

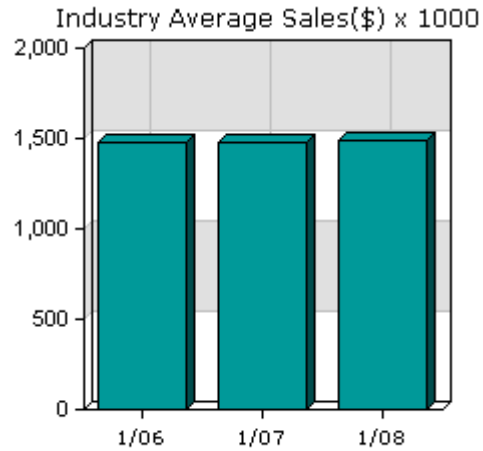
### Personal Services

**[128-200] Sector: Services**  
**Sales Class: \$1m - \$2.49m**

Firms Analyzed (1/08): 2,527

### Contents

- P1: 3-year Income-Expense statement- dollar-based
- P2: 3-year Income-Expense statement- percentage-based
- P3: 3-year Balance Sheet- dollar-based
- P4: 3-year Balance Sheet- percentage-based
- P5: Financial Ratios - Cash Flow-Solvency
- P7: Financial Ratios - Profitability
- P9: Financial Ratios - Efficiency-Debt-Risk
- P12: Financial Ratios- Turnover
- P14: About the Data



Firms are companies, and their financial reports include branch operations. The Small Business data in the Industry Financial reporting series applies averages of single-site small business corporations, using the S-Corporation definition of less than 35 employees.

Dollar-based sales and other dollar-based data in this report reflect averages for sales of the industry segment, not total industry-wide averages. As a result, sales levels may vary from year to year, depending on the mix of firms that fall within the selected segment.

<b>Annual Average Sales, Income and Expense (\$)</b>			
as of:	1/06	1/07	1/08
Sales	1,480,972	1,479,785	1,487,634
Cost of Sales	383,127	451,778	528,407
Gross Profit	1,097,845	1,028,006	959,226
Officers Comp.	138,027	133,033	127,525
Salary-Wages	329,812	211,017	236,747
Rent	93,597	102,401	99,076
Taxes Paid	66,051	61,707	57,571
Advertising	15,402	25,748	23,957
Benefits-Pension	32,581	34,775	32,290
Other SG&A Exp.	214,889	270,801	224,633
EBITDA	207,485	188,525	157,427
Interest paid	14,662	14,354	13,091
Amort. & Dep.	59,091	81,684	55,786
Pre-Tax Net Profit	133,732	92,487	88,550
Income Tax	35,405	19,696	18,298
After Tax Net Profit	98,327	72,791	70,252

Percentage table and discussion of line items on P2.

<b>Annual Average Sales, Income and Expense %</b>			
as of:	1/06	1/07	1/08
Sales	100.0%	100.0%	100.0%
Cost of Sales	25.87%	30.53%	35.52%
Gross Profit	74.13%	69.47%	64.48%
Officers Comp.	9.32 %	8.99%	8.57 %
Salary-Wages	22.27%	14.26%	15.91%
Rent	6.32%	6.92%	6.66%
Taxes Paid	4.46%	4.17%	3.87%
Advertising	1.04%	1.74%	1.61%
Benefits-Pension	2.20%	2.35%	2.17%
Other SG&A Exp.	14.51%	18.30%	15.10%
EBITDA	14.01%	12.74%	10.58%
Interest paid	0.99%	0.97%	0.88%
Amort. & Dep.	3.99%	5.52%	3.75%
Pre-Tax Net Profit	9.03%	6.25%	5.95%
Income Tax	2.39%	1.33%	1.23%
After Tax Net Profit	6.64%	4.92%	4.72%

**Cost of Sales** includes materials and labor involved in the direct delivery of a product or service. Other costs are included in the cost of sales to the extent that they are involved in bringing goods to their location and condition ready to be sold. Non-production overheads such as development costs may be attributable to the cost of goods sold. The costs of services provided will consist primarily of personnel directly engaged in providing the service, including supervisory personnel and attributable overhead.

**Gross Profit** represents direct operating expenses plus net profit. In addition to the labor portion of Cost of Sales, wage costs are reflected in the **Officers Compensation** and **Wages-Salary** line items. In many cases, **SG&A** (Sales, General and Administrative) costs also include some overhead, administrative and supervisory wages.

**Rent** covers the rental cost of any business property, including land, buildings and equipment.

The **Taxes paid** line item includes payroll other paid-in tax items, but not business income taxes due for the period. As a result, the **Net Profit** line item represents what is commonly referred to as Pre-tax Net Profit or Net Profit Before (Income) Tax. Although it can be calculated in many ways and is a controversial measure, the **EBITDA** line item (Earnings before **Interest Paid**, income tax due, **Depreciation and Amortization**) adds back interest payments, depreciation, amortization and depletion allowances, and excludes income taxes due to reduce the effect of accounting decisions on the bottom line of the Profit and Loss Statement. Since some firms utilized EBITDA is to "add back" non-cash and flexible expenses which may be altered through credits and accounting procedures (such as income tax), paid-in income taxes from the Taxes Paid line item are not added back in the EBITDA calculation.

**Advertising** includes advertising, promotion and publicity for the reporting business, but not on behalf of others.

**Benefits-Pension** includes, but is not limited to, employee health care and retirement costs.

In addition to varying proportions of overhead, administrative and supervisory wages, some generally more minor expenses, including repairs and written-off debt, are aggregated under **SG&A** (Sales, General and Administrative).

<b>Balance Sheet - dollar-based</b>				
<b>Assets</b>	as of:	1/06	1/07	1/08
Cash		165,646	137,513	89,303
Receivables		98,307	85,807	117,312
Inventory		36,549	43,164	54,650
Other Current Assets		37,682	54,915	32,618
<b>Total Current Assets</b>		<b>338,184</b>	<b>321,399</b>	<b>293,884</b>
Fixed Assets		414,430	407,968	381,725
Other Non-Current Assets		145,598	134,285	119,188
<b>Total Assets</b>		<b>898,213</b>	<b>863,651</b>	<b>794,797</b>
<b>Liabilities</b>				
Accounts Payable		41,587	54,410	49,993
Loans/Notes Payable		32,695	39,037	36,879
Other Current Liabilities		49,402	50,351	31,951
<b>Total Current Liabilities</b>		<b>123,684</b>	<b>143,798</b>	<b>118,822</b>
<b>Total Long Term Liabilities</b>		<b>293,895</b>	<b>280,082</b>	<b>291,611</b>
<b>Total Liabilities</b>		<b>417,579</b>	<b>423,880</b>	<b>410,433</b>
<b>Net Worth</b>		<b>480,634</b>	<b>439,771</b>	<b>384,364</b>
<b>Total Liabilities &amp; Net Worth</b>		<b>898,213</b>	<b>863,651</b>	<b>794,797</b>

Balance Sheet Percentage table is on P4.

**Cash:** Money on hand in checking, savings or redeemable certificate accounts.

**Receivables:** A short-term asset (to be collected within one year) in the form of accounts or notes receivable, and usually representing a credit for a completed sale or loan.

**Inventory:** The stockpile of unsold products.

**Current Assets:** The sum of a firm's cash, accounts and notes receivable, inventory, prepaid expenses and marketable securities which can be converted to cash within a single operating cycle.

**Fixed Assets:** Long-term assets such as building and machinery.

**Total Assets:** The sum of current assets and fixed assets such as plant and equipment.

**Accounts Payable:** Invoices due to suppliers within the current business cycle.

**Loans/Notes Payable:** Loan amounts due to suppliers within the current business cycle.

**Current Liabilities:** Measurable debt owed within one year, including accounts, loans and notes payable, accrued liabilities and taxes due.

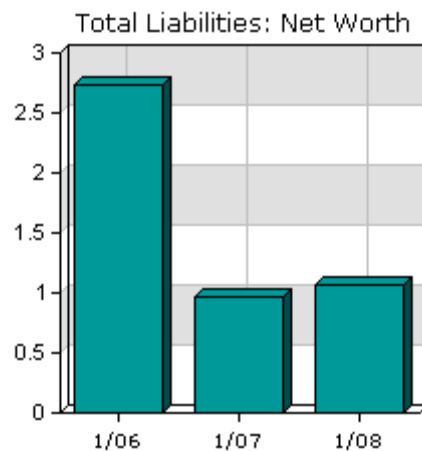
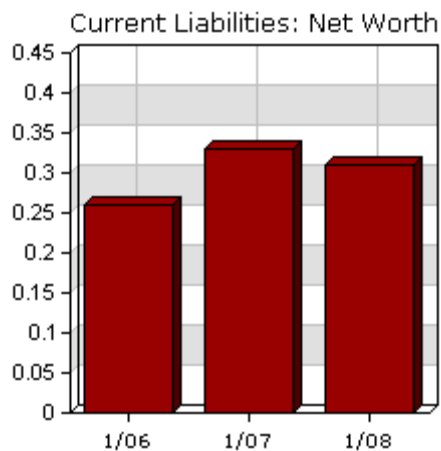
**Long Term Liabilities:** Debt which is due in more than one year, including the portion of loans and mortgages that become due after the current business cycle.

**Total Liabilities:** Current Liabilities plus Long Term Liabilities such as notes and mortgages due over more than one year.

**Net Worth:** Current assets plus fixed assets minus current and long-term liabilities.

<b>Balance Sheet - percentage-based</b>				
<b>Assets</b>	as of:	1/06	1/07	1/08
Cash		18.44%	15.92%	11.24%
Receivables		10.94%	9.94%	14.76%
Inventory		4.07%	5.00%	6.88%
Other Current Assets		4.20%	6.36%	4.10%
<b>Total Current Assets</b>		<b>37.65%</b>	<b>37.21%</b>	<b>36.98%</b>
Fixed Assets		46.14%	47.24%	48.03%
Other Non-Current Assets		16.21%	15.55%	15.00%
<b>Total Assets</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Liabilities</b>				
Accounts Payable		4.63%	6.30%	6.29%
Loans/Notes Payable		3.64%	4.52%	4.64%
Other Current Liabilities		5.50%	5.83%	4.02%
<b>Total Current Liabilities</b>		<b>13.77%</b>	<b>16.65%</b>	<b>14.95%</b>
<b>Total Long Term Liabilities</b>		<b>32.72%</b>	<b>32.43%</b>	<b>36.69%</b>
<b>Total Liabilities</b>		<b>46.49%</b>	<b>49.08%</b>	<b>51.64%</b>
<b>Net Worth</b>		<b>53.51%</b>	<b>50.92%</b>	<b>48.36%</b>
<b>Total Liabilities &amp; Net Worth</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>

The Balance Sheet reflects average balance sheet percentages and dollars for the industry segment analyzed. Liabilities, net worth and ratios are calculated for each industry segment and class, while asset line items are blended with the closest four digit industry segment.



<b>financial ratios: Cash Flow-Solvency</b>				
	as of:	1/06	1/07	1/08
accounts payable:sales (%)		2.81	3.68	3.36
current liabilities: inventory		3.38	3.33	2.17
current liabilities: net worth		0.26	0.33	0.31
current ratio		2.73	2.24	2.47
days payable		39.62	43.96	34.53
quick ratio		2.13	1.55	1.74
total liabilities: net worth		0.87	0.96	1.07

**Accounts Payable: Sales:** Accounts Payable divided by Annual Sales, measuring the speed with which a company pays vendors relative to sales. Numbers higher than typical industry ratios suggest that the company may be using suppliers to float operations.

**Current Liabilities: Inventory:** Current Liabilities divided by Inventory: A high ratio, relative to industry norms, suggests over-reliance on unsold goods to finance operations.

**Current Liabilities: Net Worth:** Current Liabilities divided by Net Worth, reflecting a level of security for creditors. The larger the ratio relative to industry norms, the less security there is for creditors.

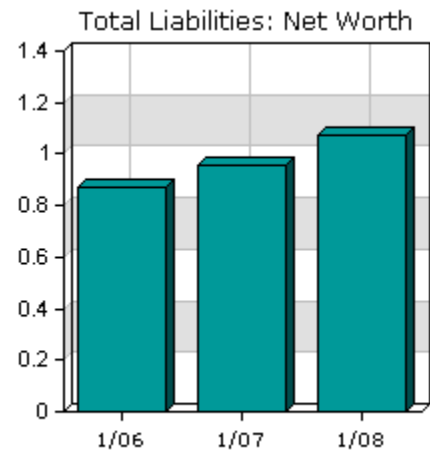
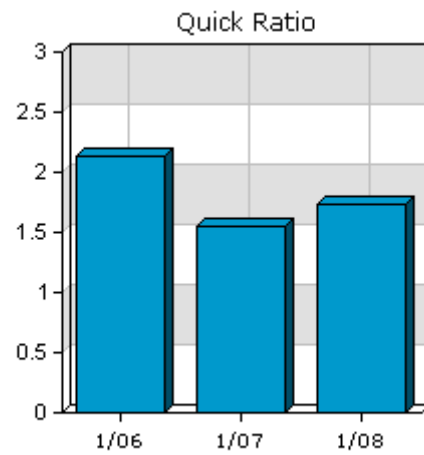
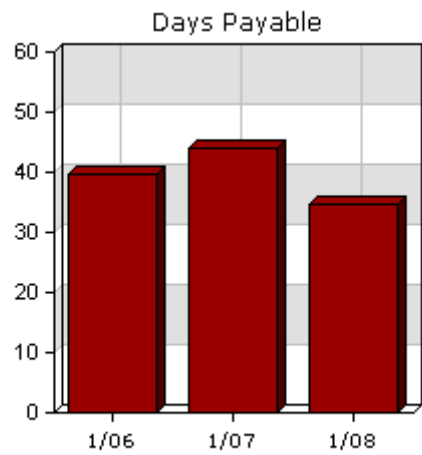
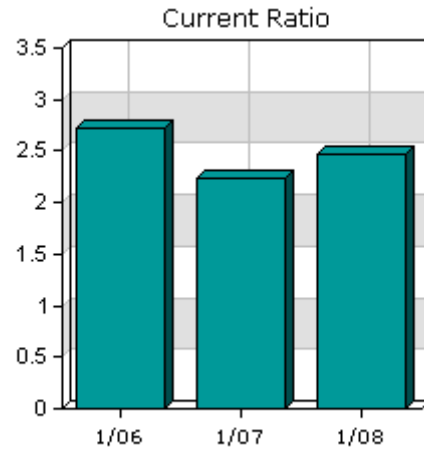
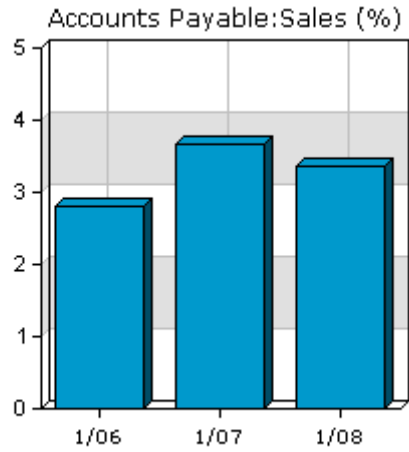
**Current Ratio:** This is the same as Current Assets divided by Current Liabilities, measuring current assets available to cover current liabilities, a test of near-term solvency. The ratio indicates to what extent cash on hand and disposable assets are enough to pay off near term liabilities. The Quick Ratio is applied as a more stringent test.

**Days Payables:**  $365 / (\text{Cost of Sales} : \text{Accounts Payable ratio})$ : Reflects the average number of days for each payable before payment is made.

**Quick Ratio:** Cash plus Accounts Receivable, divided by Current Liabilities, indicating liquid assets available to cover current debt. Also known as the Acid Ratio. This is a harsher version of the Current Ratio, which balances short-term liabilities against cash and liquid instruments.

**Total Liabilities: Net Worth:** Total liabilities divided by Net Worth. This ratio helps to clarify the impact of long-term debt, which can be seen by comparing this ratio with Current Liabilities: Net Worth. Creditors are concerned to the extent that total liability levels exceed Net Worth. The impact of long-term debt

## Cash Flow-Solvency Ratios:



<b>financial ratios: Profitability</b>				
	as of:	1/06	1/07	1/08
EBITDA: Sales (%)		14.01	12.74	10.58
return on assets pre-tax (%)		14.89	10.71	11.14
return on net worth pre-tax (%)		27.82	21.03	23.03
return on sales pre-tax (%)		9.03	6.25	5.95

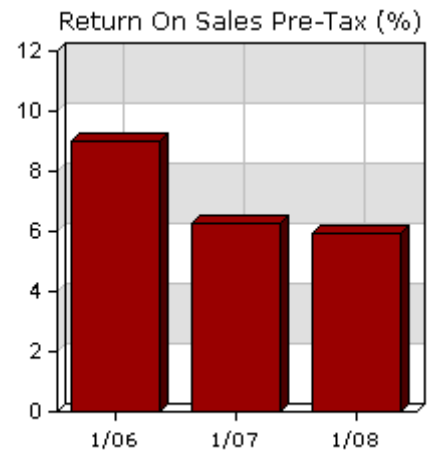
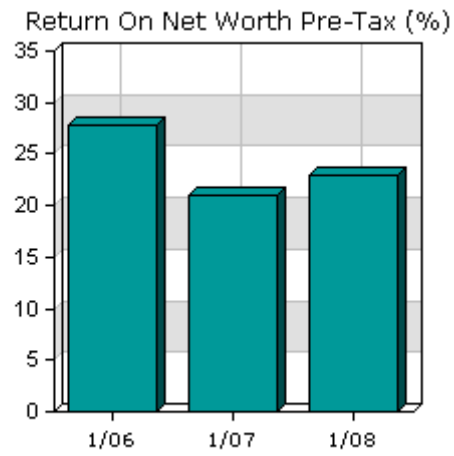
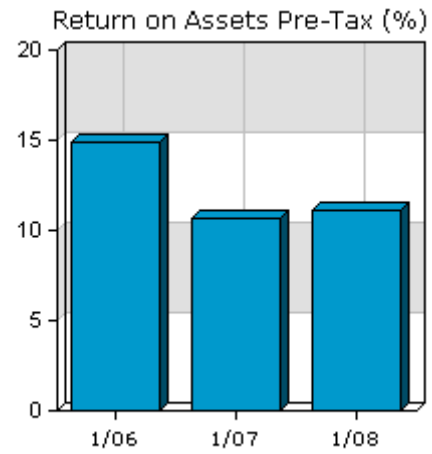
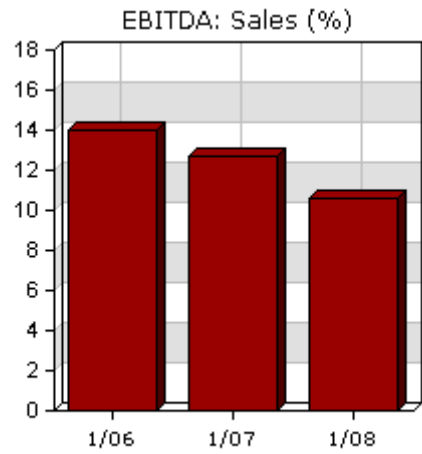
**EBITDA:** EBITDA: Sales: Earnings Before Interest, (income) Taxes due, Depreciation and Amortization divided by Sales. EBITDA: Sales is a relatively controversial (and often criticized) metric designed to eliminate the effect of finance and accounting decisions when comparing companies and industry benchmarks. Tax credits and deferral procedures and non-cash expenditures (Amortization and Depreciation) are not deducted from the profit equation, as are interest expenditures.

**Return on Assets:** Pre-Tax Net Profit divided by Total Assets, a critical indicator of profitability. Companies which use their assets efficiently will tend to show a ratio higher than the industry norm. The ratio may appear higher for small businesses due to owner compensation draws accounted as net profit.

**Return on Net Worth:** Pre-Tax Net Profit divided by Net Worth. This is the 'final measure' of profitability to evaluate overall return. This ratio measures return relative to investment, how well a company leverages the investment in it. May appear higher for small businesses due to owner compensation draws accounted as net profit.

**Return on Sales:** Pre-Tax Net Profit divided by Annual Sales, indicating the level of profit from each dollar of sales. This ratio can be used as a predictor of the company's ability to withstand changes in prices or market conditions. May appear higher for small businesses due to owner compensation draws accounted as net profit.

## Profitability Ratios



<b>financial ratios: Efficiency-Debt-Risk:</b>				
	as of:	1/06	1/07	1/08
assets:sales		0.61	0.58	0.53
cost of sales: accounts payable		9.21	8.30	10.57
cost of sales: inventory		10.48	10.47	9.67
days inventory		34.82	34.87	37.75
days receivables		24.23	21.16	28.78
days working capital		52.87	43.81	42.95
EBITDA: interest		14.15	13.13	12.03
fixed assets: net worth		0.86	0.93	0.99
gross profit: sales		74.13	69.47	64.48
net working capital:sales		0.14	0.12	0.12

**Assets: Sales:** Total Assets divided by Net Sales, indicating whether a company is handling too high a volume of sales in relation to investment. Very low percentages relative to industry norms might indicate overly conservative sales efforts or poor sales management.

**Cost of Sales:Accounts Payable:** Measures the number of times payables turn over in the course of the year. High measures may indicate cash flow concerns.

**Cost of Sales: Inventory:** Reflects the number of times inventory is turned over during the course of the year. High levels can mean good liquidity or sales, or shortages requiring better management. Low levels may indicate poor cash flow or overstocking.

**Days Inventory:**  $365/(\text{Cost of Sales: Inventory})$ : The average number of days of items in inventory.

**Days Receivables:**  $365/(\text{Receivables Turnover})$ : Reflects the number of days that receivables are outstanding. Target average or lower.

**Days Working Capital:**  $365/(\text{Working Capital Turnover})$ : Expresses the coverage in number of days of available working capital.

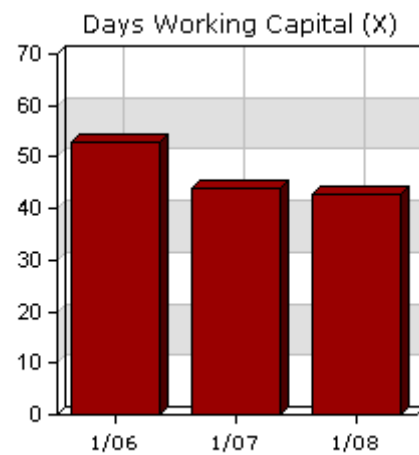
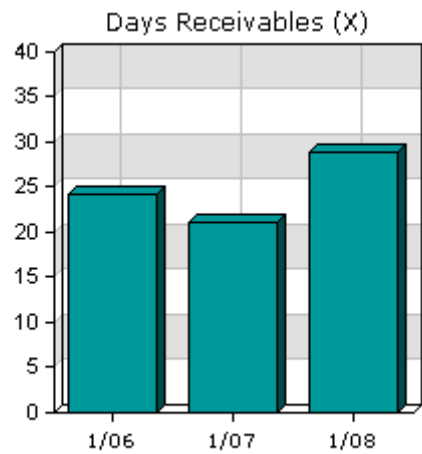
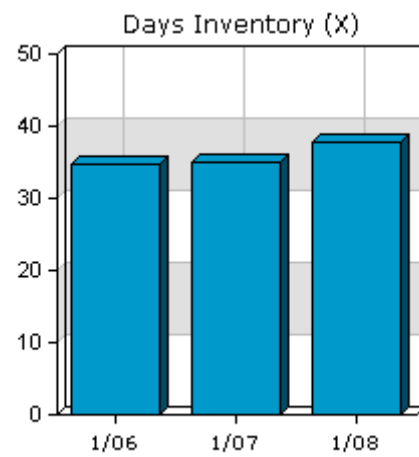
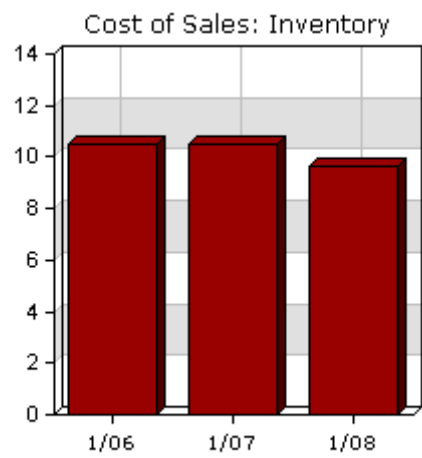
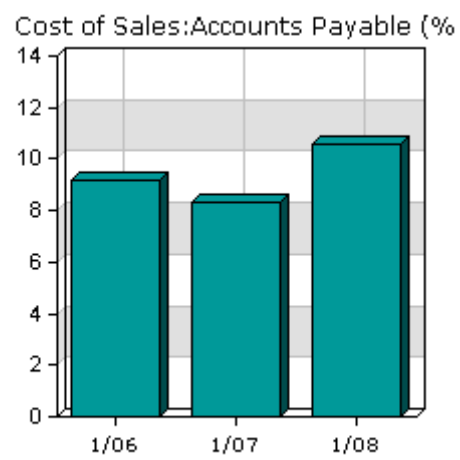
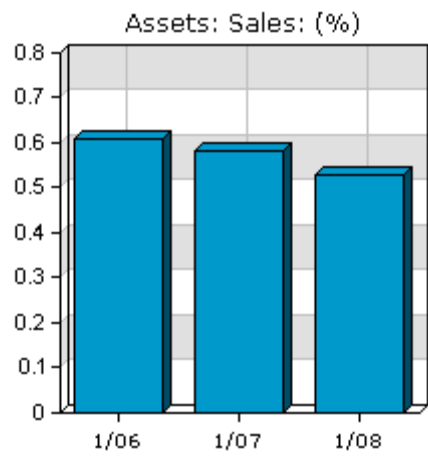
**EBITDA: Interest:** Earnings before Interest, (income) Taxes due, Depreciation and Amortization divided by Interest expense. Assesses financial stability by examining whether a company is at least profitable enough to pay interest expense. A ratio  $>1.00$  indicates it is. See cautions in the listing for EBITDA.

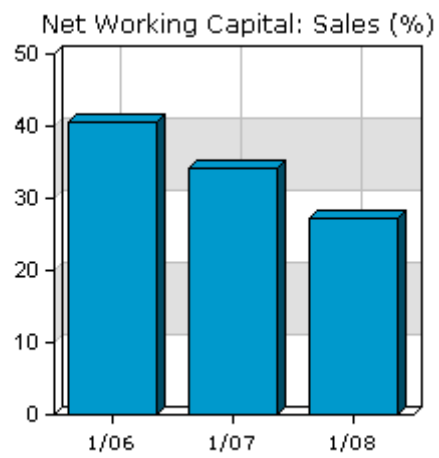
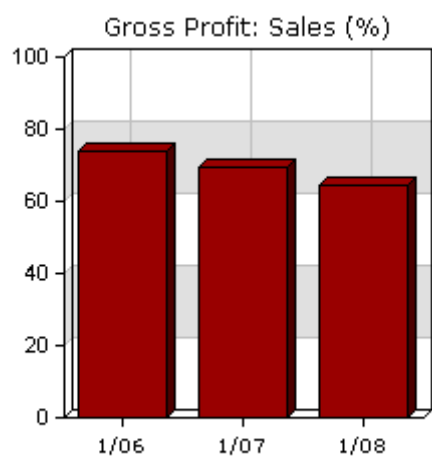
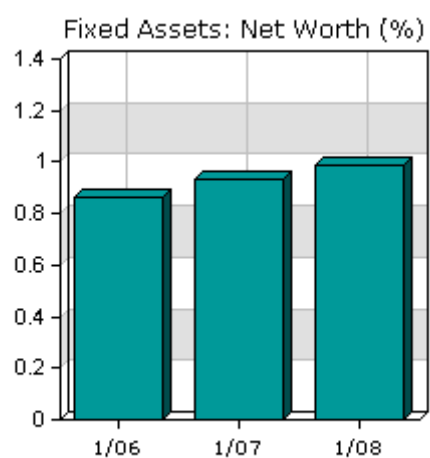
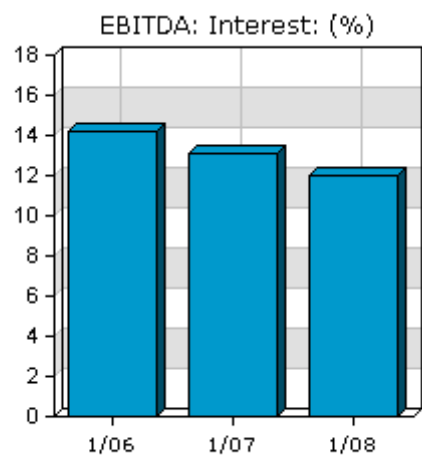
**Fixed Assets: Net Worth:** Fixed Assets divided by Net Worth. High ratios relative to the industry can indicate low working capital or high levels of debt.

**Gross Profit: Sales:** Pre-tax profits divided by Annual Sales. This is the profit ratio before product and sales costs, as well as taxes. This ratio can indicate the "play" in other expenses which could be adjusted to increase the Net Profit margin.

**Net Working Capital: Sales:** Net Working Capital divided by Sales. Indicates if a company is maintaining a reasonable level of liquidity relative to its sales volume. A high ratio indicate an overly conservative reliance on liquid assets, while low ratios suggests the opposite.

## Efficiency-Debt-Risk Ratios





<b>financial ratios: Turnover:</b>				
	as of:	1/06	1/07	1/08
cash turnover (X)		8.94	10.76	16.66
current asset turnover		4.38	4.60	5.06
fixed asset turnover		3.57	3.63	3.90
inventory turnover (X)		40.52	34.28	27.22
receivables turnover (X)		15.06	17.25	12.68
total asset turnover (X)		1.65	1.71	1.87
working capital turnover (X)		6.90	8.33	8.50

**Cash Turnover:** Sales divided by Cash. Indicates efficiency in the use of cash to develop sales revenue. A more stringent ratio than Working Capital Turnover (below). Target at or slightly below industry level.

**Current Asset Turnover:** Sales divided by Current Assets. A general indicator of the efficiency of asset use. Target at or slightly below industry level.

**Fixed Asset Turnover:** Sales divided by Fixed Assets. An indicator of the efficiency of investment in fixed asset such as plant and equipment. Target at or slightly below industry level.

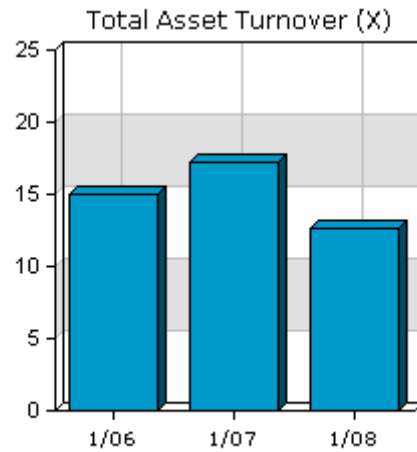
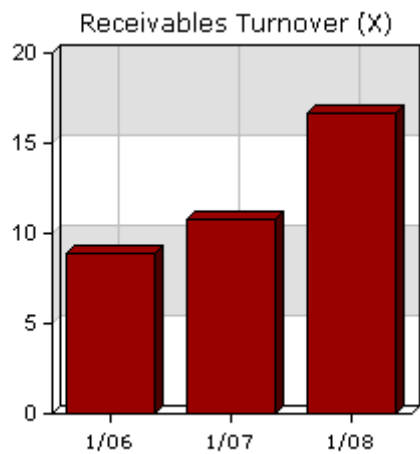
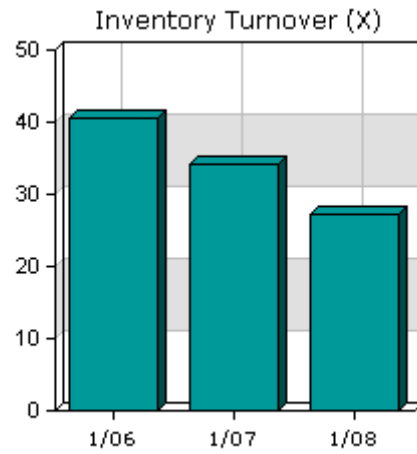
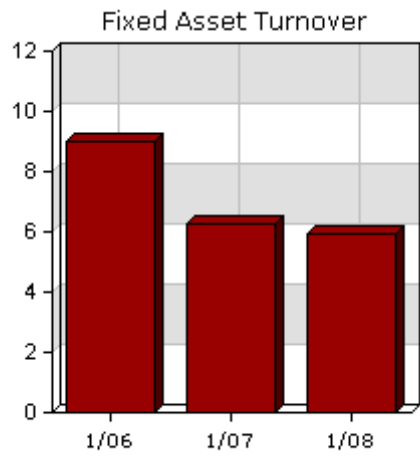
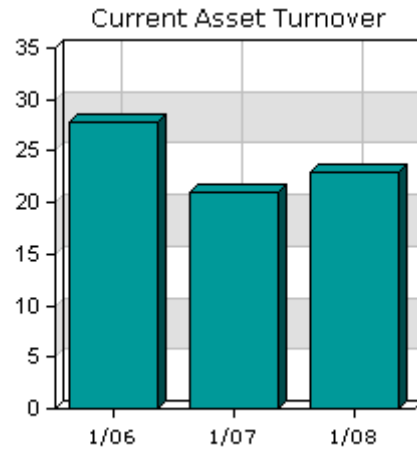
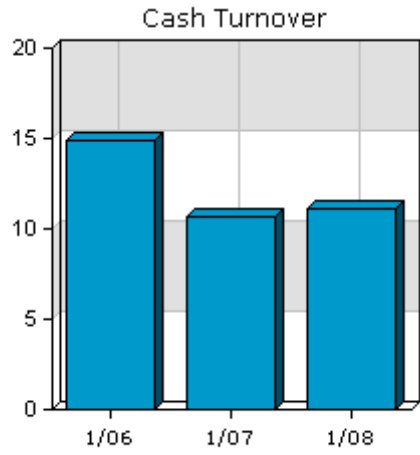
**Inventory Turnover:** Sales divided by Inventory. This ratio gives a picture of how quickly inventory turns over. Ratios below the industry norm suggest high levels of inventory. High ratios could indicate product levels insufficient to satisfy demand in a timely manner. Target: at or slightly above industry level.

**Receivables Turnover:** Sales divided by Receivables. An indicator of how efficiently invoiced sales are collected. Target at or slightly above industry level.

**Total Asset Turnover:** Sales divided by Total Assets. Target: at or slightly below industry level.

**Working Capital Turnover:** Sales divided by Net Working Capital (current assets minus current liabilities). Ratios higher than industry norms may indicate a strain on available liquid assets, while low ratios may suggest too much liquidity. Target: at or above industry level.

## Turnover Ratios



## About the Data

Raw data analyzed for BizMiner reports is sourced from an array of the nation's private business databases, reporting agencies and government statistical sources, including the IRS. None of these raw data sources creates the final measures reflected in BizMiner industry profiles. In total, BizMiner accesses over half a billion sourced data points from eighteen million business operations for each of its twice-annual updates. Census and other government data are used incidentally to inform and test projections for non-reporting firms.

At the same time, some firms are missed and specific information on others is lacking from the database. However, the overall current coverage of the databases approaches 12 million business operations annually. While 100% firm coverage is desirable for analysis purposes, the greatest value of the content rests in discerning patterns of activity, which are reflected in the large samples used to develop our reports. As is the case with any databases this large, some errors are inevitable. No representation is made as to the accuracy of the databases utilized or the results of subsequent analyses.

Sales volume figures are for firms identifying this as their primary classification. For example, a report for retail furniture stores analyzes sales of stores whose predominant revenue stream is furniture sales; that data would not include furniture sold at a general department store. Firms in more detailed industry segments may opt to identify a higher level parent classification as their primary line of business, effectively reducing sales applied to the detailed segment.

It is sometimes difficult to ascertain precise sales data for the smallest firms in the databases. When precise numbers are not available, reports that offer a sales range may be utilized. When there is a very small number of firms in a category (most often startups, which are by nature often micro-firms) the sales is recorded at 150,000 (reflecting a 100,000-175,000 range).

Survival and sales analysis of independent business operations are based on information supplied largely by business owners and representatives to private reporting services. Inaccurate information supplied by business owners or representatives may affect the analysis. Survival rates assume that the discontinuation of a facility's presence among credit reporting databases utilized reflects the discontinuation of operations of that facility. Where insufficient data is available to create specific line items in specific industry reports, projections developed through proprietary algorithms, including projections from broader industry data, may be utilized.

The Time Series: Our Profiles are adjusted to account for time lags in raw data. We adjust the time series to compensate, and the dates shown in the reports generally reflect the actual time series shown in each Profile.

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