<u>Coop Compost - Collects food wastes from restaurants, composts it, and distributes to gardens and gardeners at a discount prices</u>

Revenues

- contracts with restaurants
- sales per cubic yard of compost

Kickin' Kayaks - Kayak manufactured out of a recycled plastic polymer

Revenues

· Kayak sales

Chaco Chocolate Cakes - Organic chocolate cakes, brownies, and muffins

Revenues

- Cake sales
- Brownies sales (per dozen)

<u>Hesperus Healing Hands</u> - <u>Massage business and reiki practitioner</u>

Revenue

• Hours per client

<u>Durango Dog Walkers - Certified dog walkers and fitness trainers</u>

Revenue

- Hour long dog walks
- Dog fitness program

Paradise Parasailing - Parasailing rides on Lake Nighthorse

Revenue

• # of rides

Team A

Fixed costs per month	Amount
Total	

Average Sales Price for One Product or One Hour -

(if you have two goods or services take the average of the sales price)

Team B

Variable costs per month	Amount
Total	

Expected number of sales per month -

(if you have two goods or services take the average)

Break-Even in Units

Fixed costs + Variable Costs = Net Sales Revenue

Because Variable Costs and Net Sales Revenue depend on # of sales, you change the equation thusly:

Fixed costs + (Variable Costs per unit) (Units Sold) = (Price) (Units Sold)

Variable costs per unit = Total variable costs/expected sales per month

Solve for Units Sold

Break-Even in Dollars

Now you know how many units you need to break even, how much money do you need to earn to break even?

Profit Break-Even Formula

If you want to earn \$10,000 in profit each month, how many units do you need to sell?