

SWOT-XPRESS

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INDUSTRY FINANCIAL INSIGHTS - 2019

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

7.81%

N/A

Financial Metrics: Sales Class: Small < \$5M

(Peer industry and sales class average % basis)

KEY PL&BS BENCHMARKS

	Industry	Firm
Gross Margin	32.94%	n/a
Officer/Owner's Compensation	5.38%	n/a
Depreciation	2.20%	n/a
Operating Expenses	32.37%	n/a
Pre-Tax Net Profit	0.28%	n/a
Owner Earnings	7.81%	n/a
Accounts Receivable: Total Assets	22.39%	n/a
Accounts Payable: TL & NW	7.11%	n/a
Net Worth:Total Assets	64.04%	n/a

INDUSTRY STANDARD BENCHMARKS

	Industry	Firm
Current Ratio	2.58	n/a
Sales per Employee	\$316,246	n/a
Efficiency Index	4.43	n/a
Days Payable	16.27	n/a
Days Receivable	34.35	n/a
Current Liabilities: NW	0.38	n/a
Long Term Liabilities: NW	0.18	n/a
Total Liabilities: NW	0.56	n/a
Modified Z-Score	3.60	n/a
Accounts Payable: Revenue	2.99	n/a

ANNUAL FIRM SALES

FIRM SALES

N/A

FIRM SALES RANK

N/A

BUSINESS VALUE INSIGHTS

MAY 2020

ASSET SALES VALUE: EARNINGS APPROACH

N/A

Bizminer Vestimate®-Plus Value basis derived from input company sales and owner earnings; peer group earnings %; and industry valuation multiples.

MARKET ANALYSIS INSIGHTS

MAY 2020

Power Boiler and Heat Exchanger Manufacturing
 [332410]

TOTAL INDUSTRY SALES

\$412,075,040

INDUSTRY MARKET OVERVIEW

TULSA OK METRO AREA

Industry Operations	17
Annual Market Sales Volume	\$412,075,040
Average Site Sales	\$24,239,708
Average Small Business Sales	\$2,476,413

MARKET PENETRATION

Market Sales per Person	\$421
Sales per Person Opportunity Index	0.05
Market Sales per Household	\$969
Sales per Household Opportunity Index	0.05
Location Quotient	13.93

MARKET AREA POPULATION AND INCOME

Population	985,233
Households	380,053
Per Capita Income	\$29,507
Median HH Income	\$54,391

COVID IMPACT

Bizminer reports now adjust our raw data to better reflect the most recent changes in local and national industry markets. We accomplish this by integrating additional Census Bureau data with our proprietary content, allowing us to accelerate and refine month-to-month trends. Our content displays the new data in three ways:

- Our employment data is adjusted to better reflect the most recent realities at local and national levels
- Updates of industry market sales averages and total market volume are accelerated by one month and renamed as Trailing Twelve Month (TTM) values
- New content will display monthly (not annual) industry sales and employment from year-end 2019 through both Preliminary Update and Advance Projection months.

These enhanced protocols will be most obvious in our Industry Market Trend series, including a new “Monthly Change” tab in each report. Similarly, snapshot reports like the SWOT-XPRESS, Competitive Market Narrative and Company Insight series will reflect our new update protocols and add content for Preliminary Update and Advance months.

Shorter projections are more detailed and accurate than longer-term projections. Preliminary Update data is calculated on a more accurate and detailed basis than the Advance Projection month, which will adjust as it moves to “update month” status the following month. Interpret and utilize this content accordingly.

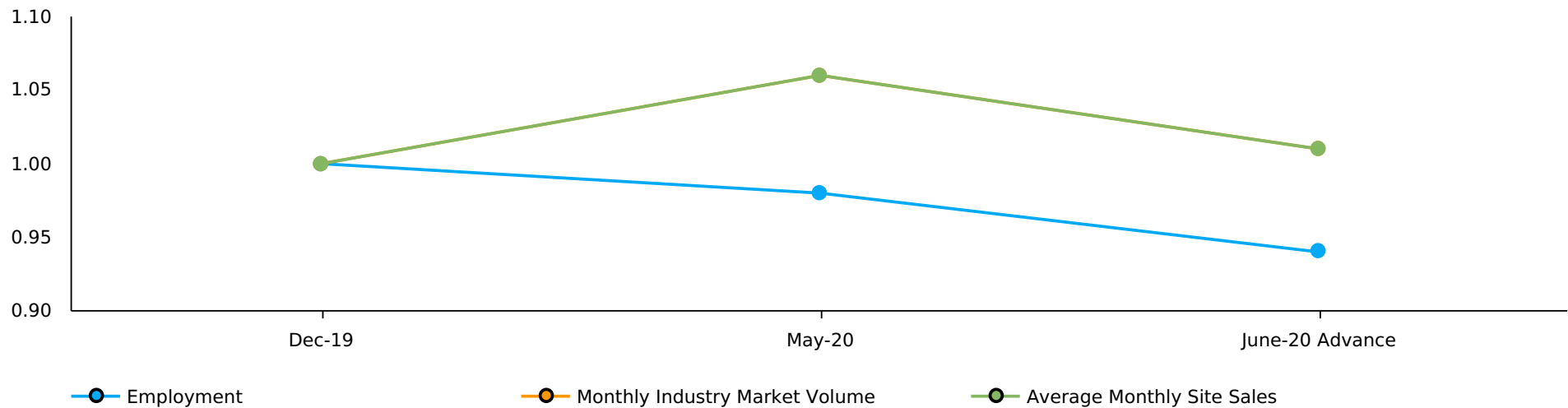
MONTH-TO-MONTH EMPLOYMENT-SALES

	Dec-19	May-20	June-20 Advance
Employment	1,031	1,015	964
Monthly Industry Market Volume	31,804,763	33,724,387	32,023,108
Average Monthly Site Sales	1,870,868	1,983,787	1,883,712

% CHANGE FROM DEC-19

	May-20	June-20 Advance
Employment	-1.56%	-6.52%
Monthly Industry Market Volume	6.04%	0.69%
Average Monthly Site Sales	6.04%	0.69%

Monthly Change Index (Dec-19=1.00)



STRENGTHS & WEAKNESSES

OPPORTUNITIES AND THREATS

Market Opportunity and Saturation:

The Sales per person index in this industry market is 0.05, suggesting the possibility of service saturation or an export surplus of \$396,063,666 sales

The Sales per household index in this industry market is 0.05, suggesting the possibility of service saturation or an export surplus of \$350,788,919 sales

Industry employment is more concentrated in this market than US levels by a factor of 13.93x, suggesting possible market saturation or surplus export sales.

INDUSTRY FINANCIAL INSIGHT TERMS

Industry peer group percentage averages are applied to the company's estimated revenue.

Gross Margin: Business Revenue minus Cost of Sales

Officer/Owner's Compensation:

Total wage compensation for services of company officers

Depreciation: Current portion of non-cash depreciation-amortization-depletion

Operating Expenses: Discretionary Expenses (excludes Cost of Sales and Interest Paid)

Pre-Tax Net Profit: Net Profit before payment of income taxes

Owner Earnings: Officers Compensation+Net Profit+Depreciation

Net Worth/Assets: Net Worth as a percent of Total Assets

Sales per Employee: An efficiency or value-added indicator: Sales/FTE employees

Efficiency Index:

A more sophisticated efficiency indicator: Sales per Employee/Average Annual Wage

Accounts Receivable: Total Assets: Short-term receivables as a percent of Total Assets

Accounts Payable:Total Liabilities & Net Worth:

Short-term receivables as a percent of Total Liabilities+Net Worth

Days Payable: $365 / (\text{Cost of Sales} / \text{Accounts Payable ratio})$

Days Receivable: $365 / (\text{Business Revenue} / \text{Receivables})$

Current Ratio: Current Assets/Current Liabilities

Current Liabilities: Net Worth: Current Liabilities/Net Worth

Total Liabilities: Net Worth: Total liabilities/Net Worth

Modified Z-Score: A modified form of the Altman Z-Score which evaluates default risk

Accounts Payable:Revenue: Accounts Payable/Business Revenue

Loans-Notes Payable:Net Worth: Loans-Notes Payable/Net Worth

BUSINESS VALUE INSIGHT TERMS

Bizminer Vestimate® Value basis derived from input company sales and owner earnings; peer group average earnings %; and industry valuation multiples.

Owner Earnings (Cash Flow) Approach: Revenue/Owner Earnings market valuation approach

Sales Approach: Revenue/Annual Sales market value approach

Median and Quartiles: Median: the point at which 50% of a sample is above and 50% of the same below the value. Quartile 1 lies at the mid-point between the median and the lowest value; Quartile 3 between the median and the highest value.

MARKET INSIGHTS TERMS

Market Area: The selected market parameters for this industry.

Competitors: The number of same-industry operations within the market area.

Industry Market Sales Volume: Aggregate industry market sales

Average Site Sales: Average annual revenue of industry market operations in the market area.

Average Small Business Sales: Average annual sales of single site firms with <25 employees in the market

Firm Sales Rank: Sales rank based on this location's estimated revenue among all same industry market operations

US and Market Sales per Person and Household: Sales per person and sales per household using the US as a comparison basis for the local market or, if a national market, displaying that value.

Opportunity Index: A calculated index for both Sales per Person and Sales per Household indicating the level of market saturation where balance between Market and US levels where equilibrium=1.00. A higher index indicates more opportunity.

Projected Service Gap/Saturation-Plus: Projected dollar value of the Sales per Person/Household variance between the market area and the US average.

Location Quotient: Indicator of market saturation by employment; compares industry employment to total market employment at the local and national levels where equilibrium=1.00. A lower index indicates may indicate additional market opportunity.

Per Capita Income: Average area income per person

Median Household Income: Median (mid-point) area income per household

SWOT-XPRESS SCORING EXPLAINED

In most cases, the variance for each metric measures the percentage difference between input firm ratios and the industry average. The Sales per Household Market Opportunity Index and Location Quotient compare local and national market data to determine the variance between the two.

Each variance results in a Score of 1-5 (5 being best) for each year of each selected ratio. The application of the Variances to the Score depends on the specific metric; in most cases higher is better (Standard Scoring); in some, lower (Reverse Scoring) is better; in a few, closest to the industry average (Balanced Scoring) is best.

Approach to Scored SWOT Metrics:

- Owner Earnings (%) -Standard
- Sales Rank -Standard
- Variance from Average Sales-Standard
- Variance from Small Business Sales-Standard
- Sales per Household Market Opportunity Index-Standard
- Location Quotient-Reverse
- Sales per Employee Index-Standard
- Efficiency Index-Standard
- Days Receivable-Reverse
- Current Ratio-Standard
- Current Liabilities:Net Worth-Reverse
- Long Term Liabilities: Net Worth-Reverse
- Total Liabilities:Net Worth-Reverse
- Days Payable-Balanced
- Modified Z-Score-Standard

Scoring Calculations:

Standard (basically higher is better)

- +/-10% from average= 3
- +11% to +20% above average= 4
- >20% above average= 5
- +11% to +20% below average= 2
- >20% below average= 1

Reverse (lower is better)

- +/-10% from average= 3
- +11% to +20% above average= 2
- >20% above average= 1
- +11% to +20% below average= 4
- >20% below average= 5

Balanced (middle is good, too high or too low is not)

- +/-10% from average= 5
- 11% to 15% above or below average= 4
- +16% to +25% above or below average= 3
- 25%-30% above or below average= 2
- 30% above or below average= 1

DATA SOURCES AND LIMITATIONS

BizMiner data is widely accepted for industry analytical work, benchmarking, valuations, forensics and litigation. Raw data analyzed for BizMiner reports is sourced from an array of the nation's government and private statistical sources. None of these raw data sources creates the final measures reflected in BizMiner industry profiles. In total, BizMiner accesses over a billion sourced data points from 15 million business operations for each of its twice annual updates covering a 3-5 year time series. Historical data and BizMiner algorithms are used to inform and test projections for non-reporting firms. Data elements are sourced specifically from:

- IRS Statistics of Income
- IRS SOI Corporation Tax Book
- IRS Sole Proprietorship Tables
- US Economic Census
- US Census Quarterly Financial Reports
- US Census County Business Patterns
- Bureau of Labor Statistics Monthly Employment Reports
- Bureau of Labor Statistics Monthly Unemployment Reports
- Bureau of Labor Statistics Annual Wage Survey
- Bureau of Labor Statistics Industry Productivity Reports
- Bureau of Labor Statistics Price Indices
- Bureau of Labor Statistics Consumer Price Index
- National Agricultural Statistical Service
- US Census Retail Trade Report
- InfoGroup, Inc.
- DealStats
- American Community Survey

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