

# MAIN STREET PLUMBING

Camp Hill, PA, 17011

[238220] Plumbing, Heating, and Air-Conditioning Contractors

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## SWOT-XPRESS

P1: Financial-Value-Market Insights  
 P2: Strengths-Opportunities/Weaknesses-Challenges  
 P3: SWOT Scoring  
 P4: Glossary  
 P5: SWOT Scoring Explained  
 P6: Sources

**SWOT XPRESS OVERALL SCORE: 3.3/5**

DEVELOPED BY



**The NYBB Group**

Mergers & Acquisitions | Business Sales | Exit Strategies

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## INDUSTRY FINANCIAL INSIGHTS - 2019

PEER GROUP OWNER EARNINGS (%) FIRM OWNER EARNINGS (%)

**15.28%**

**13.11%**

Financial Metrics: Sales Class: \$1m - \$2.49m

(Peer industry and sales class average % basis)

### KEY PL&BS BENCHMARKS

	Industry	Firm
Gross Margin	44.00%	42.00%
Officer/Owner's Compensation	7.94%	9.59%
Depreciation	1.47%	0.32%
Operating Expenses	36.32%	31.98%
Pre-Tax Net Profit	7.57%	3.20%
Owner Earnings	15.28%	13.11%
Accounts Receivable: Total Assets	28.81%	19.35%
Accounts Payable: TL & NW	14.49%	16.12%
Net Worth: Total Assets	50.64%	45.14%

### INDUSTRY STANDARD BENCHMARKS

	Industry	Firm
Current Ratio	2.00	1.92
Sales per Employee	\$208,446	\$173,706
Efficiency Index	3.41	4.96
Days Payable	26.91	30.19
Days Receivable	29.96	21.01
Current Liabilities: NW	0.63	0.90
Long Term Liabilities: NW	0.35	0.31
Total Liabilities: NW	0.97	1.22
Modified Z-Score	6.70	7.01
Accounts Payable: Revenue	4.13	4.80

## ANNUAL FIRM SALES

FIRM SALES

**\$1,563,352**

FIRM SALES RANK

**57 OF 158**

## BUSINESS VALUE INSIGHTS

JAN 2020

AASSET SALES VALUE: EARNINGS APPROACH

**\$327,324 - \$331,952**

Value basis derived from projected company sales; peer group earnings %; and industry valuation multiples.

## MARKET ANALYSIS INSIGHTS

JAN 2020

Plumbing, Heating, and Air-Conditioning Contractors  
 [238220]

TOTAL INDUSTRY SALES

**\$341,050,125**

### INDUSTRY MARKET OVERVIEW

10.0 MILE RADIUS FROM 2601 MARKET STREET, 17011

Industry Operations	158
Annual Market Sales Volume	\$341,050,125
Average Site Sales	\$2,158,545
Average Small Business Sales	\$1,090,699
Median Sales	\$839,508

### MARKET PENETRATION

Market Sales per Person	\$894
US Sales per Person	\$791
Sales per Person Opportunity Index	0.88
Market Sales per Household	\$2,024
US Sales per Household	\$1,876
Sales per Household Opportunity Index	0.93
Location Quotient	0.09

### MARKET AREA POPULATION AND INCOME

Population	36,306
Households	13,586
Per Capita Income	\$35,022
Median HH Income	\$74,375

## STRENGTHS & WEAKNESSES

### Profitability:

Variance from Owner Earnings: Performance at the average owner earnings level would add \$33,880 onto your profit line.

### Sales:

Variance from Average Sales: Sales below the industry average leaves \$78,030 in owner earnings on the table.

Variance from Small Business Sales: Sales above the small business industry market net \$61,965 in additional owner earnings

Variance from Median Sales: Sales above the industry market median accrue \$94,896 in additional owner earnings

Sales Rank and Percentile: Your 57/158 sales rank and placement in percentile 64th puts your firm in the top end of the industry market

### Efficiency:

Improve Sales per Employee metric to the industry market average by increasing efficiencies or adding product value and accrue \$4,555 more owner earnings per employee.

Your firm's Efficiency Index indicates that the operation gets a 1.46x return over the industry productivity average.

Your firm's Days Receivable is 8.95 points below the industry average, indicating above average collection efficiency.

## OPPORTUNITIES AND THREATS

### Market Opportunity and Saturation:

The Sales per person index in this industry market is 0.88, suggesting the possibility of service saturation or an export surplus of \$3,739,518 sales

The Sales per household index in this industry market is 0.93, suggesting the possibility of service saturation or an export surplus of \$2,010,728 sales

Industry employment is less concentrated in this market than US levels by a factor of 0.09x, suggesting a potentially under-served population and market opportunities

### Cash Flow:

Your firm's current ratio is 0.08 points below the industry peer group average, indicating a relatively weak ability to cover short term liabilities.

Your Days Payable is 3.28 points higher than the industry peer group average, suggesting an inability or unwillingness to pay short term debt on a timely basis.

### Debt:

Your firm's Current Liabilities:Net Worth ratio is 0.27 points above the industry peer group average, suggesting short term debts that may be difficult to cover in extreme situations.

Your firm's Long-Term Liabilities:Net Worth ratio is 0.04 points below the industry peer group average, suggesting that the current long term debt level is within bounds.

Your firm's Total Liabilities:Net Worth ratio is 0.25 points above the industry peer group average, indicating an over-reliance on debt and possible risk to operations.

### Risk:

Your firm's Modified Z-Score is 0.31 points above the industry peer group average, indicating higher stability and lower-than-average susceptibility to bankruptcy conditions.

# SWOT XPRESS SCORE: 3.3/5

## SALES-PROFITABILITY-MARKET OPPORTUNITY:

Owner Earnings (%)	2	★ ★ ☆ ☆ ☆
Sales Rank	5	★ ★ ★ ★ ★
Variance:		
from Average Sales	1	★ ☆ ☆ ☆ ☆
from Small Business Sales	5	★ ★ ★ ★ ★
Sales per Household Market Opportunity Index	3	★ ★ ★ ☆ ☆
Location Quotient	5	★ ★ ★ ★ ★

## OPERATING INDICATORS:

Sales per Employee Index	2	★ ★ ☆ ☆ ☆
Efficiency Index	5	★ ★ ★ ★ ★
Days Receivable	5	★ ★ ★ ★ ★
Current Ratio	3	★ ★ ★ ☆ ☆
Current Liabilities:Net Worth	1	★ ☆ ☆ ☆ ☆
Long Term Liabilities: Net Worth	4	★ ★ ★ ★ ☆
Total Liabilities:Net Worth	1	★ ☆ ☆ ☆ ☆
Days Payable	4	★ ★ ★ ★ ☆
Modified Z-Score	3	★ ★ ★ ☆ ☆