

## Calculation of Contribution to Profit and Overhead

**Book Title:**      To Deal or Not To Deal, That is The Question

	<u>Without Deal</u>	<u>Sub Rights</u>	<u>High Disc.</u>
<b><u>Sales</u></b>			
Gross Sales, List	\$275,263	\$0	\$289,750
Returns at List	\$41,289	\$0	\$0
Net at List	\$233,973	\$0	\$289,750
Less Discount	\$116,987	\$0	\$231,800
<b><u>Subtotal: Net Sales</u></b>	<b><u>\$116,987</u></b>	<b><u>\$0</u></b>	<b><u>\$57,950</u></b>
 <b><u>Cost of Selling</u></b>			
Sales Commissions	\$21,058	\$0	\$0
Fulfillment	\$0	\$0	\$0
 <b><u>Cost of Goods Sold</u></b>			
PPB for total run	\$16,250	\$0	\$15,000
Royalties			
Unearned Advance	\$0	\$0	\$0
Level 1	\$11,699	\$0	\$1,116
Level 2	\$0	\$0	\$5,849
Level 3	\$0	\$0	\$0
Plant	\$3,500	\$0	\$0
 <b><u>Other Costs</u></b>			
Marketing	\$3,500	\$0	\$0
Other Costs, % of sales	\$0	\$0	\$0
Other Costs (\$ per copy sold, net)	\$0	\$0	\$0
<b><u>Subtotal: Costs</u></b>	<b><u>\$56,006</u></b>	<b><u>\$0</u></b>	<b><u>\$21,965</u></b>
<b><u>Contribution from Copy Sales</u></b>	<b><u>\$60,980</u></b>	<b><u>\$0</u></b>	<b><u>\$35,985</u></b>
 <b><u>Rights Revenue</u></b>			
Less Author's Share	\$0	\$10,000	\$0
Net Proceeds	\$0	\$5,000	\$0
<b><u>Contribution to Overhead &amp; Profit</u></b>	<b><u>\$60,980</u></b>	<b><u>\$5,000</u></b>	<b><u>\$35,985</u></b>