

Predictions Vs. Results

Excerpted, with permission, from Gropen Assoc. DIY Profit Analysis Package

Calculation of Contribution to Profit and Overhead

Book Title: **Editors are Such Optimists!**

	<u>On Signing</u>	<u>On Printing</u>	<u>Final</u>
Sales			
Gross Sales, List	\$149,750	\$99,800	\$99,800
Returns at List	\$29,950	\$19,960	\$12,475
Net at List	\$119,800	\$79,840	\$87,325
Less Discount	\$59,900	\$39,920	\$43,663
Subtotal: Net Sales	<u>\$59,900</u>	<u>\$39,920</u>	<u>\$43,663</u>
Cost of Selling			
Sales Commissions	\$10,782	\$7,186	\$7,859
Fulfillment	\$0	\$0	\$0
Cost of Goods Sold			
PPB for total run	\$12,500	\$11,000	\$11,000
Royalties			
Unearned Advance	\$0	\$508	\$134
Level 1	\$5,990	\$3,992	\$4,366
Level 2	\$0	\$0	\$0
Level 3	\$0	\$0	\$0
Plant	\$4,875	\$5,500	\$5,500
Other Costs			
Marketing	\$2,500	\$2,500	\$2,750
Other Costs, % of sales	\$0	\$0	\$0
Other Costs, \$ per copy sold, net	\$0	\$0	\$0
Subtotal: Costs	<u>\$36,647</u>	<u>\$30,686</u>	<u>\$31,609</u>
Contribution from Copy Sales	<u>\$23,253</u>	<u>\$9,234</u>	<u>\$12,053</u>
Rights Revenue			
	\$0	\$0	\$0
Less Author's Share	\$0	\$0	\$0
Net Proceeds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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Contribution to Overhead and Profit	<u>\$23,253</u>	<u>\$9,234</u>	<u>\$12,053</u>