

Kehoe & Co. - 2005 Annual Landscape Industry Analysis & Summary Report

Average Findings for: Least vs. Most Profitable Co's - Design Build

Report Criteria:

- Reporting Period: Fiscal-Year-End 2004
- All figures reported in actual US dollars
- Reported sums may not add due to averaging and rounding.

INCOME STATEMENT	DESIGN BUILD			
	Least Profitable Co's (Bottom 25%)		Most Profitable Co's (Top 25%)	
	% of Sales	% of Sales	% of Sales	% of Sales
REVENUES				
Total Revenue	\$ 1,804,190	100.0%	\$ 925,828	100.0%
DIRECT COSTS				
Job Materials	382,170	21.2%	199,554	21.6%
Subcontractors	109,300	6.1%	67,336	7.3%
Direct Labor - Foremen & Laborers	459,030	25.4%	189,751	20.5%
Direct Labor Payroll Taxes	44,422	2.5%	30,624	3.3%
Total Direct Costs	994,922	55.1%	487,265	52.6%
INDIRECT COSTS				
Indirect Labor - Including Overtime & Non-Billable	23,446	1.3%	9,873	1.1%
Production Supervisors & Superintendents	56,779	3.1%	33,813	3.7%
Indirect Labor Payroll Taxes	26,017	1.4%	12,714	1.4%
Mechanic Labor & Payroll Taxes	34,800	1.9%	14,555	1.6%
Equipment Repairs, Fuel, Leases, & Depreciation	135,940	7.5%	39,875	4.3%
Uniforms, Licenses, & Permits	7,188	0.4%	3,229	0.3%
Small Tools & Job Supplies	20,288	1.1%	8,164	0.9%
Trash & Dumping Fees	9,011	0.5%	3,528	0.4%
Total Indirect Costs	313,468	17.4%	125,750	13.6%
TOTAL COST OF SALES	1,308,390	72.5%	613,015	66.2%
GROSS MARGIN	495,800	27.5%	312,813	33.8%
SELLING, GENERAL, & ADMINISTRATIVE COSTS - SG&A				
Advertising & Marketing	16,260	0.9%	10,522	1.1%
Insurance - Including Workers' Comp	84,830	4.7%	31,288	3.4%
Office Expense - Including Computers & Supplies	16,700	0.9%	9,150	1.0%
Rent and/or Facility Lease	33,375	1.8%	16,756	1.8%
Professional Services	10,950	0.6%	6,465	0.7%
Phone & Utilities	21,260	1.2%	9,177	1.0%
Interest Expense	20,250	1.1%	7,675	0.8%
Misc. Expenses - Dues, Education, Travel, etc.	42,900	2.4%	10,516	1.1%
Salaries - Sales, PJ Mngrs, Designers, Estimators, & Acct Mngrs	102,556	5.7%	65,700	7.1%
Salaries - Sr. Mngrs, Accounting, HR, & Admin	114,830	6.4%	33,063	3.6%
Total SG&A Costs	463,911	25.7%	200,311	21.6%
NET PROFIT (REPORTED)	32,248	1.8%	118,778	12.8%

ASSETS - As of Fiscal-Year-End 2004	DESIGN BUILD			
	Least Profitable Co's (Bottom 25%)		Most Profitable Co's (Top 25%)	
	% of Assets	% of Assets	% of Assets	% of Assets
Accounts Receivable	103,736	15.3%	123,031	42.5%
Equipment	419,540	62.0%	202,272	69.9%
Equipment Purchases for 2005 (Estimated)	61,714	9.1%	40,267	13.9%
Total Assets (Reported)	676,470	100.0%	289,563	100.0%
RATIO ANALYSIS				
Asset Turnover	2.7	-	3.2	-
Equipment Turnover	4.3	-	4.6	-

AVERAGE STAFFING LEVELS	DESIGN BUILD			
	Least Profitable Co's (Bottom 25%)		Most Profitable Co's (Top 25%)	
	Average Total Employees - OVERHEAD	Average Total Employees - OVERHEAD	Average Total Employees - OVERHEAD	Average Total Employees - OVERHEAD
Sales	1.0		0.9	
Estimating	0.6		0.3	
Design	2.0		0.4	
Production, Operations Mngt, Facilities, & Purchasing	1.1		0.6	
Project Management (Installation co's only)	1.0		0.4	
Account Management (Maintenance co's only)	0.6		0.1	
Shop & Mechanic Staff	1.1		0.2	
Accounting Staff	1.0		0.4	
Administration Staff	1.8		0.7	
Human Resources Staff	0.4		0.2	
Average Total Employees - OVERHEAD	10.3		4.1	
SALES PER FTE OVERHEAD	\$ 176,019		\$ 225,201	