

This report contains an example of what you can expect if you request the services of the Clarion University Small Business Development Center.

Sample Industry Metrics

About this report: An industry metrics report includes financial profiles and performance information for comparison against other business in the same industry. Metrics reports can also be used for benchmarking, evaluating loan risk, projections and budgets, valuation, and square footage analyses.



Small Business Development Center
Clarion University

Helping businesses start, grow, and prosper.

NAICS 33271 - Machine Shops

Industry Metrics One Year

Brought to you by **Clarion SBDC**

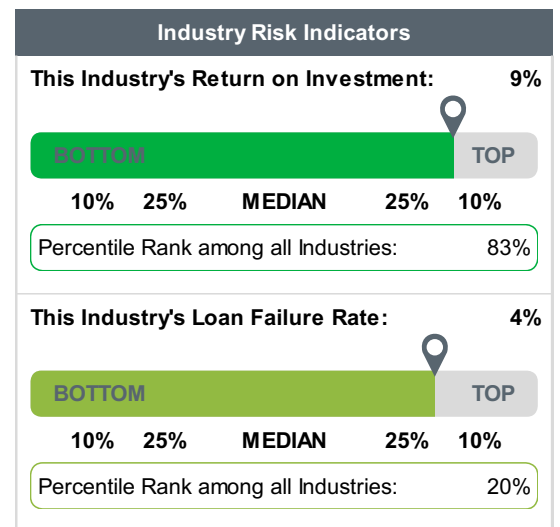
Email: clasbdc@gmail.com

Phone: 215.898.1275

Browse NAICS Codes

- ↳ **31** Manufacturing (/industry-metrics/naics/31-manufacturing)
- ↳ **332** Fabricated Metal Product Manufacturing (/industry-metrics/naics/332-fabricated-metal-product-manufacturing)
- ↳ **3327** Machine Shops Turned Product and Screw, Nut, and Bolt Manufacturing (/industry-metrics/naics/3327-machine-shops-turned-product-and-screw--nut--and-bolt-manufacturing)
- ↳ **33271** Machine Shops

This industry comprises establishments, known as machine shops primarily engaged in machining metal parts on a job or order basis. Generally machine shop jobs are low volume using machine tools, such as lathes (including computer numerically controlled); automatic screw machines; and machines for boring, grinding, and milling.



Chemical milling job shops

Machine shops

COMPANY INCOME STATEMENT [% OF NET SALES]

INCOME STATEMENT	SMALL	MEDIUM	LARGE	ALL
Industry Code	33271	33271	33271	33271
Sample Size (company count)	2112	4286	2119	8517
Net Sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of Sales	45.6 %	50.9 %	57.0 %	50.5 %
Material Cost	36.3 %	40.5 %	45.3 %	40.2 %
Labor Cost	4.1 %	4.6 %	5.1 %	4.6 %
Overhead	5.2 %	5.9 %	6.5 %	5.8 %
Gross Profit	54.4 %	49.1 %	43.0 %	49.5 %
Operating Expenses	49.3 %	43.9 %	37.6 %	44.3 %
Salaries / Wages	4.2 %	4.2 %	4.2 %	4.2 %
Rent	0.7 %	0.7 %	0.7 %	0.7 %
Bad Debt	0.1 %	0.1 %	0.1 %	0.1 %
Advertising / Marketing	0.7 %	0.7 %	0.7 %	0.7 %
Other Operating Expenses	43.6 %	38.2 %	31.9 %	38.6 %
EBITDA	5.1 %	5.2 %	5.4 %	5.2 %
Depreciation & Amortization	1.3 %	1.3 %	1.3 %	1.3 %
EBIT	3.7 %	3.9 %	4.1 %	3.9 %
Interest Expense	0.9 %	0.9 %	0.9 %	0.9 %
Other Expense	-1.6 %	-1.4 %	-1.2 %	-1.4 %
EBT	4.4 %	4.4 %	4.4 %	4.4 %
Income Taxes	2.3 %	2.3 %	2.3 %	2.3 %
Net Income	2.1 %	2.1 %	2.1 %	2.1 %

COMPANY INCOME STATEMENT

Figure 1: Income Statement Items as % of Net Sales by Company Size Segment [%]

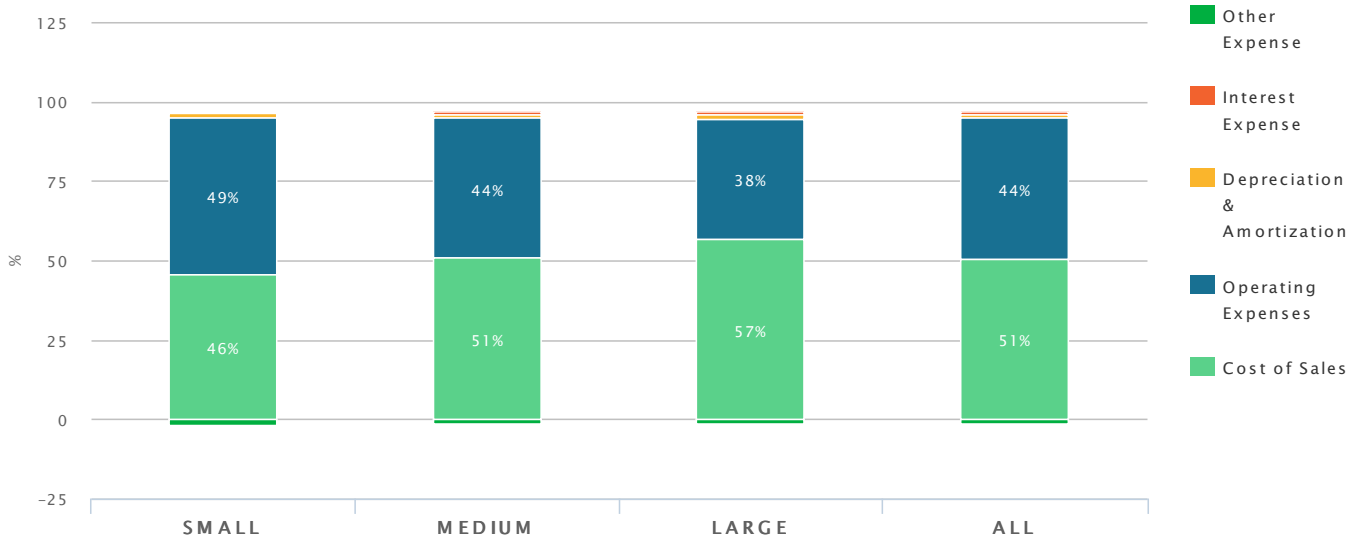


Figure 2: Cost Of Goods Sold by Company Size Segment [%]

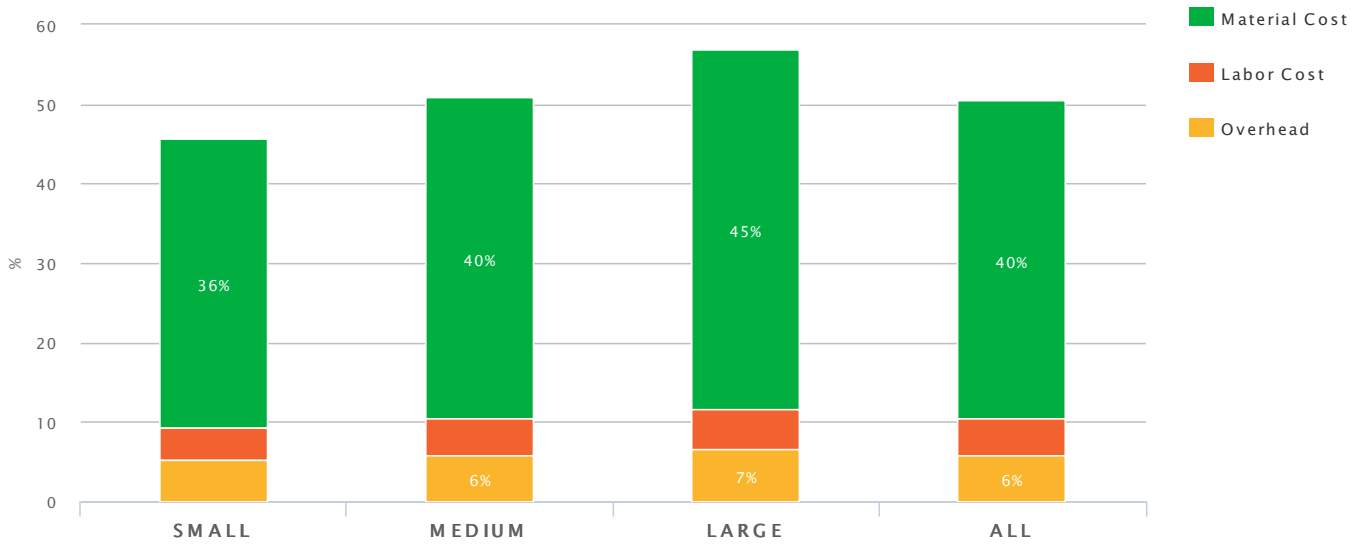
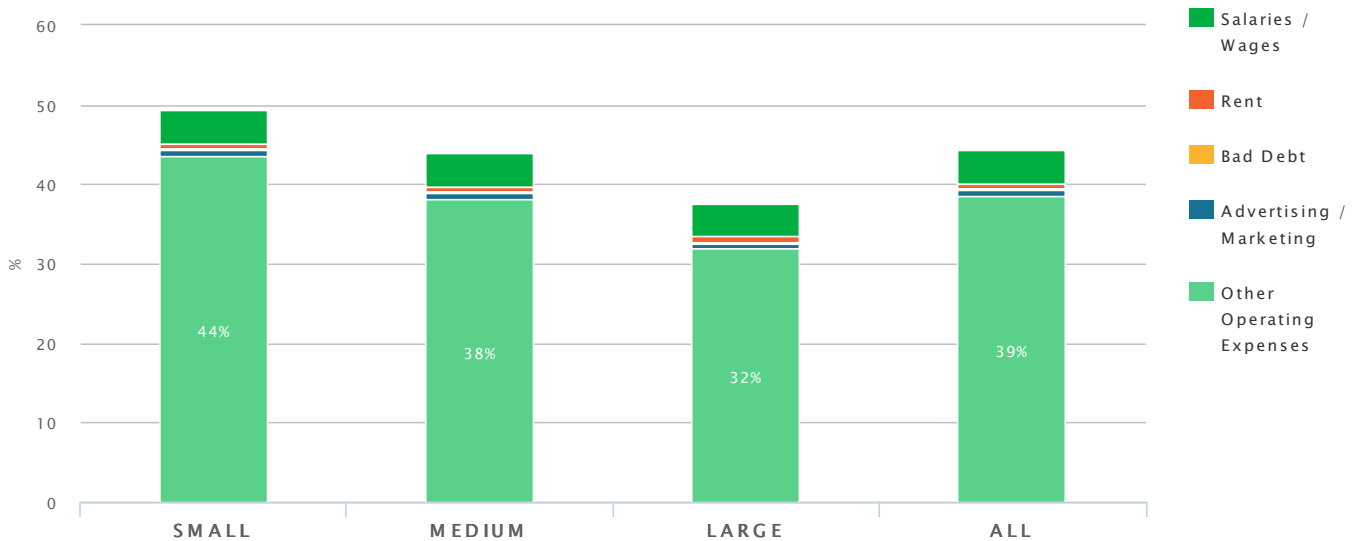


Figure 3: Operating Expenses by Company Size Segment [%]

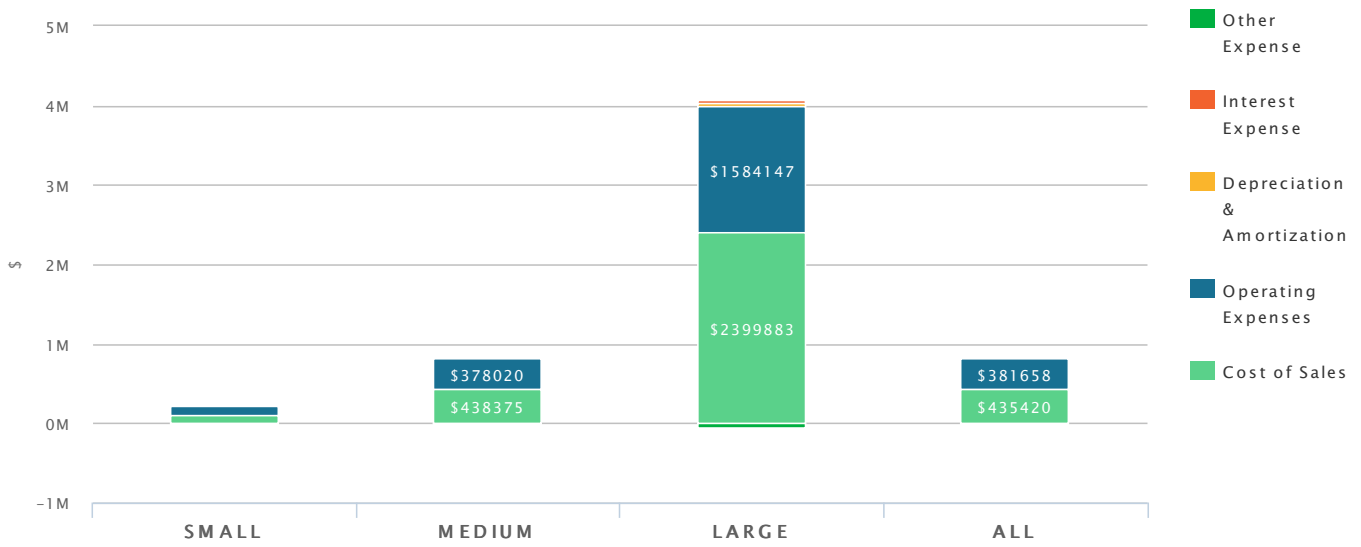


COMPANY INCOME STATEMENT [USD]

INCOME STATEMENT	SMALL	MEDIUM	LARGE	ALL
Industry Code	33271	33271	33271	33271
Sample Size (company count)	2112	4286	2119	8517
Net Sales	\$226,529	\$860,819	\$4,211,422	\$861,513
Cost of Sales	\$103,354	\$438,375	\$2,399,883	\$435,420
Material Cost	\$82,187	\$348,216	\$1,907,811	\$346,204
Labor Cost	\$9,329	\$39,617	\$216,845	\$39,340
Overhead	\$11,838	\$50,542	\$275,226	\$49,877
Gross Profit	\$123,175	\$422,444	\$1,811,539	\$426,093
Operating Expenses	\$111,725	\$378,020	\$1,584,147	\$381,658
Salaries / Wages	\$9,513	\$36,151	\$177,164	\$36,194
Rent	\$1,486	\$5,647	\$27,682	\$5,655
Bad Debt	\$320	\$1,216	\$5,959	\$1,217
Advertising / Marketing	\$1,626	\$6,181	\$30,296	\$6,189
Other Operating Expenses	\$98,780	\$328,825	\$1,343,046	\$332,404
EBITDA	\$111,450	\$44,424	\$227,392	\$44,434
Depreciation & Amortization	\$2,985	\$11,224	\$53,635	\$11,221
EBIT	\$8,464	\$33,200	\$173,757	\$33,214
Interest Expense	\$1,977	\$7,537	\$37,839	\$7,555
Other Expense	(\$3,570)	(\$12,259)	(\$48,802)	(\$12,372)
EBT	\$10,058	\$37,923	\$184,720	\$38,031
Income Taxes	\$5,301	\$19,957	\$96,925	\$20,016
Net Income	\$4,757	\$17,965	\$87,795	\$18,016

COMPANY INCOME STATEMENT

Figure 4: Net Sales by Company Size Segment ['000\$]



COMPANY BALANCE SHEET [% OF TOTAL ASSETS]

BALANCE SHEET	SMALL	MEDIUM	LARGE	ALL
Industry Code	33271	33271	33271	33271
Sample Size (company count)	2112	4286	2119	8517
Total Assets	100.0 %	100.0 %	100.0 %	100.0 %
Total Current Assets	52.4 %	52.4 %	52.7 %	52.4 %
Cash	6.5 %	6.7 %	6.1 %	6.6 %
Accounts Receivable	26.1 %	26.1 %	25.8 %	26.1 %
Inventory	9.3 %	8.8 %	10.2 %	9.1 %
Prepaid Expenses	4.7 %	4.6 %	4.2 %	4.6 %
Other Current Assets	5.8 %	6.3 %	6.4 %	6.0 %
Total Non-Current Assets	47.6 %	47.6 %	47.3 %	47.6 %
Fixed Assets	31.5 %	31.2 %	29.9 %	31.1 %
Intangible Assets	0.1 %	0.1 %	0.2 %	0.1 %
Long-Term Investments	0.1 %	0.1 %	0.1 %	0.1 %
Other Non-Current Assets	15.9 %	16.2 %	17.2 %	16.2 %
Liabilities & Net Worth	100.0 %	100.0 %	100.0 %	100.0 %
Total Liabilities	69.8 %	69.8 %	68.2 %	69.7 %
Total Current Liabilities	31.4 %	31.4 %	31.1 %	31.4 %
Accounts Payable	7.2 %	7.1 %	7.1 %	7.1 %
ST Notes Payable	0.0 %	0.0 %	0.0 %	0.0 %
Bank Loan Payable	3.0 %	2.8 %	2.4 %	2.8 %
Current Maturities of LT Debt	0.0 %	0.0 %	0.0 %	0.0 %
Other Current Liabilities	21.3 %	21.5 %	21.6 %	21.5 %
Total Long Term Liabilities	38.4 %	38.4 %	37.1 %	38.3 %
LT Notes Payable	20.7 %	20.7 %	20.3 %	20.7 %
Other Non-Current Liabilities	17.7 %	17.7 %	16.8 %	17.6 %
Net Worth	30.2 %	30.2 %	31.8 %	30.3 %

COMPANY BALANCE SHEET

Figure 5: Assets as % of Total Assets by Company Size Segment [%]

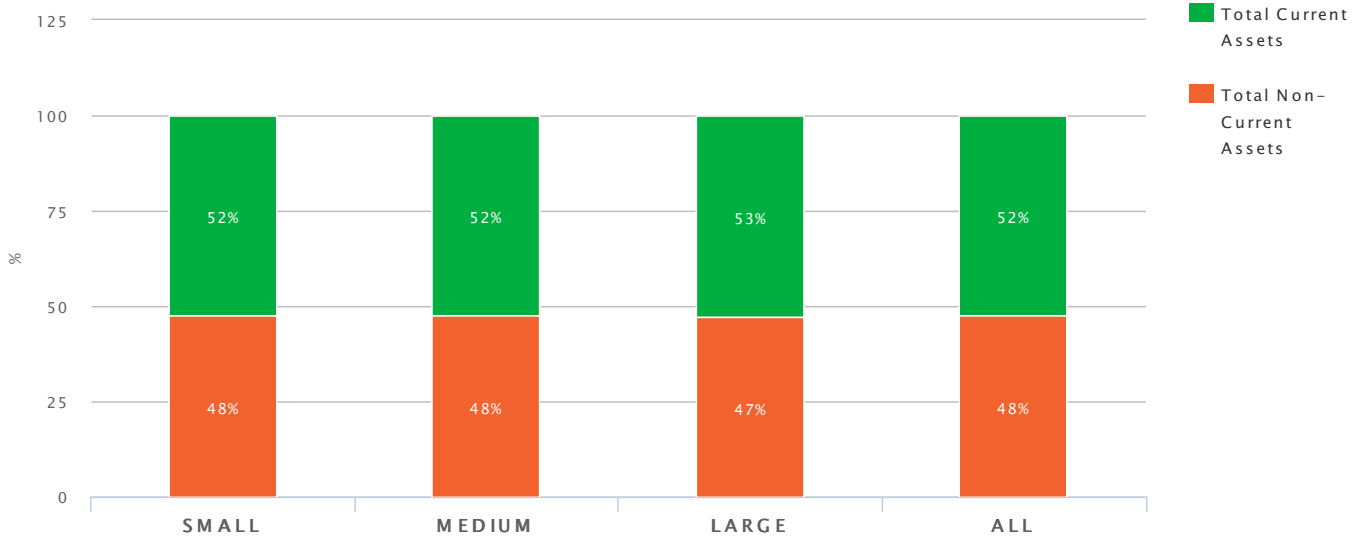


Figure 6: Liabilities & Net Worth as % of Total Assets by Company Size Segment [%]

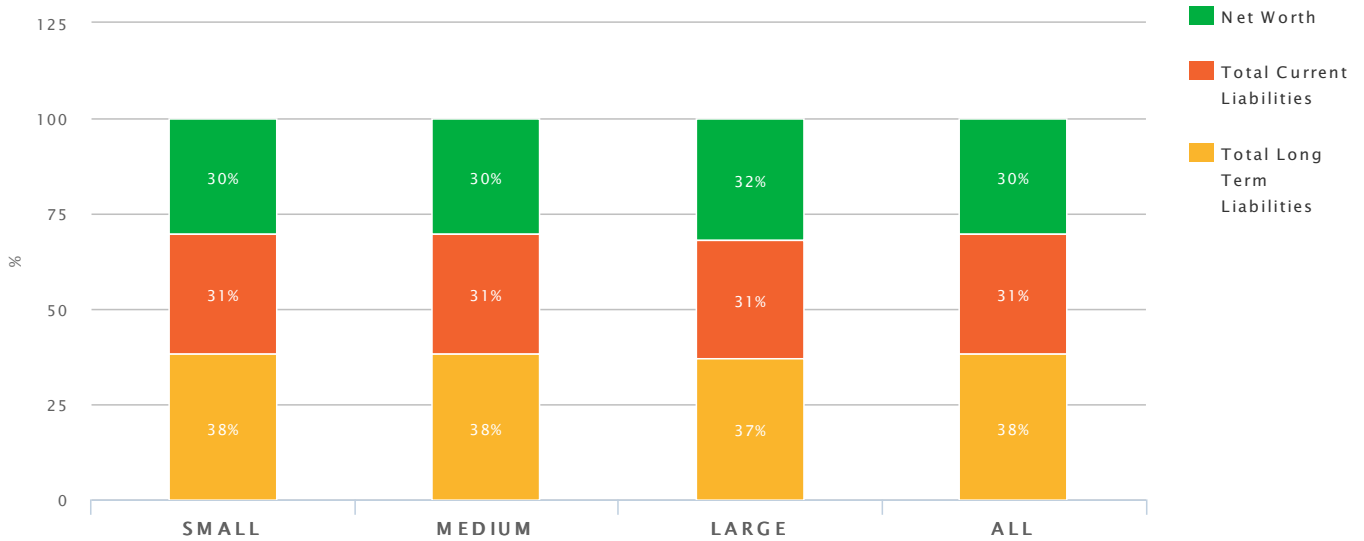


Figure 7: Total Current Assets by Company Size Segment [%]

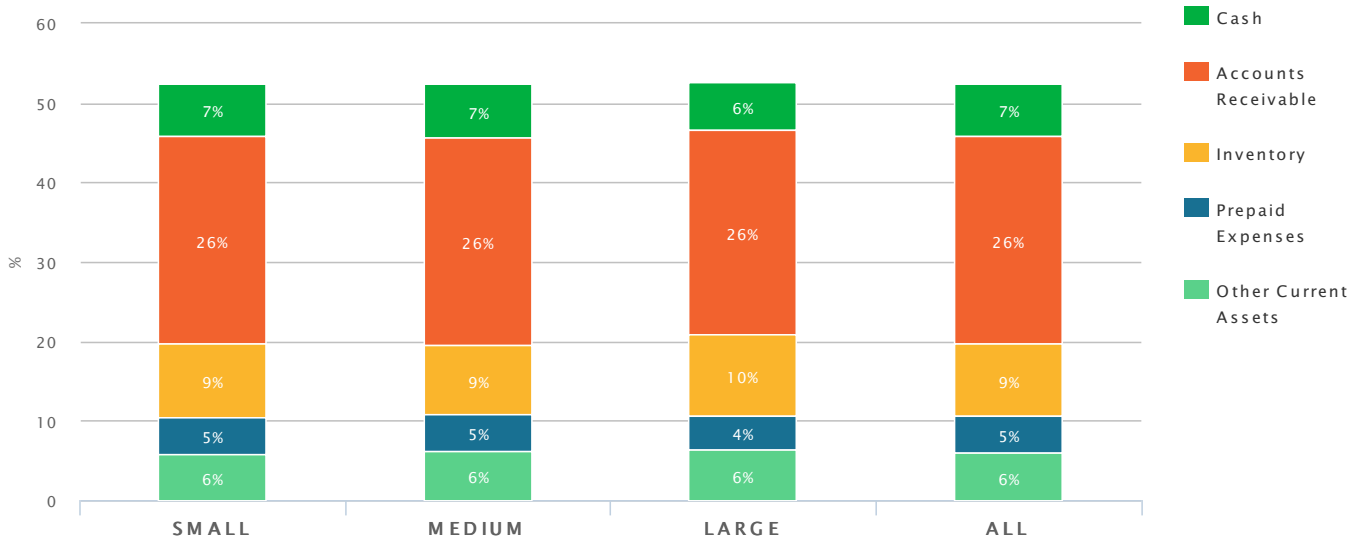


Figure 8: Total Non Current Assets by Company Size Segment [%]

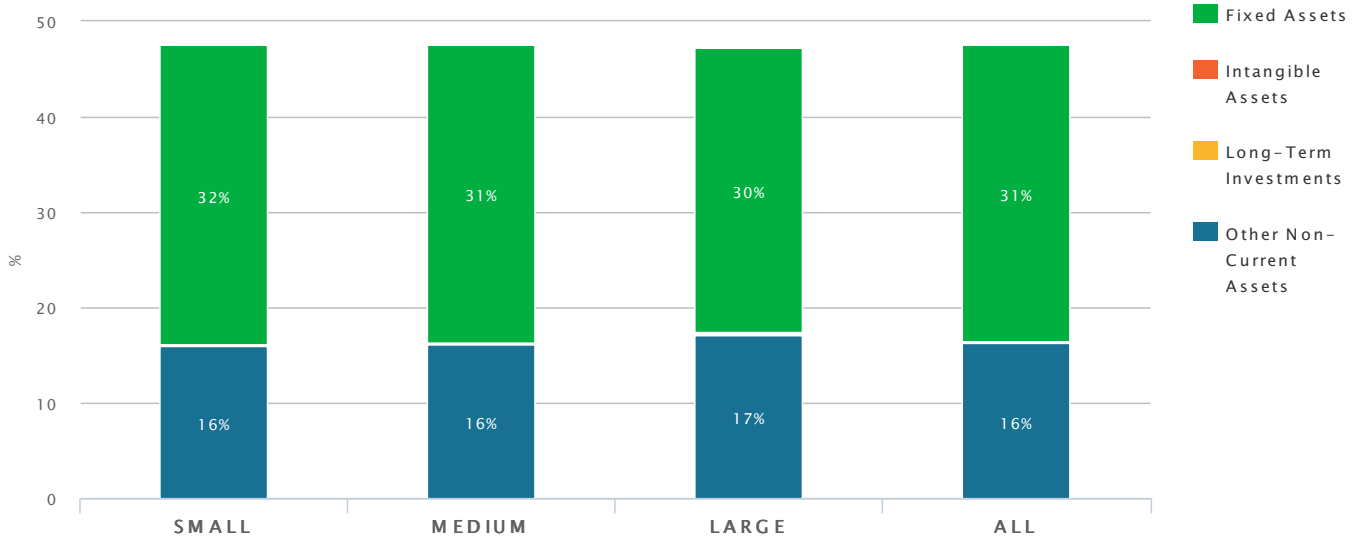


Figure 9: Total Current Liabilities by Company Size Segment [%]

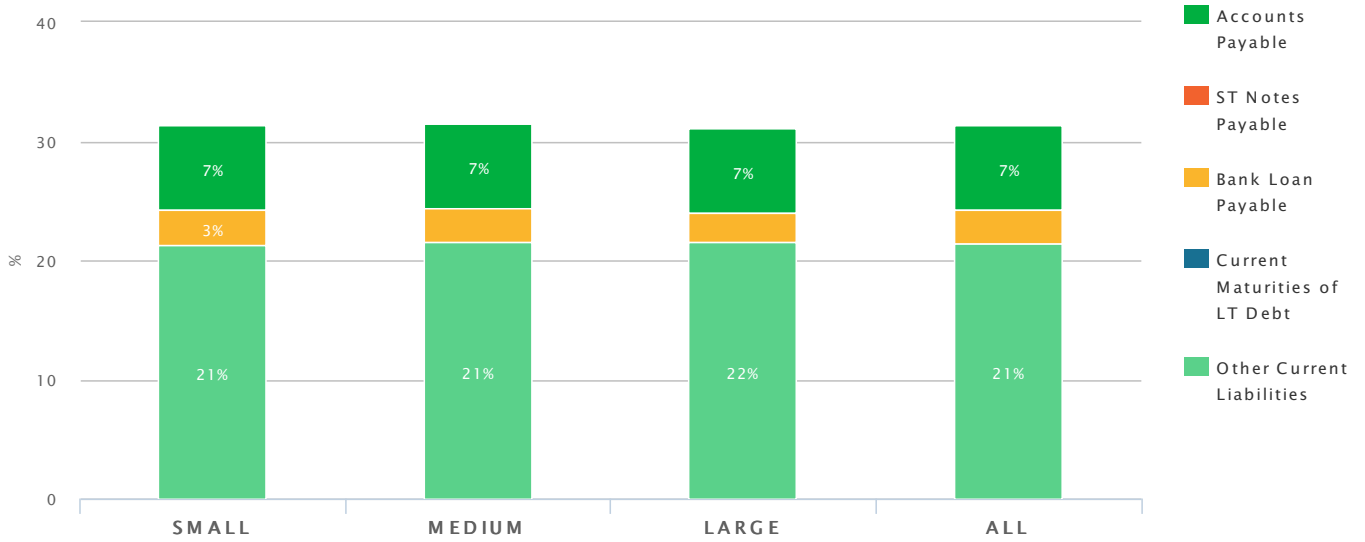
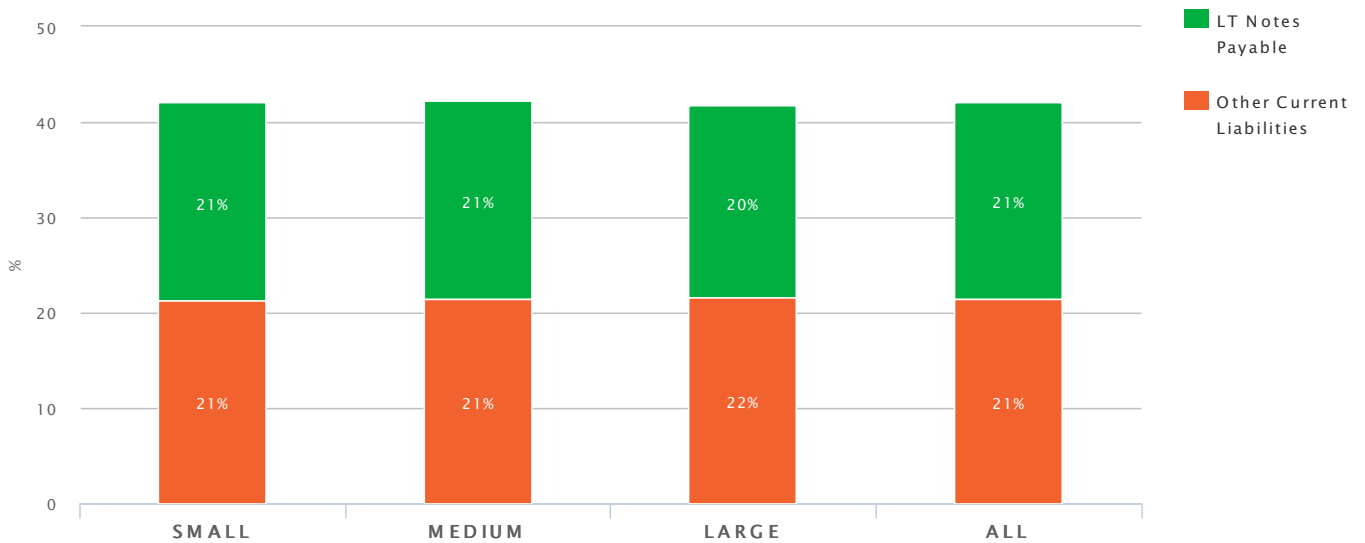


Figure 10: Total Long Term Liabilities by Company Size Segment [%]



COMPANY BALANCE SHEET [USD]

BALANCE SHEET	SMALL	MEDIUM	LARGE	ALL
Industry Code	33271	33271	33271	33271
Sample Size (company count)	2112	4286	2119	8517
Total Assets	\$74,393	\$285,876	\$1,588,267	\$292,809
Total Current Assets	\$38,971	\$149,855	\$836,592	\$153,533
Cash	\$4,853	\$19,087	\$96,686	\$19,365
Accounts Receivable	\$19,444	\$74,633	\$409,256	\$76,368
Inventory	\$6,882	\$25,084	\$161,778	\$26,767
Prepaid Expenses	\$3,494	\$13,099	\$66,756	\$13,437
Other Current Assets	\$4,297	\$17,952	\$102,115	\$17,595
Total Non-Current Assets	\$35,423	\$136,021	\$751,675	\$139,277
Fixed Assets	\$23,434	\$89,229	\$475,285	\$91,206
Intangible Assets	\$98	\$389	\$2,490	\$400
Long-Term Investments	\$52	\$198	\$1,078	\$203
Other Non-Current Assets	\$11,838	\$46,205	\$272,822	\$47,468
Liabilities & Net Worth	\$74,393	\$285,876	\$1,588,267	\$292,809
Total Liabilities	\$51,935	\$199,657	\$1,082,907	\$204,091
Total Current Liabilities	\$23,369	\$89,841	\$493,838	\$91,921
Accounts Payable	\$5,324	\$20,301	\$112,526	\$20,831
ST Notes Payable	\$0	\$0	\$0	\$0
Bank Loan Payable	\$2,207	\$8,077	\$38,733	\$8,269
Current Maturities of LT Debt	\$0	\$0	\$0	\$0
Other Current Liabilities	\$15,838	\$61,463	\$342,579	\$62,821
Total Long Term Liabilities	\$28,567	\$109,817	\$589,069	\$112,170
LT Notes Payable	\$15,427	\$59,287	\$321,872	\$60,666
Other Non-Current Liabilities	\$13,140	\$50,529	\$267,196	\$51,504
Net Worth	\$22,458	\$86,218	\$505,360	\$88,718

COMPANY BALANCE SHEET

Figure 11: Assets by Company Size Segment ['000\$]

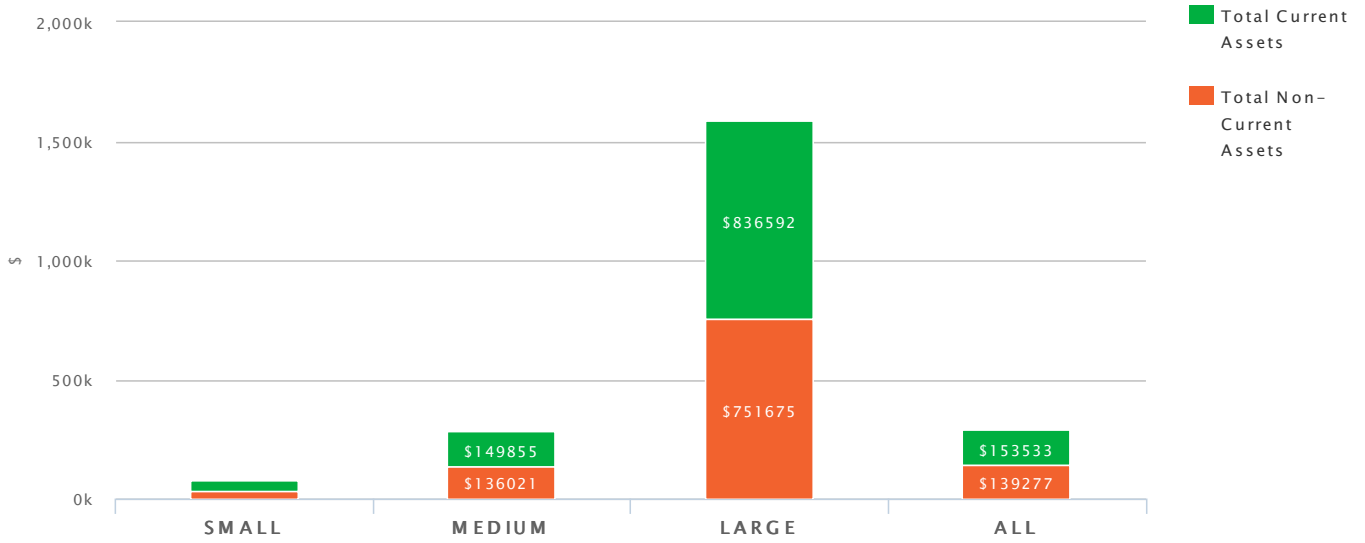
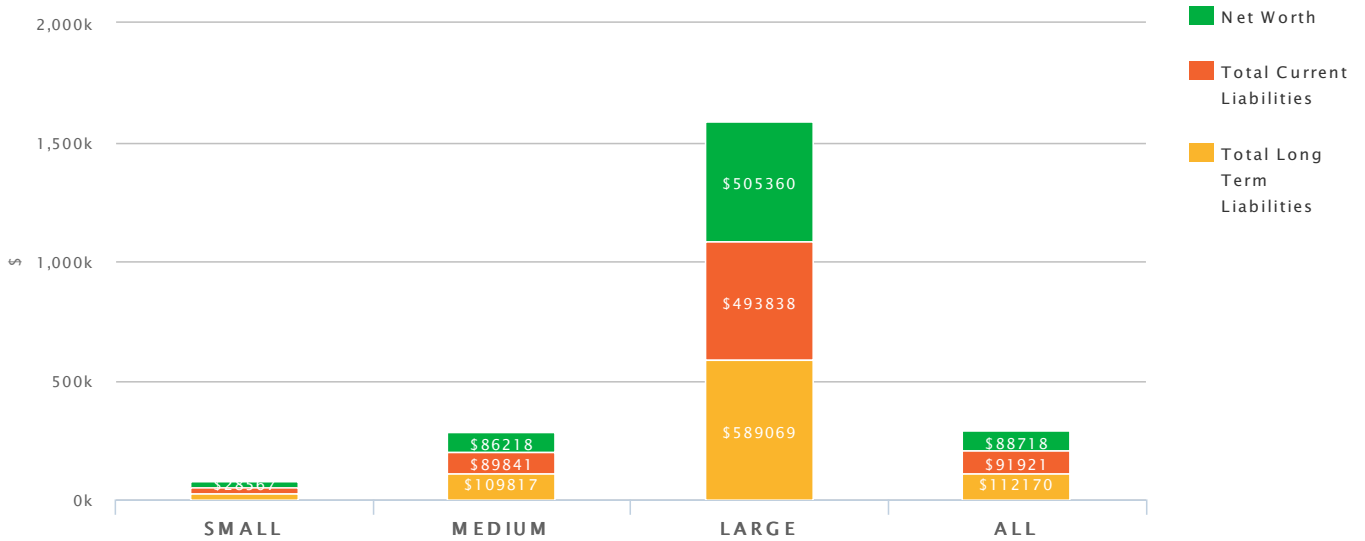


Figure 12: Liabilities & Net Worth by Company Size Segment ['000\$]



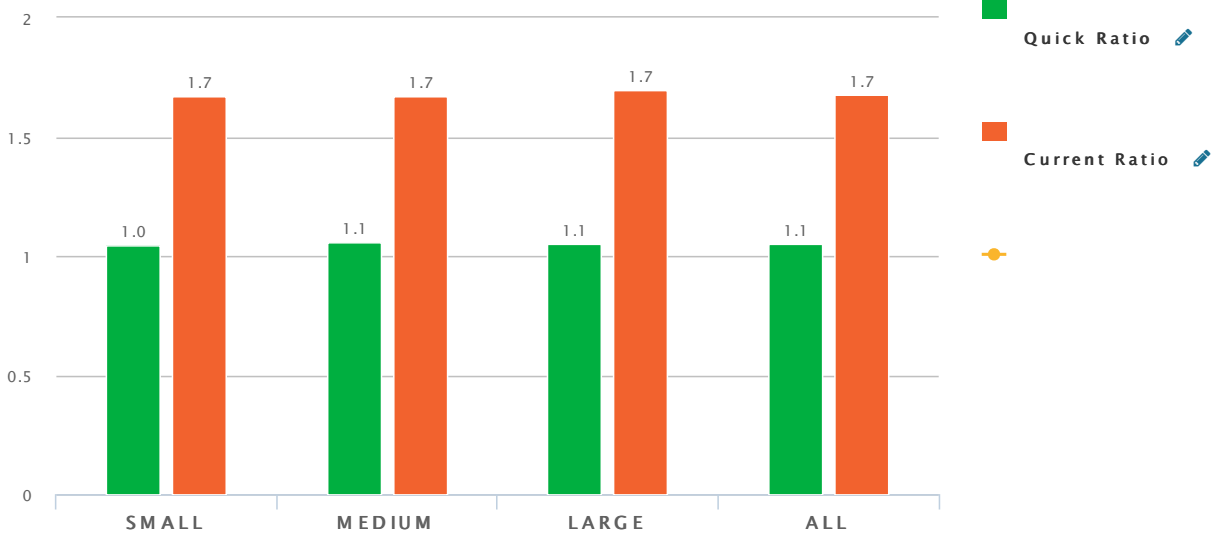
FINANCIAL RATIOS

FINANCIAL RATIOS	SMALL	MEDIUM	LARGE	ALL
Industry Code	33271	33271	33271	33271
Sample Size (company count)	2112	4286	2119	8517
LIQUIDITY RATIOS				
Quick Ratio	1.05	1.06	1.05	1.05
Current Ratio	1.67	1.67	1.70	1.67
Current Liabilities to Net Worth	101.2 %	99.9 %	98.1 %	99.7 %
Current Liabilities to Inventory	324.7 %	328.4 %	300.3 %	321.2 %
Total Liabilities to Net Worth	226.9 %	224.1 %	211.0 %	223.0 %
Fixed Assets to Net Worth	101.1 %	98.5 %	93.4 %	98.1 %
Interest Coverage	2.68	2.65	2.69	2.67
ASSET EFFICIENCY RATIOS				
Collection Period	30.25	30.27	30.88	30.37
Inventory Turnover	32.49	32.43	27.95	32.17
Assets to Sales	32.6 %	33.0 %	33.9 %	33.0 %
Sales to Working Capital	14.42	14.10	13.51	14.10
Accounts Payable to Sales	2.2 %	2.2 %	2.3 %	2.2 %
PROFITABILITY RATIOS				
Return on Assets	6.8 %	6.7 %	6.7 %	6.7 %
Return on Investment	7.0 %	7.0 %	7.0 %	7.0 %
Sales per Employee	\$93,628	\$114,777	\$149,749	\$113,159
Profit per Employee	\$2,046	\$2,481	\$3,306	\$2,444

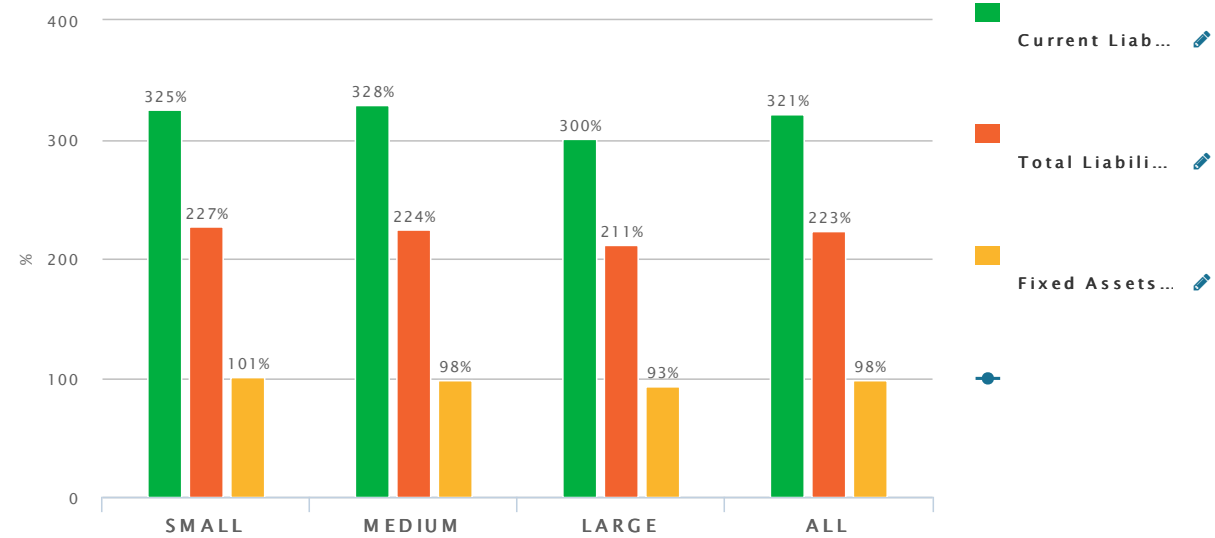
FINANCIAL RATIOS

The figures below are displayed to improve readability of the data. Only for this reason, some data points have also been connected with lines. This does not suggest statistically relevant correlation or particular trends.

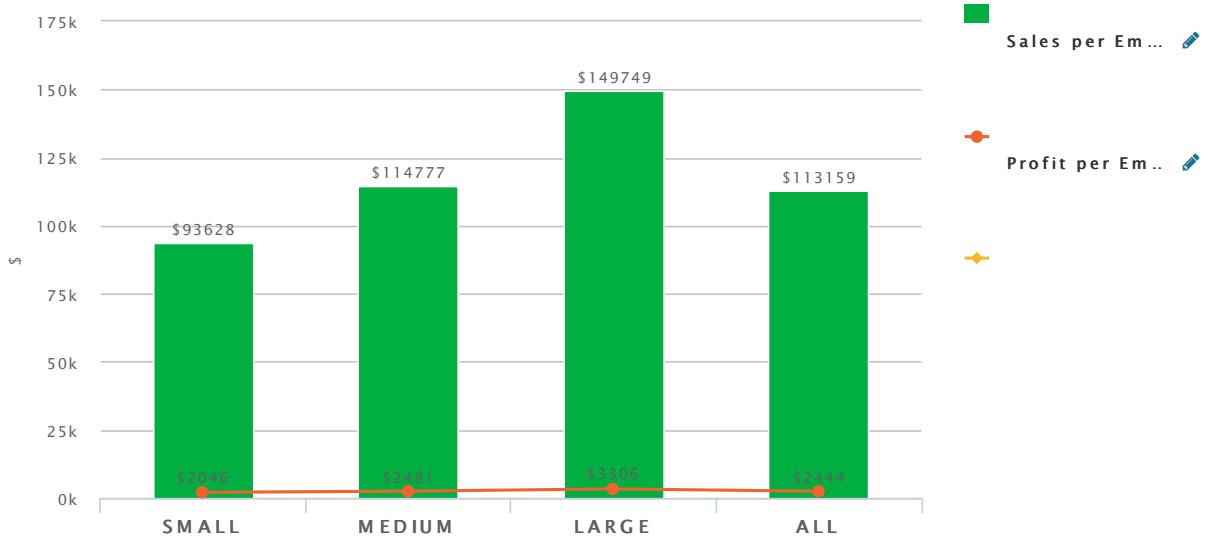
Ratios by Company Size Segment



Ratios by Company Size Segment



Ratios by Company Size Segment



Glossary

LIQUIDITY RATIOS

Current Ratio: *Current Assets* divided by *Current Liabilities*

This ratio provides a general indication of the extent to which claims of short-term creditors are covered by assets expected to be converted into cash, within a period that roughly corresponds to the due dates of the current liabilities. Note that, the higher the ratio, the greater the cushion between current obligations and the firm's ability to pay them. A general guideline suggests that a current ratio less than 2 might indicate a potential cash shortage.

Current Liabilities to Net Worth: *Current Liabilities* divided by *Net Worth*

This ratio expresses the relationship between capital contributed by current obligation creditors and capital contributed by owners. It indicates the ability of a firm to safely meet the obligations of current creditors. The higher the ratio, the greater the risk that a firm will not be able to meet the obligations of creditors and a ratio less than 1 may be an indication of potential cash shortage problems.

Total Liabilities to Net Worth: *Total Liabilities* divided by *Net Worth*

This ratio expresses the relationship between the capital contributed by creditors and the capital contributed to the firm by owners. This provides an indication of the ability of a firm to meet creditor obligations and the lower the ratio the better financial condition the firm is thought to be in. A high ratio may signal potential cash shortage. A firm with a low ratio usually has a greater ability to borrow debt in the future.

Quick Ratio: *(Current Assets - Inventory)* divided by *Current Liabilities*

This is a measure of a firm's ability to meet short-term obligations without relying on sale of inventory. A ratio of less than one may indicate a potential cash shortage.

Current Liabilities to Inventory: *Current Liabilities* divided by *Inventory*

This ratio provides an indication of the ability of a firm's inventory sales to generate the cash needed to meet the short-term obligation of creditors. A ratio that is low usually indicates that the company will be able to meet short-term obligations. A high ratio may be cause for concern and signal a potential cash shortage.

ASSET EFFICIENCY RATIOS

Sales to Net Working Capital: *Sales* divided by *(Current Assets - Current Liabilities)*

This ratio is a measure of a company's turnover of working capital within a year and reflects how efficiently working capital is being used. A low ratio may indicate the inefficient use of working capital while a high ratio may signal potential cash shortages and indicate a risk of not being able to pay creditors.

Assets Turnover: *Total Assets* divided by *Sales*

This ratio is a measure of a firm's productive use of assets and a low percentage compared to the average for the industry usually indicates high asset use efficiency.

Inventory Turnover: *Sales* divided by *Inventory*

This ratio reflects the number of times a company's average inventory is sold during the operating period. Typically, a higher ratio indicates greater production and sales efficiency.

Collection Period: *Accounts Receivable* divided by *(Sales/365)*

This indicates the amount of time (in days) that the firm must wait after making a sale before receiving payment. A long collection period usually signals high delinquencies and the potential for cash shortages.

Accounts Payable to Sales: *Accounts Payable* divided by *Sales*

This ratio provides a measure of the efficiency of a firm and the ability to generate sales revenue to cover supplier expenses. A low percentage may indicate an over reliance on supplier credit to support sales.

PROFITABILITY RATIOS

Return on Sales: *Net Profit* divided by *Sales*

This ratio provides a measure of profitability by analyzing a return on sales, after all expenses have been deducted, including operational expenses, depreciation, amortization, and interest. In general, higher Return on Sales is better. However, this ratio varies greatly across industries, and should always be benchmarked to the most relevant industry peers.

Return on Assets: *Net Profit* divided by *Total Assets*

This ratio measures the return on the total investment in assets including those financed with debt as well as equity.

Return on Investment: *Net Profit* divided by *Net Worth*

This ratio is a measure of the return or earnings on the money invested in the firm. This return must be high enough to provide owners with an adequate return for the risk that is being assumed by keeping investments in the firm. A low return will also make it difficult to attract additional investment capital in the future.

Sales per Employee: *Sales* divided by *Number of Employees*

This is a measure of the productivity of employees. In addition, this is a measure of how capital or labor intensive a firm is. A low measure may indicate that the firm is labor intensive (or over staffed) and a high measure may indicate the firm is capital intensive (or under staffed).

Profit per Employee: *Net Profit* divided by *Number of Employees*

This is a measure of the profits a firm is generating for each of its employees.

Terms Of Use

The content of this report copyrighted to Industrious LLC may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.

DATA DISCLAIMER

IndustriousCFO's industry metrics are relied upon by reputable firms, analysts and academics. The raw data covers more than 900,000 businesses operating in more than 2,500 industry segments. IndustriousCFO has refined powerful data management approaches that include meticulous data cleaning procedures to ensure that the data meets necessary statistical research assumptions such as normality of distribution and temporal stability, all resulting in the largest and most accurate database of its kind.

While the data in this report has been compiled with the greatest possible care to ensure reliability, IndustriousCFO recommends using the data in combination with other tools and sources and not as ultimate standards. Please refer to Terms of Use and Disclaimer for details or contact us if you have additional questions or would like to provide feedback.