

**Tom Sloane Painting**

DAILY TIMEFRAME ( 8 hrs / day)					
All Journeymen Scenario					
Number of Painters					
25	50	75	100	250	
Revenue	\$ 23,298	\$ 46,595	\$ 69,893	\$ 93,190	\$ 232,976
Contractor Painter Cost - All Journeymen	19,104	38,208	57,312	76,416	191,040
Gross Margin - \$	4,194	8,387	12,581	16,774	41,936
Gross Margin - %	18.00%	18.00%	18.00%	18.00%	18.00%

WEEKLY TIMEFRAME ( 5 days / week)					
All Journeymen Scenario					
Number of Painters					
25	50	75	100	250	
Revenue	\$ 116,488	\$ 232,976	\$ 349,463	\$ 465,951	\$ 1,164,878
Contractor Painter Cost - All Journeymen	95,520	191,040	286,560	382,080	955,200
Gross Margin - \$	20,968	41,936	62,903	83,871	209,678
Gross Margin - %	18.00%	18.00%	18.00%	18.00%	18.00%

ANNUAL TIMEFRAME ( 44 weeks / year)					
All Journeymen Scenario					
Number of Painters					
25	50	75	100	250	
Revenue	\$ 5,125,463	\$ 10,250,927	\$ 15,376,390	\$ 20,501,854	\$ 51,254,634
Contractor Painter Cost - All Journeymen	4,202,880	8,405,760	12,608,640	16,811,520	42,028,800
Gross Margin - \$	922,583	1,845,167	2,767,750	3,690,334	9,225,834
Gross Margin - %	18.00%	18.00%	18.00%	18.00%	18.00%

Assumptions / Notes

Hourly rate of \$116.49 - 18% markup per Tom's notes

Hourly rate of \$95.52 per Tom's notes

Fixed Overhead	955	1,910	2,866	3,821	9,552
Net Income before Extra Revenues - \$	3,238	6,477	9,715	12,953	32,384
Net Income before Extra Revenues - %	13.90%	13.90%	13.90%	13.90%	13.90%

Fixed Overhead	4,776	9,552	14,328	19,104	47,760
Net Income before Extra Revenues - \$	16,192	32,384	48,575	64,767	161,918
Net Income before Extra Revenues - %	13.90%	13.90%	13.90%	13.90%	13.90%

Fixed Overhead	210,144	420,288	630,432	840,576	2,101,440
Net Income before Extra Revenues - \$	712,439	1,424,879	2,137,318	2,849,758	7,124,394
Net Income before Extra Revenues - %	13.90%	13.90%	13.90%	13.90%	13.90%

Used 5% rate of overhead on contract painter costs per discussion with Tom

Team of 4 Journeymen, 1 Apprentice Scenario					
Number of Painters					
25	50	75	100	250	
Revenue	\$ 23,298	\$ 46,595	\$ 69,893	\$ 93,190	\$ 232,976
Contractor Painter Cost - 4 Journeymen, 1 apprentice per team	17,194	34,387	51,581	68,774	171,936
Gross Margin - \$	6,104	12,208	18,312	24,416	61,040
Gross Margin - %	26.20%	26.20%	26.20%	26.20%	26.20%

Team of 4 Journeymen, 1 Apprentice Scenario					
Number of Painters					
25	50	75	100	250	
Revenue	\$ 116,488	\$ 232,976	\$ 349,463	\$ 465,951	\$ 1,164,878
Contractor Painter Cost - 4 Journeymen, 1 apprentice per team	85,968	171,936	257,904	343,872	859,680
Gross Margin - \$	30,520	61,040	91,559	122,079	305,198
Gross Margin - %	26.20%	26.20%	26.20%	26.20%	26.20%

Team of 4 Journeymen, 1 Apprentice Scenario					
Number of Painters					
25	50	75	100	250	
Revenue	\$ 5,125,463	\$ 10,250,927	\$ 15,376,390	\$ 20,501,854	\$ 51,254,634
Contractor Painter Cost - 4 Journeymen, 1 apprentice per team	3,782,592	7,565,184	11,347,776	15,130,368	37,825,920
Gross Margin - \$	1,342,871	2,685,743	4,028,614	5,371,486	13,428,714
Gross Margin - %	26.20%	26.20%	26.20%	26.20%	26.20%

Assumptions / Notes

Hourly rate of \$116.49 - 18% markup per Tom's notes

Hourly rate of \$95.52 per Journeymen, 50% wages of Journeymen for each apprentice - per Tom's notes

Fixed Overhead	860	1,719	2,579	3,439	8,597
Net Income before Extra Revenues - \$	5,244	10,489	15,733	20,977	52,443
Net Income before Extra Revenues - %	22.51%	22.51%	22.51%	22.51%	22.51%

Fixed Overhead	4,298	8,597	12,895	17,194	42,984
Net Income before Extra Revenues - \$	26,221	52,443	78,664	104,886	262,214
Net Income before Extra Revenues - %	22.51%	22.51%	22.51%	22.51%	22.51%

Fixed Overhead	189,130	378,259	567,389	756,518	1,891,296
Net Income before Extra Revenues - \$	1,153,742	2,307,484	3,461,225	4,614,967	11,537,418
Net Income before Extra Revenues - %	22.51%	22.51%	22.51%	22.51%	22.51%

Used 5% rate of overhead on contract painter costs per discussion with Tom

Extra Revenues					
Gross Margin on Extra Revenues					
Annualized Net Income - All Journeymen					
Annualized Net Income - Team of 4 Journeymen, 1 Apprentice					

Extra Revenues					
Gross Margin on Extra Revenues					
Annualized Net Income - All Journeymen					
Annualized Net Income - Team of 4 Journeymen, 1 Apprentice					

Extra Revenues	\$ 1,275,000	\$ 2,550,000	\$ 3,825,000	\$ 5,125,000	\$ 12,800,000
Gross Margin on Extra Revenues	\$ 318,750	\$ 637,500	\$ 956,250	\$ 1,281,250	\$ 3,200,000
Annualized Net Income - All Journeymen	\$ 1,031,189	\$ 2,062,379	\$ 3,093,568	\$ 4,131,008	\$ 10,324,394
Annualized Net Income - Team of 4 Journeymen, 1 Apprentice	\$ 1,472,492	\$ 2,944,984	\$ 4,417,475	\$ 5,896,217	\$ 14,737,418

For every \$100,000 of Revenue, Gets an additional \$25,000 which generates 25% gross profit (conservatively)  
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Number of Painters					
25	50	75	100	250	
Total Cost Savings using Apprentice Scenario	\$ 2,006	\$ 4,012	\$ 6,018	\$ 8,024	\$ 20,059

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25	50	75	100	250	
Total Cost Savings using Apprentice Scenario	\$ 10,030	\$ 20,059	\$ 30,089	\$ 40,118	\$ 100,296

Number of Painters					
25	50	75	100	250	
Total Cost Savings using Apprentice Scenario	\$ 441,302	\$ 882,605	\$ 1,323,907	\$ 1,765,210	\$ 4,413,024