

DIGITAL PRESS BHR CALCULATION EXAMPLE

EQUIPMENT

MONTHLY EQUIPMENT COST	\$ 12,000	
ANNUAL EQUIPMENT COST (x 12)		\$144,000
EQUIPMENT BOOK VALUE	\$550,000	
INSURANCE RATE (4% OF BOOK VALUE)	x .04	
ANNUAL INSURANCE FEE		\$ 2,200
IMPRESSIONS PER MONTH	275,000	
IMPRESSIONS PER HOUR	÷ 3,000	
MONTHLY UTILIZATION (HOURS)	91.67	
ANNUAL UTILIZATION (x12)	1,100	

FACILITY

ANNUAL RENT & HEAT PER S.F.	\$ 5	
FLOOR SPACE REQUIRED	x 600 S.F.	
ANNUAL RENT & HEAT		\$ 3,000

LABOR

EMPLOYEE ALLOCATION	100%	
ANNUAL OPERATOR SALARY (DIRECT LABOR)		\$ 45,000
ANNUAL INDIRECT LABOR (10% OF DIRECT LABOR)		\$ 4,500

POWER

PRESS RUNNING POWER	35.0 kWh	
COST PER kWh	x \$ 0.06	
RUNNING POWER COST PER HOUR	\$ 2.10	
RUNNING HOURS PER YEAR	1,100	
RUNNING POWER		\$ 2,310
PRESS STANDBY POWER	10.0 kWh	
COST PER kWh	x \$ 0.06	
STANDBY POWER COST PER HOUR	\$ 0.30	
STANDBY HOURS PER YEAR	7,660	
STANDBY POWER		\$ 4,596

TOTALS

TOTAL MANUFACTURING COST		\$205,606
OVERHEAD (40% OF TOTAL COST)		\$ 82,242
TOTAL YEARLY COSTS		\$ 287,848

BHR CALCULATION

TOTAL YEARLY COSTS	\$ 287,848	
ACTUAL UTILIZATION (HOURS/YEAR)	÷ 1,100	
BUDGETED HOURLY RATE		\$ 261.67

COST PER IMPRESSION CALCULATION

MONTHLY SERVICE BASE CHARGE		\$ 2,000
NUMBER OF IMPRESSIONS INCLUDED	0	
CLICK RATE	\$ 0.06	
IMPRESSIONS PER MONTH	x 275,000	
MONTHLY CLICK CHARGES		\$ 16,500
TOTAL YEARLY COSTS	\$ 287,848	
MONTHS PER YEAR	÷ 12	
MONTHLY BUDGETED HOURLY RATE COSTS		\$ 23,987
TOTAL MONTHLY COSTS		\$ 42,487
MONTHLY IMPRESSIONS		+275,000

COST PER IMPRESSION

\$0.154