



# Interiors Designer


# Business Plan


[YEAR]


## Interiors that reflect your style


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### Prepared By

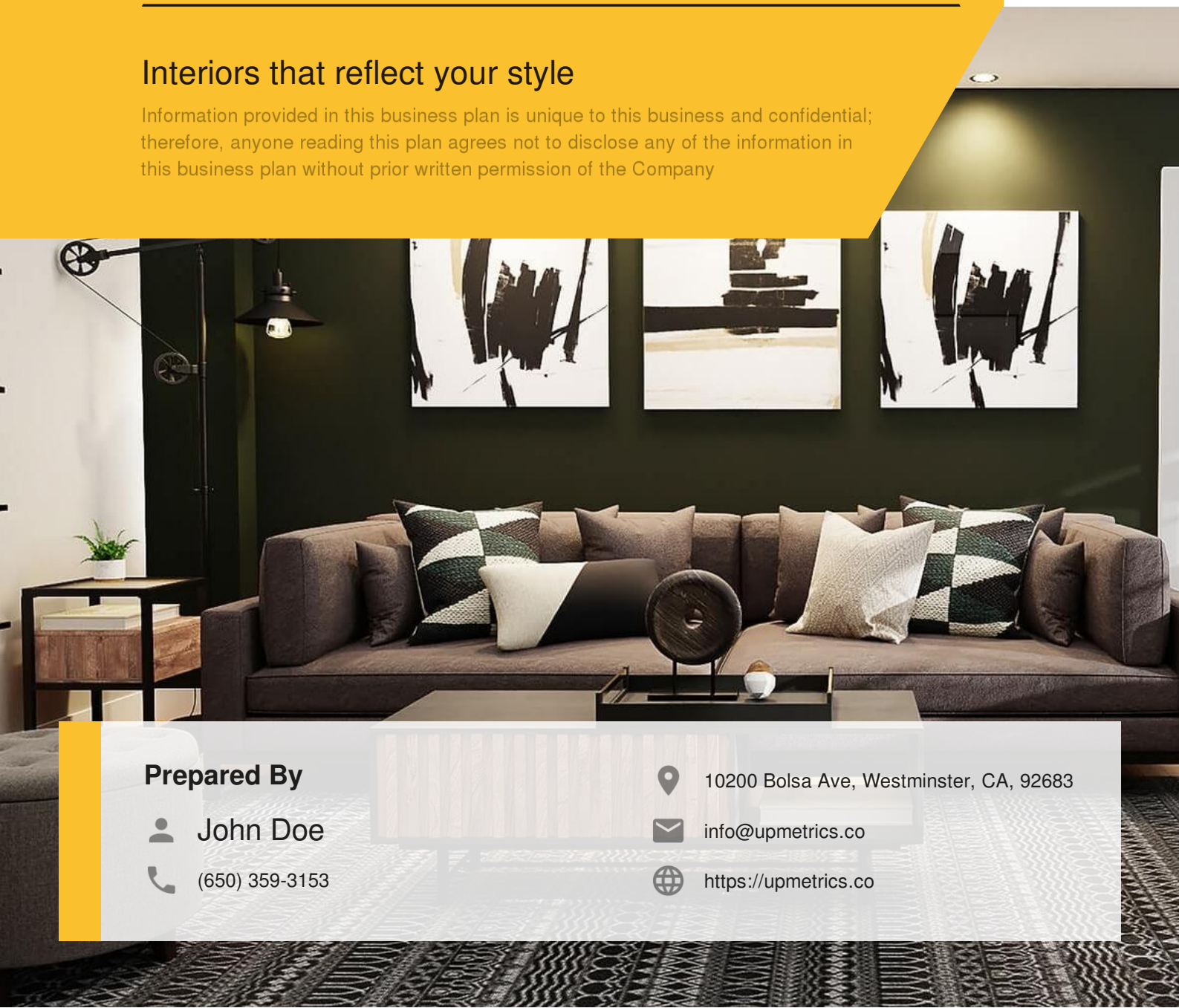
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# 1.

## Executive Summary

Mission Statement

Vision Statement

Objectives

Financial Considerations

Keys to Success



### REMEMBER

Before you think about how to start Interior design services, you must create a detailed Interior design business plan. It will not only guide you in the initial phases of your startup but will also help you later on.

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### TIP

Topaz Interiors, Inc. is a U.S based interior design company. We have been able to secure a standard and well – positioned office facility in a busy business district in Virginia Beach, Virginia. We are a world-class interior design company that is set to compete in the highly competitive interior design industry not only in the United States market but also

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## Mission Statement



### TIP

Our mission is to build an interior design company that will be known to execute top-notch designs and projects and to become the number one choice of real estate agencies and another stakeholder in the industry.

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## Vision Statement



### TIP

Our vision is to establish a standard interior design company whose services and brand will not only be accepted in Virginia Beach – Virginia but also all through the United States of America, but also in other parts of the world.

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## Objectives



TIP

- Realize an average of \$3,870 of sales each business month for the first year, \$5,720 for the second, and \$6,600 for the third year.
- Generate a minimum of 45% of revenues from consulting/billing

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## Financial Considerations



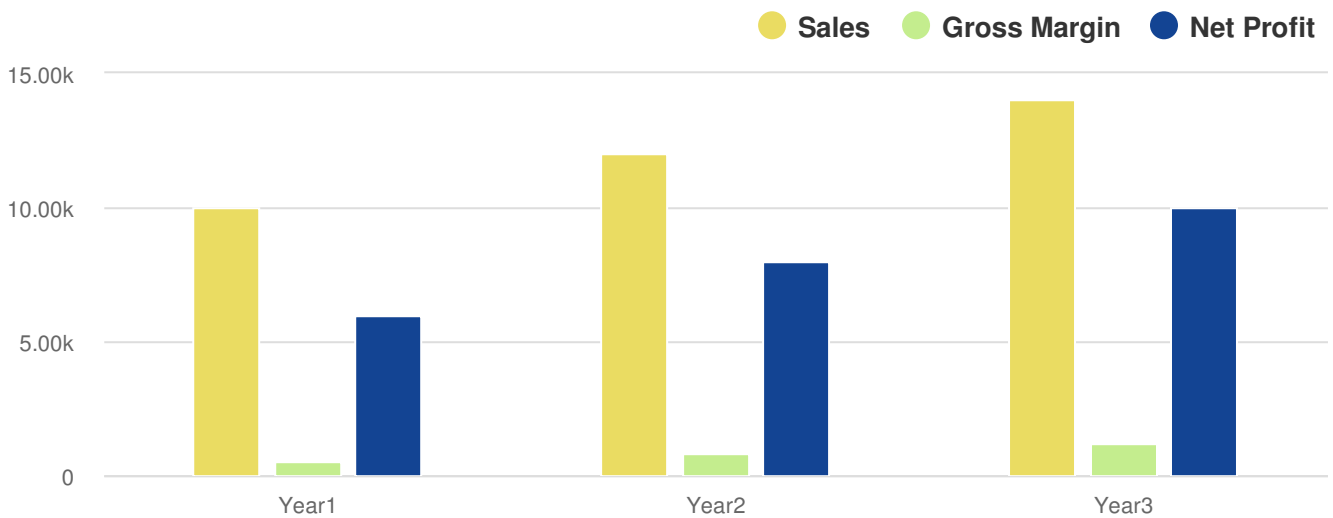
TIP

Total revenues in the first year are projected to exceed \$46,000 with a loss. The venture will show increasing profits in years two and three, with revenues projected to increase to almost \$80,000. This interior design business plan outlines the concept and implementation and details regarding the first three years of this venture.

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## 3 Year profit forecast



Financial Year	Sales	Gross Margin	Net Profit
Year1	10000	500	6000
Year2	12000	800	8000
Year3	14000	1200	10000

## Keys to Success



**TIP**

The primary keys to success for Topaz Interiors will be based on the following factors:

1. Provide the highest quality interior design consulting experience possible.

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# 2.

## Business Summary

Overview

Company Ownership

Company Locations and Facilities

## Overview



**TIP**

Topaz Interiors is a start-up business that will offer comprehensive interior design services for home and office.

This business will assist those that want to have guidance and council in developing a basic design concept of their project, t

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## Company Ownership



**TIP**

Topaz Interiors, located in Virginia Beach, Virginia is registered in the State of Virginia as a sole proprietorship owned and operated by Taffy Sanders and Ms. Tanya Emerson.

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## Company Locations and Facilities



**TIP**

Topaz Interiors is operated from the office located in a busy business district in Virginia Beach, Virginia. A room is dedicated to supporting a work area, a client contact work center, and display samples of design concepts, products, and past work.

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# 3.

## Products and Services

Product and Service Description

Competitive Comparison

Sales Literature



#### REMEMBER

Before starting an Interior design business, you must take many things into consideration such as you must consider what types of Interior design services will you be providing to your customers. Deciding your services is extremely important since it helps you plan other components of your business so make sure to consider it before you think about how to start.

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#### TIP

Topaz Interiors focuses on providing interior design consulting. This is complemented by specially purchased furniture, art pieces, decorator fabric, and accessories for the home and office. The sales process will begin with interior design consulting services, and then progress on to offer specially selected components to complement the design the

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## Product and Service Description



#### TIP

Our primary points of differentiation offer these qualities:

- A unique client experience from a trained and professional interior designer that is qualified and capable of meeting the needs of discerning clients with high expectations.

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## Competitive Comparison



#### TIP

Our competition is primarily from other interior designers. Looking at a broader picture, there is also competition from the "do-it-yourself" resource providers that have retail stores and websites that include the following:

- Bed, Bath, and Beyond moved into the market

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## Sales Literature



**TIP**

A simple and professional-looking brochure will be available to provide referral sources, leave at seminars, and on a select basis, use for direct mail purposes.

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# 4.

## Market Analysis

Service Business Analysis

Market Segmentation

Target Market Segment Strategy

Market Trends

Market Growth

Market Needs

Distributing a Service

Competition and Buying Patterns

Main Competitors

Business Participants



### REMEMBER

The most important component of an effective Interior design business plan is its accurate marketing analysis. If you are starting on a smaller scale, you can do the market analysis yourself by taking help from this Interior design business plan sample or another sample Interior design business plans available online.

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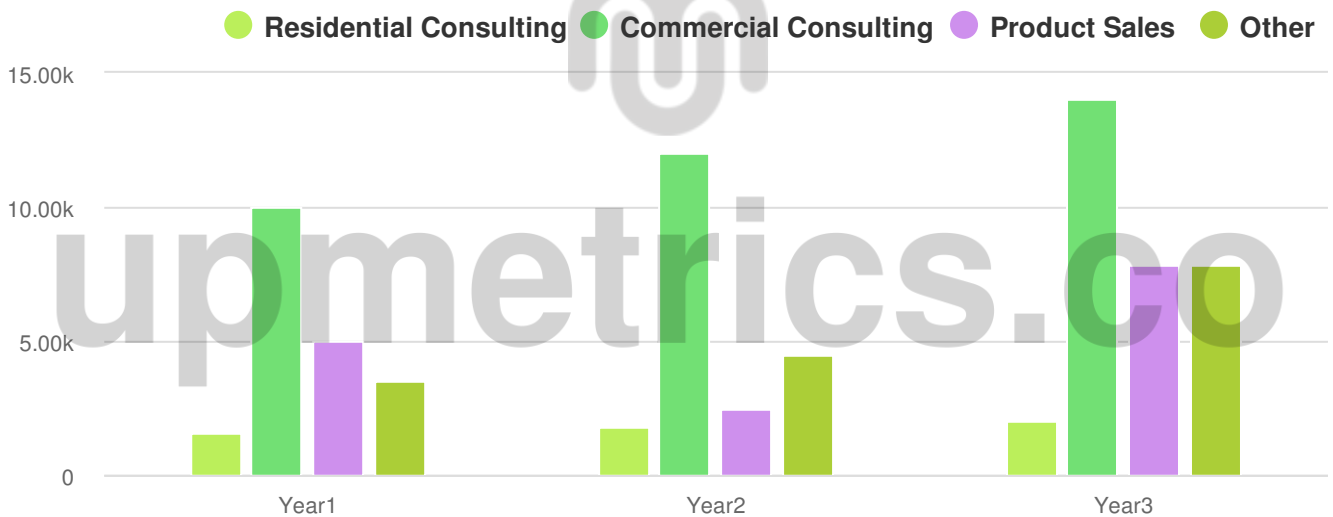
### TIP

Topaz Interiors has a defined target market client that will be the basis of building this business. This client is identical for both the residence and office spaces, but the target market is identical based on her different roles for each of those spaces.

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## Sales Yearly



Financial Year	Residential Cons...	Commercial Con...	Product Sales	Other
Year1	1550	10000	5000	3500
Year2	1800	12000	2500	4500
Year3	2050	14000	7800	7845

## Service Business Analysis



TIP

The industry continues to be competitive with a "commodity" concern with "designers" of all skill and background levels available throughout the market.

- **Potential Competitors:** There are many other interior designers in the Virginia Beach area and these competitors rank

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## Market Segmentation



TIP

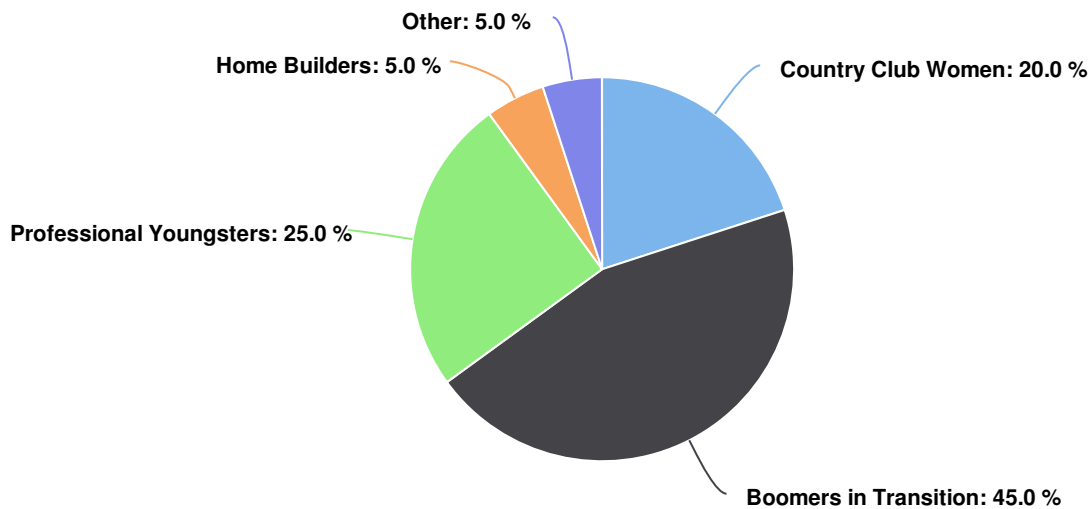
The profile of the Topaz Interior client consists of the following geographic, demographic, psychographic, and behavior factors:

### Geographics

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## Market Analysis



### Segments

### Market share

Country Club Women

20

Boomers in Transition

45

Professional Youngsters

25

Home Builders

5

Other

5



Potential Customers	Growth	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Country Club Women	12%	34,400	38,528	43,151	48,329	54,128	12.00%
Boomers in Transition	9%	12,000	13,080	14,257	15,540	16,939	9.00%
Professional Youngsters	8%	8,000	8,640	9,331	10,077	10,883	8.00%
Home Builders	5%	8,000	8,400	8,820	9,261	9,724	5.00%
Other	0%	0	0	0	0	0	0.00%
Total	10.09%	62,400	68,648	75,559	83,207	91,674	10.09%

## Target Market Segment Strategy



TIP

Our marketing strategy will create awareness, interest, and appeal from our target market for what Topaz Interiors offers its clients. The target markets are separated into four segments; "Country Club Women," "Boomers in Transition," "Professional Youngsters," and "Home Builders." The primary marketing opportunity is selling to these well defined and acce

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## Market Trends



TIP

The home textile market, considered to include sheets, towels, draperies, carpets, blankets, and upholstery, accounts for 37% of all textile output. The trade publication "Home Textiles Today" estimates the size of the U.S. home textiles market at the wholesale level, excluding carpets, to be between \$6.5 billion to \$7 billion annually. The industry is expecte

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## Market Growth



TIP

American Demographics projects the number of U.S. households will grow by 16% to 115 million by the year 2010. Almost half of the households comprised of people from 35 to 44 years old are married couples with children under the age of 18. Based on this research, households in the 45 to 65 age range will grow to 34 million by the year 2000. These househo

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## Market Needs



**TIP**

Topaz Interiors will provide its clients with the opportunity to create a home environment to express who they are. They have the choice to actively participate in the design, look, and feel of their home. They desire their home to be personal, unique, and tasteful as well as communicate a message about what is important to them. Topaz Interiors seek to fu

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## Distributing a Service



**TIP**

Our primary method of distribution will be on a direct sales basis for each individual client.

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## Competition and Buying Patterns



**TIP**

Competition in the area is strong, with designers ranging from home-based, no formal training individuals to the more formalized storefront, American Association of Interior Designers (ASID) certified designers that have close relationships with prestigious architects. In most cases, clients make the provider decision on the basis of three criteria in this

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## Main Competitors



**TIP**

The current local competition includes the following:

- **Interior Designers:** There are 37 interior designers listed in the Virginia Beach Yellow Pages (the Year 2000-2001 issue) that offer fabric as a part of their services. Interior designers make

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## Business Participants



**TIP**

Industry participants in the area of interior design come from six general categories; interior designers, traditional furniture stores, traditional fabric retail stores, catalog, and Web-based sales, click and mortar discounters, and individually owned stores. Most of these players have some type of online presence. The following provides an overview of the

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# 5.

## Strategy and Implementation Summary

SWOT Analysis

Strategy Pyramid

Value Proposition

Competitive Edge

Marketing Strategy

Pricing Strategy

Promotion Strategy

Distribution Strategy

Marketing Programs

Positioning Statement

Web Plan Summary

Sales Strategy

Sales Programs

Strategic Alliances

Milestones



#### REMEMBER

After identifying the market demand, market trends, and the potential customers of the startup, the next step is to define an effective strategy for attracting those customers. Like marketing analysis, sales strategy is also an important component of an Interior business startup and must be properly planned before you think about starting your own Interior business.

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#### TIP

The primary sales and marketing strategy for Topaz Interiors includes these factors:

- A premier interior design consulting experience that provides impressive client service throughout.

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## SWOT Analysis

The following SWOT analysis captures the key strengths and weaknesses relating to the market analysis summary and describes the opportunities and threats facing Topaz Interiors.

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## Strengths

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The proven ability to establish excellent personalized client service.

Strong relationships with suppliers that offer flexibility and respond to special product requirements.

Good referral relationships with architects, complementary vendors, and local realtors.

Client loyalty developed through a solid reputation among repeat, high-dollar purchase clients.



## Weaknesses

---

The owner is still climbing the "retail experience learning curve."

Not established in a market where a variety of interior design options exist.

Challenges of the seasonality of the business.



## Opportunities

---

A significant portion of our target market is desperately looking for the services Topaz Interiors will offer.

Strategic alliances offering sources for referrals and joint marketing activities to extend our reach.

Promising activity from new home construction activity.

Changes in design trends can initiate home updating and, therefore, generate sales.



## Threats

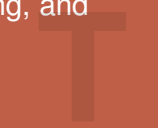
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Continued price pressure due to competition or the weakening market reducing contribution margins.

Dramatic changes in design, including fabric colors and styles, can present challenges to keeping pace with what is desired by what is expected to be a leading-edge client base.

Expansion of products and services offered by other sources including national discount stores into the local market including Target, Wal-Mart, and Home Depot.

Catalog resources, including Calico Corners and Pottery Barn, with aggressively priced trend-setting fabric products including drapery, bedding, and slipcovers.



This analysis indicates solid potential success, but the weaknesses and threats must be recognized throughout the life of the venture.

## Strategy Pyramid



TIP

The following three strategies summarize our implementation process for the upcoming year. They address in-store retail revenue, expansion to non-fabric revenue sources, and Web-based sales activities.

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TIP

**Tactic #1A** - Build a client base through leveraging existing contacts from former clients of the architecture firm.

**Tactic #1B** - Build a referral network through professional contacts. Offer special order fabric that will arrive in a reasonable ti

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### STRATEGY #1 - Generating Referrals

*Start writing here...*



TIP

**Tactic #2A** - Promotion of products available through Topaz Interiors.

- **Program #2A** - Seminars and demonstration promotions.
- **Program #2B** - Cross-selling activities with home and office consulting.

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### STRATEGY #2 - Product Sales

*Start writing here...*



TIP

**Tactic #3A** - Better facilitate and communicate Topaz Interiors services and products through the website.

- **Program #3A** - Design of [www.topazinteriors.com](http://www.topazinteriors.com)
- **Program #3B** - Integration of completed client

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### STRATEGY #3 - Generate Awareness Through the Website

*Start writing here...*

## Value Proposition





TIP

Topaz Interiors offers the highest interior design experience for the home and office conveniently available for those in the Virginia Beach area. The concept is unique through the selection of antiques, home accessories, and complementary products along with the interior design consulting experience.

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## Competitive Edge



TIP

Topaz Interiors will be differentiated from other interior designers by the value it offers in quality, sought-after products not found through other designers or store choices, and through the excellent service and support it offers. Client follow-through will be impeccable. This competitive edge leverages the same proven factors that indicated higher success rates for

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## Marketing Strategy



TIP

The marketing strategy is based on establishing Topaz Interiors as the resource of choice for people in need of interior design ideas and products. The more involved "do-it-yourself" and the "buy-it-yourself" clients will find the consulting and guidance helpful. On the other end of the spectrum, the "just-get-it-done" client will find Topaz will successfully address

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## Pricing Strategy



TIP

Product pricing is based on offering high value to our clients compared to others in the market. Value is determined based on the best design services, providing a "picture" of what space will look like before the work begins, convenience, and timeliness in accomplishing the goal.

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## Promotion Strategy



TIP

The promotion strategy will focus on generating referrals. Other potential sources of promotion include:

- **Newspaper Advertisements:** Select advertisements in the Virginia Beach Herald.

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## Distribution Strategy



TIP

The primary source of distribution is through the traditional retail distribution channel. On a secondary basis, it will be through the website via email inquiries and phone sales, or directly from the site itself.

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# Marketing Programs



TIP

The single objective is to position Topaz Interiors as the premier source for home decorator fabrics in the Virginia Beach area, commanding a majority of the market share within three years. The marketing strategy will seek to first create client awareness regarding the products and services offered, develop that client base, establish connections with targeted

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TIP

INCREASED AWARENESS and IMAGE - Informing those not yet aware of what Topaz Interiors offers.

- Advertising
  - Martha Stewart.

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## Strategy #1

Start writing here...



TIP

LEVERAGING EXISTING CLIENT BASE - Our best sales in the future will come from our current client base.

- Client Service and Relationships
  - Exceptional client service in the store.

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## Strategy #2

Start writing here...



TIP

CROSS SELLING - Increasing the average dollar amount per transaction.

- Internal
  - Additional sales of furniture, art pieces, and fabric and home accessories.

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## Strategy #3

Start writing here...

# Positioning Statement



TIP

For the person that seeks to create a personalized and unique impression of her home, Topaz Interiors is the source for client-oriented design services. Clients will be impressed with, and return for, the services they receive and the outcome they have enjoyed. Unlike other interior designers or stores, such as JoAnn's, Warehouse Fabric, or catalog options, Top

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## Web Plan Summary



TIP

The website of [www.topazinteriors.com](http://www.topazinteriors.com) will be used for information only purposes at this time. Contact information will be presented with a complete portfolio of work accomplished. Additional information will be provided regarding the product-based resources Topaz Interiors incorporates into the work done for clients.

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## Sales Strategy



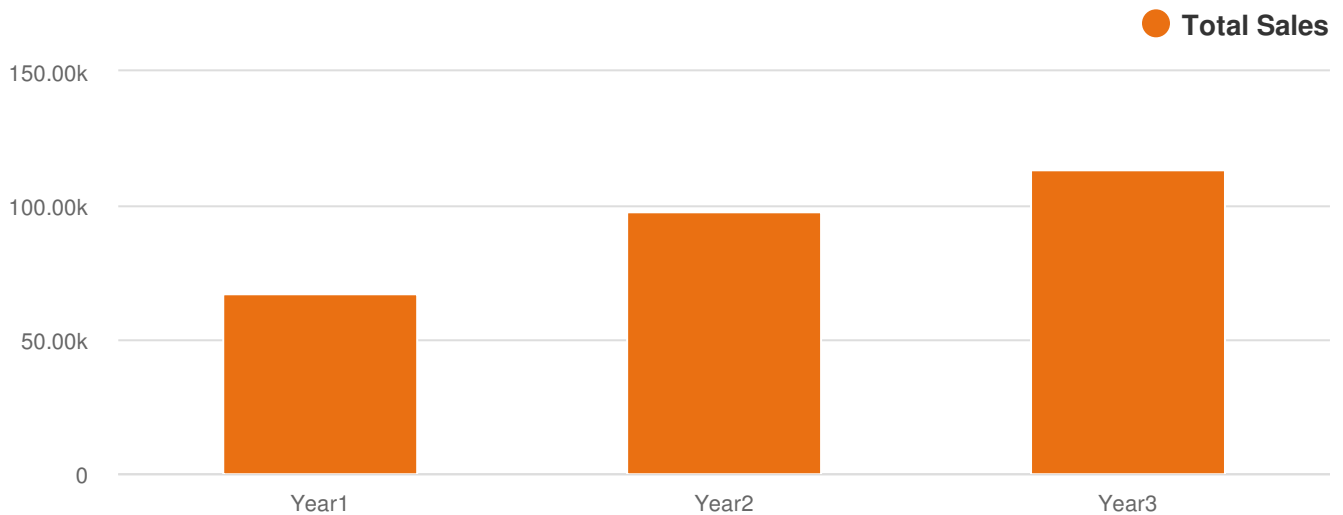
TIP

The sales forecast is broken down into three main revenue streams; residential consulting revenue, commercial consulting revenue, and product sales. The goal is to have these two revenue streams be equal by the second year, with product sales slower to secure during year one. The revenue forecast for the upcoming year is based on a modest 12% growth rate.

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## Sales Yearly



Financial Year	Total Sales
Year1	66840
Year2	97760
Year3	113402

SALES FORECAST	YEAR 1	YEAR 2	YEAR 3
Residential Consulting	\$22,700	\$31,200	\$46,000
Commercial Consulting	\$3,960	\$6,240	\$7,200
Product Sales	\$19,800	\$31,200	\$46,000
Other	\$0	\$0	\$0
<b>TOTAL SALES</b>	<b>\$46,460</b>	<b>\$68,640</b>	<b>\$99,200</b>
Direct Cost of Sales			
Residential Consulting	\$3,405	\$4,680	\$6,900
Commercial Consulting	\$594	\$936	\$1,080
Product Sales	\$10,890	\$17,160	\$25,300
Other	\$0	\$0	\$0
Subtotal Direct Cost of Sales	\$14,889	\$22,776	\$33,280

## Sales Programs



**TIP**

In brief, our marketing mix is comprised of these approaches to pricing, distribution, advertising and promotion, and client service.

**Pricing** - Residential consulting will bill at an average of \$90 per hour and commercial consulting at \$100 per hour.

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## Strategic Alliances



**TIP**

Topaz Interiors does have some dynamic alliances. Based on initial research and contacts, several architect firms are willing to refer clients to Topaz Interiors, including Jill's existing employer, Gibson & Sawyer, LLC. Other alliances include a retail store called "Providence" which focuses on gallery-type pieces for the home and office and is expected to refer clients. There is

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## Milestones

The milestone chart below accompanied by the graphic outlines key activities that will be critical to Topaz Interiors' success in the coming year.

Milestone	Start Date	End Date	Budget	Manager	Department
Year Buying Program	1/2/2002	1/30/2002	\$560	Jill	Products
Membership Strategy	2/2/2002	2/15/2002	\$225	Jill	Promotions
Seminar Schedule & Prep.	3/1/2002	4/1/2002	\$45	Jill	Marketing
Seminars	4/1/2002	5/30/2002	\$540	Jill	Marketing
Client Review/Analysis	6/1/2002	6/15/2002	\$250	Jill	Marketing
Furniture Market (High Point, N.C.)	11/10/2002	11/20/2002	\$1,800	Jill	Products
Year-End Evaluation	12/20/2002	12/31/2002	\$250	Jill & CPA	Management
<b>Totals</b>			<b>\$3,670</b>		

# 6.

## Management Summary

Organizational Structure

Personnel Plan



TIP

Taffy Sanders is the founder and owner of Topaz Interiors. Jill received a Bachelor of Arts degree from the University of Oregon in 1990 through the College of Architecture and Interior Design and is ASID certified. After working for three years at a prestigious interior design firm in Portland, Oregon, she moved to Virginia Beach in 1993 and began working with Gloson & Sawyer.

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## Organizational Structure



TIP

The organization structure is simplistic. Jill manages all employees and professional contacts and will be interfacing with more than 12 account executives/vendors. Jill will determine resource requirements and monitor expenses for all aspects of the firm.

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## Personnel Plan

Jill will act as a sole proprietor without employees at this point. Contract labor may be required for upholstery and fabrication purposes, but that will be included in the cost of goods for each client's project. Jill's salary will begin at a modest \$1,200 per month, increase quarterly, and then is projected at \$2,400 per month for year two and \$3,000 for year three.

PERSONNEL PLAN	YEAR 1	YEAR 2	YEAR 3
Taffy Sanders	\$19,800	\$28,800	\$36,000
Other	\$0	\$0	\$0
TOTAL PEOPLE	1	1	1
Total Payroll	\$19,800	\$28,800	\$36,000



# 7.

## Financial Plan

Important Assumptions

Break-even Analysis

Projected Profit and Loss

Projected Cash Flow

Projected Balance Sheet

Business Ratios



#### REMEMBER

The last component of an Interior design business plan is an in-depth financial plan. The financial plan crafts a detailed map of all the expenses needed for the startup and how these expenses will be met by the earned profits. It is recommended that you use [our financial planning tool](#) for guiding you through all financial aspects needed to be considered for sta

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#### TIP

The initial funding of \$25,000 will be invested by the owner. The goal is to fund the growth of the business from its earnings. The financial plan contains these essential factors:

1. A growth rate in sales of 47% for year 1 and 1

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## Important Assumptions

We are assuming approximately 50% sales on credit and average interest rates of 10%. These are considered to be conservative in case our predictions are erroneous.

	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	10,00%	11,00%	12,00%
Long-term Interest Rate	10,00%	10,00%	10,00%
Tax Rate	26,42%	27,76%	28,12%
Other	0	0	0

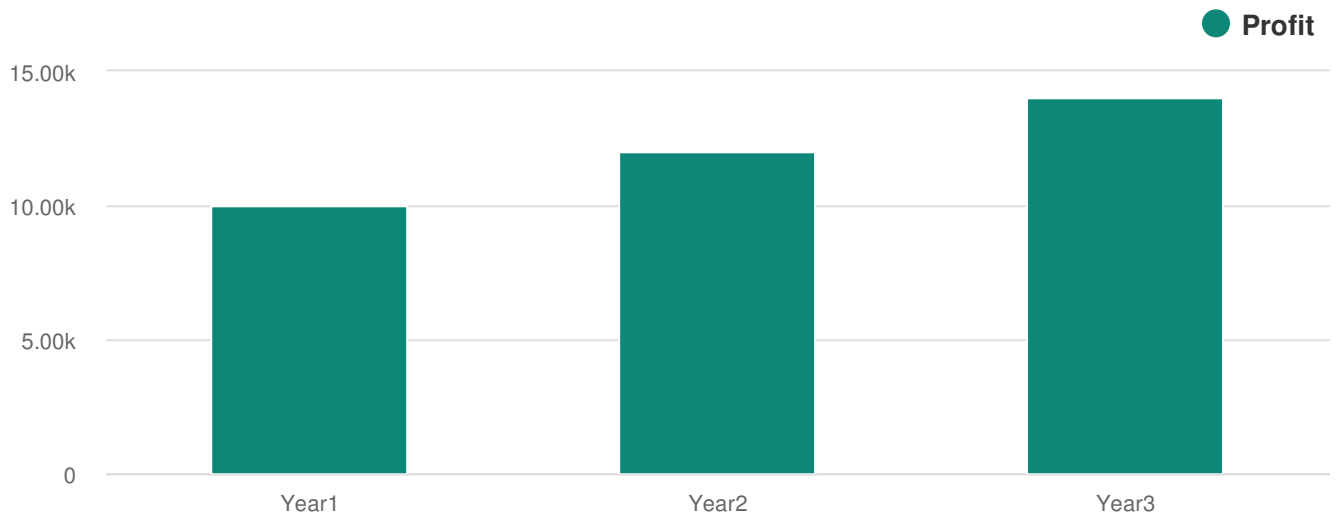
## Brake-even Analysis

Monthly Units Break-even	5530
Monthly Revenue Break-even	\$159 740
<b>Assumptions:</b>	
Average Per-Unit Revenue	\$260,87
Average Per-Unit Variable Cost	\$0,89
Estimated Monthly Fixed Cost	\$196 410

## Projected Profit and Loss

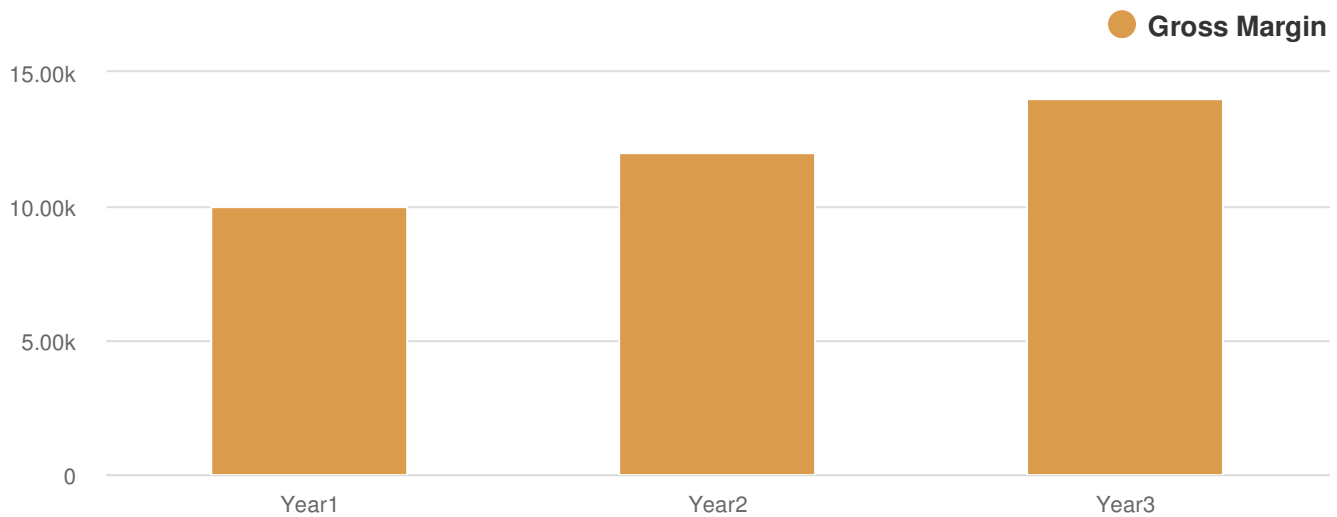
	Year 1	Year 2	Year 3
<b>Sales</b>	\$309 069	\$385 934	\$462 799
Direct Cost of Sales	\$15 100	\$19 153	\$23 206
Other	\$0	\$0	\$0
<b>TOTAL COST OF SALES</b>	\$15 100	\$19 153	\$23 206
Gross Margin	\$293 969	\$366 781	\$439 593
Gross Margin %	94,98%	94,72%	94,46%
<b>Expenses</b>			
Payroll	\$138 036	\$162 898	\$187 760
Sales and Marketing and Other Expenses	\$1 850	\$2 000	\$2 150
Depreciation	\$2 070	\$2 070	\$2 070
Leased Equipment	\$0	\$0	\$0
Utilities	\$4 000	\$4 250	\$4 500
Insurance	\$1 800	\$1 800	\$1 800
Rent	\$6 500	\$7 000	\$7 500
Payroll Taxes	\$34 510	\$40 726	\$46 942
Other	\$0	\$0	\$0
Total Operating Expenses	\$188 766	\$220 744	\$252 722
Profit Before Interest and Taxes	\$105 205	\$146 040	\$186 875
<b>EBITDA</b>	\$107 275	\$148 110	\$188 945
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$26 838	\$37 315	\$47 792
Net Profit	\$78 367	\$108 725	\$139 083
<b>Net Profit/Sales</b>	30,00%	39,32%	48,64%

## Profit Yearly



Financial Year	Profit
Year1	10000
Year2	12000
Year3	14000

## Gross Margin Yearly



Financial Year	Gross Margin
Year1	10000
Year2	12000
Year3	14000

## Projected Cash Flow

Cash Received	Year 1	Year 2	Year 3
<b>Cash from Operations</b>			
Cash Sales	\$40 124	\$45 046	\$50 068
Cash from Receivables	\$7 023	\$8 610	\$9 297
<b>SUBTOTAL CASH FROM OPERATIONS</b>	<b>\$47 143</b>	<b>\$53 651</b>	<b>\$59 359</b>
<b>Additional Cash Received</b>			
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
<b>SUBTOTAL CASH RECEIVED</b>	<b>\$47 143</b>	<b>\$53 651</b>	<b>\$55 359</b>
<b>Expenditures from Operations</b>			
Cash Spending	\$21 647	\$24 204	\$26 951
Bill Payments	\$13 539	\$15 385	\$170 631
<b>SUBTOTAL SPENT ON OPERATIONS</b>	<b>\$35 296</b>	<b>\$39 549</b>	<b>\$43 582</b>
<b>Additional Cash Spent</b>			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
<b>SUBTOTAL CASH SPENT</b>	<b>\$35 296</b>	<b>\$35 489</b>	<b>\$43 882</b>
<b>Net Cash Flow</b>	<b>\$11 551</b>	<b>\$13 167</b>	<b>\$15 683</b>

<b>Cash Received</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Cash Balance</b>	\$21 823	\$22 381	\$28 239

## Projected Balance Sheet

Assets	Year 1	Year 2	Year 3
<b>Current Assets</b>			
Cash	\$184 666	\$218 525	\$252 384
Accounts Receivable	\$12 613	\$14 493	\$16 373
Inventory	\$2 980	\$3 450	\$3 920
Other Current Assets	\$1 000	\$1 000	\$1 000
<b>TOTAL CURRENT ASSETS</b>	<b>\$201 259</b>	<b>\$237 468</b>	<b>\$273 677</b>
Long-term Assets			
Long-term Assets	\$10 000	\$10 000	\$10 000
Accumulated Depreciation	\$12 420	\$14 490	\$16 560
<b>TOTAL LONG-TERM ASSETS</b>	<b>\$980</b>	<b>\$610</b>	<b>\$240</b>
<b>TOTAL ASSETS</b>	<b>\$198 839</b>	<b>\$232 978</b>	<b>\$267 117</b>
<b>Current Liabilities</b>			
Accounts Payable	\$9 482	\$10 792	\$12 102
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
<b>SUBTOTAL CURRENT LIABILITIES</b>	<b>\$9 482</b>	<b>\$10 792</b>	<b>\$12 102</b>
Long-term Liabilities	\$0	\$0	\$0
<b>TOTAL LIABILITIES</b>	<b>\$9 482</b>	<b>\$10 792</b>	<b>\$12 102</b>
Paid-in Capital	\$30 000	\$30 000	\$30 000
Retained Earnings	\$48 651	\$72 636	\$96 621
Earnings	\$100 709	\$119 555	\$138 401
<b>TOTAL CAPITAL</b>	<b>\$189 360</b>	<b>\$222 190</b>	<b>\$255 020</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$198 839</b>	<b>\$232 978</b>	<b>\$267 117</b>
<b>Net Worth</b>	<b>\$182 060</b>	<b>\$226 240</b>	<b>\$270 420</b>

## Business Ratios

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	4,35%	30,82%	63,29%	4,00%
<b>Percent of Total Assets</b>				
Accounts Receivable	5,61%	4,71%	3,81%	9,70%
Inventory	1,85%	1,82%	1,79%	9,80%
Other Current Assets	1,75%	2,02%	2,29%	27,40%
Total Current Assets	138,53%	150,99%	163,45%	54,60%
Long-term Assets	-9,47%	-21,01%	-32,55%	58,40%
TOTAL ASSETS	100,00%	100,00%	100,00%	100,00%
Current Liabilities	4,68%	3,04%	2,76%	27,30%
Long-term Liabilities	0,00%	0,00%	0,00%	25,80%
Total Liabilities	4,68%	3,04%	2,76%	54,10%
NET WORTH	99,32%	101,04%	102,76%	44,90%
<b>Percent of Sales</b>				
Sales	100,00%	100,00%	100,00%	100,00%
Gross Margin	94,18%	93,85%	93,52%	0,00%
Selling, General & Administrative Expenses	74,29%	71,83%	69,37%	65,20%
Advertising Expenses	2,06%	1,11%	0,28%	1,40%
Profit Before Interest and Taxes	26,47%	29,30%	32,13%	2,86%
<b>Main Ratios</b>				
Current	25,86	29,39	32,92	1,63
Quick	25,4	28,88	32,36	0,84
Total Debt to Total Assets	2,68%	1,04%	0,76%	67,10%
Pre-tax Return on Net Worth	66,83%	71,26%	75,69%	4,40%
Pre-tax Return on Assets	64,88%	69,75%	74,62%	9,00%
<b>Additional Ratios</b>				
Net Profit Margin	19,20%	21,16%	23,12%	N.A.
Return on Equity	47,79%	50,53%	53,27%	N.A.



	Year 1	Year 2	Year 3	Industry Profile
<b>Activity Ratios</b>				
Accounts Receivable Turnover	4,56	4,56	4,56	N.A.
Collection Days	92	99	106	N.A.
Inventory Turnover	19,7	22,55	25,4	N.A.
Accounts Payable Turnover	14,17	14,67	15,17	N.A.
Payment Days	27	27	27	N.A.
Total Asset Turnover	1,84	1,55	1,26	N.A.
<b>Debt Ratios</b>				
Debt to Net Worth	0	-0,02	-0,04	N.A.
Current Liab. to Liab.	1	1	1	N.A.
<b>Liquidity Ratios</b>				
Net Working Capital	\$120 943	\$140 664	\$160 385	N.A.
Interest Coverage	0	0	0	N.A.
<b>Additional Ratios</b>				
Assets to Sales	0,45	0,48	0,51	N.A.
Current Debt/Total Assets	4%	3%	2%	N.A.
Acid Test	23,66	27,01	30,36	N.A.
Sales/Net Worth	1,68	1,29	0,9	N.A.
Dividend Payout	0	0	0	N.A.

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