



Customer Profitability Analysis

Customer	Sales	Margin %	Margin % Rank	Total Margin \$	Total Margin \$ Rank	# transactions	Trans. Difficulty factor	+/- Trans difficulty	Average Days A/R	Excess \$ A/R Aging	Excess cost/benefit A/R Aging
ABC Inc	\$ 500,000	30%	3	\$ 150,000	2	113	High	\$ (10,000)	98	\$ (52,055)	\$ (3,643.84)
ZVR LLC	\$ 400,000	50%	1	\$ 200,000	1	3	Low	\$ 5,000	1	\$ 64,658	\$ 4,526.03
GH Distributors	\$ 350,000	40%	2	\$ 140,000	3	55	Low	\$ -	35	\$ 23,973	\$ 1,678.08

Customer	Credit Risk Factor	Cost of Credit Risk	Cost of Excess Cost Customer Service	Cost of Excess Returns	Repeat buyer (1) or constant resell (2)?	Special Assets Needed (\$)	Cost of Special Assets	Growing/Shrinking Customer?	Upsell Cross-Sell Opportunities	Adjusted Customer Gross Margin
ABC Inc	High	\$ (2,500)	\$ (5,000)	\$ (1,000)	2	\$ 25,000	\$ (1,750)	Constant	No	\$ 126,106
ZVR LLC	Low	\$ -	\$ -	\$ -	1	\$ -		Growing	No	\$ 209,526
GH Distributors	Mid	\$ -	\$ -	\$ -	1	\$ -		Growing	Yes	\$ 141,678

Notes:

ZVR picks up product at our dock

ZVR pays COD

Average days A/R = 60 days

Cost of money 7%

Special packaging machine needed to support ABC Inc