

WORKSHEET 12.3



Profit Potential - Gross Margin Math: MacroSoft

| SMB Service | Monthly or OTC | TCV Revenue | GM | TCV Profit | Monthly Profit | OTC Profit |
|------------------------------------|--------------------|-------------|-------------------|------------|----------------|------------|
| Pre-sales consulting | na | 0 | 32% | \$0 | | \$0 |
| MacroSoft Service (\$1,000) | MRR @ 36 months | \$36,000 | 25%* | \$9,000 | \$250 | |
| Implementation (10% of \$36k/TCV) | OTC | \$3,600 | 32% | \$1,152 | | \$1,152 |
| Managed Services (\$550 @ 36 mos) | MRR | \$18,000 | 42% | \$7,560 | \$210 | |
| *at list price less 10% disc. | Total Revenue Est. | \$63,000 | Total Margin Est. | \$17,712 | \$460 | \$1,152 |

| Mid-market, Dept. Enterprise Service | Monthly or OTC | TCV Revenue | GM | TCV Profit | Monthly Profit | OTC Profit |
|--|--------------------|-------------|-------------------|------------|----------------|------------|
| Pre-sales consulting (15% of MacroSoft \$) | OTC | \$5,400 | 32% | \$1,728 | | \$1,728 |
| MacroSoft Service (\$1,000/month) | MRR @ 36 months | \$36,000 | 25%* | \$9,000 | \$250 | |
| Implementation (25% of \$36k/TCV) | OTC | \$9,000 | 32% | \$2,880 | | \$2,880 |
| Managed Services (\$550 @ 36 mos) | MRR | \$18,000 | 42% | \$7,560 | \$210 | |
| *at list price less 10% disc | Total Revenue Est. | \$68,400 | Total Margin Est. | \$21,168 | \$460 | \$4,608 |

| Mid-market, Dept. Enterprise On-premise | Monthly or OTC | TCV Revenue | GM | TCV Profit | Monthly Profit | OTC Profit |
|--|--------------------|-------------|-------------------|------------|----------------|------------|
| Pre-sales consulting (15% of MacroSoft \$) | OTC | \$7,500 | 32% | \$2,400 | | \$2,400 |
| MacroSoft Box | OTC | \$50,000 | 25%* | \$12,500 | | \$12,500 |
| Implementation (25% of \$50,000) | OTC | \$12,500 | 32% | \$4,000 | | \$4,000 |
| Managed Services (\$550 @ 36 mos) | MRR | \$18,000 | 42% | \$7,560 | \$210 | |
| *at list price less 10% disc | Total Revenue Est. | \$88,000 | Total Margin Est. | \$26,460 | \$210 | \$18,900 |