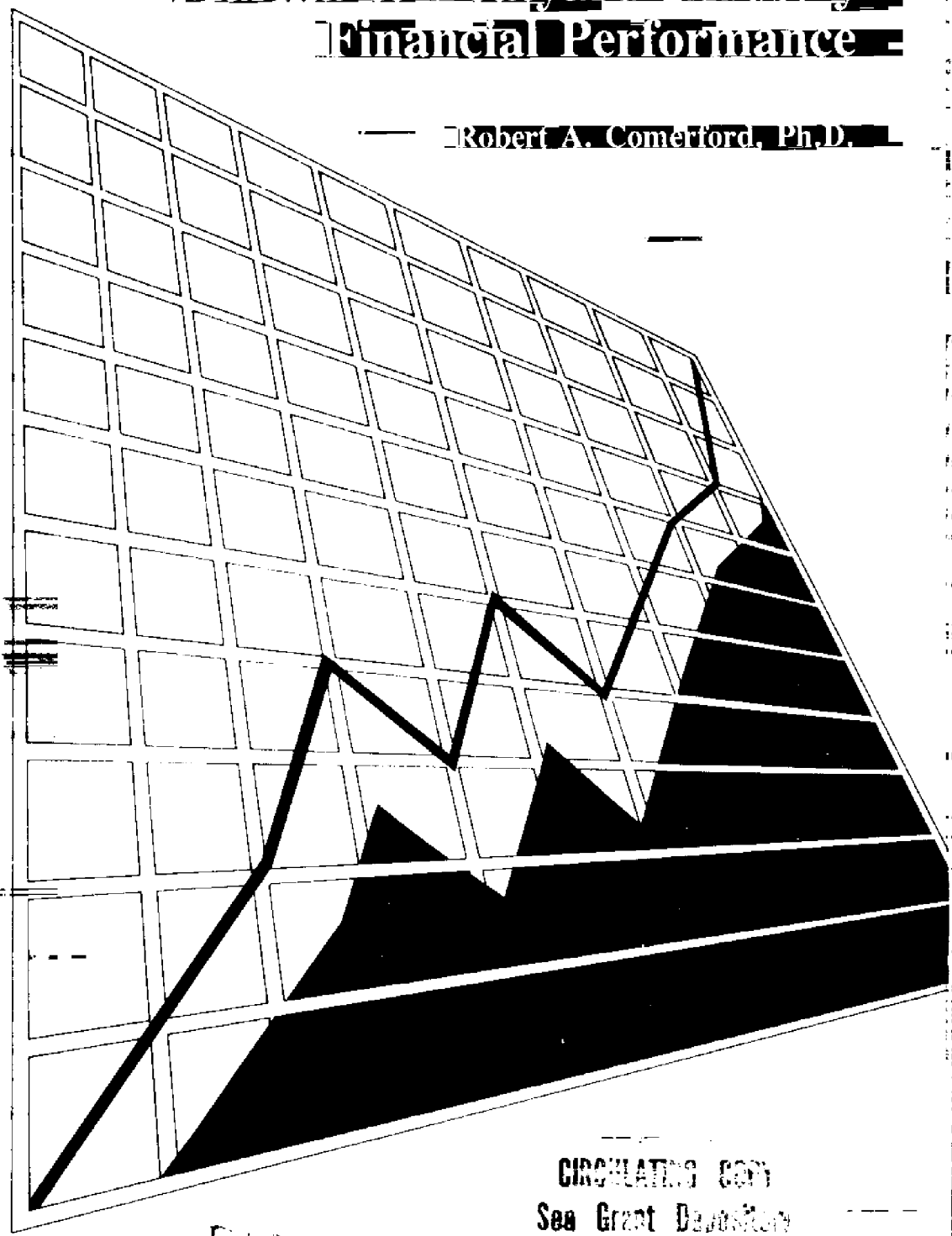
Marina & Boatyard Industry Financial Performance

Robert A. Comerford, Ph.D.



Marina & Boatyard Industry Financial Performance

Compiled From

The University of Rhode Island
NATIONAL MARINE FINANCIAL DATA BANK
Study Report

by

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by

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Although the author is responsible for any errors of commission or omission in this report, the combined efforts of many people helped complete this extremely complex study. In a survey of this sort, a team of hardworking students typically provides the essential labor. In this case, much of the primary data was organized by Onita Munshi and Steve Anderson, MBA candidates at the time, who also wrote the initial computer program to tabulate results.

Contact with respondents during the survey process was handled by Bonnie Erickson, also an MBA candidate at the time, who doubled as the project's "sparkplug" for about one year. More recently Rick Egan and Richard Mitchell worked on preparing the final data tables, a process that has lasted for about one year. At URI's College of Business Administration, Cathy McGovern and Sue Kilgore kept the report production on track through many interruptions and diversions.

The Rhode Island Sea Grant Marine Advisory Service's Neil Ross provided invaluable guidance and advice and an awful lot of "words" in support of this effort. Neil has since retired from URI and is now President of International Marina Institute, publisher of this report. The Institute will be contributing royalty payments to URI from the proceeds of book sales.

Special thanks to George Van Zevern, publisher of *Boat & Motor Dealer* magazine for reprinting and distributing thousands of our lengthy questionnaire as a tear out section to his magazine.

Finally, I must thank Sara Hickox, formerly with URI's Rhode Island Sea Grant Marine Advisory Service and now Associate Director of Marine Affairs, for talking me into attempting this project in the first place. Sara put all the pieces together and prodded all of us along over the three years it took to reach the final report stage. Her friendship and leadership have benefited all of us.

The full cooperation of participating business people has been essential to the project completion. Although they must remain unidentified, their courage in providing confidential data and their interest in improving financial management in their industries are gratefully acknowledged.

A special thanks is owed to all the people affiliated with the National and Rhode Island Sea Grant Programs for the financial and moral support that made the study and this publication possible.

Robert Comerford

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Section 1 INTRODUCTION

This report presents results of the URI National Marine Financial Data Bank (the Data Bank) which, at this writing, consists of about 400 separate pieces of mainly financial information for which primary data was developed around 61 financial and 26 descriptive data points, on nearly 130 marine related businesses. The project was a joint undertaking between the URI College of Business Administration and the Rhode Island Sea Grant Marine Advisory Service and has been underway for three years. The first set of interim results was made available at the week long 1986 URI Marina/Boatyard Management Seminar, held in March 1986. Final results (those contained in this report) were initially presented at the International Marina Institute's (IMI) four-day seminar, "Buying and Managing A Profitable Marina and Boatyard," which was held in Providence, Rhode Island on August 3-7, 1986.

The impetus for the study came from requests by marina and boatyard owners and operators and financial institutions to replicate our 1979 study (described below). Through our financial management workshops and consulting relationships, we have had extensive contact over the years with marine business people who have verified the need for up-to-date industry financial information with which to evaluate their firms' financial health. Also, marine operators, prospective buyers, financial institution representatives, waterfront developers, and others, have asked for comprehensive income statement and balance sheet data for the preparation of pro forma financial statements.

Three sections make up the balance of this report. The content of the data bank and the methodology used in the study are described in Section 2 and a brief tutorial on the use of financial ratio analysis makes up Section 3. The tables of financial and descriptive data are contained in Section 4.

WHY GATHER FINANCIAL DATA ON MARINE BUSINESSES?

To determine the financial health of a business, managers compare their firm's financial ratios--one financial account value divided by another --with those of similar organizations. Sources of annual industry average financial data are readily available for such purposes for many kinds of businesses. Most popular among these sources are Robert Morris Associate's ANNUAL STATEMENT STUDIES, Dunn & Bradstreet's KEY BUSINESS RATIOS, and the TROY ALMANAC. The "averages" reported are usually quartiles, with medians drawing the most attention, and the typical source reports a set of them for hundreds of different types of businesses.

The problem is that financial data on marine businesses such as marinas and boatyards is not reported separately in the more accessible sources. This is due largely to the relatively small numbers of them around the country. Some types of businesses, coastal marinas in particular, are included in several of the sources, but they are lumped together in the same category as landlocked boat dealers with no slip or mooring rental facilities. The peculiar asset structure of coastal marinas is lost in the overwhelmingly retail nature of the boat dealer category.

Therefore, when one computes the financial ratios for a healthy marina and then compares them to boat dealer ratios in one of the industry average references, the marina comes out looking confusing at best.

The URI National Marine Financial Data Bank is an attempt to remedy this situation by gathering, tabulating and promulgating industry average financial data for several types of marine businesses. The major industries we have targeted are marinas, boatyards, marina-boatyards combinations, and boat dealers.

HOW THE DATA BANK WAS BEGUN

To our knowledge only two previous attempts have been made to provide industry average financial ratios and spread sheets for any type of marine-related business. The first was funded by the Rhode Island Sea Grant College Program and published in 1979 by the URI Marine Advisory Service (MAS)--Callaghan, Comerford, and Schwarzbach, "Coastal Marina and Boatyard Financial Structure and Performance in Southern New England"--and soon became the industry standard for the northeast.

It was replicated, also with Sea Grant funding, by a team of researchers in Florida and published in 1983 (Milon, Willknowske, and Brinkman). The sample of respondents for this work consisted of Florida marinas and boatyards. The results apply reasonably well to firms in all southeastern states that enjoy a 12 month boating season just as the URI study applies to states with about a 6 month season.

In addition to managers of marinas and boatyards, banks, insurance companies, marina/boatyard suppliers, and the Small Business Administration began to use these studies as their sources of standard performance data. Before they were published, marinas and boatyards were regarded as mysterious cottage businesses and, therefore, as risky loan recipients.

Many financial institutions often chose to:

(1) steer clear of commercial loans to marine businesses,

or: (2) treat some of them as equivalent to marginally related businesses such as automobile dealerships or hardware stores.

This led to either restrictions on available capital or unreasonably conservative loan terms. With this data, though, a financial

analyst or loan officer, with little or no experience with marine related businesses, could see what a "typical" one looks like and be less apprehensive about the financial relationship.

Both earlier studies suffer from three shortcomings that increasingly have made them less reliable.

First, because length of season materially affects financial structure, the two sets of standard financial information could not reliably be applied to firms in other geographical regions with different seasons.

Second, both studies are geographically bound by certain attributes that are peculiar to their regions. For example, many Florida yards offer dry-stack storage of smaller boats; most New England marinas do not. Also, in addition to a shorter season, New England marinas and boatyards often suffer ice damage to piers and floats during the winter; Florida firms, of course, do not. Operations on the Great Lakes do not incur repair costs associated with heavy salt water damage as do Florida and New England coastal businesses. All in all, these kinds of endemic operating characteristics can lead to differences in financial structure that cause inaccuracies when cross-regional financial comparisons are made.

Finally, both studies were conducted at a single point in time. Therefore, they either have or will become outdated. We have already observed some significant changes in financial structure in New England between our 1979 report and the current data.

To overcome these shortcomings, we have replaced the earlier work to ensure the financial information we report is reasonably current and gathered on a national scale. Because we are reporting national data (that is, all respondents regardless of season have been included in the averages), the results in Appendices I through V represent approximate midpoints among all the vari-

ous regions of the country. Just like the publicly available average financial data on other industries, ours is reasonably close to all sections of the country, although not precisely applicable to any.

Appendix I, Table 1, shows the distribution of respondents on which we have complete data. It gives the number of observations for each set of type of business, regional location, and size of business as measured by total sales revenue for which we have seven or more responses. The asterisked subsets are those on which data is presented in Appendices I through V of this report. Notice that each asterisked subject is the total number of respondents for each type subset.

Section 2 DATA BANK CONTENT & METHODOLOGY

DATA BANK CONTENT

The information in the data bank is made up of three categories: descriptive, financial ratio and spread sheet data.

The descriptive data portion (Appendix I) describes the history of the responding businesses, their competitive environment, the number and type of products or services they offer, and various physical characteristics such as number of slips and moorings, amount of inside and outside storage, hauling methods available, relative amounts of owned versus leased property, and, for marinas and boatyards, whether they call themselves a marina, boatyard, or combination of the two.

Although a small point, we have tried to find out what the difference is between the two types of businesses, knowing this would enable more accurate reporting of financial data. So far, though, there are almost as many descriptions as there are people who would describe them. There is some agreement, though, that a firm is a marina when it does not store boats on land and, thus, does no launching and hauling.

For example, notice that the data tables for marinas in Appendix IV show almost no income for hauling and storage. With this definition in mind, then, a boatyard is a business that does store boats on land and participates significantly in hauling and launching. However, the figures in Appendix I, indicate marinas have larger on-land boat storage functions than boatyards. We might conclude, therefore, that marinas launch and store boats as a service related almost exclusively to slip and mooring rental whereas boatyards perform these activities as profit centers and as a service and repair adjunct.

The second category of data (Appendix II) consists of quartile values for financial ratios computed from respondent's financial statements. We chose to report many of the ratios reported by the Robert Morris Associates' publication although our description of them are our own. This allows for comparisons among marine and other kinds of businesses.

The ratios that make up this section are:

- current,
- quick,
- earnings-to-interest (coverage ratio),
- return-on-net-worth,
- return-on-total-assets,
- debt-to-worth,
- fixed-assets-to-worth,
- inventory and receivables turnover,
- sales-to-working-capital,
- sales-to-net-fixed-assets,
- sales-to-total-assets,
- cash-flow-to-current-maturity-of-long-term-debt.

Financial spread sheets comprise the third category of data in the data bank (Appendices III, IV & V). Spread sheets are financial statements--income statement and balance sheet--in which number values for accounts are reported as average percentages of various totals. For example, the entries on the income statement in Appendix III are reported as median percentages of total sales revenue. With income statement spread sheet data, the analyst can learn the average values (among respondents) for typical income statement items as a percentage of sales.

The data bank also contains balance sheet spread sheet information (Appendix III). The balance sheet shows how much the business is worth and the relationship between money borrowed and money contributed by owners, among other things. This

spread sheet presents balance sheet accounts as percentages of total assets; the numbers presented are medians.

Part of the spread sheet data contains median percentages of total sales for 21 different sources of sales revenue (Appendix IV). Some of these are slip rental, hauling and storage, ice, liquor, service, fuel, and oil, marine hardware, and engine and motor revenues. These "revenue spreads" are accompanied by gross profit margin percentages for each revenue source. With this information, marine business managers can determine how their gross profit margins compare with the averages for their industry. We are not aware of any other generally available source of gross margin spreads in this level of detail on these industries (or on most others for that matter).

The last section of income statement data is the operating expense spread sheet (Appendix V). This part lists 24 operating expense accounts as median percentages of total operating expenses and total sales and is also not generally available elsewhere. For Appendices III, IV & V, rounding errors were distributed proportionately across all values where appropriate.

Presently, not all variables contain numbers. For example, we have no responses for marinas that sell sails (see Appendix IV). So, this variable is reported as a missing value. It may turn out that there are less than seven, (the minimum number required to report data) marinas that sell sails and thus, this variable would never have a value. This could have happened to any of the variables in the data bank, although we do have values for almost all variables. However, even with nearly 130 responses entered into the computer, the northwest United States region has as yet no representative. Thus, that whole section of the national sample has missing values as of this writing.

There are many possible applications of the information in the

data bank. We expect that the most frequent users will be researchers, marine business owners/operators, and financial institutions. The research questions that could be addressed with the information in the data bank are countless. Some of these might include questions related to variations in profitability by region, are diversified marinas more or less profitable than concentrated ones, which sources of revenue generate the most (and least) profit, are marine businesses which operate on leased property more profitable than those operated on owned property, and many more.

The implications of typical financial structure data for marine business owners/operators are straightforward. These people can find out how their financial structure "stacks up" against the industry averages. Similarly, financial institutions can evaluate loan applications with more accurate financial data to compare.

METHODOLOGY

The questionnaire for this study was prepared after interviews with industry people, researchers, and representatives of financial institutions. It was distributed in various ways. Many responses were generated by asking participants in our financial analysis seminars to complete the questionnaire. *Boat and Motor Dealer* magazine published the questionnaire and many firms responded to the magazine's article on the study. Other responses were initiated by telephone and mail requests for the questionnaire. The majority of responses came from mailing the questionnaire to firms and requesting that their representatives complete and return it for analysis.

Completed responses were tabulated using SAS (Statistical Analysis Software) on the University of Rhode Island mainframe computer. Output was arranged in the various tables contained

in Appendices I through V.

Many of the responses that were received were unusable due to incomplete questionnaires or, especially in the case of financial data, responses that were inconsistent. For example, the asset and liabilities sections of a balance sheet should sum to the same total; some of the respondents' balance sheet data did not. A few respondents reporting positive profit before taxes also listed operating expenses which, when summed, added to a total operating expense value that was larger than their total sales figure. Sixty-one responses were received with no financial data reported. These questionnaires contained only descriptive data.

Where possible, these problems were handled by either correcting mathematical errors, calling the respondent for corrections, or disregarding the response altogether.

Section 3
RATIO ANALYSIS FUNDAMENTALS

Financial Ratio Analysis (FRA) is a process through which a marina/boatyard manager or owner can determine the approximate degree of financial health represented by the firm's financial statements. Toward that goal there are a number of ways in which FRA can be useful to managers.

First, FRA can aid in interpreting and evaluating income statements (profit/loss statements) and balance sheets by reducing the amount of data contained in them to a workable amount. After computing several key ratios whose numerator and denominator are made up of selected items from the statements, a comprehensive analysis of the firm's financial position can be conducted by using the resulting ratios.

Second, FRA can make financial data more meaningful. Any ratio strikes a relationship between the numbers in its numerator and denominator. By selecting sets of numbers that are logically related, a few ratios can be used to comprehensively analyze a set of financial statements.

Third, ratios help to determine relative magnitudes of financial quantities. For example, the magnitude of the amount of a firm's debt has little meaning unless it is compared with the amount of the owner's investment in the business. Thus, the debt/equity ratio strikes a relationship between these quantities such that their relative magnitudes can be established.

Because of these advantages, FRA can help marina/boatyard managers make effective decisions about the firm's credit worthiness, potential earnings, and financial strengths and weaknesses. It involves simply selecting the financial entities to be compared from either the income statement or the balance sheet, dividing

one by the other, and comparing the product with a base. This comparative base could be a history of ratios for the firm under analysis, or average ratio values from past periods computed from financial statements of other firms in the same industry, such as those contained in Appendix II.

To use the first of these approaches, a ratio's historical values could be computed to determine whether its trend is increasing, or constant. The second approach required availability of industry average financial ratios which were computed in the same way as those of the firm under analysis.

For this study ratios were selected for reporting that are consistent with those presented in Robert Morris Associate's and Dunn and Bradstreet's publications and the TROY ALMANAC. This practice allows for comparisons to be made between the marina/boatyard industry and other industries. Although the ratios we chose appear in other publications, our explanations of them are our own.

The financial structure of any marine business has several "dimensions." Each financial dimension may be measured by several ratios; the financial dimensions themselves are not directly measurable. To analyze a firm's financial structure comprehensively, one must select a set of ratios made up of subsets, each of which represents a dimension. In this section, dimensions will be explained first. They are liquidity, interest coverage, profitability, leverage, and activity. Then the ratios which collectively measure each dimension will be discussed. The method of computation for each one will be shown, followed by it's interpretation.*

** Ratio explanations are adapted with permission from Robert Morris Associates' ANNUAL STATEMENT STUDIES.*

LIQUIDITY

The liquidity of a marine business is its ability to pay current liabilities as they come due (current liabilities are debts due within one year). The only funds available for payment of short-term debt are either cash or other current assets readily convertible to cash. Consequently, liquidity is measured by ratios that strike a relationship between current liabilities and selected current assets.

$$\textbf{CURRENT RATIO} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

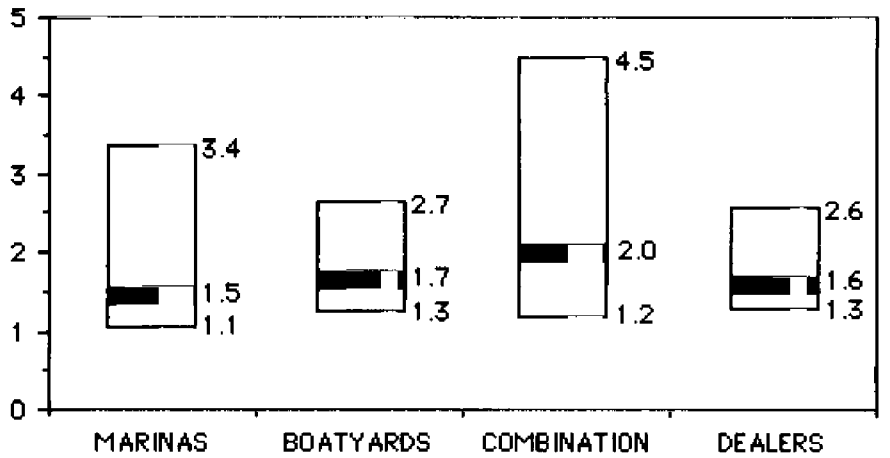

Figure 1: Current Ratios
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

Current Assets are those normally expected to flow into cash in the course of a merchandising cycle. Ordinarily, they include cash, notes and accounts receivable (due within the next 12 months), inventory, and marketable securities (at current realizable values).

Current Liabilities are short-term obligations for the payment of cash due on demand or within a year. Ordinarily, they include short-term notes and accounts for merchandise, current portion of long-term debt, taxes due, and other accruals.

Current Ratio Interpretation: This ratio identifies the relationship between the liquid assets of the firm and what it expects to pay out to creditors and suppliers within the next fiscal year, and it is a rough indication of a marine business's ability to service its current obligations. Generally, the higher the current rate, the greater the "cushion" the firm would have to fall back on in case of a decline in revenues or a call-in of loans by creditors. However, the composition and "quality" of current assets is a critical factor in the analysis of an individual company's liquidity. Caution should be used when examining current assets because some problems may arise in collecting accounts receivable and liquidating a company's inventory.

$$\textbf{QUICK RATIO} = \frac{\text{Current Assets - Inventories}}{\text{Current Liabilities}}$$

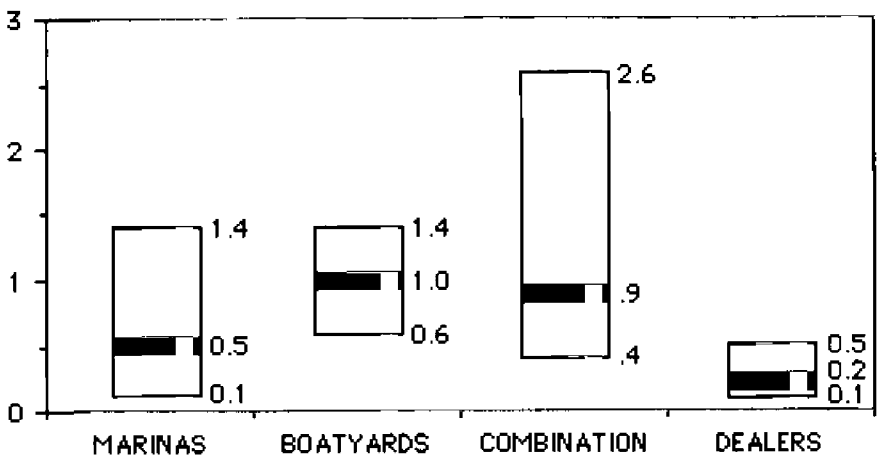

Figure 2: Quick ("Acid Test") Ratios
Heavy line indicates Median value, top and bottom of bar ' represent Upper and Lower Quartiles, respectively.

Quick Ratio Interpretation: After subtracting inventories from total current assets, the quick (also called "acid test ratio") is computed by dividing the resulting value for "quick assets" by total current liabilities (the same denominator used in the current ratio). A value below 1.0 usually is interpreted to mean that inventory would have to be sold to liquidate short term obligations. This ratio is important to certain retail firms such as boat dealers because their specialized inventories may face a limited resale market. If the need arises, failure to keep enough liquid reserve on hand may lead to additional borrowing.

COVERAGE

Coverage refers to a marine business's ability to make debt payments which include interest and/or premiums. Ratios that measure coverage consist of one component to estimate flow of funds into the firm and another for periodic payments on debt.

EBIT TO INTEREST = Earnings Before Interest and Taxes / Annual Interest Expense

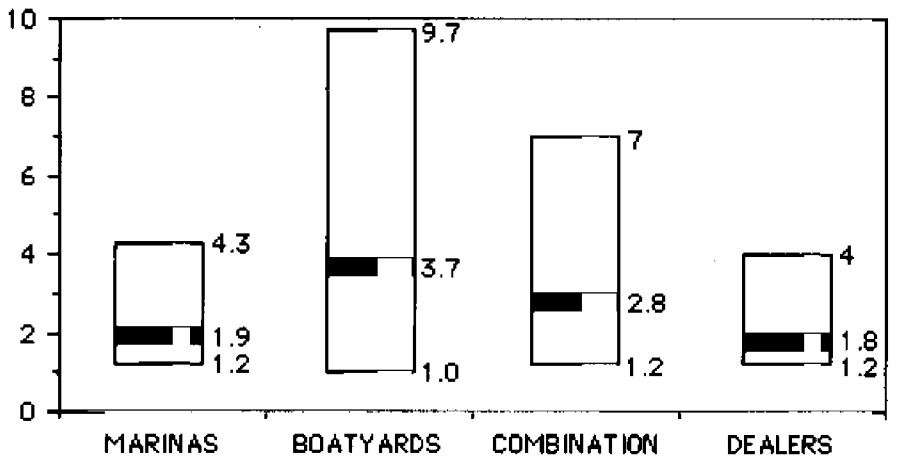

Figure 3: EBIT To Interest
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

EBIT to Interest Interpretation: A firm's ability to make payments is partly a function of the magnitude of its profitability and the size of its interest obligations. Whereas this ratio shows how many times profit before interest and taxes is greater or less than present interest expense, it also can show the ability of the firm to take on additional interest expense related to new debt. The higher the value of this ratio for a particular firm, the more it would indicate the ability to service additional debt. Potential difficulties with debt repayment would be indicated by low values.

Cash Flow to Current Maturities of LT Debt = Net Profit plus Depreciation, Depletion, and Amortization Expenses / Current Portion of Long-Term Debt

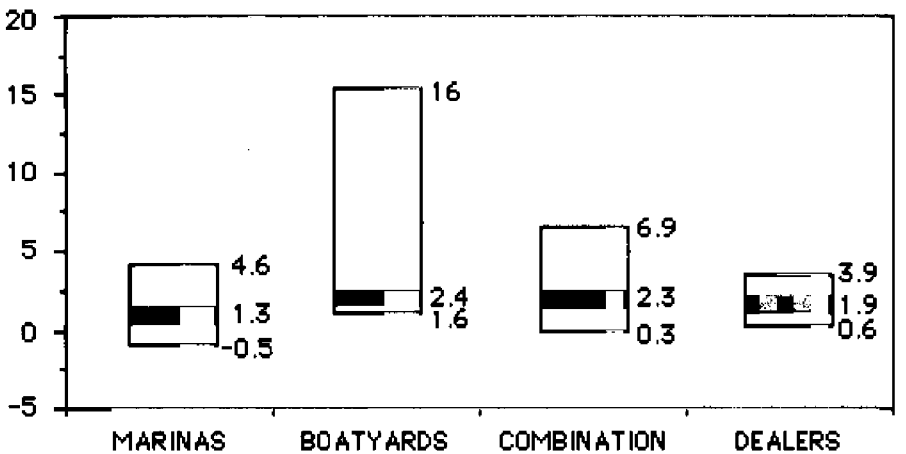

Figure 4: Cash Flow to Current Maturities of LT Debt
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

Cash Flow to CMLTD Interpretation: The current portion of long-term debt is the amount of payments due during the current accounting period (year) for the firm's long-term obligations. Net profit plus depreciation, depletion and amortization expenses is the popular approximation of available cash flow. Thus, this ratio measures a company's ability to meet its currently maturing

debt obligations and also its capacity for additional debt. Values higher than the industry average would indicate above average debt service ability, and low values would have the opposite implication.

PROFITABILITY

This familiar dimension of a marine business's financial structure concerns management's ability to control expenses and to earn a return on committed funds. Ratios that measure profitability usually consist of a profit element and one that represents the amount of funds invested in whatever aspect of the firm is of interest to the analyst.

Net profit can be calculated either before or after taxes. Robert Morris Associates use net profit before taxes. The analyst should ensure that the ratio elements used to compute the profitability ratios (and others as well) are the same as those used to compute the industry average against which the value will be compared. Also note that the following two ratios are converted to and reported as PERCENTAGES.

RETURN ON NET WORTH = $\frac{\text{Net Profit Before Taxes x 100}}{\text{Tangible Net Worth}}$

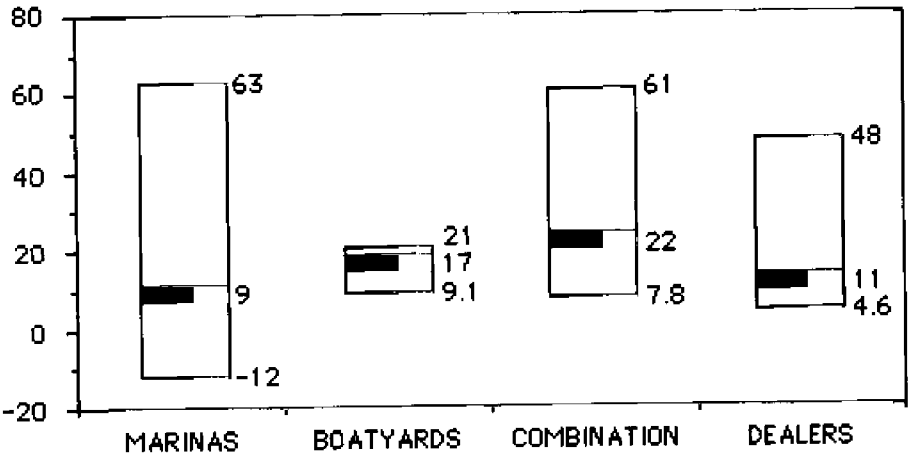

Figure 5: Return on Net Worth
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

Return on Net Worth Interpretation: This ratio is one version of the popular "return on equity" or "return on investment" ratio. It is often used as a measure of management performance although such interpretations may be misleading. A high value would normally be interpreted as reflecting effective management but instead could reflect undercapitalization. Low returns, often attributable to efficiency, could be caused instead by overcapitalization. Another problem with interpreting this ratio is that a firm in business for many years might have fully depreciated assets which would precipitate a low net worth relative to the actual value of the assets at current market prices.

RETURN ON TOTAL ASSETS = Net Profit Before Taxes x 100
Total Assets

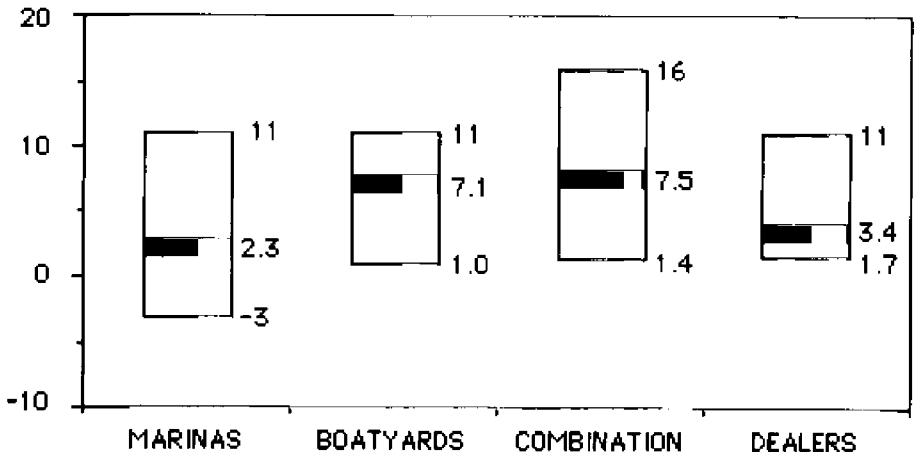

Figure 6: Return on Total Assets
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

Return on Total Assets Interpretation: Another important management consideration is how much profit the firm generates compared to total assets. This issue is addressed by this ratio. It assesses the efficiency with which management is employing total assets to generate profit. However, this ratio can be distorted by such things as aged plant and equipment (near fully depreciated), large intangible asset balances, or atypical income statement entries. These characteristics should be examined if the value of this ratio for a particular firm is very large or small.

LEVERAGE

The extent to which a marine business relies on debt as opposed to owner's capital (net worth) is its leverage position. A highly leveraged firm is one with a high proportion of debt relative to owner's investment.

$$\textbf{DEBT TO WORTH} = \frac{\text{Total Liabilities}}{\text{Tangible Net Worth}}$$

Net Worth is total assets minus total liabilities. It reflects the book value of the firm to its owners and is not necessarily the same as the current market value of its firm.

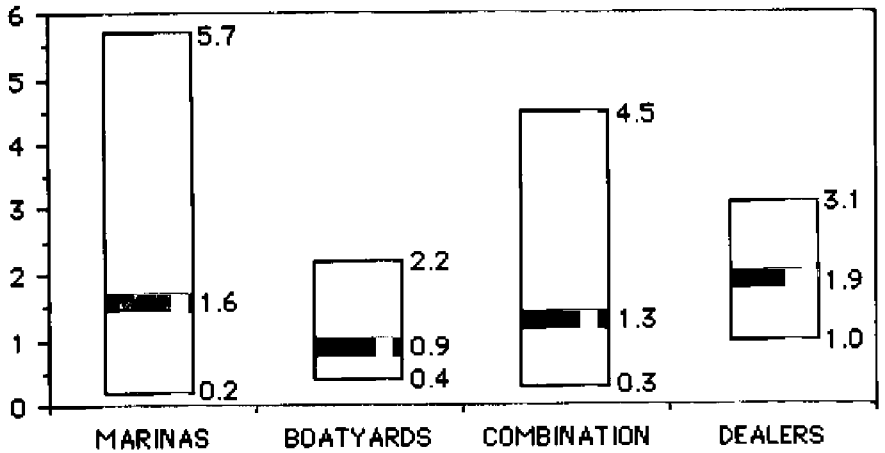

Figure 7: Debt to Worth
Heavy line indicates Median value, top line of the bar is the **Lower** Quartile, the bottom line is the **Upper** Quartile.

Debt to Worth Interpretation: Also known as the debt-to-equity ratio, this ratio compares the amount of capital granted to a firm by creditors (debt) to the amount contributed by owners (net worth of owners' equity). Some analysts prefer to think of the amount of contributed capital as claims against a firm. Therefore, this ratio would compare claims against the firm by its creditors with claims by owners. The lower this ratio, the fewer

would be creditors' claims against a firm relative to owners' claims and the greater would be the amount of financial safety attributed to the business. Conversely, higher values for this ratio would be associated with financial risk, limited debt capacity, and sensitivity to business fluctuations.

Tangible net worth is computed by subtracting such intangible assets as goodwill, patents, copyrights, etc., from the value of total net worth.

$$\textbf{FIXED ASSETS TO WORTH} = \frac{\text{Net Fixed Assets}}{\text{Tangible Net Worth}}$$

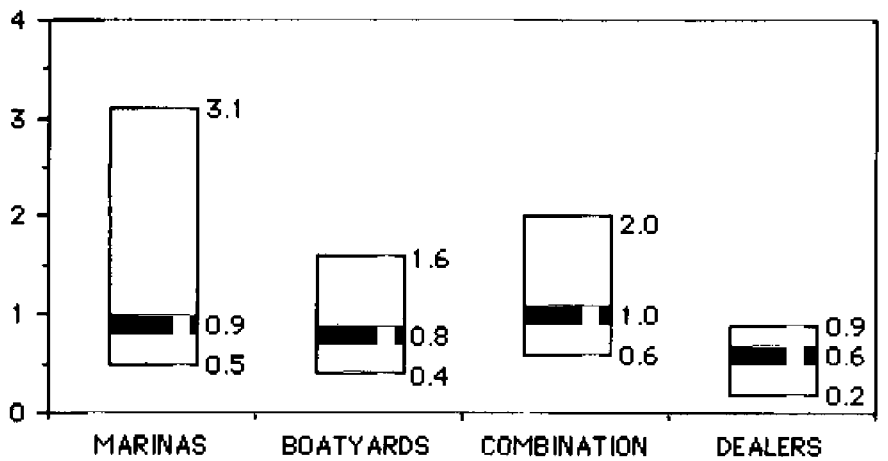

Figure 8: Fixed Assets to Worth
Heavy line indicates Median value, top line of the bar is the **Lower** Quartile, the bottom line is the **Upper** Quartile.

Fixed Assets to Worth Interpretation: This ratio expresses the relationship between owners' capital and fixed assets. When fixed assets are substantial relative to owners' capital (and the ratio is, therefore, relatively high), there would be less capital available for creditors in the case of liquidation. A lower value would indicate availability of capital for creditors in the event of liquidation. Companies having large amounts of leased assets which are not recorded on the balance sheet would likely have an artificially low value for this ratio.

ACTIVITY

Activity ratios, also called "efficiency" or "turnover ratios," measure how effectively a firm's assets are managed. Their purpose is to examine the relationship between a measure of sales and an asset account.

INVENTORY TURNOVER = $\frac{\text{Cost of Sales}}{\text{Inventory}}$

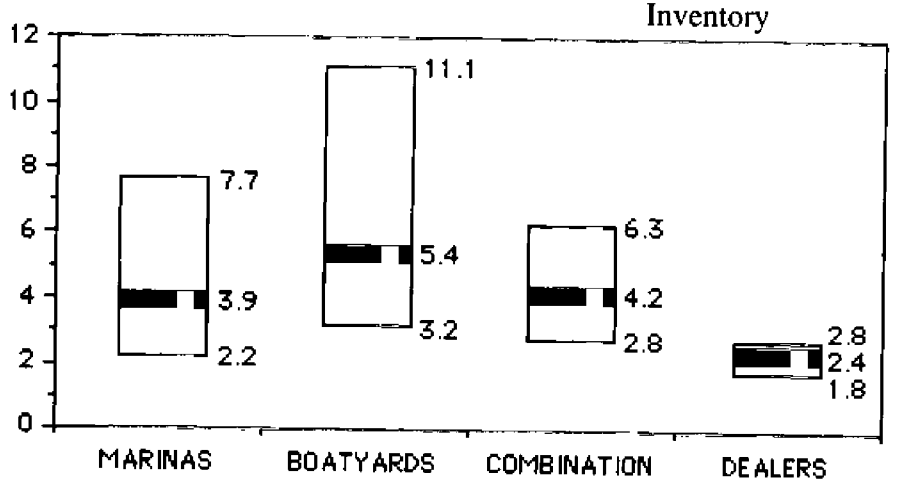

Figure 9: Inventory Turnover
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

Inventory Turnover Interpretation: By dividing cost of sales (also called cost of goods sold) from the income statement by the balance sheet account, inventory, this ratio shows the number of times inventory is turned over during the accounting period. Because cost of sales is the value of merchandise sold and inventory is the value of merchandise in stock and, therefore, unsold (for a retailer), it measures the number of inventory balance "replacements" that are necessary to equal one year's worth of sales. The higher this ratio, the more positively the retail function of the company would be evaluated. High values

would be associated with high liquidity and effective selling activities. On the other hand, low values would be related to negative evaluations of the suitability of inventory to customers' needs in some way and with low liquidity. However, low inventory turnover could indicate, in some instances, a buildup of inventory for expansion purposes or in anticipation of future inventory acquisition or production difficulties.

Some marine business people have complained about the peculiar inventory purchasing requirements of some suppliers who insist that retailers buy excessively large amounts of inventory at one time.

$$\textbf{DAYS INVENTORY} = \frac{365}{\text{Inventory Turnover Ratio}}$$

	Marinas	Boatyards	Combos	Boat Dealers
U. Quartile	49	33	58	131
Median	93	69	88	155
L. Quartile	164	116	132	203

Figure 10: Days Inventory

Days Inventory Interpretation: The inventory turnover ratio can be converted into the number of days of sales that could be supported by the inventory balance held by the firm simply by dividing the ratio into 365. This conversion, called "days inventory," can be monitored over time, along with inventory turnover, to spot buildups or declines in inventory balances. The ideal level of inventory is that which ties up the least amount of capital while resulting in no losses of sales.

RECEIVABLES TURNOVER = $\frac{\text{Net Sales}}{\text{Accounts \& Notes Receivable}}$

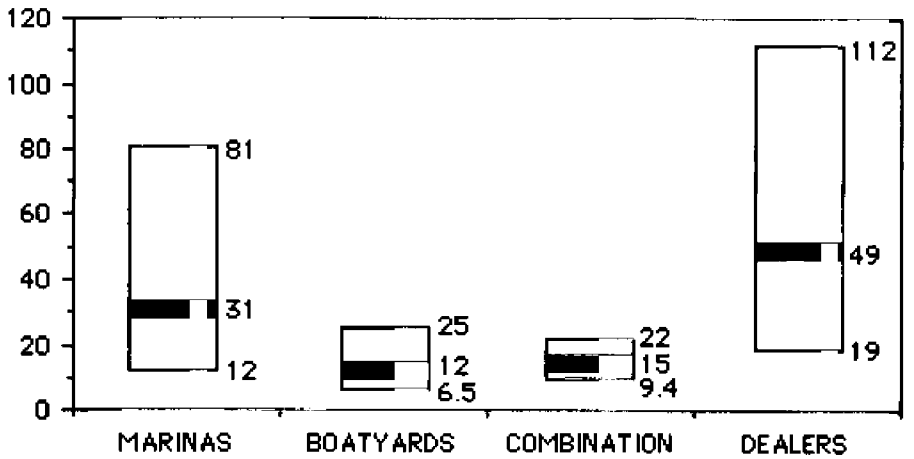

Figure 11: Receivables Turnover
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

Receivables Turnover Interpretation: Receivables turnover shows the number of times by which net sales (total sales less discounts and allowances) is greater than the accounts receivables (trade) balance on the balance sheet. This quotient, like the inventory ratio, is a turnover or "times" figure. The lower the receivables turnover value, the longer would be the average length of time between making a credit sale and cash collection. If this ratio is much lower than the industry figure, closer attention should be paid to the quality of the firm's receivables and also to its credit granting terms.

For some businesses this ratio may be misleading because of their credit policies. A business may have several different sales generating activities of which only one or two actually grant credit to customers. For example, a boatyard that sells boats, rents boats, operates a marine store, provides service, and sells

gas might only extend credit to customers for service work. In this case, net sales would be very much higher in proportion to credit sales than for a smaller firm that granted credit for all of its activities. Therefore, between-firm comparisons can be misleading unless it is understood that the credit terms of the businesses are similar. The industry figures reported represent typical credit policies in the industry and were computed by dividing net sales across the firm by receivables balances.

For internal purposes, managers might prefer to track receivables turnover time by changing the numerator from net sales to net credit sales. This change would give a much better idea of the actual performance of the businesses' credit granting policies. However, for comparison with the industry figures, net sales should be used as the numerator. Managers might also prefer to compute receivables turnover on a monthly basis to analyze the impact of seasonal fluctuations. Since the reported figures are based on annual sales and day's receivables balance, they ignore seasonal variations.

As with inventory turnover, it may prove useful to make these calculations by month so that the business can account for seasonal fluctuations.

$$\textbf{DAYS RECEIVABLES} = \frac{365}{\text{Receivables Turnover Ratio}}$$

	Marinas	Boatyards	Combos	Boat Dealers
U. Quartile	4	15	17	3.3
Median	12	31	24	6.2
L. Quartile	31	56	34	19

Figure 12: Days Receivables (Average Collection Period)

Days Receivables Interpretation: Also known as "average collection period", this ratio shows the average number of days receivables remain uncollected. The higher the receivables turnover, the shorter will be the collection period. A company's credit terms will influence this ratio and should be taken into consideration before comparisons with the industry average are made. A large number of days receivables is usually associated with lack of control over the collection or credit granting functions.

SALES TO WORKING CAPITAL = $\frac{\text{Net Sales}}{\text{Net Working Capital}}$

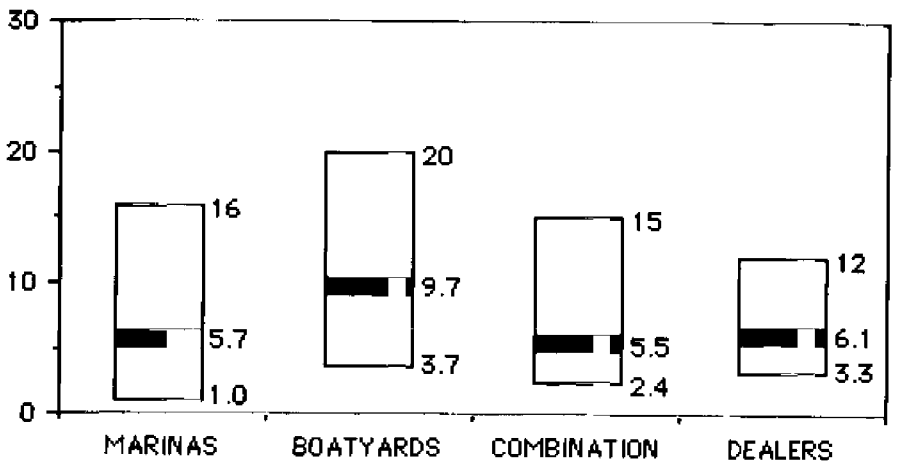

Figure 13: Sales to Working Capital
Heavy line indicates Median value, top line of the bar is the **Lower** Quartile, the bottom line is the **Upper** Quartile.

Net Working Capital:
Equals current assets less current liabilities.

Sales to Working Capital Interpretation: Working capital is viewed by creditors as a measure of a firm's ability to meet obligations because it is the amount of current assets in excess of current liabilities. This ratio measures the efficiency with which working capital is used. A low value is usually related to inefficiency in working capital application; a high value may indicate limited availability of liquid assets.

SALES TO NET FIXED ASSETS = $\frac{\text{Net Sales}}{\text{Net Fixed Assets}}$

(net of accumulated depreciation)

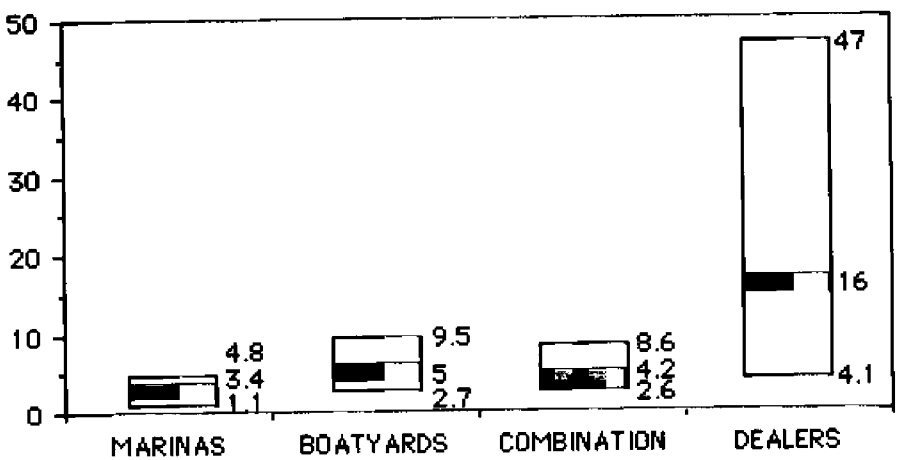

Figure 14: Sales to Net Fixed Assets
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

Sales to Net Fixed Assets Interpretation: This ratio measures the extent to which a firm is efficiently using its fixed assets. A low value may mean that the firm is not using its fixed assets to a reasonable proportion of capacity. A high value usually relates to inefficiency in the productive use of fixed assets. This ratio can be distorted by variations in depreciation method and by the speed with which fixed assets are replaced. These factors should be taken into consideration when comparisons are made.

SALES TO TOTAL ASSETS = $\frac{\text{Net Sales}}{\text{Total Assets}}$

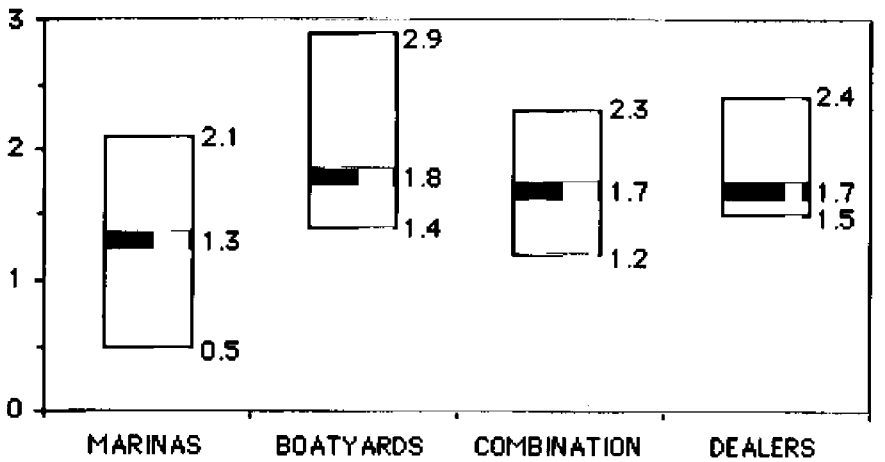

Figure 15: Sales to Total Assets
Heavy line indicates Median value, top and bottom of bar represent Upper and Lower Quartiles, respectively.

Sales to Total Assets Interpretation: This ratio measures the volume of business by the firm's level of investment in total assets. High values usually mean productive application of capital; low values often mean that sales should be increased or some assets should be disposed of, or both.

Section 4: APPENDIX

***Caution**: The financial quantities derived from the present survey as represented in the following data tables do not in and of themselves necessarily imply sound or unsound management practice. Comparisons should, therefore, be made with full understanding of the derivation of each financial entity and the range of interpretations that may apply to each.*

Also note that the financial quantities presented were derived from marinas, boatyards, combination marinas and boatyards, and boatdealers across the country. A particular firm's operating characteristics may reflect regional rather than financial peculiarities.

Appendix I: Descriptive Data, 1984-85

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Type of Firm:	Marinas	Boatyards	Combos	Boat Dealers
Number of Firms:	32	24	46	18
Data on Mooring Capacity:				
Number of Moorings:				
MEAN	174	33	40	100
MAXIMUM	297	211	380	130
MINIMUM	0	14	9	0
Average Length of Boats on Moorings (feet):				
MEAN	25	32	35	25
MAXIMUM	28	33	36	28
MINIMUM	--	30	26	--
Percent Utilized 1984-85:				
MEDIAN	100	100	100	--
MAXIMUM	100	100	100	100
MINIMUM	--	95	20	--

Appendix I: Descriptive Data, 1984-85 ***(continued)***

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Data on Slip Capacity:					
Number of Slips:					
	MEDIAN	142	61	--	20
	MAXIMUM	667	105	839	49
	MINIMUM	29	9	6	0
Average Length of Boats (feet):					
	MEDIAN	32	30	31	26
	MAXIMUM	35	38	32	30
	MINIMUM	16	27	30	--
Percent Utilized 1984-85:					
	MEDIAN	93	100	100	90
	MAXIMUM	100	100	100	100
	MINIMUM	0	90	50	--

Appendix I: Descriptive Data, 1984-85 *(continued)*

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Data on Boat Storage Capacity, Land, Indoor:					
Number of Boats:					
	MEDIAN	32	60	48	55
	MAXIMUM	348	250	370	100
	MINIMUM	0	5	3	12
Average Length of Boats (feet):					
	MEDIAN	21.5	34	32	20
	MAXIMUM	35	47	40	22
	MINIMUM	--	16	16	19
Percent Utilized 1984-85					
	MEDIAN	90	100	100	100
	MAXIMUM	100	100	100	100
	MINIMUM	--	98	90	23

Appendix I: Descriptive Data, 1984-85 ***(continued)***

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Data on Dry Stack Storage Capacity:					
Number of Boats:					
	MEDIAN	167	80	90	300
	MAXIMUM	340	123	175	330
	MINIMUM	0	0	0	0
Average Length of Boats (feet):					
	MEDIAN	18	20	22	21
	MAXIMUM	20	25	22	22
	MINIMUM	--	--	--	--
Percent Utilized 1984-85:					
	MEDIAN	90	50	--	90
	MAXIMUM	110	100	100	100
	MINIMUM	--	--	--	--

Appendix I: Descriptive Data, 1984-85 ***(continued)***

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Data on General Factors:					
Total Operational Land Acreage (acres):					
	MEDIAN	4	4	4	2
	MAXIMUM	32	14	71	10
	MINIMUM	1	1	1	1
Number of Competitors Within 1 Mile Radius:					
	MEDIAN	2	1	2	1.5
	MAXIMUM	7	11	19	15
	MINIMUM	0	0	0	0
Estimated Market Value of Fixed Assets:					
	MEDIAN	$1,075K	$750K	$ 1,016.4K	$287.5K
	MAXIMUM	$20M	$4M	$17M	$1.75M
	MINIMUM	$280K	$35K	$80.2K	$25K

Appendix I: Descriptive Data, 1984-85 ***(continued)***

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Data on Age of Facility & Ownership:					
Number of Years Present Owners Have Owned the Business:					
	MEAN	12	6	8	3
	MAXIMUM	45	26	72	102
	MINIMUM	1	2	2	2
Year Business First Established:					
	MEDIAN	1970	1970	1957	1971
	MOST RECENT	1983	1980	1985	1984
	OLDEST	1924	1856	1850	1854
Percentage Over 4 Years Old:		82.8%	100%	95.4%	88.8%
Percentage Less Than 4 Years Old:		17.2%	0%	4.6%	11.2%

Appendix I: Descriptive Data, 1984-85 ***(continued)***

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Data on Boat Storage Capacity, Outdoors:					
Number of Boats:					
	MEDIAN	68	50	125	10
	MAXIMUM	500	180	600	50
	MINIMUM	10	2	10	10
Average Length of Boats (feet):					
	MEDIAN	25.5	33.5	30	19
	MAXIMUM	50	50	45	22
	MINIMUM	20	24	14	19
Percent Utilized 1984-85:					
	MEDIAN	85%	96.5%	100%	59%
	MAXIMUM	100%	100%	100%	100%
	MINIMUM	14%	25%	5%	18%

Appendix I: Descriptive Data, 1984-85 ***(continued)***

Type of Firm:	Marinas	Boatyards	Combos	Boat Dealers
Data on Boat Hauling Methods: ***(Percentage of sample using each)***				
Travelift	13.7	34.4	28.7	--
Crane	5.9	18.2	14.7	11.1
Public Ramp	19.6	3.6	8.5	22.2
Private Ramp	15.7	7.3	8.5	22.2
Railway	3.9	14.5	10.9	--
Hydraulic Trailer	9.8	12.7	10.9	--
Forklift	17.6	7.3	14.7	22.2
Other	13.8	3.0	2.3	--

Appendix I: Descriptive Data, 1984-85 ***(continued)***

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Data on Buildings:					
Square Feet Owned (Number):					
	MEDIAN	10,000 (3)	16,754 (3)	17,515 (5)	10,000 (2)
	MAXIMUM	181,260(6)	60,000 (10)	120,000 (14)	80,000 (4)
	MINIMUM	0	0	0	0
Square Feet Leased (Number):					
	MEDIAN	8,385 (1.5)	5,100 (2)	6,762 (1)	10,800 (2)
	MAXIMUM	54,000 (5)	29,850 (9)	68,000(10)	29,275 (3)
	MINIMUM	0	0	0	0

Appendix I: Descriptive Data, 1984-85 ***(continued)***

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Data on Employees (Full Time Equivalent Number):					
Summer	MEAN	15	19	13	10
	MAXIMUM	49	85	120	28
	MINIMUM	1	2	4	3
Fall	MEAN	13	26	24	13
	MAXIMUM	35	85	105	24
	MINIMUM	2	1	2	2
Winter	MEAN	9	24	19	11
	MAXIMUM	34	85	90	24
	MINIMUM	1	1	0	1
Spring	MEAN	8	22	7	10
	MAXIMUM	36	85	105	24
	MINIMUM	2	2	2	2

Appendix I: Descriptive Data, 1984-85 *(continued)*

Type of Firm:	Marinas	Boatyards	Combos	Boat Dealers
Data on Business Organization Factors:				
Form of Legal Organization (%)				
Straight Corp.	60.0	63.6	73.3	77.8
Sub-Chapter S Corp.	13.3	27.3	17.8	5.6
Sole Proprietorship	13.3	9.1	6.7	11.1
Partnership	13.3	0.0	2.2	5.6
Basis on Which Financial Statements Prepared (%)				
Cash	44.4	31.8	28.6	11.1
Accrual	55.6	68.2	71.4	88.9

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Type of Firm:	Marinas	Boatyards	Combos	Boat Dealers
Data on Business Organization Factors *(continued)*:				
Month in Which Accounting Year Ends (%)				
January	-	-	2.2	-
February	3.3	-	6.5	-
March	3.3	4.2	6.5	11.1
April	-	-	6.5	-
May	-	-	-	-
June	3.3	4.2	2.2	-
July	-	4.2	4.3	5.6
August	3.3	-	2.2	-
September	16.7	29.2	6.5	5.6
October	10.0	25.0	8.7	11.1
November	3.3	-	2.2	5.6
December	56.7	29.2	52.2	61.1

Appendix I, Table 1: Subsets of Data Available *National Marine Financial Data Bank, June 1987*

Business Type	Region	Size by Total Revenue	Number of Observations
Marinas	4 (GA, NC & SC)	All	9
Marinas	National	$500,000	16
Marinas	National	$500K-$1 Million	9
Marinas	National	$1 Million	7
Marinas	**National**	**All**	**32***
Combos	1 (NY & NE)	All	28
Combos	1 (NY & NE)	$500,000	9
Combos	1 (NY & NE)	$500K-$1 Million	9
Combos	1 (NY & NE)	$1 Million	10
Combos	3 (DC, DE, MD, NJ, VA)	$1 Million	11
Combos	National	$500,000	13
Combos	National	$500K-$1 Million	13
Combos	National	$1 Mil-$2 Million	9
Combos	National	$2 Million	11
Combos	**National**	**All**	**46***

Appendix I, Table 1: Subsets of Data Available *(Continued)*

Business Type	Region	Size by Total Revenue	Number of Observations
Boatyards	1 (NY & NE)	All	15
Boatyards	National	$1 Mil	12
Boatyards	National	$1 Mil	12
Boatyards	**National**	**All**	**24***
B & M Dealers	National	$1.3 Mil	9
B & M Dealers	National	$1.3 Mil	9
B & M Dealers	**National**	**All**	**18***
Total (of asterisked subsets)			**120**

***Number of respondents for each business type subset**

Appendix II: Financial Ratios Reported as Upper & Lower Quartiles and Medians for 1984-85

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Number of Firms:		32	24	46	18
Current Ratio:	Upper Quartile	3.4	2.7	4.5	2.6
	Median	1.5	1.7	2.0	1.6
	Lower Quartile	1.1	1.3	1.2	1.3
Quick Ratio:	Upper Quartile	1.4	1.4	2.6	0.5
	Median	0.5	1.0	0.9	0.2
	Lower Quartile	0.1	0.6	0.4	0.1
Sales/Receivables Ratio:					
	Upper Quartile	89.0	25.0	22.0	112.0
	Median	31.0	12.0	15.0	49.0
	Lower Quartile	12.0	6.5	9.4	19.0
Average Collection Period: ***(Number of days)***					
	Upper Quartile	4.1	15.0	17.0	3.3
	Median	12.0	31.0	24.0	6.2
	Lower Quartile	31.0	56.0	34.0	19.2

Appendix II: Financial Ratios *(continued)*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Type of Firm:	Marinas	Boatyards	Combos	Boat Dealers
Cost of Sales/Inventory Ratio:				
Upper Quartile	7.7	11.1	6.3	2.8
Median	3.9	5.4	4.2	2.4
Lower Quartile	2.2	3.2	2.8	1.8
Days Inventory: ***(Number of days)***				
Upper Quartile	49	33	58	131
Median	93	69	88	155
Lower Quartile	164	116	132	203
Sales/Working Capital:				
Upper Quartile	1.0	3.7	2.4	3.3
Median	5.7	9.7	5.5	6.1
Lower Quartile	16.0	20.0	15.0	12.0
EBIT/Interest:				
Upper Quartile	4.3	9.7	7.0	4.0
Median	1.9	3.7	2.8	1.8
Lower Quartile	1.2	1.0	1.2	1.2

Appendix II: Financial Ratios *(continued)*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Fixed/Worth:	Upper Quartile	0.5	0.4	0.6	0.2
	Median	0.9	0.8	1.0	0.6
	Lower Quartile	3.1	1.6	2.0	0.9
Debt/Worth:	Upper Quartile	0.2	0.4	0.3	1.0
	Median	1.6	0.9	1.3	1.9
	Lower Quartile	5.7	2.2	4.5	3.1
Percent (%) Profit Before Taxes /Tangible Net Worth:					
	Upper Quartile	63.0	21.0	61.0	48.0
	Median	9.0	17.0	22.0	11.0
	Lower Quartile	-12.0	9.1	7.8	4.6
Percent (%) Profit Before Taxes/Total Assets:					
	Upper Quartile	11.0	11.0	16.0	11.0
	Median	2.3	7.1	7.5	3.4
	Lower Quartile	-3.0	1.0	1.4	1.7

Appendix II: Financial Ratios *(continued)*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Type of Firm:		Marinas	Boatyards	Combos	Boat Dealers
Sales/Net Fixed Assets:					
	Upper Quartile	4.8	9.5	8.6	47.0
	Median	3.4	5.0	4.2	16.0
	Lower Quartile	1.1	2.7	2.6	4.1
Sales/Total Assets:					
	Upper Quartile	2.1	2.9	2.3	2.4
	Median	1.3	1.8	1.7	1.7
	Lower Quartile	0.5	1.4	1.2	1.5
Cash Flow/Current Maturities of Long Term Debt:					
	Upper Quartile	4.6	16.0	6.9	3.9
	Median	1.3	2.4	2.3	1.9
	Lower Quartile	-0.5	1.6	0.3	0.6

Appendix III: 100% Balance Sheet and Income Statement, 1984-1985

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Type of Firm:	Marinas	Boatyards	Combos	Boat Dealers
Number of Firms:	32	24	46	18
Balance Sheet *(Reported values are medians)*				
	%	%	%	%
Assets:				
Cash and Equivalents	5.5	2.3	8.4	2.0
Accounts and Notes Receivable--Trade	5.1	24.7	14.9	3.1
Inventory	22.9	20.6	22.4	67.3
All Other Current Assets	2.2	2.9	4.3	1.8
Total Current Assets	35.7	50.5	50.0	74.2
Fixed Assets (net)	58.8	43.3	43.0	12.4
Intagibles (net)	0.5	3.4	2.5	11.5
All Other Noncurrent Assets	5.0	2.8	4.5	1.9
Total Assets	100.0	100.0	100.0	100.0

Appendix III: 100% Balance Sheet and Income Statement, 1984-1985 *(continued)*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Type of Firm:	Marinas	Boatyards	Combos	Boat Dealers
Balance Sheet *(Reported values are medians)*				
	%	%	%	%
Liabilities & Equity				
Notes Payable	14.5	4.0	23.1	35.8
Current Maturities of LT Debt	6.1	5.7	3.4	6.4
Accounts and Notes Payable (trade)	5.9	6.0	6.1	3.3
Accrued Expenses	3.0	11.6	6.1	1.2
Total Current Liabilities	**29.5**	**27.3**	**38.7**	**46.7**
Long-Term Debt	46.8	33.1	28.0	19.7
Total Liabilities	**76.3**	**60.4**	**66.7**	**65.8**
Net Worth	23.7	39.6	33.3	34.2
Total	**100.0**	**100.0**	**100.0**	**100.0**

Appendix III: 100% Balance Sheet and Income Statement, 1984-1985 *(continued)*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Type of Firm:	Marinas	Boatyards	Combos	Boat Dealers
(Reported values are medians)				
Income Statement	%	%	%	%
Net Sales	100.0	100.0	100.0	100.0
Cost of Sales	53.6	55.0	51.4	73.4
Gross Profit	46.4	45.0	48.6	26.6
Operating Expenses	40.4	34.9	41.3	21.4
Operating Profit	6.0	10.1	7.3	5.2
All Others Expenses (net of other income)	4.0	6.1	2.2	3.1
Profit Before Taxes	**2.0**	**4.0**	**5.1**	**2.1**

Appendix IV: Revenue Distribution, 1984-1985, *Reported as Medians*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

	Marinas		Boatyards		Combos		Boat Dealers	
Sources of Revenue	% of All Sales	% Gross Profit	% of All Sales	% Gross Profit	% of All Sales	% Gross Profit	% of All Sales	% Gross Profit
Mooring and Slip Rental	24.8	92.4	10.2	78.8	16.9	87.7	5.3	80.0
Fuel	13.7	22.4	2.1	18.2	6.4	16.0	3.6	21.4
Service/Repairs	10.6	66.6	38.7	43.0	31.3	51.1	7.9	50.4
Hauling & Storge	--	--	1.7	42.1	2.1	68.6	--	--
Bait and Tackle	1.2	40.0	--	--	1.3	-2.7	--	--
Brokerage	--	--	2.5	34.5	1.6	12.7	2.5	10.9
Hardware	9.4	25.5	20.6	20.5	8.9	25.4	12.9	32.8
Restaurant	7.5	6.7	--	--	13.0	60.0	--	--
Boat Building	--	--	40.2	31.4	14.7	--	--	--
New Boat Sales	29.9	10.9	13.6	15.5	37.1	18.4	47.6	18.7

continued next page

Appendix IV: Revenue Distribution, 1984-1985, *Reported as Medians (continued)*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

	Marinas		Boatyards		Combos		Boat Dealers	
Sources of Revenue	% of All Sales	% Gross Profit	% of All Sales	% Gross Profit	% of All Sales	% Gross Profit	% of All Sales	% Gross Profit
Traded-Boat Sales	6.9	13.9	--	--	7.6	16.5	6.9	27.1
Motors & Engines	16.7	15.5	8.9	26.3	3.4	22.5	17.9	16.5
Electronics	16.8	35.3	2.9	72.2	6.4	36.3	2.9	39.8
Groceries	4.9	21.8	--	--	1.4	25.0	--	--
Lodging	14.2	-16.0	--	--	--	--	--	--
Sail &Canvas Prd.	--	--	4.5	30.9	3.2	18.0	--	--
Ice	1.0	40.0	2.3	29.8	0.3	40.6	--	--
Liquor	3.0	30.0	--	--	1.1	13.7	--	--
	*		*		*		*	

**Column does not add to 100 percent. The percentages reported are the medians among those respondents that have each source of revenue.*

Appendix V: Expense Distribution, 1984-1985, *Reported as Medians*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

Expense Category	Marinas % of Total Sales	Boatyards % of Total Sales	Combos % of Total Sales	Boat Dealers % of Total Sales
Owners' Salary	5.5	4.3	4.4	2.1
Other Salaries & Wages	10.1	8.3	9.5	6.4
Advertising	1.1	0.8	0.9	1.5
Office Supplies	1.0	1.3	1.2	0.6
Rent--Buildings, Docks, & Land	2.3	4.4	3.3	2.0
Rent--Equipment	0.6	0.2	0.3	0.3
Pensions	1.5	1.1	1.4	0.7
Heat/Electricity	1.4	1.6	1.7	0.6
Travel/Entertnmt.	0.3	0.5	0.4	0.4
Insurance	1.9	2.5	2.9	1.1
Interest	3.3	1.1	1.7	3.1
Legal/Accounting	0.6	0.6	0.6	0.3
Repairs/Maint.	2.1	2.3	2.0	0.6

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Appendix V: Expense Distribution, 1984-1985, *Reported as Medians (continued)*

National Marine Financial Data Bank, 1987, University of Rhode Island, College of Business Administration

	Marinas	Boatyards	Combos	Boat Dealers
Expense Category	% of Total Sales	% of Total Sales	% of Total Sales	% of Total Sales
Expense Distribution (continued)				
Vehicles	0.4	1.0	0.5	0.6
Depreciation --Buildings	3.9	2.1	3.0	1.1
Depreciation --Fixtures	2.0	2.7	1.7	0.7
Taxes--Payroll	1.4	2.3	2.2	0.8
Taxes--Property	1.1	0.5	0.8	0.3
Other	1.9	3.3	5.0	1.3
Total	**42.4**	**40.9**	**43.5**	**24.5**

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