

Boston University

Assignment 3: A New Brewpub in Applebee's Grill & Bar at Harvard Square

Part I

AD715 A7 Quantitative and Qualitative Decision-Making

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Executive Summary

The purpose of this report is to assess the rational decision-making process for investing in brewpubs. The brewpub will open in Applebee's new branch, which is located at Harvard Square, Cambridge. After preliminary research, we found that beer has a huge market in the United States and the potential for crafted beer business is also huge. In the first part of assignment 3, we mainly analyze the marketing management and financial management of this new Brewpub through SWOT analysis, Porter's five forces analysis, What-if analysis and Break-Even point support tools.

Through the market overview, we draw a conclusion that under the current situation of beer consumption in the United States, it is a wise choice to open the new Brewpub in restaurants. Moreover, as a famous chain restaurant with over 40 years' experience, Applebee's has good financing ability and excellent brand reputation. These will be prerequisites for Brewpub's success. In addition, through the analysis of Boston area or Harvard square consumers and the main beer consumers. We narrowed down the target customers, and mainly targeted college students over the age of 21. For college students, they usually live around the University, and their daily or relative range is also around the University, which makes them more likely to spend money in this area. At the same time, for college students, they need a place where they can meet their friends on weekends and holidays. A restaurant with a brew pub should be a good choice for them.

The methods we apply in marketing management are SWOT analysis and Porter's Five Forces analysis. SWOT gives a clear evaluation of our brewpub in what we did well, what we're lacking in the current situation. Porter's Five Forces analysis gives us a basic understanding of the current situation and future trends in the industry.

Through the financial management part, the overall goal of opening a new restaurant is to create profits through some core commercial means. Cost input, cash flow in operations, and analysis of profits earned all contribute to future business adjustments. Financial management simulates how much investment is needed, like staff salaries, material resources costs, and some scattered expenses. Similarly, some graphs obtained from simulation data, such as the break-even point graph and even the impact of changing variable cost on break-even point, can be used to determine whether this new restaurant project will succeed. To operate profitably depends on achieving a 100% return on costs. Therefore, having excellent financial management provides a well-founded basis to change the business model.

Introduction

The case is focusing on Applebee's Grill and Bar, a famous chain restaurant serving traditional American foods such as burgers, pasta and steak and it has branches all over the United States. In the last five years, you can also find Applebee's in many other countries besides the United States. Like their slogan, they are committed to building neighborhood style restaurants, Applebee's usually customize different foods and menus according to local tastes and residents. This has attracted a lot of nearby families to Applebee's to have a good meal and drink with their families to celebrate some important days. In some cities, Applebee's can even become a nightclub during the weekend, they usually host the actual dance nights, and also special events like karaoke night and Blacklight parties (Huddleston, 2020). These activities can bring more popularity to restaurants with Brewpub and lay the foundation for the success of our new Applebee's branch.

Since it is hard to invest in a brewpub in every chain restaurant in the network, we recommended investing a branch for Applebee's at Harvard Square first, with our Brewpub machine. When this case is successful, Applebee's can gradually expand Brewpub to every branch store. We chose to open our new Apple bee's branch in Harvard Square, a commercial street with many stores and restaurants. The most important thing is, this is a community with a larger population of college students than other neighborhoods. People living here are more willing and able to spend more on foods, drinks and having fun. In this report, we will analyze whether we should invest it or not by going through marketing, innovation, operation, financial and human resources analysis methods and provide our well-concerned suggestion.

In addition, by calculating the important costs that affect the company's profitability, such as labor costs and marketing costs, it is pointed out that we will calculate whether the specific

plan we have designed is feasible and, most importantly, whether the company can make stable profits. Harvard Square is a triangular square near Cambridge, regarded as the center of the entire city. It is at the doorstep of the world-renowned Harvard University, so there are various bookstores and coffee shops nearby. Because of the superior location, there are many college students and office workers here, so the house price here is also relatively higher. The housing supply here is also in short supply, and the lease of commercial shops is also quite expensive. The geographical environment of the new restaurant allows shops with small areas to have high rents. Formally because of the high cost, it is necessary to hire people with rich experience to operate this restaurant. Therefore, new restaurants account for a large proportion of various spending like rent fees, commissions, and advertising investment.

Functional Area #1: Marketing Management

Market Overview

According to a recent survey, about 63% of American adults drink alcohol and the favored beverage among them is beer. Americans consumed an estimated 6.3 billion gallons of beer per year, or about 26.2 gallons per drinking-age adult (Stebbins, 2019). That accounts for more than half of the world's beer consumption, what we can't ignore is the potential of beer sales in the US market. Through further research, over 51% of beer consumption is in the restaurants and the others are consumed at bars or people's own homes (Freier, 2017). It can be seen that beer sales in restaurants can account for the main part of beer sales in the entire American market, while another significant part will be in clubs or bars. This means that combining restaurants with bars is a good way to increase beer sales and profits.

Target Market

To many people, beer is an important part of America's cultural legacy. It is also a major "protagonist" in the social activities of Americans. In fact, beer consumption tends to vary considerably across the country. This may be due to the state's culture, policies and taxes. According to statistical data in 2018, as a state with a large population, the average beer consumption per person in restaurants or bars in Massachusetts is not high, which is about \$217.7, only ranking seventh in the country. The annual per capita consumption: 23.6 gallons of beer, only rank at 42rd. But it's surprising That Massachusetts has only a \$0.11 per dollar tax rate for beer (Sauter, 2018). After further exploration, one of the main reasons for the low beer consumption in Massachusetts is that it is difficult for restaurants to obtain a license for the sale of alcoholic drinks and the price is usually high. Another important reason is that the population composition of Massachusetts is relatively complex, with a large number of European descendants and European immigrants. They seem to prefer wine and whisky rather than beer. Thus, we will divide customers into three segmentations based on their characteristics in locations, ages, and behaviors, and develop different marketing strategies and sales plans targeting different segmentations.

In this case, our new Applebee's restaurant and bar will be opened in Harvard Square, so our main customers will be college students over the age of 21. They live in the area around the university, or they often do activities around the area. They may love watching sports events, and they need occasions to get together with friends or celebrate important days.

SWOT Analysis

Before entering the market, we need to use SWOT analysis to analyze our strengths and weaknesses. And the external competitiveness, opportunities and threats in the current market environment. This is conducive to Apple's development strategy and risk aversion.

Applebee's is a restaurant chain founded in 1980 and is now all over the United States. And began to gradually expand to overseas markets. More than 40 years of operation has given them a good reputation and a good brand reputation. On the one hand, Applebee's offers American home-made dishes such as salads, hamburgers and pasta to create a casual dining atmosphere. On the other hand, they are committed to creating a restaurant that has a neighborhood pub feel. Applebee's also has a lower price and friendlier service than competitors such as Chili's and Buffalo Wild Wings. Many families like to spend their cozy, casual Saturday night with their families, so they are sometimes called "family restaurants".

As such a well-known chain brand, Applebee's also has a good financial situation and strong investment ability. This provides the foundation for their breweries, who can purchase advanced brewing equipment and employ professional brewers to provide the best quality craft beer. However, all these preconditions do not guarantee their success. Prior to the investment, Applebee's only offered famous brands of beer, such as Blue Moon, Bud Light and etc. Therefore, the lack of relevant management and operation experience for breweries is their main weakness. If the fresh beer is not stored properly, it will be very easy to deteriorate in a short time, which will not only cause great losses to them, but also affect T. This is a great challenge for them.

According to what we mentioned earlier, the U.S. consumes a lot of beer every year, and our new store will be built in Harvard square, where the traffic is very high. In addition, our main target is the students living around the school. On weekends or holidays, they need such a restaurant with a bar to relax, which means that we will have a lot of opportunities. But opportunities and risks usually coexist. Since there are many existing bars and restaurants in the Harvard Square area, and the access conditions of the industry are not high, there will be more

bars and restaurants in the future. So, the threat of opening a new Applebee's in this area is also very big.



Porter's Five Forces Analysis

In order to further analyze the competition intensity of Applebee's in the brewing industry and the future profitability of the industry, we will use Porter's five forces for more detailed analysis. In many cases, the attractiveness of the entire industry does not mean that every company in the industry will earn the same profit margins. This depends on whether a company can use its core competitiveness, unique business model to achieve high profits.

As above, since Applebee's has chosen to open a restaurant combined with Brewpub in Harvard Square, bars and restaurants that already have loyal customers and good reputation in this area will be their favorable competitors. In addition, the craft of brewing is not very complex and more small microbreweries have emerged recently, so the threat of new entrants will be very high. In addition, many famous brands of beer also have a lot of fans, and their sales still dominate the

beer market in the United States. So, there are plenty of alternatives to craft beer, which means the threat of substitutes is high.

At the same time, there are many beer brands and even craft beer brands in the market. If the price of Applebee's craft beer is higher than the average market price without loyal users and good reputation at the initial stage of the market, people will not pay for it, which means that customers have a high bargaining power.

Finally, the good news is that craft beer's main ingredients are wheat, hops, yeast and water. All of these raw materials are easy to get in the market, and many factories or farms can supply them in large quantities. In addition, Applebee's has been operating in the restaurant industry for more than 40 years, which also enables it to establish cooperative relationships with many suppliers, and they may get more favorable prices, which indicates that the bargaining power of suppliers is very low.

It is undeniable that industry revaluation is very fierce in the craft beer industry. In the follow-up development process, how to grasp the characteristics of Applebee's in craft beer and carry out strategic marketing is the key point for Applebee's success in the fierce competition. In addition, Applebee's should also be clear about its business model, including its own distribution model and other key points.

Marketing Strategy

Last but not least, we have developed a more specific marketing strategy for this Applebee's branch with Brewpub in Harvard Square. According to research, we found that for a new brand customer tend to pay more attention to experience. As Lewnes and Keller emphasized in the article, "experience is a new brand". It can not only create a brand, but also destroy a brand, which means that in marketing we need to focus on strengthening the customer experience. The launch of a

brewery tour is a good choice. On some special days of the year, such as store anniversary. We will open the brewery of Applebee's to the public. During the tour, people can taste different kinds of special crafted beer only at Applebee's. Brewery tours are a great way to explore and even build brand loyalty by educating the non-craft beer drinkers on the amazingness of beer. Let the customers see it, touch it, feel it and experience how the craft is different from others. Maybe even create a date night brew tour. Just another way to get them in the door and educated on the new brews.

In addition, we also consider holding Applebee's big stomach drinks beer competition during every summer. This competition can not only attract a large number of local residents to participate and watch, but also can be used as a marketing method to improve the popularity of Applebee's brewpub in the United States. In this event, we will use Applebee's crafted beer and participants will be required to drink the prescribed amount of beer for a certain period of time. If successful, the participant will not have to pay for the beer and can even get one dozen of free Applebee's craft beer. If the participants fail, they will pay for the beer and also some penalty. This not only gives the participants who have never tried Applebee's craft beer a new experience, but also achieves the goal of marketing. If the event is a great success, we will also consider uploading the highlights of the event on the homepage of Applebee's Harvard Square branch as a major way of online marketing.

Functional Area #2: Financial Management

Financial management aims at investment, operation, cost income, and how to allocate principal. For building a new restaurant with better profits, many cost factors need to be considered, such as market costs, rents, bank loans, and taxes. According to the superior location of our new restaurant, the total salary of all employees should reach \$90,000 or even higher per year. Staff

positions include office assistant, salesmen, executives, miscellaneous (consultants). Because the location of the new restaurant is near Harvard square, and it is the center of Cambridge, next to Harvard University's commercial street. Many buildings at Harvard University are also near Harvard Park in the city center. Therefore, the price of beer in our new restaurant is set slightly higher. To better promote high-quality beer, the new restaurant needs to hire more senior employees. Therefore, the high salary level of employees is more suitable for the superior geographical location and the strong background of the employees themselves. In the second year, based on market earnings and the loyalty of stable employees, the salary increase in the second year was 1.11 times that of the first year. The total salary expenditure in the second year is equal to \$99,900. To better enable the new restaurant to have a high-yield development, it is more necessary for the employees to work together and unite. Therefore, the salary increase in the third year is 1.2 times, and the total salary expenditure is equal to \$119,880. Relatively high labor costs can make employees more motivated to produce product planning. Regardless of the creative advertising from the back-end planners, the marketing department has to do detailed research for excellent product distribution and even comfortable service provided for customers. All of the above fits the reason why relatively high wages are suitably made.

Marketing has an indispensable influence on enterprises. A deep understanding of the product's positioning, pricing, promotion, and appropriate services provided to create restaurant wealth. To let customers understand the beer in the restaurant, the restaurant should first grasp their consumer psychology and motivation. The new restaurant uses three methods to promote its products. They are in the form of local advertising, trade shows, and a website. Give the product an accurate positioning, understand which region and age group people have a strong desire to buy, to formulate effective marketing strategies. Therefore, an ingenious advertising design will attract

not only the buying groups that appear in the scope of the survey but also more consumers. In a word, the new restaurant invested a lot of money in local advertising. The first year reached 20,000. The investment in the second year was even 1.11 times that of the first year, and the investment in the third year was 1.2 times that of the second year. In terms of market cost, for attracting enough customers, the restaurant has invested a lot of advertising expenses. But we also pay attention to marketing does not mean large-scale advertising investment, relying on advertising hard. Products must not only meet the needs of the market and cater to mass consumption but also need to be produced for attaining standards such as environmental protection and food hygiene.

We are now in an era of the digital economy, and building a website is related to the future and development of the enterprise because the website can fully display products to customers. Through the website, it is crucial to show new restaurant menus, personalized services, location, contact information, online chat for complaints and suggestions, etc. The development of a website will promote products to consumers faster in an intuitive way. The website has many advantages, such as interactivity. Consumers take the initiative to grasp the information of the restaurant, and if they have any questions or suggestions can be given timely feedback through the live chat. The website is time-sensitive, restaurants use online marketing to put product prices on the Internet, and customers can check on themselves. The relationship between the restaurant and the customer has been strengthened. Therefore, the new restaurant invested \$8,000 in the first year of construction of the website. It increased by 1.11 times in the second year and 1.2 times in the third year. For the trade show, it takes too much time to plan and display the products. Once the menu is updated or new flavored products are modified, they cannot be shown to the public in the form of a trade show every time, which is particularly time-consuming. Compared with the previous two, the trade show is more cumbersome for announcements and webpages, so we decided to

invest a little less. In the first year, there was only \$2,000 spent on the trade show, and the increase in the second and third years was 1.11 and 1.2 times that of the first year.

Due to the geographical location, the rent reached \$250,000 in the first year. The new restaurant belongs to the center of attention, next to Harvard Commercial Street. Therefore, the rent in the second year will increase by 10% in the first year. In the third year, you will have a 20% rent increase in the second.

Owing to the shortage of initial funds and a large amount of cost input, the new restaurant borrowed \$450,000 dollars from the bank. The loan period is 36 months and the interest rate is 10%. The restaurant needs to pay \$173,152 to the bank every year. The ratio of profit taxes is 6.25. The return on investment of the new restaurant is 5% and the risk-free interest rate is 1%.

What-if analysis

Keeping fixed cost unchanged, suppose to change the value of variable cost and observe the change value of break-even point. The variable cost/unit of the restaurant is now equal to 1.12 dollars, and the break-even point sold is 700,714 dollars, which appeared in month 5.63. Assuming there is a 10% increase in the variable cost, the break-even point is \$716,742 at 5.75 months. If variable costs increase by 20%, the value of the break-even point is \$733,521, at 5.89 months. If variable costs increase by 30%, the break-even point will become 751,105 at 6.03 months.

Similarly, assuming that the variable cost is reduced by 10%, the break-even point value is 685,387 at 5.50 months. When it is reduced by 20%, the break-even point is 670,716, and the time is 5.39 months. When it dropped by 30%, the break-even point reached the break-even point in a shorter time (5.27), which is 656,659.

Break-Even Point

From the break-even analysis, it is clearly expressing that the total revenue of the new brewery has reached 1,434,533.84 dollars, and the total expenditure is 276,757.68 dollars. The total fixed costs are \$572,652. Obviously, from the analysis of the break-even analysis chart, the total return of the new restaurant has gradually increased, showing a relatively steep upward trend, which means that the sales of the brewery's products are good. The total fixed cost is a horizontal straight line. It means that the restaurant will not spend too much on unnecessary things and strive to control the increase in fixed expenses. Keeping a stable fixed costs line builds a solid foundation for profitability. Also, the slope of the total cost line is particularly flat compared to the line of total revenue, which means that although the initial cost of the new brewery is high, it is worth selling better products and innovative products. Thus, increasing some additional investment in innovation and employee rewards is beneficial for the development of the brewery. Appropriate bonuses will make employees more motivated and engaged.

Marketing Strategy Cost

Due to the high cost of the initial investment, for realizing the benefits faster, we decided to make some efforts for the profitability of the new restaurant through some forms. The official website of the new restaurant is a direct way to communicate with consumers. The new restaurant can not only put the restaurant's menu but also use the official website to put some event notices. Doing this can better stimulate more consumption and capture the attention of new customers. For example, the big stomach king drinks beer competition, through the reward and punishment system to reward customers who have finished drinking the corresponding amount of beer within the specified time and free for him. Customers who fail to complete will have a slight penalty mechanism like paying more for this bill. We set 60 dollars, 4L beer. Customers

who fail to complete the task will pay an additional \$10 to the merchant. Now all walks of life advocate environmental protection and sustainable development. Therefore, the additional payment raises everyone's environmental awareness and makes green environmental protection smooth.

In the way of promoting beer, the restaurant can also use the form of the brewery tour, by showing customers the brewery's production process and equipped with professional explainers, so that customers can better understand the brewing process of beer. Customers can also taste freshly brewed beer during the visit, which can better maintain customers' loyalty. Furthermore, the ticket price of the tour can cover part of the publicity cost to some extent, so we estimate that the ticket price is at \$20 per person and half price for children and the elderly. The brewery tour also establishes trust with the public due to personal visits.

Conclusion

In the first part of this business simulation running case, we have a basic understanding of the industry situation of brewpub, substitution threat, market access conditions through the analysis of the market management. A preliminary conclusion is drawn that it is feasible to set up a brewpub in the Harvard square branch of Applebee's. However, due to the fierce competition in the industry, how to break through the encirclement and achieve sustainable success is still the focus of our attention in the second part.

Furthermore, through financial management, we also use two analysis methods to analyze the profitability of brewpub, we found that our upfront costs were huge because of the lack of professional brewing masters. Applebee's needs to hire a lot of brewing masters in the early stage of brewpub, which makes our hire cost become a very large part. In addition, because it is the first Applebee's branch with brewpub, we need to invest a lot of money in marketing to

let people know what it is and come to visit our store to taste it. However, we don't know how much revenue these expensive marketing can bring us. Therefore, we will promote some special events as marketing methods, and we will charge certain fees for these events to make up for the marketing expenses. After these cost adjustments, our profitability can become more optimistic.

In the second part of this case, we will elaborate on innovation, and we will plan to work with local farms in Boston. Cooperation with local suppliers can not only reduce the cost of raw materials, but also reduce the logistics cost to a certain extent. In addition, we will develop more flavors for different customer groups and initially expand the target customer base. All of these can help us to achieve a stable profit in the later period.

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Appendix

1

Employees

Position	Budget	Number	Salary increase	
			FY-2	FY-3
Office Assistants	\$ 6,000	1	1.11	1.2
Salesmen	\$ 60,000	1.5	1.11	1.2
Executive Salaries	\$ 12,000	1.2	1.11	1.2
Miscellaneous (Consultants)	\$ 12,000	1	1.11	1.2
Total	FY-1 \$90,000	FY-2 \$99,900	FY-3 \$119,880	

2

Utilities, Supplies and other

	Payment	Payment increase	
	FY-1	FY-2	FY-3
Leasing of cars, computers, etc	\$ 7,000	1.11	1.2
Office Supply	\$ 3,000	1.11	1.2
Heat, Light, Phone	\$ 4,000	1.11	1.2
Insurance	\$ 8,000	1.11	1.2
Depreciation	\$ 7,500	1.9	0.9
Total	FY-1 \$29,500	FY-2 \$38,670	FY-3 \$42,129

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3 Marketing costs

	Payment	Payment increase	
	FY-1	FY-2	FY-3
Local Advertising	\$ 20,000	1.11	1.2
Trade Shows	\$ 2,000	1.11	1.2
website	\$ 8,000	\$1.11	\$1.20
Total	\$30,000	\$33,300	\$39,960

4 Rent

	Payment	Space (ft ²)	Payment increase	
	FY-1	FY-2	FY-2	FY-3
Office	\$ 250,000	180	1.1	1.2
Total	\$250,000	\$275,000	\$330,000	

5 Debt

Loan	FY-1	FY-2	FY-3	payments/year	Date start
	Amount	Interest rate	length (months)		
Bank of America	\$450,000	10.0%	36	12	FY-1 Jan
Total Debt	\$450,000				
Payment	\$173,152	\$173,152	\$173,152		
Private Investment	\$150,000				
Add item					

1 BREAK-EVEN ANALYSIS

		TOTAL BRAND 01	FY-1									
			BP01-01	BP01-02	BP01-03	BP01-04	BP01-05	BP01-06	BP01-07	BP01-08	BP01-09	BP01-10
Revenue	[8]	\$1494,529.94	\$204,702	\$246,252	\$71,254	\$75,094	\$70,669	\$46,466	\$338,872	\$407,896	\$28,313	\$28,313
Expenses	[8]	\$276,757.68	\$22,927	\$27,580	\$9,976	\$11,073	\$11,207	\$7,438	\$78,904	\$95,738	\$10,815	\$10,815
Total Fixed Costs	[8]	\$572,652										
Contribution	[8]	\$1,217,792.19	\$181,775	\$218,672	\$61,278	\$64,021	\$59,462	\$39,028	\$259,968	\$312,158	\$17,498	\$17,498
Contribution Margin [%]	[5]	81.48	88.89	88.89	85.89	85.89	84.89	84.89	76.49	76.53	61.89	61.89
Break-even	Months		5.64									
Sales			\$702,795									
X-axis range			0	5.64								
Fixed Cost Range			\$572,652	\$572,652								
Total Revenue Range			\$0	702,795								
Total Cost Range			\$572,652	702,795								

Assignment 3 Part I: A New Brewpub in Applebee's Grill & Bar at Harvard Square



2.3

What is the BEP if the Variable Cost/unit are increased and/or decreased while the total fixed costs and the price per products remain the same?

BRAND 01		TOTAL BRAND 01	BR01-01	BR01-02	BR01-03	BR01-04	BR01-05	BR01-06	BR01-07	BR01-08	BR01-09
Total Fixed Costs	[\$]	\$572,652									
Price/unit	[\$]		\$10.00	\$10.00	\$8.00	\$8.00	\$7.00	\$7.00	\$4.00	\$4.00	\$3.00
Variable cost/unit	[\$]		\$1.12	\$1.12	\$1.12	\$1.12	\$1.12	\$1.12	\$0.92	\$0.92	\$1.15
Contribution/unit	[\$]		\$8.88	\$8.88	\$6.88	\$6.88	\$5.88	\$5.88	\$3.08	\$3.08	\$1.85
Contribution margin	[%]	81.72%	88.80%	88.80%	86.00%	86.00%	84.00%	84.00%	77.00%	77.00%	61.67%
Sales Volume	[quantity]		20,470	24,625	8,907	9,887	10,096	6,641	84,368	101,974	3,438
Revenues	[\$]	\$1,494,540	\$204,702	\$246,252	\$71,254	\$79,094	\$70,669	\$46,488	\$339,872	\$407,896	\$28,313
% of Sales	[%]		13.70%	16.48%	4.77%	5.23%	4.73%	3.11%	22.74%	27.23%	1.83%
Expenses	[\$]	\$273,141	\$22,927	\$27,580	\$9,976	\$11,073	\$11,307	\$7,438	\$78,171	\$93,816	\$10,853
Contribution	[\$]	\$1,221,399	\$181,775	\$218,672	\$61,278	\$68,021	\$59,362	\$39,050	\$261,701	\$314,080	\$17,460
	[%]		14.88%	17.90%	5.02%	5.57%	4.86%	3.20%	21.43%	25.71%	1.43%
Total Fixed Costs	[\$]	\$572,652									
Price/unit	[\$]		\$10.00	\$10.00	\$8.00	\$8.00	\$7.00	\$7.00	\$4.00	\$4.00	\$3.00
Variable cost/unit	[\$]		\$1.12	\$1.12	\$1.12	\$1.12	\$1.12	\$1.12	\$0.92	\$0.92	\$1.15
Contribution/unit	[\$]		\$8.88	\$8.88	\$6.88	\$6.88	\$5.88	\$5.88	\$3.08	\$3.08	\$1.85
Contribution margin	[%]	81.72%	88.80%	88.80%	86.00%	86.00%	84.00%	84.00%	77.00%	77.00%	61.67%
Sales Volume	[quantity]		20,470	24,625	8,907	9,887	10,096	6,641	84,368	101,974	3,438
Revenues	[\$]	\$1,494,540	\$204,702	\$246,252	\$71,254	\$79,094	\$70,669	\$46,488	\$339,872	\$407,896	\$28,313
% of Sales	[%]		13.70%	16.48%	4.77%	5.23%	4.73%	3.11%	22.74%	27.23%	1.83%
Expenses	[\$]	\$273,141	\$22,927	\$27,580	\$9,976	\$11,073	\$11,307	\$7,438	\$78,171	\$93,816	\$10,853
Contribution	[\$]	\$1,221,399	\$181,775	\$218,672	\$61,278	\$68,021	\$59,362	\$39,050	\$261,701	\$314,080	\$17,460
	[%]		14.88%	17.90%	5.02%	5.57%	4.86%	3.20%	21.43%	25.71%	1.43%
Break-Even Point (BEP)											
		Months	5.63								
		Sales	\$ 700,714								
Total Fixed Costs	[\$]	\$572,652									
Price/unit	[\$]		\$10.00	\$10.00	\$8.00	\$8.00	\$7.00	\$7.00	\$4.00	\$4.00	\$3.00
Variable cost/unit	[\$]		\$1.12	\$1.12	\$1.12	\$1.12	\$1.12	\$1.12	\$0.92	\$0.92	\$1.15
Contribution/unit	[\$]		\$8.88	\$8.88	\$6.88	\$6.88	\$5.88	\$5.88	\$3.08	\$3.08	\$1.85
Contribution margin	[%]	81.72%	88.80%	88.80%	86.00%	86.00%	84.00%	84.00%	77.00%	77.00%	61.67%
Sales Volume	[quantity]		20,470	24,625	8,907	9,887	10,096	6,641	84,368	101,974	3,438
Revenues	[\$]	\$1,494,540	\$204,702	\$246,252	\$71,254	\$79,094	\$70,669	\$46,488	\$339,872	\$407,896	\$28,313
% of Sales	[%]		13.70%	16.48%	4.77%	5.23%	4.73%	3.11%	22.74%	27.23%	1.83%
Expenses	[\$]	\$273,141	\$22,927	\$27,580	\$9,976	\$11,073	\$11,307	\$7,438	\$78,171	\$93,816	\$10,853
Contribution	[\$]	\$1,221,399	\$181,775	\$218,672	\$61,278	\$68,021	\$59,362	\$39,050	\$261,701	\$314,080	\$17,460
	[%]		14.88%	17.90%	5.02%	5.57%	4.86%	3.20%	21.43%	25.71%	1.43%
Break-Even Point (BEP)											
		Months	5.63								
		Sales	\$ 700,714								