

# Vending to Small Market Conversion



	Vending	Conversion to Pico Market			
		50% Increase	Vs. Vending	100% Increase	Vs. Vending
Sales	24,000	24,000	-	24,000	-
Incremental Volume		12,000	12,000	24,000	24,000
Incremental Price @15% (a)		5,400	5,400	7,200	7,200
Total Revenue	24,000	41,400	17,400	55,200	31,200
COGS @ 40%	9,600	14,400	4,800	19,200	9,600
Standard Margin	14,400	27,000	12,600	36,000	21,600
	60.0%	65.2%	5.2%	65.2%	60.0%
Annual Market Subscription (b)		(1,200)	(1,200)	(1,200)	(1,200)
Additional Depreciation (c)		(500)	(500)	(500)	(500)
Annual Contribution	14,400	25,300	10,900	34,300	23,400

(a) Impact of Bottle Deposits, adding taxes, going to "\$.09's" and raising to C Store pricing

(b) \$100 a month subscription

(c) \$2,500 outlay taken over 5 years

Other Costs are approximately the same - cc fees, distribution, etc.