21. Average Accounts Payable (sum of 12 month-end balances ÷ 12)..... \$ \_\_\_\_\_



**You have two options:**

1. Complete the balance sheet and income statement on this survey.
- 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.

22. **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**..... \$ \_\_\_\_\_

23. **Income Statement** (12 months of data)

<b>Net Sales</b> (less returns, discounts & allowances).....	\$	_____
<b>Cost of Goods Sold</b> (include freight-in, less rebates & purchase discounts) .....		_____
<b>Gross Profit</b> (Net Sales - Cost of Goods Sold) .....	\$	_____
<b>Commission Income Received</b> (agency commissions, net of sales rep commissions).....		_____
<b>Gross Profit plus Commission Income</b> .....	\$	_____
<b>Payroll Expenses</b>		
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.....		_____
<b>Total Salaries, Wages, Commissions &amp; Bonuses</b> (including contract/temporary labor) .....	\$	_____
Payroll Taxes (FICA, unemployment, workers' comp.) .....		_____
Group Insurance (medical, hospitalization, etc.) .....		_____
Employee Benefits (include profit sharing, pension fund, etc.) .....		_____
<b>Total Payroll Expenses</b> (Salaries, Wages & Bonuses + Taxes + Group Insurance + Benefits) .....	\$	_____
<b>Freight Out/Distribution Expenses</b> (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) .....	\$	_____
<b>Occupancy Expenses</b>		
Utilities: Heat, Light, Power, Water .....	\$	_____
Telephone .....		_____
Building Repairs and Maintenance .....		_____
Rent (include rent, mortgage interest, building depreciation, insurance, real estate taxes, etc.) .....		_____
<b>Total Occupancy Expenses</b> .....	\$	_____
<b>Other Operating Expenses</b>		
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, vehicles and data processing equipment) .....		_____
Credit Card Processing Fees.....		_____
Bad Debt Losses.....		_____
Professional Fees (legal, accounting, etc.) .....		_____
IT Expense (computer hardware, software, depreciation, leasing, maintenance, etc.) .....		_____
All Other Operating Expenses .....		_____
<b>Total Other Operating Expenses</b> .....	\$	_____
<b>Total Operating Expenses</b> (Payroll + Freight + Occupancy + Other) .....	\$	_____
<b>Operating Profit</b> (Gross Profit - Total Operating Expenses).....	\$	_____
Other Income (interest income, sale of assets, etc.) .....		_____
Interest Expense (exclude mortgage interest) .....		_____
Other Non-operating Expenses .....		_____
<b>Profit Before Taxes</b> .....	\$	_____
Income Taxes (local, state, federal) .....		_____
<b>Net Profit After Taxes</b> .....	\$	_____