

# Kehoe & Co. - 2005 Annual Landscape Industry Analysis & Summary Report

**Average Findings for Co's with: Sales of \$1,000,000 to \$3,000,000**

**Report Criteria:**

- Reporting Period: Fiscal-Year-End 2004
- All figures reported in actual US dollars
- Reported sums may not add due to averaging and rounding.

INCOME STATEMENT	Landscape Construction	% of Sales	Landscape Design Build	% of Sales	Grounds Maintenance	% of Sales
<b>REVENUES</b>						
<b>Total Revenue</b>	\$ 1,643,403	100.0%	\$ 1,734,421	100.0%	\$ 1,957,100	100.0%
<b>DIRECT COSTS</b>						
Job Materials	377,071	22.9%	387,832	22.4%	282,930	14.5%
Subcontractors	63,352	3.9%	104,658	6.0%	112,763	5.8%
Direct Labor - Foremen & Laborers	431,679	26.3%	389,863	22.5%	461,190	23.6%
Direct Labor Payroll Taxes	44,431	2.7%	46,518	2.7%	59,100	3.0%
<b>Total Direct Costs</b>	<b>916,533</b>	<b>55.8%</b>	<b>928,871</b>	<b>53.6%</b>	<b>915,983</b>	<b>46.8%</b>
<b>INDIRECT COSTS</b>						
Indirect Labor - Including Overtime & Non-Billable	12,349	0.8%	44,678	2.6%	22,388	1.1%
Production Supervisors & Superintendents	69,571	4.2%	57,756	3.3%	64,334	3.3%
Indirect Labor Payroll Taxes	27,220	1.7%	19,243	1.1%	23,314	1.2%
Mechanic Labor & Payroll Taxes	12,050	0.7%	34,375	2.0%	30,757	1.6%
Equipment Repairs, Fuel, Leases, & Depreciation	95,464	5.8%	102,726	5.9%	155,345	7.9%
Uniforms, Licenses, & Permits	8,529	0.5%	5,628	0.3%	10,350	0.5%
Small Tools & Job Supplies	6,938	0.4%	13,461	0.8%	30,110	1.5%
Trash & Dumping Fees	9,773	0.6%	6,989	0.4%	14,300	0.7%
<b>Total Indirect Costs</b>	<b>241,895</b>	<b>14.7%</b>	<b>284,856</b>	<b>16.4%</b>	<b>350,898</b>	<b>17.9%</b>
<b>TOTAL COST OF SALES</b>	<b>1,158,428</b>	<b>70.5%</b>	<b>1,213,727</b>	<b>70.0%</b>	<b>1,266,881</b>	<b>64.7%</b>
<b>GROSS MARGIN</b>	<b>484,975</b>	<b>29.5%</b>	<b>520,694</b>	<b>30.0%</b>	<b>690,219</b>	<b>35.3%</b>
<b>SELLING, GENERAL, &amp; ADMINISTRATIVE COSTS - SG&amp;A</b>						
Advertising & Marketing	11,743	0.7%	23,195	1.3%	17,433	0.9%
Insurance - Including Workers' Comp	62,850	3.8%	59,621	3.4%	78,400	4.0%
Office Expense - Including Computers & Supplies	12,086	0.7%	13,558	0.8%	22,390	1.1%
Rent and/or Facility Lease	35,493	2.2%	33,368	1.9%	53,130	2.7%
Professional Services	18,354	1.1%	8,517	0.5%	12,630	0.6%
Phone & Utilities	18,943	1.2%	17,805	1.0%	18,330	0.9%
Interest Expense	21,318	1.3%	11,346	0.7%	19,644	1.0%
Misc. Expenses - Dues, Education, Travel, etc.	31,825	1.9%	29,768	1.7%	51,228	2.6%
Salaries - Sales, PJ Mngrs, Designers, Estimators, & Acct Mngrs	52,444	3.2%	108,606	6.3%	107,400	5.5%
Salaries - Sr. Mngrs, Accounting, HR, & Admin	107,255	6.5%	72,071	4.2%	145,678	7.4%
<b>Total SG&amp;A Costs</b>	<b>372,310</b>	<b>22.7%</b>	<b>377,855</b>	<b>21.8%</b>	<b>526,264</b>	<b>26.9%</b>
<b>NET PROFIT (REPORTED)</b>	<b>155,787</b>	<b>9.5%</b>	<b>124,436</b>	<b>7.2%</b>	<b>186,640</b>	<b>9.5%</b>

ASSETS - As of Fiscal-Year-End 2004	Landscape Construction	% of Assets	Landscape Design Build	% of Assets	Grounds Maintenance	% of Assets
Accounts Receivable	123,421	39.0%	152,561	29.3%	181,890	29.5%
Equipment	224,565	70.9%	341,053	65.6%	458,332	74.3%
Equipment Purchases for 2005 (Estimated)	38,375	12.1%	61,400	11.8%	87,222	14.1%
<b>Total Assets (Reported)</b>	<b>316,645</b>	<b>100.0%</b>	<b>520,022</b>	<b>100.0%</b>	<b>617,230</b>	<b>100.0%</b>
<b>RATIO ANALYSIS</b>						
<b>Asset Turnover</b>	<b>5.2</b>	-	<b>3.3</b>	-	<b>3.2</b>	-
<b>Equipment Turnover</b>	<b>7.3</b>	-	<b>5.1</b>	-	<b>4.3</b>	-

AVERAGE STAFFING LEVELS	Landscape Construction	Landscape Design Build	Grounds Maintenance
Sales	1.3	1.1	1.0
Estimating	0.4	0.7	0.6
Design	0.4	1.4	0.7
Production, Operations Mngt, Facilities, & Purchasing	0.7	0.7	1.6
Project Management (Installation co's only)	0.9	1.3	0.4
Account Management (Maintenance co's only)	0.4	0.4	1.2
Shop & Mechanic Staff	0.1	0.5	1.0
Accounting Staff	0.8	1.0	0.8
Administration Staff	1.1	1.1	1.7
Human Resources Staff	0.0	0.4	0.1
<b>Average Total Employees - OVERHEAD</b>	<b>6.1</b>	<b>8.6</b>	<b>8.8</b>
<b>SALES PER FTE OVERHEAD</b>	<b>\$270,678</b>	<b>\$200,939</b>	<b>\$223,669</b>