

NOT \$100

Only \$64

The big question is - will you even have \$64 left in '74 from every \$100 you take in? Because, whether you are a lone independent operator working all by yourself, or whether you are a big, public owned conglomerate, from every \$100 you take in, Federal, state and local taxes, this year of 1973, take \$36.

You don't have \$100 to work with, even tho your share of the collection was \$100. You have \$64. From that \$64 you've got to deduct all your overhead expenses. From gasoline for your car and pickups to each week's wages. Plus cost of parts and supplies. Plus a dozen and more unexpected expenses that pop up every week. Plus, plus, plus and plus.

So if you're still pricing at 10¢ and splitting 50/50 you, most definitely, have a very, very hard row to hoe. Even if you're featuring "2-Bits" action and splitting on 50/50, you're only handling more money. You're giving away the extra money you need to continue ahead on a progressive and profitable basis to your locations.

You need, at the very least, 20% more income to be assured you'll be able to somehow continue in business in 1974 when taxes go up. Even your social security payments will be higher. Your cost for parts and supplies will be higher. Gasoline will be higher. Labor will be higher. Cost of new equip't will be higher. Cost of cars and pickups will be higher. Your dollar will be worth less. Inflation hasn't stopped galloping.

Even that extra 20% won't be enough. And where do you get that extra 20% from? By eliminating the antique, outworn and ridiculous 50/50 split. By changing over to the more equitable 70/30 commission basis. 70% to yourself. This extra 20% income won't mean you are now enjoying a panacea. Not by a long shot. This 20% simply means you may be able to hold your own, to meet inflated costs.

If you also want to enjoy some profit for the year ahead, you'll have to put into effect a "service charge" of, at the very least, \$10 off the top of each week's gross collection. That's \$5 of your income and \$5 of your location's money because it comes "off the top" of the gross collection. If you have 100 locations, that means \$1,000 per week, \$52,000 per year. And that will help to some extent to pay for the new, higher priced equip't you'll need for your 100 locations. What's more, 1974 will be here even before you know it.