



Lost in Space

**Avoid the Black Holes
in Your Business!!**

CHALLENGES

- **Create Your Vision**
 - Spend 1 Day a week being the visionary that leads your business to success.
- **Set Goals**
 - Write your Top 10 Goals everyday for 30 Days.

**This exercise is not hocus
pocus, it is based on a part of
the brain called the Reticular
Activating System.**



CHALLENGES

- **Create Your Vision**
 - Spend 1 Day a week being the visionary that leads your business to success.
- **Set Goals**
 - Write your Top 10 Goals everyday for 30 Days.
- **Study the Numbers**
 - Spend 2 days a month going over the numbers of your business.

A vibrant, multi-colored galaxy with a central black hole or event horizon, surrounded by a field of stars. The galaxy's arms are filled with bright yellow and orange stars, transitioning into purple and pink hues. The central region is a dark, swirling vortex. The background is a deep blue space filled with numerous white and yellow stars of varying sizes.

TIME

A vibrant, multi-colored galaxy with a central black hole or event horizon, surrounded by a field of stars. The galaxy's arms are filled with bright yellow and orange stars, transitioning to purple and blue at the edges. The central region is a dark, swirling vortex. The background is a deep blue space filled with numerous white and yellow stars of varying sizes.

TIME

TIME



- **Learn to say no.**
- **Control your Email.**
- **Block Time.**

TIME

- Practice the ABCDE's of Time Management.

A - Top priority task that must be done now!

B - Task that is not immediate, but would hurt your business if you failed to do it.

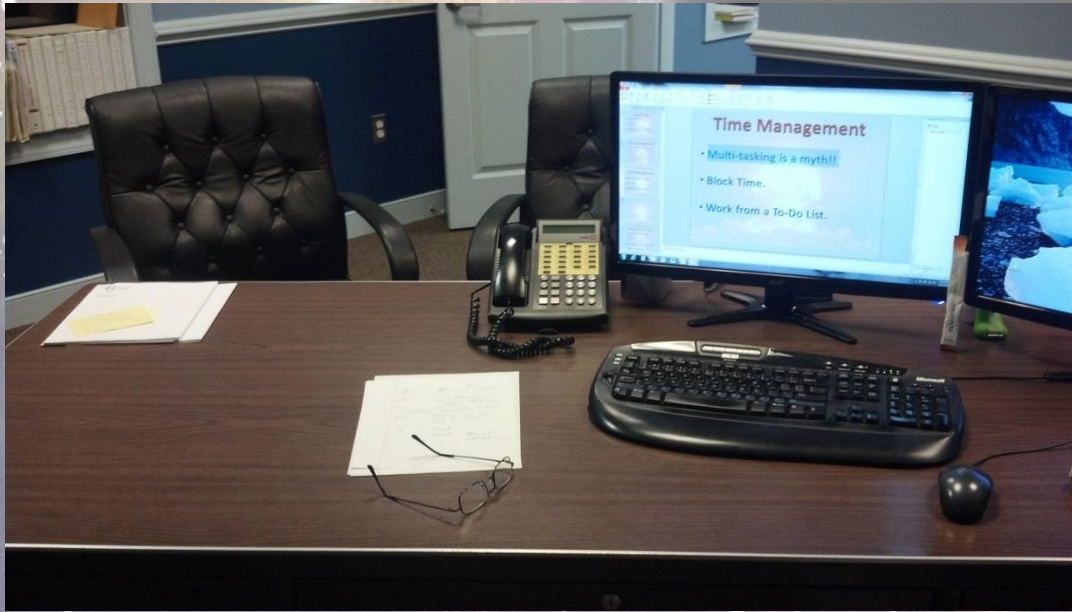
C - Task you would like to do, but failing to do it won't hurt your business.

D - Task you can delegate to someone else.

E - Task you can eliminate.

TIME

- **Work from a To-Do List.**



- **Multi-tasking is a myth!!**



PAYROLL

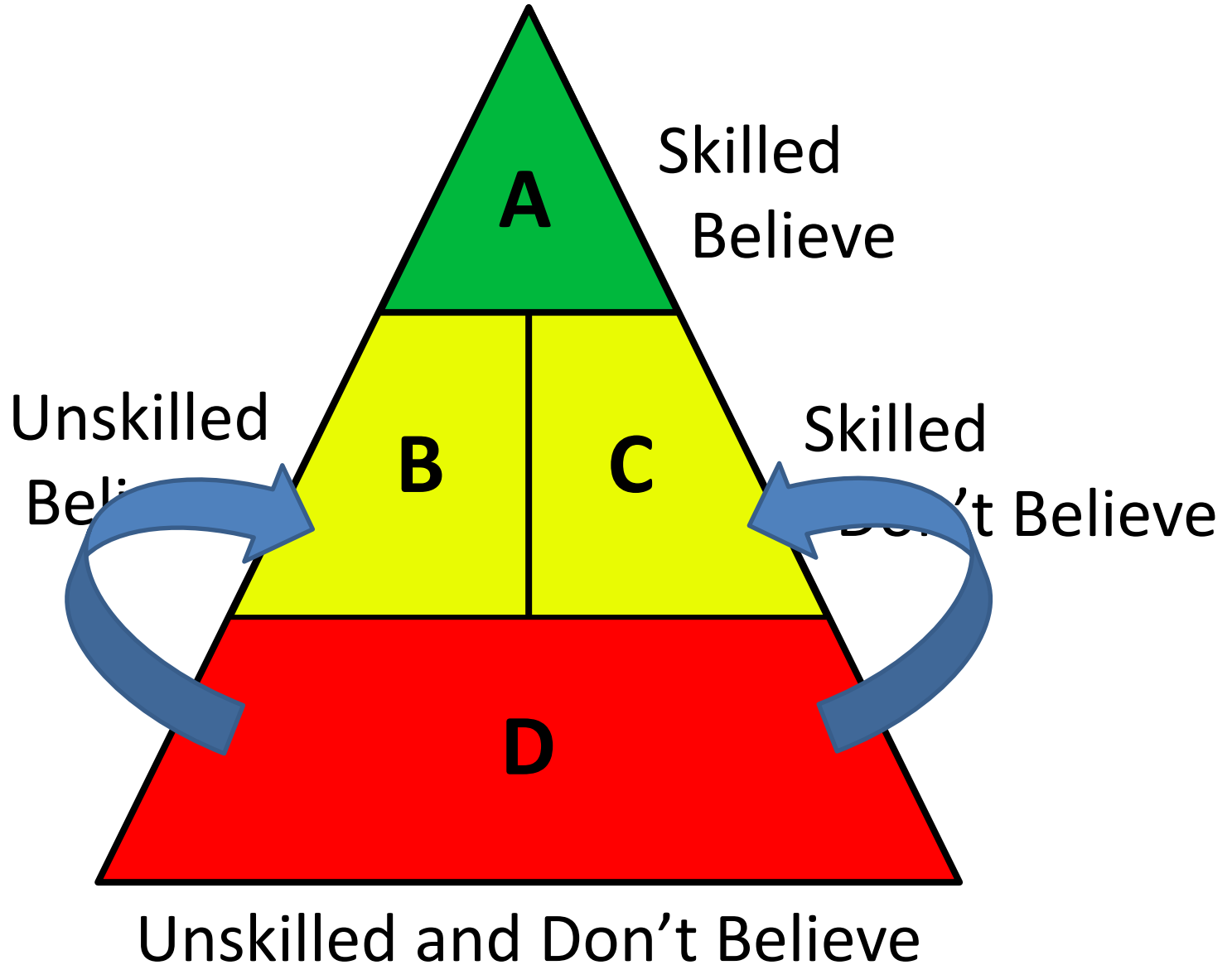
The background is a rich, multi-colored nebula with shades of purple, magenta, and blue, filled with numerous bright, multi-colored stars. Two large, glowing circular portals or rings are positioned in the center-left and center-right areas, each with a dark, black interior. The word "PAYROLL" is written in a bold, white, serif font across the upper right portion of the image, partially overlapping the right-hand portal.

PAYROLL

PAYROLL

- **Share your vision with your employees.**
- **They must believe in your vision for the Company.**
- **Lead them on the Journey.**

Building your A-Team



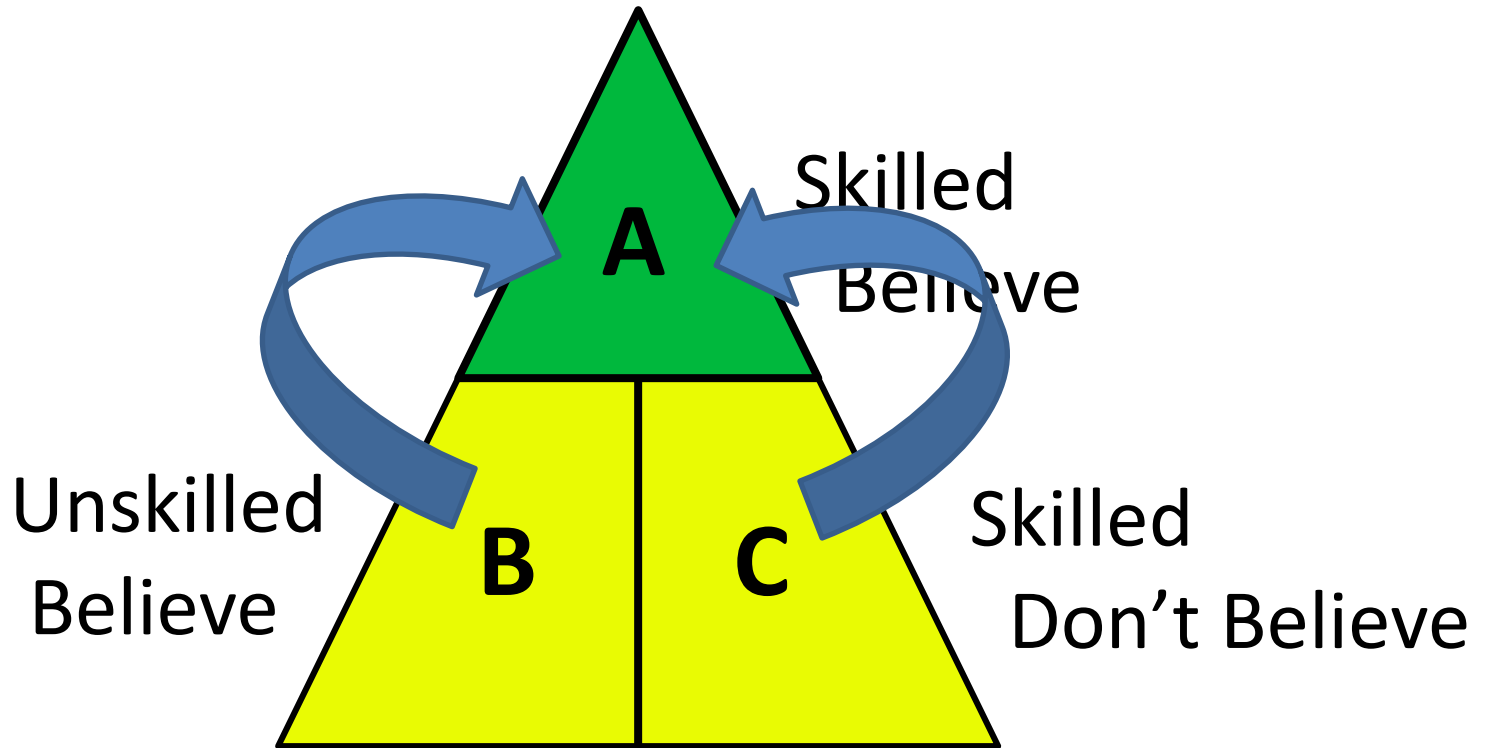
Building your A-Team



Building your A-Team



Building your A-Team



Building your A-Team



Building your A-Team



PAYROLL

Payroll Costs whether paid by the hour or on a commission basis should not exceed 35.0% of inventory sales.

This includes sub-contract and casual labor.

PAYROLL

Payroll can be further broken down:

Sales & Admin	5.0%
Design & Processing	15.0%
Delivery	5.0%
<u>Officers/Owners</u>	<u>10.0%</u>
Total:	35.0%

Know what “your” payroll percentages really are...

Gross Payroll Dollars/Inventory Sales = %

Benefits are generally 12 – 14% of Gross Pay.



COST OF GOODS SOLD



COST OF GOODS SOLD

COST OF GOODS SOLD

- **First, you need to know what “your” COGS should be.**

SALES

- **Gross Sales**

- **Cash Sales**
- **Check Sales**
- **A/R Sales**
- **Wire in Sales**
- **Delivery Income**
- **Service & Relay Charges**
- **Outgoing Wire Orders**

- **Inventory Sales**

- **Fresh Flowers**
- **Plants**
- **Balloons**
- **Dried & Silks**
- **Fruit, Snack & Gourmet**
- **Gifts**
- **Cards**

Other Income

- Delivery Income**
- Service & Relay Charges**
- Outgoing Wire Orders**

Target COGS Calculation

Sales Category	Sales	Sales Percentage By Category	Target Percentage COGS	Target Weighted COGS
Fresh Flowers				
Plants				
Balloons				
Dried & Silks				
Fruit & Snack				
Gifts				
Cards				
Design Materials				
TOTAL				

Target COGS Calculation

Sales Category	Sales	Sales Percentage By Category	Target Percentage COGS	Target Weighted COGS
Fresh Flowers	225,000			
Plants	35,000			
Balloons	3,400			
Dried & Silks	8,000			
Fruit & Snack	12,000			
Gifts	7,000			
Cards	2,000			
Design Materials				
TOTAL	292,400			

Target COGS Calculation

Sales Category	Sales	Sales Percentage By Category	Target Percentage COGS	Target Weighted COGS
Fresh Flowers	225,000	76.9		
Plants	35,000	12.0		
Balloons	3,400	1.2		
Dried & Silks	8,000	2.7		
Fruit & Snack	12,000	4.1		
Gifts	7,000	2.4		
Cards	2,000	0.7		
Design Materials				
TOTAL	292,400	100.0		

Target COGS Calculation

Sales Category	Sales	Sales Percentage By Category	Target Percentage COGS	Target Weighted COGS
Fresh Flowers	225,000	76.9	25.0	
Plants	35,000	12.0	33.0	
Balloons	3,400	1.2	25.0	
Dried & Silks	8,000	2.7	40.0	
Fruit & Snack	12,000	4.1	40.0	
Gifts	7,000	2.4	50.0	
Cards	2,000	0.7	50.0	
Design Materials			8.0	
TOTAL	292,400	100.0		

Target COGS Calculation

Sales Category	Sales	Sales Percentage By Category	Target Percentage COGS	Target Weighted COGS
Fresh Flowers	225,000	76.9	25.0	19.2
Plants	35,000	12.0	33.0	4.0
Balloons	3,400	1.2	25.0	0.3
Dried & Silks	8,000	2.7	40.0	1.0
Fruit & Snack	12,000	4.1	40.0	1.6
Gifts	7,000	2.4	50.0	1.2
Cards	2,000	0.7	50.0	.4
Design Materials			8.0	8.0
TOTAL	292,400	100.0		

Target COGS Calculation

Sales Category	Sales	Sales Percentage By Category	Target Percentage COGS	Target Weighted COGS
Fresh Flowers	225,000	76.9	25.0	19.2
Plants	35,000	12.0	33.0	4.0
Balloons	3,400	1.2	25.0	0.3
Dried & Silks	8,000	2.7	40.0	1.0
Fruit & Snack	12,000	4.1	40.0	1.6
Gifts	7,000	2.4	50.0	1.2
Cards	2,000	0.7	50.0	.4
Design Materials			8.0	8.0
TOTAL	292,400	100.0		35.7%

COST OF GOODS SOLD

- **First, you need to know what “your” cost of goods sold should be.**
- **([Target COGS Generator™](#))**
- **Then you need to know what “your” cost of goods sold really are.**

COGS Actual vs. Target

Sales Category	Sales	COGS	COGS Percentage	COGS Target Percentage	COGS Percentage Variance
Fresh Flowers					
Plants					
Balloons					
Dried & Silks					
Fruit & Snack					
Gifts					
Cards					
Design Materials					
TOTAL					

COGS Actual vs. Target

Sales Category	Sales	COGS	COGS Percentage	COGS Target Percentage	COGS Percentage Variance
Fresh Flowers	225,000				
Plants	35,000				
Balloons	3,400				
Dried & Silks	8,000				
Fruit & Snack	12,000				
Gifts	7,000				
Cards	2,000				
Design Materials					
TOTAL	292,400				

COGS Actual vs. Target

Sales Category	Sales	COGS	COGS Percentage	COGS Target Percentage	COGS Percentage Variance
Fresh Flowers	225,000	64,350			
Plants	35,000	11,690			
Balloons	3,400	680			
Dried & Silks	8,000	3,191			
Fruit & Snack	12,000	5,136			
Gifts	7,000	3,850			
Cards	2,000	1,142			
Design Materials		27,506			
TOTAL	292,400	117,545			

TOTAL COGS = 40.2%

COGS Actual vs. Target

Sales Category	Sales	COGS	COGS Percentage	COGS Target Percentage	COGS Percentage Variance
Fresh Flowers	225,000	64,350	28.6		
Plants	35,000	11,690	33.4		
Balloons	3,400	680	20.0		
Dried & Silks	8,000	3,191	39.9		
Fruit & Snack	12,000	5,136	42.8		
Gifts	7,000	3,850	55.0		
Cards	2,000	1,142	57.1		
Design Materials		27,506	9.4		
TOTAL	292,400	117,545			

TOTAL COGS = 40.2%

COGS Actual vs. Target

Sales Category	Sales	COGS	COGS Percentage	COGS Target Percentage	COGS Percentage Variance
Fresh Flowers	225,000	64,350	28.6	25.0	
Plants	35,000	11,690	33.4	33.0	
Balloons	3,400	680	20.0	25.0	
Dried & Silks	8,000	3,191	39.9	40.0	
Fruit & Snack	12,000	5,136	42.8	40.0	
Gifts	7,000	3,850	55.0	50.0	
Cards	2,000	1,142	57.1	50.0	
Design Materials		27,506	9.4	8.0	
TOTAL	292,400	117,545			

TOTAL COGS = 40.2%

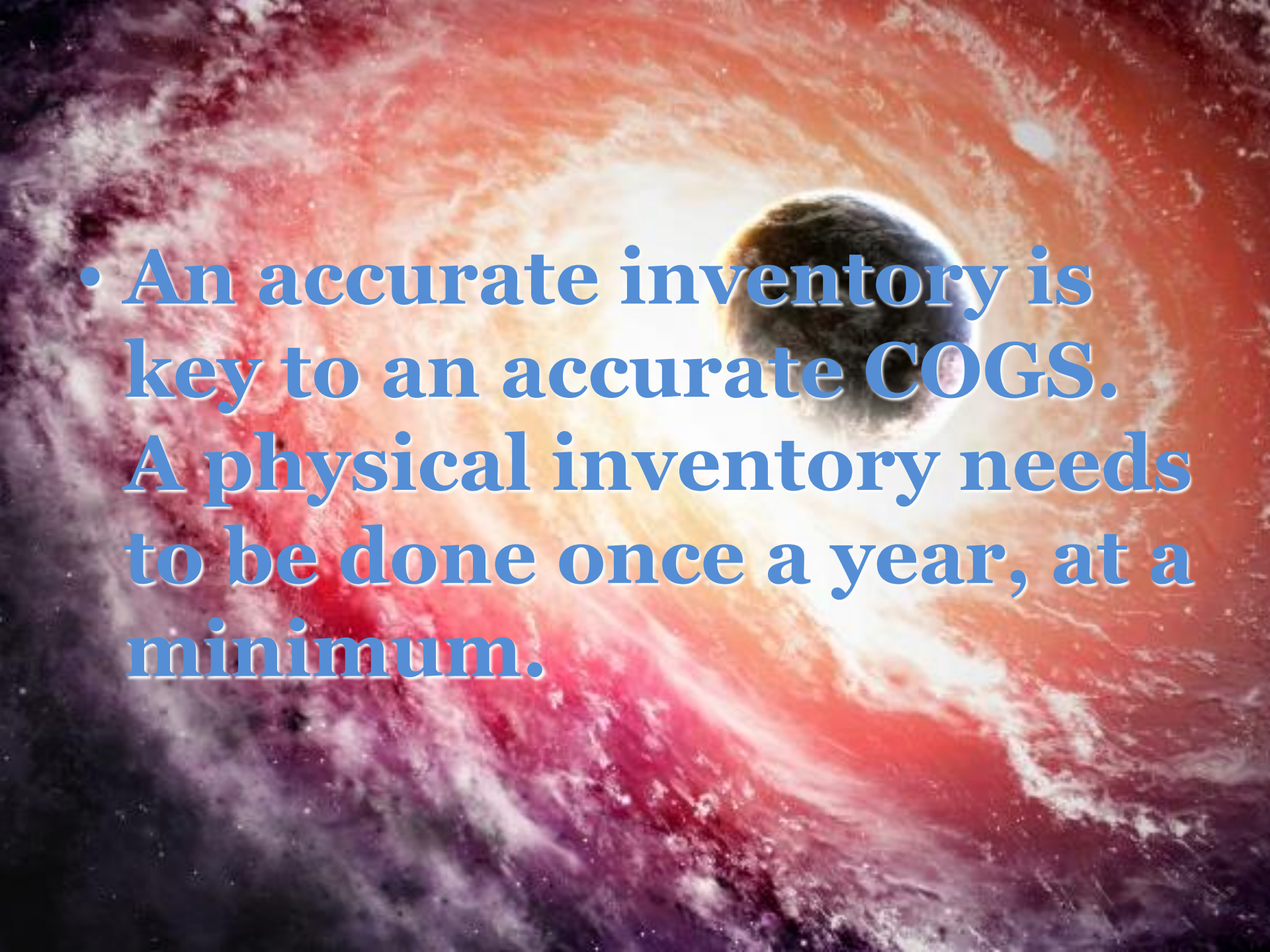
COGS Actual vs. Target

Sales Category	Sales	COGS	COGS Percentage	COGS Target Percentage	COGS Percentage Variance
Fresh Flowers	225,000	64,350	28.6	25.0	(3.6)
Plants	35,000	11,690	33.4	33.0	0.4
Balloons	3,400	680	20.0	25.0	5.0
Dried & Silks	8,000	3,191	39.9	40.0	0.1
Fruit & Snack	12,000	5,136	42.8	40.0	(2.8)
Gifts	7,000	3,850	55.0	50.0	(5.0)
Cards	2,000	1,142	57.1	50.0	(7.1)
Design Materials		27,506	9.4	8.0	(1.4)
TOTAL	292,400	117,545			

TOTAL COGS = 40.2%

COST OF GOODS SOLD

- **First, you need to know what “your” cost of goods sold should be.**
- **([CMA Target COGS Generator](#)TM)**
- **Then, you need to know what “your” cost of goods sold really are.**
- **If there is a problem in this category here are some places to look:**
 - Pricing Models
 - Buying – Don’t over pay or over spend.
 - **([CMA Buyer's Budget Calculator](#)TM)**
 - Over Stuffing
 - Waste
 - Don’t give away your discounts

- 
- **An accurate inventory is key to an accurate COGS. A physical inventory needs to be done once a year, at a minimum.**



DELIVERY

A vibrant, multi-colored spiral galaxy with a bright central core, set against a dark starry background. The galaxy's arms are composed of various colors including blue, purple, red, and orange, creating a dynamic and energetic appearance. The central core is a bright, glowing white and yellow. The word "DELIVERY" is superimposed in the center of the galaxy.

DELIVERY

DELIVERY

- **With delivery expenses our target is not a percentage, but instead we want to compare the delivery income with the delivery costs.**
- **Average delivery fee is \$10.95 and going up.**
- **You need to average about three deliveries per driver man hour to make a profit.**

DELIVERY

So what are some of the things that should be included in delivery

Salaries – Drivers

Sub-Contract Drivers

Gasoline

Repairs & Maintenance – Vehicles

Insurance – Vehicles

Interest – Vehicle Loans

Depreciation – Vehicles

Delivery Stamps (Co-Ops, hospitals, etc)

Parking & Tolls



WIRE SERVICES



WIRE SERVICES

WIRE SERVICES

- **Look closely at the fees you are being charged on your wire statements and eliminate the ones that you don't need.**
- **Try to Maintain a balance between incoming and outgoing orders.**
- **Set minimum dollars for orders and limit the specialty items that you carry.**

WIRE SERVICES

- **Wire out whenever you feel that delivery is not profitable.**
- **General try to do less than 15% incoming wire business as a percentage of incoming sales.**
- **Prepare a profit & loss statement for each wire service, at least once a quarter.**

Wire Service Profit & Loss Statement

FTD Teleflora 1-800-flowers

Income Sales:

Cost of Goods Sold:

Purchases

Labor

Gross Profit

Expenses:

Dues

Equipment Rental

Wire Service Fees

Directory Lists

Other Marketing Expenses

Other Fees & Charges

Clearing House Charges

Commissions Incoming (20%)

Net Profit Incoming

Other Income:

Commissions Outgoing (20%)

Rebates

Total Income



6

WIRE SERVICES



5

DELIVERY



4

COGS



3

PAYROLL



2

TIME



1 CHALLENGES





THANK YOU