

Category

Guideline

Return Aids (\$'s / Internally)

5% - 15%

Non-hearing aid revenue

10% - 15%

***TOTAL** Cost of Goods (COG)

30% - 40%

Gross Margin

60% - 70%

Marketing Dollars

10% - 20%

Labor Costs (inc. owner draw)

20% - 30%

Office Overhead

10% - 15%

All Other Expenditures

10% - 20%

Total Expenses

50% - 60%

Income Before Taxes (IBT)

10% - 20%

* Includes hearing aid and non-hearing aid COG
other income is not included in total expense line

Benchmark Comparisons

of months = 12

Category	Guideline	Past Year	% Revenue	Current Year	% Revenue	CHANGE Year-Year
Total Hearing Aid Revenue		\$1,200,000		\$1,500,000		25.0%
Return Aids (\$'s / Internally)	5% - 15%	\$200,000	16.7%	\$215,000	14.3%	-2.3%
Net Hearing Aid Revenue		\$1,000,000		\$1,285,000		28.5%
Non-Hearing Aid Revenue	10% - 15%	\$75,000	7%	\$105,000	8%	0.6%
*TOTAL Cost of Goods (COG)	30% - 40%	\$435,000	40%	\$500,000	36%	-4.5%
Gross Margin	60% - 70%	\$640,000	60%	\$890,000	64%	4.5%
Marketing Dollars	10% - 20%	\$145,000	13%	\$155,000	11%	-2.3%
Labor Costs (inc. owner draw)	20% - 30%	\$300,145	28%	\$313,000	23%	-5.4%
Office Overhead	10% - 15%	\$85,000	8%	\$80,000	6%	-2.2%
All Other Expenditures	10% - 20%	\$37,000	3%	\$50,000	4%	0.2%
Total Expenses	50% - 60%	\$567,145	53%	\$598,000	43%	-9.7%
Income Before Taxes (IBT)	10% - 20%	\$72,855	6.8%	\$292,000	21.0%	14.2%

*Includes hearing aid and no- hearing aid COG

other income is not included in total expense line

Key Measures

Category	Past Year	Current Year	CHANGE Year-Year
Close Rate	75.00	78.00	-4.0%
Binaural Rate	82%	80%	-2.4%
No Show Rate	92%	83%	9.8%
# of Active Files	1500	1700	13.3%
Total Units	541	574	6.1%
Cost of Goods Sold / Per Unit	\$804	\$871	8.3%
Average Selling Price	\$1,848	\$2,239	21.1%
Gross Margin / Per Unit	\$1,183	\$1,551	31.1%
Marketing Expense / Per Unit	\$268	\$270	0.8%
Labor Expense / Per Unit	\$555	\$545	-1.7%
Office Expense / Per Unit	\$157	\$139	-11.3%
Other Expense / Per Unit	\$68	\$87	27.4%
Total Expense / Per Unit	\$1,048	\$1,042	-0.6%
Income Before Taxes / Per Unit	\$135	\$509	277.8%

Comments: This tool is populated with data from current owner P&Ls. Please see report narrative for concerns--returns, COG, etc.