



2015

Company

Performance Report

Confidential



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Company Performance Report

This Company Performance Report (CPR) has been designed to assist you in evaluating your own company's performance relative to comparable companies that participated in the **WASDA Industry Profile Survey**. The financial ratios, compensation data, and other statistics contained on the following pages represent broad performance "yardsticks" against which your company's operations can be measured. Using this information, you can compare your own figures with:

- All Respondents
- Profit leaders—top 50% of respondents, based on before tax return on assets
- Companies with similar number of locations
- Companies with similar sales volume
- Companies with similar number of full-time equivalent employees
- Companies with similar warehouse space

Report Organization

Essentially, the Company Performance Report has two main sections:

1. **Summary Performance Evaluation (Report Card)**--This section of the report provides an objective, qualitative evaluation of your business' performance versus similar reporting companies in the industry on the basis of various key performance measures. In particular, your company is compared to other reporting companies to determine whether you performed: Strong, Good, Fair or Weak. These four performance categories relate to the four possible quartile ranges which a reporting company may fall in for any given measure. While this evaluation does not consider any "special circumstances" that may exist for your company which result in the appearance of strong or weak performance, it is designed to direct your attention to potential improvement opportunities.

2. **Detailed Information**--This section of the report shows your company's financial performance ratios and compensation information alongside the appropriate comparatives for many different measures. While the first section of the Company Performance Report (described previously) provides a summary overview of areas to analyze in greater detail, the detailed statistical tables provide the background for a more in-depth examination of your business.

Using Financial Ratios

The information in this report is designed to be a tool for helping you to better **control** and understand your business. In particular, you are provided with a series of financial **ratios** for both your own company and companies similar to yours. Essentially, the information is provided in ratio and percentage form rather than as absolute dollars so that meaningful comparisons can be made to past performance and to general performance. For example, while it is important for you to know your company's expenses, it is even more essential to compare these expenditures with the value they produce. Therefore, a useful measure of **effectiveness** of expenses may be a ratio such as "selling expenses as a percent of sales."

However, just as absolute dollar figures are not meaningful in isolation, so too is no ratio meaningful in isolation. Ratios should be compared with one or more other performance measures to determine whether or not a satisfactory level exists. Other performance measures might be your company's own past performance, your budgeted performance, or selected comparatives, such as those provided in this report.

Company Performance Report

Guidelines for Using This Report

When using the information in this report for purposes of comparing your own company's performance, begin with the "Overall Performance Measures" as well as the percentage "Income Statement." These data provide the best overview of your operating position and overall profitability. As a starting point, look at the "Your Firm" column in the report versus the column that represents companies similar to yours in sales volume. If you see that a significant deviation exists between the reported norms and your own company's performance, this is not necessarily good or bad, but is merely a signal that additional analysis may be needed. In cases where significant unfavorable variances do exist, you should determine whether the deviation is the result of extraordinary factors outside your control, or whether there is some controllable opportunity to improve the situation.

After your initial review of the key areas suggested above, you should have a fairly good idea of what additional information to consider from the other sections of this comprehensive study. In all likelihood, more in-depth analysis will be necessary to pinpoint specific decisions for future action.

Understanding the Data

Many of the performance indicators included in the Company Performance Report represent medians rather than arithmetical averages or means. The "median" figure represents the mid-point of the figures, with one-half of the companies reporting figures above it and one-half below. Each median was independently selected from its own array of figures.

As you compare your own data versus the average or median figures of other similar companies, several important points need to be recognized:

1. Remember that a deviation between your figure (for any performance measure) and the comparative figure is not necessarily good or bad; it is merely an indication that additional analysis may be needed. As a rule: the larger the discrepancy, the greater the need for additional scrutiny.
2. In cases where you determine that potentially serious deviations do exist, it may be helpful to go back and calculate the same performance measure for your company over the past several years to identify any trends that may exist.
3. The information in this report should be used as guidelines rather than absolute standards. Since companies differ depending upon their customer mix, their location, their size, and other factors, any two companies can be successful, yet some of their performance measures may differ greatly.
4. If you need further explanation and interpretation of what particular financial ratios mean in this Company Performance Report refer to the **WASDA Industry Profile Report**. Also, for determining the method of calculation of various ratios, refer to the Appendix in this report.

Summary Performance Evaluation (Report Card)



2015 WASDA Industry Profile Report Summary Performance Evaluation Versus All Responding Companies

Company Number: Sample

Net Sales (as reported): \$56,000,000

PROFITABILITY MEASURES

NET PROFIT MARGIN (NIBT AS % OF NET SALES)....(FAIR)

Net profit margin is a good overall measure of how well gross margin and expenses are being controlled. This ratio measures the difference between what a company receives in revenues and what it spends over a period of time, and is highly dependent upon pricing policy and expense control. In other words, if gross margin increases or expenses decrease as a percent of revenues, net profit margin will rise. Your company's net profit margin was less than the average reporting company, signaling that some concern may be justified. Although you may conclude that no basic problem exists, your gross margin level and all expense categories are components of net profit margin and are possible areas for review.

RETURN ON ASSETS....(WEAK)

Return on assets (ROA) is an overall measure of company profitability, expressing the percentage return (net income) on total assets employed in the business. Your company's ROA was below the lower quartile performance level for reporting companies, indicating that further investigation may be warranted. Although you may conclude that a problem does not exist, it is possible that either your revenue levels or net profit margin are too low to support your asset structure. Examination of net profit margin and asset turnover rate will identify which, if any, component(s) of the ROA equation requires corrective action.

RETURN ON NET WORTH....(WEAK)

Return on net worth (RONW) is an overall measure of company profitability, expressing the percentage return earned on the owner's investment in the business. Your firm's RONW was below the lower quartile performance level for reporting companies, suggesting that further investigation may be warranted to determine where profit leaks are occurring. While you may conclude that no significant problems exist, some possible areas of review are asset turnover, profit margin, and financial leverage (the three basic components of RONW).



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EFFICIENCY AND EMPLOYEE PRODUCTIVITY

DAYS RECEIVABLES OUTSTANDING....(STRONG)

Days receivables outstanding refers to the average number of days it takes your company to collect on accounts receivable. Please refer to the Appendix for method of calculation. In general, the faster you can collect on your receivables, the better your company's cash flow. Your company's average collection period was shorter than that of the best quartile of reporting companies. Well done! On a cautionary note, if your collection period is too fast due to strict collection policies it may be having a negative affect on revenue.

ASSET TURNOVER....(GOOD)

Total asset turnover presents a good overall indicator of total company productivity. This ratio tells you how many times your company generates enough revenue to cover the assets employed in running your company. Your company's total asset turnover rate was greater than that of the typical reporting company. While this may be a satisfactory performance, there still may be room for improvement. If you wish to pursue the issue, the different asset categories (i.e. fixed, current, other) may be reviewed to see which allow for productivity improvements. Enhancements could possibly be achieved through reduction of asset levels, redeployment of assets to more productive operational areas, or increasing revenues within the current structure.

TOTAL COMPANY REVENUES PER OVERALL EMPLOYEE....(GOOD)

Revenue per employee is a good overall measure of personnel productivity, which is simply the output produced compared with the personnel input expended. As a rule, the more output produced per unit of input (employees in this case), the more profitable an operation can be. When using revenue per employee, it is important to always use full-time equivalents for employees and to keep in mind that the ratio is distorted by inflation when comparing year-to-year data. Your firm's revenue per employee was above that of the typical reporting company. If you wish to realize further incremental gains, possible courses of action include finding ways to generate more revenue volume with existing staff, altering staff size, or a combination of the two.



**2015 WASDA Industry Profile Report
Summary Performance Evaluation
Versus All Responding Companies**

Company Number: Sample

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FINANCIAL MANAGEMENT

CURRENT RATIO....(GOOD)

Current assets to current liabilities (current ratio) is an excellent overall measure of liquidity, which represents the short-term financial strength of your company. Liquidity is the ability to meet short-term debt obligations with currently available funds. As with financial leverage, each company must determine its own optimal liquidity position to meet its own goals. The higher the ratio, the greater the liquidity. Your company's current ratio was greater than the typical reporting company, indicating that your liquidity position is relatively comfortable. However, each company must determine its own optimal rate. If you wish to investigate this further, areas for possible review include your levels of short-term assets (inventories, receivables, etc.) in relation to your short-term liabilities.

DEBT TO EQUITY....(GOOD)

Debt to equity is an overall measure of financial leverage. Leverage is the extent to which a company is financed by debt as opposed to the owner's funds, and the higher the ratio, the higher the leverage. Your firm's debt to equity ratio was less than the typical reporting firm's leverage position. This position may enhance your ability to attract new borrowed funds if you so desire, and your interest charges may also be at reasonable levels. However, it is possible that a higher leverage rate would increase your profitability if the borrowed rate is less than your rate of return on investment. If you would like to further improve your position or increase your understanding of this issue, possible areas for review are both your short-term and long-term debt positions.

Detailed Information

2015 WASDA Industry Profile



Company Number: 0æ] | ^
 Net Sales: \$56,000,000

	Your Firm	All Firms	High Profits	Net Sales More than \$50 Million	# of FTEs Less than 100	# of Locations 5 or More	Whse Space 40,000 or More Sq Ft
OVERALL PERFORMANCE MEASURES							
Profit Margin - Before Tax (Net Profit Before Taxes as a % of Net Sales)	1.7%	4.2%	5.6%	6.0%	3.5%	6.3%	5.3%
Profit Margin - After Tax (Net Profit After Taxes as a % of Net Sales)	0.3%	3.6%	5.3%	5.0%	2.9%	5.2%	4.6%
Asset Turnover (Net Sales/Total Assets)	3.2	3.1	3.0	3.0	3.2	3.0	3.1
Return on Assets - Before Tax (Net Profit Before Taxes / Total Assets)	5.4%	11.1%	14.7%	12.2%	7.8%	12.6%	12.2%
Return on Assets - After Tax (Net Profit After Taxes / Total Assets)	1.0%	9.7%	12.6%	10.7%	7.8%	11.8%	10.7%
Financial Leverage (Total Assets / Net Worth)	1.8	1.9	1.9	1.9	2.2	1.9	1.9
Debt to Equity (Total Liabilities / Net Worth)	0.8	0.9	0.9	0.9	1.2	0.9	0.9
Return on Net Worth - Before Tax (Net Profit Before Taxes / Net Worth)	9.6%	16.7%	28.9%	19.7%	16.1%	23.7%	19.7%
Return on Net Worth - After Tax (Net Profit After Taxes / Net Worth)	1.8%	15.6%	23.7%	16.3%	14.1%	17.0%	16.3%
FINANCIAL MANAGEMENT RATIOS							
Current Ratio (Current Assets / Current Liabilities)	2.8	2.7	2.7	3.1	2.7	2.7	2.6
Quick Ratio [(Current Assets - Inventory) / Current Liabilities]	1.3	1.2	1.2	1.5	1.0	1.2	1.2
Inventory Turns (COGS / Inventory)	5.0	5.2	4.8	6.5	4.7	6.4	5.9
Average Days in Inventory [365 days / (COGS / Avg Inventory)]	73.7	76.0	76.0	59.0	78.2	61.9	69.0
Average Collection Period [365 days / (Sales / Avg Accounts Receivable)]	40.0	48.0	49.0	53.0	43.0	51.0	53.0
Average Days in Payables [365 days / (COGS / Avg Accounts Payable)]	22.3	29.0	29.0	30.0	20.3	31.3	29.0
Cash Cycle (Average Collection Period + Inventory Days - Payable Days)	91.4	91.1	98.4	89.3	92.1	87.5	94.4
Gross Margin Return on Investment (Gross Margin / Avg Inventory)	133.2%	159.9%	159.9%	159.5%	148.7%	161.9%	160.9%
Turn & Earn Profitability Index (Gross Margin % x Inventory Turns)	91.1%	113.4%	116.1%	123.6%	109.0%	131.0%	117.6%

2015 WASDA Industry Profile



Company Number: Uæ] | ^
 Net Sales: \$56,000,000

	Your Firm	All Firms	High Profits	Net Sales More than \$50 Million	# of FTEs Less than 100	# of Locations 5 or More	Whse Space 40,000 or More Sq Ft
INCOME STATEMENT AS A % OF NET SALES							
Net Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Goods Sold	81.6%	77.9%	77.2%	77.9%	78.3%	77.0%	77.5%
Gross Profit Margin	18.4%	22.1%	22.8%	22.1%	21.7%	23.0%	22.6%
Operating Expenses:							
Selling Expenses	5.7%	5.7%	5.7%	6.5%	4.9%	6.8%	6.2%
Delivery Expenses	2.1%	1.6%	1.3%	2.1%	1.2%	2.3%	1.8%
Warehouse Expenses	2.0%	1.2%	1.2%	1.9%	0.8%	1.9%	1.8%
General & Administrative Expenses	5.6%	6.0%	5.7%	5.9%	5.6%	6.0%	5.7%
Occupancy Expenses	1.8%	1.8%	1.9%	1.9%	1.6%	2.0%	1.8%
Other Operating Expenses	1.1%	3.3%	3.8%	0.7%	4.5%	0.8%	2.2%
Total Operating Expenses	18.2%	19.6%	19.6%	19.0%	18.6%	19.8%	19.6%
Net Operating Profit	0.2%	2.6%	3.2%	3.2%	3.1%	3.2%	3.0%
Non-Operating Income	2.0%	2.0%	2.9%	3.2%	0.8%	3.5%	2.8%
Non-Operating Expenses	0.4%	0.4%	0.5%	0.4%	0.3%	0.4%	0.5%
Net Profit Before Tax	1.7%	4.2%	5.6%	6.0%	3.5%	6.3%	5.3%
Income Tax	1.4%	0.5%	0.3%	0.9%	0.6%	1.1%	0.7%
Net Profit After Tax	0.3%	3.6%	5.3%	5.0%	2.9%	5.2%	4.6%
BALANCE SHEET AS A % OF TOTAL ASSETS							
Cash	1.2%	1.3%	0.4%	0.8%	1.6%	0.8%	0.2%
Accounts & Notes Receivable, Trade (Net)	36.9%	37.7%	38.9%	35.7%	37.9%	37.5%	36.4%
Inventory	44.2%	45.3%	43.2%	38.7%	49.6%	38.6%	41.0%
Other Current Assets	1.6%	1.4%	2.0%	2.5%	0.5%	3.0%	2.2%
Total Current Assets	83.9%	85.8%	84.5%	77.6%	89.6%	79.8%	79.8%
All Other Assets	16.1%	14.2%	15.5%	22.4%	10.5%	20.2%	20.3%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Current Liabilities	29.4%	35.6%	30.2%	30.8%	36.5%	34.2%	37.1%
Total Long-Term Liabilities	14.3%	15.7%	17.9%	14.5%	15.9%	15.5%	12.0%
Total Liabilities	43.7%	51.3%	48.1%	45.3%	52.4%	49.7%	49.1%
Total Net Worth	56.3%	48.7%	51.9%	54.7%	47.6%	50.4%	50.9%
Total Liabilities & Net Worth	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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SALES ANALYSIS							
Net Sales	\$56,000,000	\$42,117,686	\$119,730,470	\$119,730,470	\$22,722,900	\$129,018,235	\$66,451,566
2014 Sales Growth (vs 2013)	9.1%	4.1%	9.2%	5.8%	5.8%	4.1%	5.8%
Forecasted 2015 Company Sales Growth	5.6%	5.0%	5.0%	7.5%	5.0%	8.5%	7.5%
Company Sales per Square Foot of Warehouse Space (excluding office space)	\$623	\$757	\$692	\$822	\$898	\$757	\$692
Sales by Product Type							
Flanged Pipe Fabrication	3.7%	3.2%	1.0%	5.4%	4.2%	1.3%	4.3%
Industrial Systems	4.0%	2.9%	0.6%	5.3%	4.2%	4.6%	4.1%
Irrigation	0.0%	0.2%	0.3%	0.2%	0.2%	0.2%	0.1%
Water and Sewer (pipe and appurtenances)	54.8%	53.0%	50.6%	45.9%	58.1%	48.6%	49.3%
Drainage/Stormwater	8.4%	8.1%	7.5%	5.7%	10.1%	5.0%	7.6%
Tools/Equipment	1.5%	1.3%	1.8%	1.2%	1.3%	1.4%	1.5%
Water Meters	18.8%	16.0%	19.6%	10.5%	18.2%	10.6%	11.9%
Chemicals	0.1%	2.4%	0.4%	4.3%	0.2%	5.1%	3.4%
Plumbing	6.2%	9.4%	15.8%	17.0%	1.6%	18.2%	13.2%
Other	2.6%	3.6%	2.4%	4.4%	2.0%	5.2%	4.6%
Total Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales by Customer Type							
Local Municipalities	34.4%	32.0%	28.6%	25.0%	34.3%	25.9%	28.3%
General or Sub Contractors	58.6%	59.2%	62.3%	64.3%	58.0%	65.0%	63.2%
Government	1.3%	0.9%	0.1%	1.6%	1.3%	0.2%	1.2%
Walk-in Customer	2.7%	4.6%	4.6%	7.0%	2.9%	6.5%	5.7%
Other	2.9%	3.3%	4.4%	2.1%	3.5%	2.5%	1.6%
Total Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
MARGIN ANALYSIS							
Gross Profit Margin (Gross Profit / Net Sales)	18.4%	22.1%	22.8%	22.1%	21.7%	23.0%	22.6%
Realized Gross Margins by Product Type							
Flanged Pipe Fabrication	11.9%	29.5%	28.9%	28.9%	ISD	ISD	28.9%
Industrial Systems	8.5%	15.0%	ISD	ISD	15.0%	ISD	ISD
Irrigation	6.7%	21.0%	ISD	ISD	ISD	ISD	ISD
Water and Sewer (pipe and appurtenances)	14.6%	15.0%	15.0%	16.8%	15.0%	17.4%	15.9%
Drainage/Stormwater	12.2%	17.3%	17.6%	13.7%	20.0%	ISD	15.5%
Tools/Equipment	18.5%	28.9%	29.0%	28.9%	28.9%	28.9%	29.0%
Water Meters	19.6%	27.0%	28.9%	25.0%	24.5%	26.5%	26.0%
Chemicals	8.8%	34.0%	ISD	ISD	ISD	ISD	ISD
Plumbing	10.7%	21.9%	ISD	ISD	ISD	ISD	ISD
Other	8.0%	ISD	ISD	ISD	ISD	ISD	ISD

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Employee Productivity Data							
Net Sales Per Employee	\$690,506	\$577,566	\$643,239	\$594,133	\$643,239	\$571,254	\$594,133
Gross Margin Per Employee	\$127,004	\$142,971	\$143,749	\$143,749	\$145,229	\$142,971	\$143,749
Net Sales Per Outside Salesperson	\$4,048,193	\$3,332,149	\$4,199,437	\$4,199,437	\$2,673,282	\$4,095,226	\$4,199,437
Gross Margin Per Outside Salesperson	\$744,578	\$856,470	\$886,054	\$886,054	\$880,942	\$859,026	\$886,054
Net Sales Per Inside Salesperson	\$4,307,692	\$3,759,611	\$4,199,437	\$4,153,223	\$4,153,223	\$3,594,567	\$4,153,223
Gross Margin Per Inside Salesperson	\$792,308	\$889,334	\$1,016,043	\$900,550	\$878,117	\$945,396	\$900,550
Net Sales Per Salesperson (Outside + Inside)	\$2,086,957	\$1,607,735	\$1,975,904	\$2,099,718	\$1,849,311	\$1,732,939	\$1,849,311
Gross Margin Per Salesperson (Outside + Inside)	\$383,851	\$405,448	\$508,022	\$508,022	\$405,648	\$456,635	\$405,648
Net Sales Per Warehouse & Delivery Employee	\$1,901,887	\$2,098,226	\$2,583,413	\$2,101,785	\$2,094,667	\$2,224,720	\$2,101,785
Gross Margin Per Warehouse & Delivery Employee	\$349,811	\$485,852	\$521,208	\$521,208	\$456,433	\$572,333	\$521,208

BACKGROUND INFORMATION

Number of Locations per Company	6.0	4.0	14.0	14.0	3.0	16.0	7.0
Company-Wide Square Feet of Warehouse Space (excluding office space)	89,853	45,090	100,000	100,000	38,000	150,000	66,500

Is Facility Public or Private?

Public Company		7.1%	0.0%	14.3%	11.1%	16.7%	11.1%
Private Company	X	92.9%	100.0%	85.7%	88.9%	83.3%	88.9%

Is Center Independently Owned and Operated or Part of a Larger Company?

Independent	X	92.9%	100.0%	85.7%	88.9%	83.3%	88.9%
Part of a Larger Company		7.1%	0.0%	14.3%	11.1%	16.7%	11.1%

Is Facility Owned or Leased?

Owned		7.7%	16.7%	0.0%	11.1%	0.0%	12.5%
Leased	X	92.3%	83.3%	100.0%	88.9%	100.0%	87.5%

How Seasonal is Your Business

Seasonal		35.7%	42.9%	42.9%	33.3%	33.3%	33.3%
Somewhat Seasonal	X	64.3%	57.1%	57.1%	66.7%	66.7%	66.7%
Not Seasonal		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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	Your Firm	All Firms	High Profits	Net Sales More than \$50 Million	# of FTEs Less than 100	# of Locations 5 or More	Whse Space 40,000 or More Sq Ft
HUMAN RESOURCES							
Typical Number of Employees for the Year (in FTEs)	81.1	52.0	149.0	149.0	28.0	200.6	114.0
Number of Inside Sales Employees	13.0	10.5	22.0	22.0	5.0	33.0	18.0
Number of Outside Sales Employees	13.8	9.3	30.0	30.0	6.0	32.5	22.0
Number of Warehouse & Delivery Employees	29.4	16.5	34.6	34.6	6.0	42.8	31.0
Number of Salary Employees	30.1	23.5	55.0	55.0	14.5	78.0	53.0
Number of Hourly Employees	51.0	30.0	94.0	94.0	12.0	95.0	56.4
Employee Turnover							
All Employees	12.9%	13.4%	15.2%	15.2%	7.1%	16.4%	15.2%
Salary Employees	6.3%	7.2%	7.2%	9.6%	2.1%	11.2%	9.6%
Hourly Employees	16.9%	19.5%	23.3%	19.5%	14.1%	20.6%	19.5%
Job-Related Injuries							
Total # of Job-Related Injuries and Illnesses that Occurred?	2.6	2.5	3.0	5.0	1.0	6.5	3.0
Total # of Job-Related Injuries and Illnesses that Resulted in Lost Work Days?	1.0	0.0	1.0	1.0	0.0	2.0	0.0
Compensation Information							
Hourly							
Clerical							
Median	\$16.01	\$16.53	\$16.53	\$16.47	\$17.00	\$16.53	\$16.47
Average		\$16.85	\$15.42	\$16.55	\$16.95	\$16.69	\$17.01
75th Percentile		\$18.00	\$17.26	N/A	\$18.75	N/A	\$16.91
25th Percentile		\$16.00	\$14.45	N/A	\$15.02	N/A	\$15.97
Warehouse							
Median	\$16.86	\$16.72	\$16.42	\$16.42	\$17.60	\$16.68	\$16.42
Average		\$17.25	\$16.18	\$17.03	\$17.26	\$17.31	\$16.95
75th Percentile		\$18.75	\$16.72	\$17.27	\$19.00	N/A	\$17.60
25th Percentile		\$16.40	\$15.70	\$15.89	\$16.50	N/A	\$15.38
Truck Drivers							
Median	\$14.90	\$16.89	\$16.68	\$16.89	\$16.91	\$16.98	\$16.89
Average		\$17.02	\$16.53	\$17.61	\$16.49	\$17.74	\$17.31
75th Percentile		\$17.06	N/A	\$17.52	\$17.02	N/A	\$17.98
25th Percentile		\$16.50	N/A	\$16.84	\$16.13	N/A	\$16.83

2015 WASDA Industry Profile



Company Number: Uæ] | ^
 Net Sales: \$56,000,000

	Your Firm	All Firms	High Profits	Net Sales More than \$50 Million	# of FTEs Less than 100	# of Locations 5 or More	Whse Space 40,000 or More Sq Ft
Salary							
Inside Salesperson							
Median	\$41,913	\$49,416	\$50,000	\$54,350	\$44,000	\$55,175	\$52,832
Average		\$49,463	\$51,510	\$52,967	\$44,483	\$54,462	\$52,557
75th Percentile		\$54,350	\$55,175	\$59,053	\$49,562	N/A	\$56,000
25th Percentile		\$44,000	\$47,058	\$44,350	\$39,461	N/A	\$44,699
Are There Commissions or Incentives for Inside Salespeople?							
Yes		85.7%	71.4%	71.4%	100.0%	66.7%	77.8%
No	X	14.3%	28.6%	28.6%	0.0%	33.3%	22.2%
Outside Salesperson							
Median	\$64,884	\$69,983	\$74,514	\$80,000	\$60,000	\$80,785	\$80,000
Average		\$65,142	\$66,904	\$72,739	\$56,687	\$76,363	\$73,832
75th Percentile		\$80,600	\$84,173	\$84,173	\$73,500	N/A	\$81,570
25th Percentile		\$57,274	\$63,233	\$61,416	\$51,000	N/A	\$66,466
How are Outside Salespeople Paid?							
Commission		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Salary	X	7.1%	0.0%	0.0%	11.1%	0.0%	11.1%
Salary Plus Commission		92.9%	100.0%	100.0%	88.9%	100.0%	88.9%
Do Not Have Outside Salespeople		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Benefits Information							
Employer-Provided Health Benefit Costs as a % of Total Labor Costs	8.6%	9.0%	8.5%	9.5%	9.0%	10.0%	9.0%
Percentage Change of Health-Benefit Costs Over the Past Year	9.4%	6.6%	9.2%	18.0%	3.0%	13.8%	11.7%
% of Healthcare Premiums Paid by the Company Versus Employee:							
Company	66.8%	70.2%	71.8%	73.2%	68.4%	72.9%	68.7%
Employee	33.2%	29.8%	28.2%	26.8%	31.6%	27.1%	31.3%
Total Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Which Steps Have Been Taken Over the Past 12 Months to Reduce Healthcare Costs?							
Increase Employee Contribution	X	28.6%	28.6%	42.9%	11.1%	50.0%	33.3%
Increase Co-Pays		28.6%	14.3%	28.6%	22.2%	33.3%	22.2%
Impose Dollar Limits on Medical Care	X	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Offer Health Savings Accounts (HSA)		7.1%	0.0%	0.0%	11.1%	0.0%	0.0%
Increase Deductible	X	28.6%	28.6%	28.6%	22.2%	33.3%	22.2%
Increase Out-of-Pocket Maximum		28.6%	28.6%	28.6%	22.2%	33.3%	22.2%
Switch to Managed Care Policies (HMO, PPO, etc.)	X	7.1%	0.0%	0.0%	11.1%	0.0%	0.0%
Healthcare Education/Awareness		50.0%	57.1%	85.7%	33.3%	83.3%	77.8%
Other	X	28.6%	0.0%	42.9%	33.3%	33.3%	33.3%
No Steps Taken to Reduce Costs		14.3%	14.3%	0.0%	22.2%	0.0%	11.1%

2015 WASDA Industry Profile



Company Number: 0æ] | ^
 Net Sales: \$56,000,000

	Your Firm	All Firms	High Profits	Net Sales More than \$50 Million	# of FTEs Less than 100	# of Locations 5 or More	Whse Space 40,000 or More Sq Ft
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DELIVERY INFORMATION

Percent of Customer Deliveries Made by Each Delivery Method

Company-Owned Vehicle	49.5%	55.0%	50.6%	56.9%	50.0%	60.4%	60.9%
Full Truckload Contract Carriers	18.5%	15.8%	15.1%	15.2%	19.6%	10.2%	15.3%
Less-than Truckload Contract Carriers	15.8%	14.5%	18.1%	12.4%	16.7%	12.9%	9.7%
Intermodal/Rail	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Air Freight	0.1%	0.0%	0.1%	0.0%	0.1%	0.0%	0.0%
Expedited/Express	0.7%	0.7%	0.4%	0.4%	0.8%	0.5%	0.6%
Customer Pick-Up	15.5%	14.0%	15.6%	15.1%	12.9%	16.1%	13.5%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

How Have Volumes for Each Method Changed Over the Past 12 Months?

Company-Owned Vehicle

Increased	X	41.7%	42.9%	42.9%	42.9%	33.3%	50.0%
No Change		41.7%	42.9%	28.6%	42.9%	33.3%	25.0%
Decreased		16.7%	14.3%	28.6%	14.3%	33.3%	25.0%
N/A		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Full Truckload Contract Carriers

Increased		18.2%	16.7%	33.3%	14.3%	20.0%	28.6%
No Change	X	45.5%	50.0%	33.3%	42.9%	40.0%	28.6%
Decreased		36.4%	33.3%	33.3%	42.9%	40.0%	42.9%
N/A		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Less-than Truckload Contract Carriers

Increased	X	40.0%	0.0%	42.9%	60.0%	33.3%	42.9%
No Change		60.0%	100.0%	57.1%	40.0%	66.7%	57.1%
Decreased		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
N/A		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Intermodal/Rail

Increased		0.0%	0.0%	0.0%	0.0%	ISD	0.0%
No Change	X	60.0%	100.0%	33.3%	66.7%	ISD	33.3%
Decreased		0.0%	0.0%	0.0%	0.0%	ISD	0.0%
N/A		40.0%	0.0%	66.7%	33.3%	ISD	66.7%

Air Freight

Increased		0.0%	0.0%	0.0%	0.0%	ISD	0.0%
No Change	X	60.0%	100.0%	33.3%	66.7%	ISD	33.3%
Decreased		0.0%	0.0%	0.0%	0.0%	ISD	0.0%
N/A		40.0%	0.0%	66.7%	33.3%	ISD	66.7%

2015 WASDA Industry Profile



Company Number: 0311
 Net Sales: \$56,000,000

	Your Firm	All Firms	High Profits	Net Sales More than \$50 Million	# of FTEs Less than 100	# of Locations 5 or More	Whse Space 40,000 or More Sq Ft
Expedited/Express							
Increased		14.3%	0.0%	0.0%	20.0%	ISD	0.0%
No Change		57.1%	75.0%	66.7%	40.0%	ISD	75.0%
Decreased	X	14.3%	25.0%	0.0%	20.0%	ISD	0.0%
N/A		14.3%	0.0%	33.3%	20.0%	ISD	25.0%
Customer Pick-Up							
Increased	X	25.0%	28.6%	28.6%	28.6%	33.3%	37.5%
No Change		66.7%	57.1%	57.1%	71.4%	50.0%	50.0%
Decreased		8.3%	14.3%	14.3%	0.0%	16.7%	12.5%
N/A		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other							
Increased		ISD	ISD	ISD	ISD	ISD	ISD
No Change		ISD	ISD	ISD	ISD	ISD	ISD
Decreased		ISD	ISD	ISD	ISD	ISD	ISD
N/A		ISD	ISD	ISD	ISD	ISD	ISD
Percent of Company-Operated Vehicles that are Owned vs. Leased							
Owned	67.3%	60.5%	69.0%	35.1%	68.9%	41.0%	49.6%
Leased	32.7%	39.5%	31.0%	64.9%	31.1%	59.0%	50.4%
% of Incoming Goods and Materials Coming from Outside the U.S. (by \$ volume)							
	8.7%	10.0%	10.0%	10.0%	8.5%	10.0%	10.0%
BEST PRACTICES							
How Much Has Productivity (cost per order) Changed in the Past Year							
Decreased More than 10%		7.1%	0.0%	14.3%	11.1%	0.0%	11.1%
Decreased 6 - 10%		7.1%	0.0%	14.3%	11.1%	16.7%	11.1%
Decreased 1 - 5%		7.1%	0.0%	0.0%	11.1%	0.0%	0.0%
Stayed the Same	X	35.7%	57.1%	42.9%	22.2%	50.0%	33.3%
Increased 1 - 5%		42.9%	42.9%	28.6%	44.4%	33.3%	44.4%
Increased 6 - 10%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Increased More than 10%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
What Will be Your Top Capital Equipment Investments in 2015 (by total dollar value)							
Lift Trucks and Related Vehicles	X	21.4%	28.6%	14.3%	22.2%	16.7%	22.2%
Other Vehicles (not including lift trucks and related vehicles)	X	57.1%	71.4%	57.1%	44.4%	66.7%	66.7%
Facility Remodeling or Expansion		35.7%	28.6%	71.4%	22.2%	66.7%	55.6%
Technology	X	78.6%	85.7%	71.4%	66.7%	83.3%	66.7%
Storage Racks and Shelving		14.3%	0.0%	14.3%	22.2%	16.7%	11.1%
Other	X	7.1%	0.0%	14.3%	0.0%	16.7%	11.1%
No Capital Investments in 2015		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

2015 WASDA Industry Profile



Company Number: 0æ] |^
 Net Sales: \$56,000,000

	Your Firm	All Firms	High Profits	Net Sales More than \$50 Million	# of FTEs Less than 100	# of Locations 5 or More	Whse Space 40,000 or More Sq Ft
How did the Following Costs Change in the Past 12 Months:							
Labor Costs							
Decreased More than 5%	X	7.7%	0.0%	14.3%	12.5%	0.0%	11.1%
Decreased 1 - 5%		15.4%	0.0%	0.0%	25.0%	0.0%	11.1%
No Change		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Increased 1 - 5%		38.5%	42.9%	28.6%	37.5%	33.3%	22.2%
Increased More than 5%		38.5%	57.1%	57.1%	25.0%	66.7%	55.6%
Logistics/Transportation Costs							
Decreased More than 5%		14.3%	14.3%	14.3%	11.1%	16.7%	22.2%
Decreased 1 - 5%	X	28.6%	42.9%	28.6%	33.3%	16.7%	33.3%
No Change		21.4%	0.0%	0.0%	33.3%	0.0%	0.0%
Increased 1 - 5%		28.6%	28.6%	42.9%	22.2%	50.0%	33.3%
Increased More than 5%		7.1%	14.3%	14.3%	0.0%	16.7%	11.1%
Healthcare Costs							
Decreased More than 5%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Decreased 1 - 5%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
No Change		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Increased 1 - 5%		35.7%	42.9%	28.6%	33.3%	33.3%	22.2%
Increased More than 5%	X	64.3%	57.1%	71.4%	66.7%	66.7%	77.8%
Equipment Costs							
Decreased More than 5%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Decreased 1 - 5%		14.3%	28.6%	14.3%	11.1%	16.7%	11.1%
No Change	X	50.0%	57.1%	42.9%	55.6%	50.0%	44.4%
Increased 1 - 5%		35.7%	14.3%	42.9%	33.3%	33.3%	44.4%
Increased More than 5%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
IT Costs (hardware and software)							
Decreased More than 5%		7.1%	14.3%	0.0%	11.1%	0.0%	11.1%
Decreased 1 - 5%	X	14.3%	14.3%	0.0%	22.2%	0.0%	11.1%
No Change		28.6%	14.3%	42.9%	33.3%	33.3%	33.3%
Increased 1 - 5%		14.3%	14.3%	0.0%	22.2%	0.0%	0.0%
Increased More than 5%		35.7%	42.9%	57.1%	11.1%	66.7%	44.4%

2015 WASDA Industry Profile



Company Number: 0æ] | ^
 Net Sales: \$56,000,000

	Your Firm	All Firms	High Profits	Net Sales More than \$50 Million	# of FTEs Less than 100	# of Locations 5 or More	Whse Space 40,000 or More Sq Ft
Greatest Perceived Threats to Facility's Profitability in 2015?							
Finding Skilled Labor	X	42.9%	57.1%	71.4%	22.2%	66.7%	55.6%
Insurance Costs		50.0%	42.9%	42.9%	55.6%	50.0%	55.6%
Energy/Fuel Costs	X	21.4%	14.3%	14.3%	22.2%	16.7%	22.2%
Industry Consolidation		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finding Skilled Leaders	X	50.0%	71.4%	57.1%	33.3%	66.7%	55.6%
Health of the Economy		57.1%	42.9%	57.1%	66.7%	50.0%	55.6%
Federal Regulations	X	21.4%	0.0%	28.6%	22.2%	33.3%	22.2%
Threat of Outsourcing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Retaining Employees	X	50.0%	71.4%	71.4%	33.3%	66.7%	66.7%
Reverse Logistics Issues		7.1%	14.3%	0.0%	11.1%	0.0%	0.0%
Local Regulations	X	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
None of These		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Level of Capital Equipment Spending for 2014 (as a % of sales revenue)	1.0%	1.0%	1.0%	1.0%	1.0%	ISD	1.0%
Anticipated Change in Capital Equipment Spending for 2015 vs. 2014 (as a percentage of sales revenue)							
Decrease More than 10%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Decrease 6 - 10%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Decrease 1 - 5%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stayed the Same	X	50.0%	71.4%	42.9%	55.6%	50.0%	44.4%
Increase 1 - 5%		35.7%	14.3%	28.6%	44.4%	16.7%	33.3%
Increase 6 - 10%		7.1%	14.3%	14.3%	0.0%	16.7%	11.1%
Increase More than 10%		7.1%	0.0%	14.3%	0.0%	16.7%	11.1%
ADVERTISING/MARKETING PRACTICES							
2014 Marketing Budget (as a percent of total revenue)	0.8%	0.8%	0.8%	0.3%	1.0%	0.4%	0.5%
2015 Marketing Budget (as a percent of total revenue)	0.9%	0.5%	0.9%	0.3%	0.9%	0.4%	0.5%
Anticipated 2016 Marketing Budget (as a percent of total revenue)	0.9%	0.9%	1.0%	0.3%	1.0%	0.6%	0.8%
Advertising/ Marketing Activities Used							
Broadcast TV Advertising		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Local TV Advertising	X	7.7%	16.7%	16.7%	0.0%	20.0%	12.5%
Radio Advertising		15.4%	33.3%	33.3%	0.0%	40.0%	25.0%
Co-Op Advertising with Supplier/Manufacturer		84.6%	83.3%	83.3%	88.9%	80.0%	87.5%
Newspaper Advertising	X	7.7%	16.7%	16.7%	0.0%	20.0%	12.5%
Magazine Advertising		46.2%	50.0%	100.0%	22.2%	100.0%	75.0%
Website/online Advertisements		53.9%	33.3%	50.0%	44.4%	60.0%	50.0%
Email Blasts	X	38.5%	16.7%	50.0%	33.3%	60.0%	37.5%
Other	X	23.1%	16.7%	16.7%	22.2%	20.0%	25.0%

Appendix

Definitions

Ratio Definitions Used in the WASDA Industry Profile Survey

The primary purpose of this *WASDA Industry Profile Report* is to provide a basis for comparing your own performance with your peers. In order to do this, it is necessary to calculate your own ratios using the same methods that were used to compute the ratios in this report.

MEASURE	METHOD OF COMPUTATION
Overall Performance Measures	
Profit Margin	$(\text{Net Income Before Taxes} \div \text{Net Sales}) \times 100$
Asset Turnover	$\text{Net Sales} \div \text{Total Assets}$
Return on Assets	$(\text{Net Income Before Taxes} \div \text{Total Assets}) \times 100$
Financial Leverage	$\text{Total Assets} \div \text{Net Worth}$
Return on Net Worth	$(\text{Net Income Before Taxes} \div \text{Net Worth}) \times 100$
Debt to Equity	$\text{Total Liabilities} \div \text{Net Worth}$
Financial Management Ratios	
Current Ratio	$\text{Total Current Assets} \div \text{Total Current Liabilities}$
Quick Ratio	$(\text{Total Current Assets} - \text{Inventory}) \div \text{Total Current Liabilities}$
Inventory Turnover	$\text{Cost of Goods Sold} \div \text{Inventory}$
Average Days in Inventory	$365 \text{ days} \div (\text{COGS} \div \text{Inventory})$
Average Collection Period	$365 \text{ days} \div (\text{Sales} \div \text{Average Accounts Receivable})$
Average Days in Payables	$365 \text{ days} \div (\text{COGS} \div \text{Average Accounts Payable})$
Cash Cycle	$\text{Average Collection Period} + \text{Inventory Days} - \text{Payable Days}$