

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

Average Findings for: Least vs. Most Profitable Co's - Grounds Maintenance

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	GROUNDS MAINTENANCE			
	Least Profitable Co's (Bottom 25%)		Most Profitable Co's (Top 25%)	
	% of Sales	% of Sales	% of Sales	% of Sales
REVENUES				
Total Revenue	\$ 3,793,950	100.0%	\$ 1,794,200	100.0%
DIRECT COSTS				
Job Materials	552,550	14.6%	204,900	11.4%
Subcontractors	167,887	4.4%	58,776	3.3%
Direct Labor - Foremen & Laborers	1,000,880	26.4%	473,235	26.4%
Direct Labor Payroll Taxes	82,520	2.2%	56,068	3.1%
Total Direct Costs	1,803,837	47.5%	792,979	44.2%
INDIRECT COSTS				
Indirect Labor - Including Overtime & Non-Billable	113,446	3.0%	16,344	0.9%
Production Supervisors & Superintendents	220,220	5.8%	66,778	3.7%
Indirect Labor Payroll Taxes	43,213	1.1%	5,433	0.3%
Mechanic Labor & Payroll Taxes	56,831	1.5%	55,400	3.1%
Equipment Repairs, Fuel, Leases, & Depreciation	296,250	7.8%	149,395	8.3%
Uniforms, Licenses, & Permits	17,025	0.4%	6,156	0.3%
Small Tools & Job Supplies	63,890	1.7%	18,230	1.0%
Trash & Dumping Fees	18,370	0.5%	10,033	0.6%
Total Indirect Costs	829,245	21.9%	327,769	18.3%
TOTAL COST OF SALES	2,633,082	69.4%	1,120,748	62.5%
GROSS MARGIN	1,160,868	30.6%	673,452	37.5%
SELLING, GENERAL, & ADMINISTRATIVE COSTS - SG&A				
Advertising & Marketing	34,826	0.9%	7,389	0.4%
Insurance - Including Workers' Comp	185,495	4.9%	64,444	3.6%
Office Expense - Including Computers & Supplies	38,486	1.0%	12,600	0.7%
Rent and/or Facility Lease	106,011	2.8%	22,462	1.3%
Professional Services	32,190	0.8%	11,773	0.7%
Phone & Utilities	36,220	1.0%	14,284	0.8%
Interest Expense	46,722	1.2%	8,333	0.5%
Misc. Expenses - Dues, Education, Travel, etc.	144,567	3.8%	29,632	1.7%
Salaries - Sales, PJ Mngrs, Designers, Estimators, & Acct Mngrs	123,466	3.3%	45,667	2.5%
Salaries - Sr. Mngrs, Accounting, HR, & Admin	283,478	7.5%	138,438	7.7%
Total SG&A Costs	1,031,461	27.2%	355,021	19.8%
NET PROFIT (REPORTED)	150,050	4.0%	303,630	16.9%

ASSETS - As of Fiscal-Year-End 2004	GROUNDS MAINTENANCE			
	Least Profitable Co's (Bottom 25%)		Most Profitable Co's (Top 25%)	
	% of Assets	% of Assets	% of Assets	% of Assets
Accounts Receivable	354,310	26.5%	202,722	29.2%
Equipment	636,780	47.7%	421,333	60.7%
Equipment Purchases for 2005 (Estimated)	195,000	14.6%	85,750	12.4%
Total Assets (Reported)	1,334,930	100.0%	693,889	100.0%
RATIO ANALYSIS				
Asset Turnover	2.8	-	2.6	-
Equipment Turnover	6.0	-	4.3	-

AVERAGE STAFFING LEVELS	GROUNDS MAINTENANCE			
	Least Profitable Co's (Bottom 25%)		Most Profitable Co's (Top 25%)	
	Average Total Employees	Average Total Employees	Average Total Employees	Average Total Employees
Sales	1.5		0.9	
Estimating	0.8		0.7	
Design	0.8		0.3	
Production, Operations Mngt, Facilities, & Purchasing	2.4		1.0	
Project Management (Installation co's only)	0.9		0.5	
Account Management (Maintenance co's only)	3.1		1.3	
Shop & Mechanic Staff	1.1		0.9	
Accounting Staff	1.5		0.7	
Administration Staff	1.6		1.0	
Human Resources Staff	0.8		0.3	
Average Total Employees	14.3		7.7	
SALES PER FTE OVERHEAD	\$ 265,311		\$ 234,026	