

# *Northwest Barter Network*

**ITEX** *An independent franchise of the ITEX Corporation*

## How ITEX affects your bottom line.

Let's look at a simple scenario to see how using ITEX can increase cash profits. This example is based on 50% cost of goods and doesn't include benefits that come by increasing your overall sales volume like increased purchasing volume discounts, economies of scale or cash referrals. If your cost of goods is less than 50% your numbers are even better!

### Profit Statement ABC Company

<b>Without ITEX</b>		<b>With 10% ITEX Increased Sales</b>	
Cash Sales	\$ 500,000	Cash Sales	\$ 500,000
		ITEX Sales	\$ 50,000
<b>Total Sales</b>	\$ 500,000	<b>Total Sales</b>	\$ 550,000
Cost of Goods (50%)	(\$ 250,000)	Cost of Goods (50%)	(\$ 275,000)
<b>Gross Profit</b>	\$ 250,000	<b>Gross Profit</b>	\$ 275,000
<b>Expenses:</b>			
Fixed (includes wages, taxes, insurance, utilities, rent)	(\$ 125,000)	Fixed	(\$ 125,000)
Variable (includes advertising, accounting, legal, travel)	(\$ 100,000)	Variable-Cash	(\$ 50,000)
		Variable-ITEX	(\$ 50,000)
		Transaction Fees 12% (6% Sales & 6% Purchases)	(\$ 6,000)
<b>Total Expenses</b>	(\$ 225,000)	<b>Total Expenses</b>	(\$ 231,000)
<b>Net Profit</b>	\$ 25,000	<b>Net Profit</b>	\$ 44,000

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