

# COMPETITIVE ALTERNATIVES 2012 COST MODEL DETAILED COMPARISON REPORT

INDUSTRY: MANUFACTURING AVERAGE

RUN DATE: 03/01/2013 5:40:45  
PMOPERATION: Average of 12 operations  
(USD\$'000)

City	Calgary	Edmonton	Toronto	Vancouve	Denver	Houston	New Orle
Region	AB	AB	ON	BC	CO	TX	LA
Country	CA	CA	CA	CA	US	US	US

Exchange rate per USD\$	C\$1.020	C\$1.020	C\$1.020	C\$1.020	\$1.000	\$1.000	\$1.000
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## Initial Investment

Cash	340	340	340	340	340	340	340
Inventory	4,417	4,417	4,417	4,417	4,417	4,417	4,417
Fixed assets	16,391	16,391	16,391	16,391	16,391	16,391	16,391
	\$21,148	\$21,148	\$21,148	\$21,148	\$21,148	\$21,148	\$21,148

## Initial Financing

Debt	10,294	10,294	10,294	10,294	10,294	10,294	10,294
Equity	10,854	10,854	10,854	10,854	10,854	10,854	10,854
	\$21,148	\$21,148	\$21,148	\$21,148	\$21,148	\$21,148	\$21,148

## 10-Year Average Profit & Loss

	Calgary	Edmonton	Toronto	Vancouve	Denver	Houston	New Orle
<b>Sales</b>	34,631	34,631	34,631	34,631	34,631	34,631	34,631

### Location-sensitive costs

Salary and wages	5,634	5,474	5,575	5,643	5,242	5,155	5,127
Statutory plans	368	366	499	369	498	506	486
Other benefits	1,535	1,491	1,575	1,500	1,969	2,062	2,051
<b>Total labor</b>	7,538	7,331	7,649	7,512	7,709	7,722	7,663

Rank, total labor	3	1	4	2	6	7	5
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Facility lease	467	448	336	555	266	394	322
Rank, facility lease	6	5	3	7	1	4	2

Surface freight	2,891	2,944	2,148	2,393	2,518	1,844	2,104
Air freight	396	412	407	499	350	227	422
<b>Total transportation</b>	3,287	3,356	2,555	2,893	2,868	2,071	2,526

Rank, transportation	6	7	3	5	4	1	2
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Electricity	314	347	304	199	173	166	186
Gas	76	71	90	109	89	60	62
<b>Total utilities</b>	390	418	394	308	262	226	248

<i>Rank, electricity</i>	6	7	5	4	2	1	3
<i>Rank, gas</i>	4	3	6	7	5	1	2
<i>Total operating costs</i>	11,681	11,553	10,933	11,268	11,105	10,413	10,760
<i>Rank, operating costs</i>	7	6	3	5	4	1	2
	Calgary	Edmonton	Toronto	Vancouve	Denver	Houston	New Orle
Interest	391	377	352	372	522	507	496
Depreciation	1,972	1,972	1,972	1,972	1,972	1,972	1,972
<i>Total interest, depreciation</i>	2,363	2,349	2,324	2,343	2,494	2,478	2,468
Income tax, national	218	257	304	266	773	963	1,034
Income tax, regional	157	186	263	198	114	15	-104
Income tax, local	-	-	-	-	-	-	-
Capital tax, national	-	-	-	-	-	-	-
Capital tax, regional	-	-	-	-	-	-	-
Sales tax	-	-	-	99	81	104	111
Property tax	165	122	298	189	399	531	243
Gross receipts tax	-	-	-	-	-	-	-
Business tax	83	-	-	-	-	-	-
Grants, subsidies	-	-	-	-	-	-	-152
<i>Total taxes (net of grants)</i>	622	564	865	752	1,367	1,612	1,132
<i>Total location-sensitive costs</i>	14,665	14,466	14,122	14,363	14,965	14,503	14,359
<b>Location-insensitive costs</b>							
Materials	15,369	15,369	15,369	15,369	15,369	15,369	15,369
Other operating expenses	1,988	1,988	1,988	1,988	1,988	1,988	1,988
<i>Total location-insensitive costs</i>	17,357	17,357	17,357	17,357	17,357	17,357	17,357
<i>Total costs</i>	32,022	31,823	31,479	31,720	32,322	31,860	31,716
<i>Net profit after tax</i>	\$2,609	\$2,809	\$3,153	\$2,912	\$2,310	\$2,771	\$2,915
<i>% of sales</i>	7.5%	8.1%	9.1%	8.4%	6.7%	8.0%	8.4%
<b>Overall rank</b>	<b>6</b>	<b>4</b>	<b>1</b>	<b>3</b>	<b>7</b>	<b>5</b>	<b>2</b>
<b>Overall index</b>	<b>98.6</b>	<b>98.0</b>	<b>96.9</b>	<b>97.7</b>	<b>99.5</b>	<b>98.1</b>	<b>97.6</b>

## Summary Measures

	Calgary	Edmonton	Toronto	Vancouve	Denver	Houston	New Orle
Net profit before income tax	\$2,983	\$3,252	\$3,720	\$3,376	\$3,196	\$3,749	\$3,693
Effective income tax rate	12.5%	13.6%	15.2%	13.8%	27.7%	26.1%	21.1%
<i>Rank</i>	1	2	4	3	7	6	5
Property-based taxes per sq.ft.	\$3.29	\$1.61	\$3.95	\$2.51	\$5.66	\$7.57	\$3.46

Rank	3	1	5	2	6	7	4
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*Effective tax rates are not shown where results are not meaningful due to marginal profitability.  
Effective tax rates may be negative due to refundable tax credits exceeding taxes paid.*

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The analysis on this website is based on cost information collected primarily between July 2011 and January 2012. Taxes reflect tax rates in effect on January 1, 2012, and also incorporate any announced changes at that time to take effect at specified later dates. Exchange rates and other cost factors will, of course, change over time. Tax rates and other tax-related information are also subject to change as a result of new legislation, judicial decisions, and administrative pronouncements.

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