

AVP Coating Labor Rate Formula

Paul Foster Example from

Episode 26: How to make workflow = cashflow

<https://www.rosskote.com>

Personal		
	House Payment	1400
	Utilities	950
	Gas/auto	250
	Food	500
	Salary	5000
Business		
	Shop	2300
	Utilities	1200
	Supply	17000
	Payroll	7200
Total		35,800

Notes: These are monthly totals I added my desired salary on top of paying bills for added safety.

Step 1. \$35,800 Total divide by 4= \$8,950 a week

Step 2. \$8,950 divide by How many Hours are you going to be Working 40hrs = \$230 Per Hour. **ALWAYS ROUND UP**

Step 3. \$230 per hour is break-even every one is happy and paid for. Divide by 60 {minutes} = \$3.85/min. **This is your multiplier.**

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Step 4. Use the multiplier. When running a clock to time a job multiply by \$3.85 don't forget to add time for packaging, handling, etc. Oven time does not count as it is figured out of utilities and supplies as well as powder in my scenario. This is close to my current situation we are at \$200/per/hr for coating and \$300 per hour on Cerakote. This formula helps me run anywhere between 58-65% Profit. The end goal is 75% but seems difficult to reach.

TOP 3 CA\$H COLLECTING POLICIES

1. 20% if not picked up after 5 business days after completion.
2. 50% for 3-5 day expedite. 300% next day. 500% same day.
3. Storage fees \$10/day after 10 business day (on top of the 20%)

Other Charges

- Min batch public \$150/ wholesale \$65
- Min Color change \$20
- Min chem strip \$45/ full tank \$100 batch for strip.
- 2 tone labor \$250/hr plus however long it takes