

**The Change in Key Financial Parameters
Q1 of 2008 Versus Q1 of 2009**

	2008	2009	Percentage Change
Dollars			
Net Sales	\$2,151,812	\$1,704,588	-20.8
Cost of Goods Sold	<u>1,389,104</u>	<u>1,131,804</u>	-18.5
Gross Margin	762,708	572,784	-24.9
Operating Expenses	<u>652,069</u>	<u>520,599</u>	-20.2
Operating Profit	\$110,639	\$52,185	-52.8
Percent of Sales			
Net Sales	100.0	100.0	
Cost of Goods Sold	<u>64.6</u>	<u>66.4</u>	
Gross Margin	35.4	33.6	
Operating Expenses	<u>30.3</u>	<u>30.5</u>	
Operating Profit	5.1	3.1	
Employee Head Count	33.9	26.0	-23.3
Cash Commitment			
Accounts Receivable	\$1,189,084	\$1,012,320	-14.9
Inventory	2,609,459	2,394,342	-8.2
Accounts Payable	<u>663,509</u>	<u>458,394</u>	-30.9
Cash in Sales Cycle	\$3,135,033	\$2,948,268	-6.0