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TM-1088 001 00

Business Management Game. Part II

Instructions for Umpires

# TECHNICAL MEMORANDUM

(TM Series)

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Business Management Game, Part II

Instructions for Umpires

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May 15, 1963

SYSTEM

DEVELOPMENT

CORPORATION

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SANTA MONICA

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15 May 1963

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TM-1088/001/00

#### PREFACE

This document describes in detail the operations to be performed by the umpires in the play of the management game described in TM-1088/000/00. Although the umpiring instructions have been somewhat modified, the game is based on the Andlinger-Green game as described by G. R. Andlinger in the Harvard Business Review for March and April, 1958.

The authors wish to thank the many people who were instrumental in developing these instructions for use in the Business Management Game held at System Development Corporation in cooperation with the Santa Monica Chamber of Commerce on February 16, 1963. Particular thanks to Robin Brooks, Jack Kagdis, Patricia Kenney and Seymour Rosner.

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## TABLE OF CONTENTS

1.	General Information.....	5
1.1	Responsibilities.....	5
1.2	Functions.....	5
1.2.1	Market.....	5
1.2.2	Costs.....	5
1.2.3	Sales.....	6
1.2.4	Personnel.....	6
1.2.5	Consulting.....	6
1.2.6	Accounting.....	6
1.3	Allocation of Functions.....	7
2.	Starting Position.....	7
2.1	New Corporation.....	7
2.2	New Management of Old Corporation.....	7
2.2.1	Company History.....	7
2.2.2	Quarterly Reports.....	8
2.2.3	Game Board.....	8
2.2.4	Financial Statement.....	8
3.	Market.....	8
3.1	Description.....	8
3.1.1	Increase.....	8
3.1.2	Decrease.....	9
3.2	Initial Array.....	9
3.2.1	New Corporation.....	9
3.2.2	New Management of Old Corporation.....	10
3.3	Reduction as a Result of Sales.....	10
3.4	Updating for Next Quarter.....	10
3.4.1	Determination of Depression.....	11
3.4.3	Depression.....	11
3.4.3	Growth.....	11
4.	Costs.....	12
4.1	Checking Costs and Computations.....	12
4.1.1	Current Factoring.....	12
4.1.2	Disbursements.....	12
4.2	Assigning Fixed and Variable Costs.....	13
4.3	Preparing New Quarterly Report.....	13
4.3.1	Beginning Cash.....	13
4.3.2	Matured A/R.....	13
4.3.3	Previous Factored A/R.....	13
4.3.4	Total.....	14
5.	Sales.....	14
5.1	Product Improvement.....	14

5.1.1	Accumulated R & D.....	14
5.1.2	Product Improvement.....	14
5.1.3	Results of Product Improvement.....	15
5.1.4	Documentation.....	15
5.2	Sales Probability.....	15
5.2.1	Basic Sales Probability.....	15
5.2.2	Product Improvement.....	16
5.2.3	Advertising.....	16
5.3	Sales Made.....	16
5.3.1	Individual Corporation.....	16
5.3.2	All Corporations.....	17
5.4	Split Sales.....	17
5.4.1	Sales Which Split Equally.....	18
5.4.2	Sales Which Do Not Split Equally.....	18
5.5	Documentation.....	18
5.5.1	Quarterly Report.....	19
5.5.2	Game Board.....	19
6.	Personnel.....	19
6.1	Salesman Losses.....	19
6.1.1	Procedure.....	19
6.1.2	Documentation.....	20
6.2	Salesman Assignments.....	20
6.2.1	Rural Regions.....	20
6.2.2	Urban Regions.....	20
7.	Consulting.....	21
7.1	Total Market Potential.....	21
7.2	Individual Potential.....	21
7.3	Percent of Industry Sales.....	21
7.4	Cost of New Line(s).....	22
7.5	Industry R & D Expenditure.....	22
7.6	Improved Sales Probability.....	22
8.	Income Statement.....	22
8.1	Sales.....	22
8.2	Cost of Goods Sold.....	22
8.2.1	Beginning Inventory.....	22
8.2.2	Production.....	23
8.2.3	Total Available.....	23
8.2.4	Ending Inventory.....	23
8.2.5	Total Cost of Goods Sold.....	23
8.3	Gross Margin.....	23
8.4	Expenses.....	23
8.5	Net Profit.....	24

9.	Statement of Position.....	24
9.1	Cash.....	24
9.2	Accounts Receivable.....	24
9.3	Inventory.....	24
9.4	Plant.....	24
9.5	Total Assets.....	25
9.6	Equity.....	25
10.	Equipment.....	25
10.1	Game Boards.....	25
10.2	Forms.....	25
10.2.1	Quarterly Report Forms.....	25
10.2.2	Market Forms.....	25
10.2.3	Consulting Forms.....	25
10.3	Tables.....	25
11.	Sequence.....	26
<b>Appendices</b>		
I.	Company History.....	27
II.	Quarterly Report.....	47
III.	Game Board.....	51
IV.	Market Form.....	53
V.	Consulting Forms.....	57
VI.	Tables.....	65
	Table I (Random Numbers).....	66
	Table II (Factoring-Cash & Expense).....	70
	Table III (Fixed and Variable Costs).....	71
	Table IV (Probability of Product Improvement).....	72
	Table V (Increase in Sales Probability).....	73
VII.	Financial Statements (First Page).....	75

1. GENERAL

## 1.1 RESPONSIBILITIES

The umpires are responsible for implementing the decisions of the Boards of Directors of all the teams playing, and for providing the environment for the game. If desired, the umpiring function may be broadened to include the performance of the accounting function for the teams playing the game. The umpiring duties may be assigned to several people as needs indicate.

## 1.2 FUNCTIONS

The umpires are responsible for a group of activities which can be broken down into six areas. They are:

1.2.1 Market

The activities associated with the market are:

- a. Arraying the market initially.
- b. Reducing the customer's potential as a result of sales.
- c. Updating the market for the next quarter.

1.2.2 Costs

The umpiring duties involving costs include checking the costs of various decisions as well as assigning costs not determined by the players. They are:

- a. Checking costs and computations on the Quarterly Report form.
- b. Assigning fixed and variable costs depending on production capacity and units in Work Process.
- c. Preparing the Quarterly Report for the next quarter.

### 1.2.3 Sales

The functions performed by the umpires which fall in the general category of sales are:

- a. Determining product improvement on the basis of R and D investment.
- b. Determining sales probability based on advertising and product improvement.
- c. Determining sales.
- d. Splitting sales if more than one company sells a customer.

### 1.2.4 Personnel

The activities of the umpires in the area of personnel are two-fold. They are:

- a. Determining salesman losses.
- b. Checking salesman assignments.

### 1.2.5 Consulting

The umpires must provide consulting services for the players when they communicate their decision to purchase it by indicating its cost on the Quarterly Report.

### 1.2.6 Accounting

Performance of the accounting function requires the computation and preparation of the two financial statements traditionally used by business firms. These are:

- a. The Profit and Loss or Income Statement, reflecting the financial impact of events which have taken place (or have been recognized during the previous time period);
- b. The Balance Sheet or Statement of Position, reflecting the current position of the Company. Balance sheets are, in fact, a summation of all past Profit and Loss Statements and are computed as of the end of the time period covered by the last Income Statement.

### 1.3 ALLOCATION OF FUNCTIONS

The various functions performed by the umpires may be allocated in any convenient way. It is estimated that one umpire will be needed for every two teams playing.

## 2. STARTING POSITION

The starting position of the corporations at the beginning of play may vary, but in every case the position must be indicated on the starting Quarterly Report. The game may begin with corporations which have been operating for any length of time. Preparations have been made, however, for the teams to begin either as new corporations, or as corporations which have been operating for 19 quarters, with new management beginning in quarter 20.

### 2.1 NEW CORPORATION

When the game begins with all corporations just starting in business, the first Quarterly Report will indicate only Beginning Cash. The teams begin with \$400,000 Available Cash.

If the accounting function is being implemented, the teams are provided with only a Statement of Position, dated Beginning Quarter 1 and showing the \$400,000 cash balance as the sole asset.

### 2.2 NEW MANAGEMENT OF OLD CORPORATION

When the game begins with the players assuming control of a corporation which has been operating for some length of time, the following must be provided for each team member.

#### 2.2.1 Company History

The umpires must provide the team members with a history of the operation of the corporation which they will be controlling. The Quarterly Reports for quarters 1 through 19 (Appendix I) provide this information for games beginning at quarter 20. For corporations beginning at later points in time, a summary would probably be sufficient.

### 2.2.2 Quarterly Report

The team must be provided with the Quarterly Report for the first quarter which they are to play. This should show the beginning cash position of the corporation at the start of the quarter. A Quarterly Report for quarter 20 can be found in Appendix II.

### 2.2.3 Game Board

The umpires should provide the new Board of Directors with a game board showing the position of the corporation at the beginning of the first quarter of play. See Appendix III for the game board configuration for quarter 20.

### 2.2.4 Financial Statement

If financial statements are to be provided to the teams, past statements form part of the company history and are provided with the past Quarterly Reports (See Appendix VII for statements for quarters 1 through 19). A Statement of Position should be provided for the first quarter of play. The Statement of Position for the beginning of quarter 20 can also be found in Appendix VII.

## 3. MARKET

The activities concerned with the market are performed once each quarter with the exception of the initial arraying of the market, which is performed only once, before play begins.

### 3.1 DESCRIPTION

The market is composed of 24 customers, located in four marketing regions. Each customer has a "buying potential" of a certain number of motors produced by the corporations which are competing for his business. This "buying potential" begins at a certain level and may increase or decrease from quarter to quarter.

#### 3.1.1 Increase

The buying potential of a customer may increase as a result of the growth of the market. At the beginning of each quarter of play, the total buying potential of the market will increase by a given amount. The potentials of some customers may increase by more than one unit, while that of others may not increase at all.

### 3.1.2 Decrease

The buying potential of a customer may decrease as a result of two conditions:

- a. The purchase of one or more units.
- b. A depression of the entire market.

In the first case, the buying potential of the customer is reduced by the number of units he purchased. His potential may later increase as a result of market growth. In the second case, the entire market has a reduced potential for one quarter as a result of a market depression. In this case, some customers may lose more than one unit of potential, while others may not lose any.

## 3.2 INITIAL ARRAY

A form is provided for the use of the umpire in arraying the market for each quarter of play (See Appendix IV). The market array for the beginning of the game depends on the number of teams playing, as well as the quarter in which the play begins.

### 3.2.1 New Corporation

When the game begins with the teams assuming control of new corporations, each team begins with \$400,000 and no other assets. Because of the time lag required to build a plant and to hire and train salesmen, the corporations will not be in a position to send salesmen into the market for a minimum of 5 quarters. The following steps should be taken to array the market for quarter 5:

- a. Select a starting position and a direction in the random number table. See Table I, Appendix VI.
- b. Consult the random numbers in the sequence selected until a number is found which lies between 1 and 24.
- c. Assign a buying potential of one to the customer whose number was found in the random number table.
- d. Repeat b and c until the total buying potential assigned is equal to 7 times the number of teams playing.

### 3.2.2 New Management of Old Corporation

When the game begins with the teams assuming management of an old corporation the teams begin with assets accrued by the old corporation during its prior quarters of existence. In addition, the market must reflect, to a certain extent, the fact that several quarters have elapsed. The following steps should be taken to array the market for games beginning after quarter 1:

- a. Select a starting position and a direction in the random number table.
- b. Consult the random numbers in the sequence selected until a number is found which lies between 1 and 24.
- c. Assign a buying potential of one to the customer whose number was found in the random number table.
- d. Repeat b and c until the total buying potential assigned is equal to 17 times the number of teams playing.

### 3.3 REDUCTION AS A RESULT OF SALES

When, during the umpiring operations, sales are determined, the buying potential of a customer is entirely or partially consumed by sales, the potential should be reduced by the number of units sold to him. (See 5.3 & 5.4 on sales).

### 3.4 UPDATING FOR NEXT QUARTER

When all sales have been determined, and the potentials of the individual customers have been reduced accordingly, the market must be updated to prepare for the next quarter. The market for this game is a gradually growing one, but is subject to an occasional depression. The steps to be taken to prepare the market for the next quarter are:

#### 3.4.1 Determination of Depression

To determine whether or not a depression will occur, the umpire should do the following:

- a. Consult the next number in the random number table, according to the sequence established.
- b. If the last quarter was not a depression, and the number found is 5 or less, a depression will occur.
- c. If the last quarter was a depression, and the number found is 10 or less, a depression will occur.
- d. If no depression is indicated by the foregoing, the market will grow.

#### 3.4.3 Depression

If a depression has been indicated by the process listed above, the new market should be prepared as follows:

- a. For each unit of buying potential remaining in the market after the last quarter, select the next number in the random number table.
- b. If the number found is 50 or less, remove the unit from the buying potential.
- c. Repeat a and b until all units have been processed.

#### 3.4.3 Growth

If a depression was not indicated by the process listed in section 3.4.1, the new market should be prepared in the following manner:

- a. Consult the random number table in the sequence established until a number is found which lies between 1 and 24.
- b. Add one unit of buying potential to the customer whose number was found in the random number table.
- c. Repeat a and b until the total number of units added to the market is equal to 7 times the number of teams playing.

#### 4. COSTS

The umpiring activities concerned with costs are performed each quarter for each team. They are associated with the Quarterly Report form which is given to the umpire by the team members when they have completed their Board of Directors meeting and have entered all their decisions on the form.

##### 4.1 CHECKING COSTS AND COMPUTATIONS

The umpires are responsible for checking the accuracy of the computations on the Quarterly Report form. In addition to verification of the arithmetic performed by the team members, the umpires should perform certain "cross checking" tasks.

##### 4.1.1 Current Factoring

The factoring specifications of the Board of Directors should be checked against a game board representing the position of the team to insure that the team does not factor beyond its capacity to do so. The correct values for cash to be realized and expense due to factoring are given in Table II, Appendix VI.

##### 4.1.2 Disbursements

The following information listed under Disbursements should be verified:

- a. Fixed and variable costs (if the team members have filled these in) should be checked against the game board and Table III, Appendix VI to insure that they are correct.
- b. Sales salaries should be checked against the game board to verify the number of salesmen to be paid.
- c. R & D should be checked to insure that multiples of \$5,000 have been allocated.
- d. Advertising expense should be checked to insure that the players have correctly computed total pages of ads.

e. Consulting fees should be checked to insure that the total consulting fees were properly computed in the upper right-hand section of the Quarterly Report and that this total was correctly carried over into the Disbursements column.

f. The total of the disbursements should be verified.

#### 4.2 ASSIGNING FIXED AND VARIABLE COSTS

If the team members have not supplied the Fixed and Variable costs in the Disbursements column of the Quarterly Report, these should be provided by the umpires. Fixed Cost is based on the number of production lines owned by the corporation. Variable Cost is based on the number of production lines and on the number of units in Work in Process during the current quarter. Both Fixed and Variable Cost can be found in Table III.

#### 4.3 PREPARING NEW QUARTERLY REPORT

The umpire is responsible for preparing a new Quarterly Report form for each team for the next quarter of play. The Starting Cash items in the upper left-hand corner of the Quarterly Report must be completed by the umpire.

##### 4.3.1 Beginning Cash

Beginning Cash is equal to the total Starting Cash from the previous quarter minus the total Disbursements from the previous quarter.

##### 4.3.2 Matured A/R

The number of units which reached the "Cash" block on the game board during the past quarter should be entered; the total value of these A/R's at \$10,000 each should also be entered.

##### 4.3.3 Previous Factored A/R

The amount of the total Factored A/R's from the previous quarter should be entered in this position.

4.3.4 Total

The total of the Starting Cash items should be entered here.  
(See Appendix II).

5. SALES

The umpiring functions which deal with the determination of sales or which affect the determination of sales must be performed each quarter for each team.

5.1 PRODUCT IMPROVEMENT

Before the sales made by a corporation can be determined, it is necessary to determine whether the corporation achieved a product improvement.

5.1.1 Accumulated R & D

The accumulated R & D investment of a corporation must be computed in order to determine whether the corporation has achieved a product improvement. The accumulated R & D investment is equal to the accumulated R & D for the previous quarter plus the investment made for this quarter in R & D. If the investment for the current quarter is zero, accumulated R & D is also zero.

5.1.2 Product Improvement

In order to determine whether a product improvement has been achieved, the following steps must be taken:

- a. Consult Table IV to determine the probability of achieving a product improvement, based on accumulated R & D investment.
- b. Consult the next number in the random number table.
- c. If the number found in the random number table is less than or equal to the probability found in Table IV, a product improvement has been achieved. If not, no product improvement is achieved.

### 5.1.3 Results of Product Improvement

If a product improvement is achieved, the following results are produced:

- a. The accumulated R & D investment for the corporation is reduced to zero.
- b. The probability of making sales for the corporation is increased by 10 for all market regions and for all subsequent quarters of play until such time as all teams have achieved a product improvement; at this time, the probability of sales for every team is reduced by 10.

### 5.1.4 Documentation

The umpires must indicate to the team members whether a product improvement has or has not been achieved. The following must be entered on the Quarterly Report:

- a. Accumulated R & D (page 2 of the Quarterly Report) is zero if a product improvement was achieved, or if no R & D investment was made in this quarter. Otherwise, the accumulated R & D computed at 5.1.1 is entered here.
- b. The achievement of a product improvement must be indicated immediately below the accumulated R & D on page 2 of the Quarterly Report. Check appropriate box.

## 5.2 SALES PROBABILITY

The probability for making a sale for each company may vary from region to region in the market, depending on the advertising the corporation has done in a region during the quarter. The overall sales probability also depends on the prior achievement of a product improvement.

### 5.2.1 Basic Sales Probability

The basic sales probability for each corporation for each region of the market is 25.

### 5.2.2 Product Improvement

Each product improvement achieved by a corporation raises the sales probability for that corporation by 10. The increase in probability is effective for all market regions, beginning in the quarter in which the improvement was achieved, and continuing until such time as all teams have achieved product improvements; when this occurs all teams lose their increase. (See section 5.1.3).

### 5.2.3 Advertising

Advertising increases the sales probability for a team only in the quarter during which the advertising is done, and in the region in which it is done. The increase depends on the number of pages of ads, and can be found in Table V, Appendix VI.

## 5.3 SALES MADE

Having computed the sales probabilities for each corporation for each region, the umpire is able to determine whether the sales calls designated by the corporation resulted in sales.

### 5.3.1 Individual Corporation

Consulting the Quarterly Report for each team independently, the umpire should perform the following operations:

- a. For each sales call indicated by the team, consult the next number in the random number table.
- b. If the number found in the random number table is less than or equal to the sales probability for the team being considered for the region in which the sales call is made, then a sale is made. If the random number is larger than the sales probability, no sale is made.
- c. If a sales call produces a sale as indicated in b, indicate the team number in the correct customer box on the umpire's market form (Appendix IV).
- d. If a team indicates more than one call on a single customer, and one of the first calls produces a sale, all subsequent calls by the team on that customer should be ignored.

### 5.3.2 All Corporations

Once the umpire has determined the sales made by the individual corporations, he is prepared to determine how many units were sold to each customer by each team. In those cases where only one team made a sale to a particular customer, the following procedure will provide this information to the umpire and to the team:

- a. Select a team.
- b. Consulting the market form, locate a customer to whom sales were made by this team only.
- c. Assign all of the buying potential of this customer to the team being considered.
- d. Enter the buying potential of this customer in the small box in the upper left-hand corner of the customer's box on the Quarterly Report team.
- e. Reduce the customer's buying potential to zero on the market form.
- f. If these sales cause the total sales for this team to exceed the number of units the team has in inventory, assign only as many sales to this customer as will completely deplete the inventory of this team. Reduce the buying potential of the customer by only this number, and negate all subsequent sales by this team which may be indicated on the market form.
- g. Repeat b through f for all sales indicated for the team selected.
- h. Repeat a through g for all teams.

### 5.4 SPLIT SALES

After the individual sales of each team have been determined, if sales have been made by more than one team to a customer or customers, and the teams involved still have units left in inventory to sell, split sales may be determined.

#### 5.4.1 Sales Which Split Equally

For those customers whose buying potential can be split equally among the corporations who have made sales to them the following procedure should be performed:

- a. Assign equal parts of the buying potential of the customer to each of the teams making the sale.
- b. Indicate the sales in the small box in the upper left of the customer box on the teams' Quarterly Reports.
- c. Reduce the buying potential of the customer to zero.
- d. If any of the sales cause the inventory of the team involved to be depleted beyond zero, assign only as many sales to the team as will reduce the inventory to zero, splitting the remaining units among the other teams who made sales to the customer.
- e. Repeat a through d for each customer to whom multiple sales were made.

#### 5.4.2 Sales Which Do Not Split Equally

If at any point the buying potential of the customer does not split equally among the teams who have sold to the customer, the following procedure should be undertaken:

- a. Determine whether one of the teams has a superior sales probability in the region in which the customer resides.
- b. If a team is found which has a superior sales probability, assign the extra sales to that team.
- c. If no team is found which has a superior sales probability, do not assign the extra buying potential of the customer to any team.

### 5.5 DOCUMENTATION

When all sales have been determined, the umpire may document these sales on the Quarterly Report and on the board representing the positions of the teams.

#### 5.5.1 Quarterly Report

The umpire should determine the total number of sales made by each team, and enter this quantity at the top of page 2 of the Quarterly Report for the team, on the "Units Sold" line.

#### 5.52 Game Board

The umpire should update the game board for the team according to the instructions found in volume zero of this document. This will provide the umpire with the information necessary to complete the "Units in Inventory" and "Units in Work in Process" items on page 2 of the Quarterly Report.

### 6. PERSONNEL

In the area of personnel, the umpire has two general responsibilities. They must be performed each quarter for each team.

#### 6.1 SALESMAN LOSSES

The game being played provides that salesmen, once hired, may "quit" or retire from the corporation. They may do so at any stage in their career with the corporation.

##### 6.1.1 Procedure

To determine which salesmen, if any, quit during a quarter the umpire should follow the procedure indicated below:

- a. For each salesman in each block on the game board, select a number (the next number) in the random number table.
- b. If the number found in the random number table is less than or equal to 5, the salesman quits.
- c. If the number found is larger than 5, the salesman remains with the corporation.

### 6.1.2 Documentation

The umpire must make several entries on the Quarterly Report with respect to personnel. They are:

- a. Previous salesmen, on page 2 of the Quarterly Report is equal to the number of salesmen employed with the corporation when the quarter began.
- b. Salesmen hired is indicated by the team under Disbursements on page 1 of the Quarterly Report. This number should be carried over to this item.
- c. The number of salesmen lost as a result of the umpiring activities listed above should be entered on the correct line of the Quarterly Report. For example, when 2 salesmen are lost from block 3 of training, the number 2 should be entered on the "Block 3" line under "Salesmen Remaining". The salesmen should also be removed from their respective blocks on the game board.
- d. The Total Remaining Salesmen is equal to the total of the previous salesmen and the salesmen hired minus the total of the salesmen lost.

## 6.2 SALESMAN ASSIGNMENTS

The assignment of salesmen to call on customers must be verified by the umpire before sales are determined. Only the salesmen in the "field" block on the game board may make sales calls. The number of calls they may make depends on the region in which they are operating.

### 6.2.1 Rural Regions

Each salesman assigned to a rural region (customers 7 through 21, regions II, III, and the top of region IV) may make only one sales call.

### 6.2.2 Urban Regions

Salesmen assigned to urban regions are permitted two calls each, but these calls must be made to the same or to two adjoining customers. The urban customers are 1 through 6, region I, and 22 through 24, the bottom of region IV.

## 7. CONSULTING

The umpires are responsible for providing consulting information to the team members when it has been requested. The information requested should be returned to the team members with the completed Quarterly Reports, at the beginning of the next quarterly meeting. Forms are provided in Appendix V.

### 7.1 TOTAL MARKET POTENTIAL

When this information is requested, the response should apply to the next quarter of play. Since this is the case, the umpire must make up the market for the next quarter before he can complete the required form. The information to be provided is the total buying potential of all the customers in the market. Page 1 of Appendix V is a sample of the form (C-1) to be used. Fill in the team number and the total market potential.

### 7.2 INDIVIDUAL POTENTIAL

This information should also apply to the next quarter of play, and therefore also requires that the market be prepared for the next quarter. Using the form (C-2) on page 2 of Appendix V, the umpire should fill in the team number, and the potential of each of the customers in the region specified by the team.

### 7.3 PERCENT OF INDUSTRY SALES

This information, which should be provided on the form (C-3) supplied on page 3 of Appendix V, can be computed using information found on the market forms for the past 4 quarters. In the upper left-hand corner of the market form there is an area provided for recording the sales achieved by each team for the quarter, and the total of those sales. Using the market forms for the quarter just played and the three quarters preceding it, compute the total sales made, and the total sales made by the company requesting the information. Divide the company's sales by the total sales and enter the result, along with the team number, on the form.

## 7.4 COST OF NEW LINE(S)

Providing this information requires that the umpire determine the current plant and production lines owned by the company. Add to this the number of lines specified by the team on the request for this service, and look the total up in Table III, Appendix VI. Enter the team number and the values for Fixed Cost and Variable Cost found under one unit in WIP for total number of Production Facilities on the form (C-4) provided at page 4 of Appendix V.

## 7.5 INDUSTRY R &amp; D EXPENDITURE

To provide this information, the umpires must review the Quarterly Reports for all teams for the quarter just played and the 3 quarters preceding it. Determine the total expenditure and enter it and the team number on the form (C-5) found on page 5 of Appendix V.

## 7.6 IMPROVED SALES PROBABILITY

This is the simplest consulting service the umpire can provide. Enter the team number on the form (C-6) on page 6 of Appendix V.

8. INCOME STATEMENT

Since the Income Statement reflects operations of the period just ended, data for its preparation comes, in general, from the quarterly Report after it has been processed by the umpires for return to the participating teams.

## 8.1 SALES

The dollar amount of Sales is computed by multiplying the Units Sold item (from the Quarterly Report) by \$10,000, the unit price.

## 8.2 COST OF GOODS SOLD

The computation of this cost requires several steps, namely:

8.2.1 Beginning Inventory

The Beginning Inventory is copied from either the Ending Inventory item of the previous Income Statement or the Inventory item of the last Statement of Position.

#### 8.2.2 Production

The Production figure is the sum of the Fixed and Variable Costs shown on the Quarterly Report for the current quarter.

#### 8.2.3 Total Available

The Total Available item is the sum of Beginning Inventory and Production.

#### 8.2.4 Ending Inventory

The Ending Inventory is computed by multiplying the Total Available item by a fraction whose denominator is equal to the sum of the Units in Inventory item and the Units in WIP item from the Quarterly Report for the quarter previous to the one for which the Income Statement is being calculated. The numerator of the fraction is equal to the denominator minus the Units Sold item used in computing Sales (8.1).

#### 8.2.5 Total Cost of Goods Sold

Ending Inventory is subtracted from Total Available and the result entered in the right hand column as Total Cost of Goods Sold.

### 8.3 GROSS MARGIN

The Gross Margin is the difference between the Sales dollar item and the Total Cost of Goods Sold.

### 8.4 EXPENSES

Expense items are found on the Quarterly Report under Disbursements. The two categories are not, however, identical. Manufacturing costs have been treated above, and expenditures on Construction are simply a change in the form of assets held and do not produce income. Other Disbursements correspond one for one to items listed on the Income Statement under Expenses.

The writeoff of the Scrapped Production Lines item is a typical, in that it involves no current cash expenditure. When a team indicates a decision to scrap one or more production lines, it will move to a new cost schedule in the quarter following (TM-1088/000/00, Section 6.2.6).

The first time the new schedule is in use (Section 4.1.2.a) the product of \$30,000 and the number of lines scrapped is entered as the Writeoff of Scrapped Production Lines.

All items detailed under Expenses are summed and entered in the right hand column as Total Expenses.

#### 8.5 NET PROFIT

The difference between Gross Margin and Total Expenses is entered as Net Profit. If Total Expenses is greater than Gross Margin, the absolute value of the difference is entered, within parentheses, and the word Profit is struck out and replaced by Loss.

### 9. STATEMENT OF POSITION

The Statement of Position is prepared following the Income Statement. Items within it are computed as follows:

#### 9.1 CASH

The Cash item is the same as Starting Cash on the Quarterly Report for the upcoming quarter of play.

#### 9.2 ACCOUNTS RECEIVABLE

The Accounts Receivable item is computed by adding the previous quarter's Accounts Receivable item to the Sales item on the Income Statement just computed, and subtracting the sum of Matured Accounts Receivable, Previous Factored Accounts Receivable (both from the Quarterly Report referred to in Section 9.1), and the total Factoring Expense (from the Quarterly Report of the quarter just ended).

#### 9.3 INVENTORY

The Inventory item is copied from the Ending Inventory item on the most recent Income Statement.

#### 9.4 PLANT

The Plant item is the sum of the Plant item from the previous Statement of Position and the Construction disbursement from the most recent Quarterly Report minus the Writeoff of Scrapped Production Lines from the most recent Income Statement.

#### 9.5 TOTAL ASSETS

The Total Assets item is the sum of the four asset items just described. As a cross check, the Total Asset amount minus the Net Profit or plus the Net Loss should equal the Total Assets item on the previous Statement of Position.

#### 9.6 EQUITY

The Equity item is the same as the Total Assets.

### 10. EQUIPMENT

The umpires should have the following equipment:

#### 10.1 GAME BOARDS

The umpires should be equipped with game boards and sufficient chips to represent the position of each team.

#### 10.2 FORMS

The umpires should have the following forms available to them:

##### 10.2.1 Quarterly Report Forms

Sufficient Quarterly Report forms should be available for all the quarters to be played. The quarterly report forms are available in colors so that the teams may be more easily distinguished from each other.

##### 10.2.2 Market Forms

The umpires should have sufficient market forms for the quarters to be played.

##### 10.2.3 Consulting Forms

The umpires should be provided with a supply of the six consulting forms, sufficient for the length of play to be undertaken.

#### 10.3 TABLES

The umpires should each have copies of the tables provided in Appendix VI.

11. SEQUENCE

The sequence of activities to be followed by the umpires is as listed in this section. References made are to other sections of this document which describe the particular function in greater detail.

<u>Umpiring Activities</u>	<u>References</u>
11.1 BEFORE PLAY BEGINS	
11.1.1 Array the market	Section 3.2
11.1.2 Set up game boards	
a. Quarter 1 boards are empty.	
b. Quarter 20	Appendix III
11.2 AFTER BOARD MEETING	
11.2.1 Check costs and computations	Section 4.1
11.2.2 Assign fixed and variable costs	Section 4.2
11.2.3 Determine accumulated R & D	Section 5.1.1
11.2.4 Determine product improvement	Sections 5.1.2 - 5.1.4
11.2.5 Determine sales probabilities	Section 5.2
11.2.6 Determine sales	Section 5.3
11.2.7 Determine split sales	Section 5.4
11.2.8 Document sales	Section 5.5
11.2.9 Record team decisions on board	TM-1088/000/00, Section 1
a. Current factoring	
b. Construction	
c. Salesman hire	
d. Units scheduled	
e. Production lines scrapped	
11.2.10 Determine salesman losses	Section 6.1.1
11.2.11 Document salesman losses	Section 6.1.2
11.2.12 Update game board	TM-1088/000/00, Section 1
11.2.13 Update market for next quarter	Section 3.4
11.2.14 Complete consulting forms	Section 7
11.2.15 Complete and check QR	Section 4.3
11.2.16 Prepare QR for next quarter	Section 4.3
11.2.17 Return QR, consulting forms and new QR to players	Section 4.3

15 May 1963

27

TM-1088/001/00

APPENDIX I

COMPANY HISTORY

15 May 1963

28

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company \_\_\_\_\_

Quarter // 1Starting Cash Items

Beginning Cash 400,000  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 400,000

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost \_\_\_\_\_  
 Variable Cost (WIP) \_\_\_\_\_  
 Sales Salaries \_\_\_\_\_  
 Construction 150,000  
 Salesman Hire 30,000  
 R & D Expense \_\_\_\_\_  
 Advertising Expense \_\_\_\_\_  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 180,000

Starting Cash Less  
 Total Disbursements 220,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

Production

Units Scheduled \_\_\_\_\_

Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

 Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural	Rural	Urban	Urban	Urban
← Pages of Advertising →					

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	_____ 0	Accumulated R & D	_____ 0
Units in Inventory	_____ 0	Product Improvement	_____ 0
Total Salesmen	_____ 3	Salesmen Lost in the Field	_____
Units in WIP	_____ 0	in training	_____
Accumulated Plant and Construction	<u>150,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____
		in hiring	_____ 0

15 May 1963

29

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company

Quarter // 2Starting Cash Items

Beginning Cash 220,000  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 220,000

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost \_\_\_\_\_  
 Variable Cost (WIP) \_\_\_\_\_  
 Sales Salaries 3,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense \_\_\_\_\_  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 3,000  
 Starting Cash Less  
 Total Disbursements 217,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

Production

Units Scheduled \_\_\_\_\_

Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

 Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural	Rural	Urban	Urban	Urban
← Pages of Advertising →					

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	_____ 0	Accumulated R & D	_____ 0
Units in Inventory	_____ 0	Product Improvement	_____ 0
Total Salesmen	_____ 3	Salesmen Lost in the Field	
Units in WIP	_____ 0	in training	
Accumulated Plant and Construction	<u>150,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____ 0

15 May 1963

30

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company \_\_\_\_\_

Quarter // 3Starting Cash Items

Beginning Cash 217,000  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 217,000

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost \_\_\_\_\_  
 Variable Cost (WIP) \_\_\_\_\_  
 Sales Salaries 3,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense \_\_\_\_\_  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 3,000

Starting Cash Less  
 Total Disbursements 214,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 4Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

 Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural	Rural	Urban	Urban	Urban
← Pages of Advertising →					

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	_____	Accumulated R & D	_____
Units in Inventory	_____	Product Improvement	_____
Total Salesmen	<u>3</u>	Salesmen Lost in the Field	_____
Units in WIP	<u>4</u>	in training	_____
Accumulated Plant and Construction	<u>150,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____

QUARTERLY REPORT

PREVIOUS

Company \_\_\_\_\_

Quarter // 4

Starting Cash Items

Beginning Cash 214,000  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 214,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Production

Units Scheduled 4

Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural	Rural	Urban	Urban	Urban
← Pages of Advertising →					

Disbursements

Fixed Cost 6,000  
 Variable Cost (WIP) 12,000  
 Sales Salaries 3,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense \_\_\_\_\_  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 21,000

Starting Cash Less  
 Total Disbursements 193,000

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>0</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>4</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>3</u>	Salesmen Lost in the Field	
Units in WIP	<u>4</u>	in training	
Accumulated Plant and Construction	<u>150,000</u>	Block ?	<u>0</u>
		Block ?	_____
		Block ?	_____

QUARTERLY REPORT

PREVIOUS

Company \_\_\_\_\_

Quarter // 5

Starting Cash Items:

Beginning Cash 193,000  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 193,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Production

Units Scheduled 5

Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

1 Total Pages of Ads

1		← Pages of Advertising →					
X 1	X ④ 2	X 3	7	8	9		
Urban	Urban	Urban	Rural	Rural	Rural		
X 4	X 5	X 6	10	11	12		
Urban	Urban	Urban	Rural	Rural	Rural		
13	14	15	19	20	21		
Rural	Rural	Rural	Rural	Rural	Rural		
16	17	18	22	23	24		
Rural	Rural	Rural	Urban	Urban	Urban		
		← Pages of Advertising →					

Disbursements

Fixed Cost 6,000  
 Variable Cost (WIP) 12,000  
 Sales Salaries 3,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 3,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 24,000  
 Starting Cash Less  
 Total Disbursements 169,000

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>4</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>4</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>3</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>5</u>	in training	_____
Accumulated Plant and Construction	<u>150,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____



13 May 1963

34

TM-1088/001/00

## QUARTERLY REPORT

PREVIOUS

Company \_\_\_\_\_

Quarter // 7Starting Cash Items

Beginning Cash 122,000  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 122,000

Current Factoring Requirements

	Cash	Factoring Expense
2 90% Block 2	_____	_____
Block 3	_____	_____
3 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost 6,000  
 Variable Cost (WIP) 15,000  
 Sales Salaries 5,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 6,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 32,000  
 Starting Cash Less  
 Total Disbursements 90,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 5Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

2 Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural	Rural	X Urban	X Urban	XX Urban
← Pages of Advertising →					
					2

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>6</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>5</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>5</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>5</u>	in training	_____
Accumulated Plant and Construction	<u>150,000</u>	Block 2	_____
		Block 3	_____
		Block 4	<u>0</u>

1, May 1963

35

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company

Quarter // 8Starting Cash Items

Beginning Cash 90,000  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 90,000

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	<u>32,000</u>	<u>8,000</u>
Factored A/R	<u>32,000</u>	
Factor Expense		<u>8,000</u>

Disbursements

Fixed Cost 6,000  
 Variable Cost (WIP) 15,000  
 Sales Salaries 5,000  
 Construction 30,000  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 6,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 62,000  
 Starting Cash Less  
 Total Disbursements 28,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D Improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales --past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 5Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

2 Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	19	20	X 21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	X 22	X 23	24
Rural	Rural	Rural	Urban	Urban	X Urban
← Pages of Advertising →					
					2

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>4</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>6</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>5</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>5</u>	in training	_____
Accumulated Plant and Construction	<u>180,000</u>	Block 2	_____
		Block 3	<u>0</u>
		Block 4	_____

15 May 1963

36

IM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company \_\_\_\_\_

Quarter // 9Starting Cash Items

Beginning Cash 28,000  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring 32,000  
 Total Available Cash 60,000

Current Factoring Requirements

	Cash	Factoring Expense
90% Block 2	_____	_____
Block 3	_____	_____
80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost 6,000  
 Variable Cost (WIP) 15,000  
 Sales Salaries 5,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 6,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 32,000  
 Starting Cash Less  
 Total Disbursements 28,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 5Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

2 Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	X <sup>19</sup> <sub>2</sub>	X <sup>20</sup> <sub>2</sub>	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	X <sup>22</sup>	X <sup>23</sup>	24
Rural	Rural	Rural	Urban	Urban	Urban
← Pages of Advertising →					
					<u>2</u>

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>4</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>7</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>5</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>5</u>	in training	<u>0</u>
Accumulated Plant and Construction	<u>180,000</u>	Block 2	<u>0</u>
		Block 3	<u>0</u>
		Block 4	<u>0</u>

15 May 1963

37

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company \_\_\_\_\_

Quarter // 10Starting Cash Items

Beginning Cash 28,000  
 Matured A/R @ par 40,000  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 68,000

Current Factoring Requirements

	Cash	Factoring expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost 6,000  
 Variable Cost (WIP) 15,000  
 Sales Salaries 5,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 12,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 38,000  
 Starting Cash Less  
 Total Disbursements 30,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 10Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

4 Total Pages of Ads

2		← Pages of Advertising →					
X <sup>1</sup> Urban	X <sup>2</sup> Urban	X <sup>3</sup> Urban	7 Rural	8 Rural	9 Rural		
X <sup>4</sup> Urban	X <sup>5</sup> Urban	X <sup>6</sup> Urban	10 Rural	11 Rural	12 Rural		
13 Rural	14 Rural	15 Rural	19 Rural	20 Rural	21 Rural		
16 Rural	17 Rural	18 Rural	X <sup>22</sup> Urban	X <sup>23</sup> Urban	XX <sup>24</sup> Urban		
			← Pages of Advertising →			2	

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>6</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>6</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>4</u>	Salesmen Lost in the Field	<u>1</u>
Units in WIP	<u>10</u>	in training	
Accumulated Plant and Construction	<u>180,000</u>	Block 2	<u>0</u>
		Block 3	<u>0</u>
		Block 4	<u>0</u>

15 May 1963

38

TM-1088/001/00

## QUARTERLY REPORT

PREVIOUS

Company

Quarter // 11Starting Cash Items

Beginning Cash 30,000  
 Matured A/R @ par 30,000  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 60,000

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	<u>40,000</u>	<u>10,000</u>
Factored A/R	<u>40,000</u>	_____
Factor Expense	_____	<u>10,000</u>

Disbursements

Fixed Cost 14,400  
 Variable Cost (WIP) 22,000  
 Sales Salaries 4,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 9,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 49,400  
 Starting Cash Less  
 Total Disbursements 10,600

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 10Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

3 Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
X 13	14	15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
X 16	III 17	X 18	22	IV 23	24
Rural	Rural	Rural	Urban	Urban	Urban
3	← Pages of Advertising →				

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>6</u>	Accumulated R & D	_____
Units in Inventory	<u>10</u>	Product Improvement	_____
Total Salesmen	<u>4</u>	Salesmen Lost in the Field	_____
Units in WIP	<u>10</u>	in training	_____
Accumulated Plant and Construction	<u>180,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____

1, May 1963

39

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company \_\_\_\_\_

Quarter // 12Starting Cash Items

Beginning Cash 10,600  
 Matured A/R @ par 20,000  
 From Past Factoring 40,000  
 Total Available Cash 70,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

ProductionUnits Scheduled 10Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

3 Total Pages of Ads

← Pages of Advertising →						3
1	2	3	7	8	9	
Urban	Urban	Urban	Rural X⑥	Rural X④	Rural	
4	5	6	10	11	12	
Urban	Urban	Urban	Rural X	Rural X	Rural	
13	14	15	19	20	21	
Rural	Rural	Rural	Rural	Rural	Rural	
16	17	18	22	23	24	
Rural	Rural	Rural	Urban	Urban	Urban	
← Pages of Advertising →						

Disbursements

Fixed Cost 14,400  
 Variable Cost (WIP) 22,000  
 Sales Salaries 4,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 9,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 49,400  
 Starting Cash Less  
 Total Disbursements 20,600

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>10</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>10</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>4</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>10</u>	in training	_____
Accumulated Plant and Construction	<u>180,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____

15 May 1963

40

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company

Quarter // 13Starting Cash Items

Beginning Cash 20,600  
 Matured A/R @ bar 40,000  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 60,600

Current Factoring Requirements

	Cash	Factoring Expense
90% Block 2	_____	_____
Block 3	<u>9,000</u>	<u>1,000</u>
80% Block 4	_____	_____
Block 5	<u>8,000</u>	<u>1,000</u>
Factored A/R	<u>17,000</u>	_____
Factor Expense	_____	<u>3,000</u>

Disbursements

Fixed Cost 14,400  
 Variable Cost (WIP) 22,000  
 Sales Salaries 4,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 12,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 52,400

Starting Cash Less  
 Total Disbursements 8,200

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 10Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

4 Total Pages of Ads

← Pages of Advertising →						4
1	2	3	7	8	X 9	
Urban	Urban	Urban	Rural	Rural	Rural	
4	5	6	X 10	11	X 12	
Urban	Urban	Urban	Rural	Rural	Rural	
13	14	15	19	20	21	
Rural	Rural	Rural	Rural	Rural	Rural	
16	17	18	22	23	24	
Rural	Rural	Rural	Urban	Urban	Urban	
← Pages of Advertising →						

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>9</u>	Accumulated R & D	_____
Units in Inventory	<u>11</u>	Product Improvement	_____
Total Salesmen	<u>4</u>	Salesmen Lost in the Field	_____
Units in WIP	<u>10</u>	in training	_____
Accumulated Plant and Construction	<u>180,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____

15 May 1963

41

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company \_\_\_\_\_

Quarter // 14Starting Cash Items

Beginning Cash 8,200  
 Matured A/R @ par 40,000  
 From Past Factoring 17,000  
 Total Available Cash 65,200

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2		
Block 3	<u>9,000</u>	<u>1,000</u>
@ 80% Block 4		
Block 5	<u>40,000</u>	<u>10,000</u>
Factored A/R	<u>49,000</u>	
Factor Expense		<u>11,000</u>

ProductionUnits Scheduled 10Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

3 Total Pages of Ads

← Pages of Advertising →					
<u>3</u>					
X <sup>1</sup>	XX <sup>2</sup>	X <sup>3</sup>			
Urban	Urban	Urban	Rural	Rural	Rural
X <sup>4</sup>	XX <sup>5</sup>	X <sup>6</sup>	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural	Rural	Urban	Urban	Urban
← Pages of Advertising →					

Disbursements

Fixed Cost 14,400  
 Variable Cost (WIP) 22,000  
 Sales Salaries 4,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 9,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 49,400  
 Starting Cash Less  
 Total Disbursements 5,800

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>11</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>10</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>4</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>10</u>	in training	
Accumulated Plant and Construction	<u>100,000</u>	Block 2	
		Block 3	
		Block 4	

15 May 1963

42

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company

Quarter // 15Starting Cash Items

Beginning Cash 5,800  
 Matured A/R @ par \_\_\_\_\_  
 From Past Factoring 49,000  
 Total Available Cash 54,800

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

Current Factoring Requirements

	Cash	Factoring Expense
3 90% Block 2	_____	_____
Block 3	_____	_____
3 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

ProductionUnits Scheduled 10Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

4 Total Pages of Ads

<u>Disbursements</u>	
Fixed Cost	<u>14,400</u>
Variable Cost (WIP)	<u>22,000</u>
Sales Salaries	<u>4,000</u>
Construction	_____
Salesman Hire	_____
R & D Expense	_____
Advertising Expense	<u>12,000</u>
Consulting Fees	_____
Total Disburse	<u>52,400</u>
Starting Cash Less	_____
Total Disbursements	<u>2,400</u>

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
X 13	X 14	X 15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural	Rural	Urban	Urban	Urban
4	← Pages of Advertising →				

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>8</u>	Accumulated R & D	_____
Units in Inventory	<u>12</u>	Product Improvement	_____
Total Salesmen	<u>4</u>	Salesmen Lost in the Field	_____
Units in WIP	<u>10</u>	in training	_____
Accumulated Plant and Construction	<u>180,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____

15 May 1963

43

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company

Quarter // 16Starting Cash Items

Beginning Cash 2,400  
 Matured A/R @ par 50,000  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 52,400

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost 14,400  
 Variable Cost (WIP) 22,000  
 Sales Salaries 4,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense \_\_\_\_\_  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 40,400  
 Starting Cash Less  
 Total Disbursements 12,000

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 10Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

 Total Pages of Ads

← Pages of Advertising →					
X ③ <sup>1</sup> Urban	X <sup>2</sup> Urban	X <sup>3</sup> Urban	7 Rural	8 Rural	9 Rural
X <sup>4</sup> Urban	X <sup>5</sup> Urban	X <sup>6</sup> Urban	10 Rural	11 Rural	12 Rural
13 Rural	14 Rural	15 Rural	19 Rural	20 Rural	21 Rural
16 Rural	17 Rural	18 Rural	X <sup>22</sup> Urban	X <sup>23</sup> Urban	24 Urban
← Pages of Advertising →					

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>3</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>19</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>4</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>10</u>	in training	_____
Accumulated Plant and Construction	<u>180,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____

15 May 1963

44

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company \_\_\_\_\_

Quarter // 17Starting Cash Items

Beginning Cash 12,000  
 Matured A/R e' par 90,000  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 102,000

Current Factoring Requirements

	Cash	Factoring Expense
90% Block 2	_____	_____
Block 3	_____	_____
80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost 14,400  
 Variable Cost (WIP) 22,000  
 Sales Salaries 4,000  
 Construction \_\_\_\_\_  
 Salesman Hire 10,000  
 R & D Expense \_\_\_\_\_  
 Advertising Expense \_\_\_\_\_  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 50,400  
 Starting Cash Less  
 Total Disbursements 51,600

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 7Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

 Total Pages of Ads

← Pages of Advertising →					
X 1 Urban	X 2 Urban	3 Urban	7 Rural	8 Rural	9 Rural
X 4 Urban	X 5 Urban	6 Urban	10 Rural	11 Rural	12 Rural
13 Rural	14 Rural	15 Rural	19 Rural	20 Rural	21 Rural
16 Rural	17 Rural	18 Rural	X 22 Urban	X 23 Urban	XX 24 Urban
← Pages of Advertising →					

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>7</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>22</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>5</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>7</u>	in training	_____
Accumulated Plant and Construction	<u>180,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____

15 May 1963

45

TM-1088/001/00

QUARTERLY REPORTPREVIOUS

Company \_\_\_\_\_

Quarter // 18Starting Cash Items

Beginning Cash 51,600  
 Maturity A/R @ par 40,000  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 91,600

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

Disbursements

Fixed Cost 14,400  
 Variable Cost (WIP) 15,400  
 Sales Salaries 5,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 15,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 49,800

Starting Cash Less  
 Total Disbursements 41,800

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

ProductionUnits Scheduled 8Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

5 Total Pages of Ads

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
X <sup>13</sup>	X <sup>14</sup> ⑤	X <sup>15</sup>	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural X <sup>17</sup> ③	Rural	Urban	Urban	Urban
5	← Pages of Advertising →				

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>13</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>16</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>5</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>8</u>	in training	_____
Accumulated Plant and Construction	<u>180,000</u>	Block 2	_____
		Block 3	_____
		Block 4	_____

15 May 1963

46

TM-1088/001/00

## QUARTERLY REPORT

PREVIOUS

Company

Quarter // 19Starting Cash Items

Beginning Cash 41,800  
 Matured A/R @ par 110,000  
 From Past Factoring \_\_\_\_\_  
 Total Available Cash 151,800

Consulting Fees

Total Market Potential @ \$ 2,000 \_\_\_\_\_  
 Market Research--one region @ 30,000 \_\_\_\_\_  
 Operating Cost--added Capacity @ 2,000 \_\_\_\_\_  
 R & D improved sales Prob. @ 5,000 \_\_\_\_\_  
 Industry R & D exp.--past year @ 1,000 \_\_\_\_\_  
 % of Industry sales--past year @ 2,000 \_\_\_\_\_  
 Total Consulting Fees \_\_\_\_\_

Current Factoring Requirements

	Cash	Factoring Expense
@ 90% Block 2	_____	_____
Block 3	_____	_____
@ 80% Block 4	_____	_____
Block 5	_____	_____
Factored A/R	_____	_____
Factor Expense	_____	_____

ProductionUnits Scheduled 9Market

Indicate desired location of each salesman with an X. Enter pages of advertising purchased by region in the appropriate box.

4 Total Pages of Ads

		← Pages of Advertising →						4	
1	2	3	7	X ③ 8	X 9				
Urban	Urban	Urban	Rural	Rural	Rural				
4	5	6	10	X ② 11	X ③ 12				
Urban	Urban	Urban	Rural	Rural	Rural				
13	14	15	19	20	21				
Rural	Rural	Rural	Rural	Rural	Rural				
16	III 17	18	22	IV 23	24				
Rural	Rural	Rural	Urban	Urban	Urban				
		← Pages of Advertising →							

Disbursements

Fixed Cost 14,400  
 Variable Cost (WIP) 17,600  
 Sales Salaries 5,000  
 Construction \_\_\_\_\_  
 Salesman Hire \_\_\_\_\_  
 R & D Expense \_\_\_\_\_  
 Advertising Expense 12,000  
 Consulting Fees \_\_\_\_\_  
 Total Disburse 49,000  
 Starting Cash Less  
 Total Disbursements 102,800

PLAYERS DO NOT WRITE BELOW THIS LINE

Total Sales	<u>8</u>	Accumulated R & D	<u>0</u>
Units in Inventory	<u>16</u>	Product Improvement	<u>0</u>
Total Salesmen	<u>5</u>	Salesmen Lost in the Field	<u>0</u>
Units in WIP	<u>9</u>	in training	
Accumulated Plant and Construction	<u>180,000</u>	Block 2	
		Block 3	
		Block 4	

15 May 1963

47

TM-1088/001/00

APPENDIX II  
QUARTERLY REPORT



15 May 1963

(page 49  
50 blank)  
QUARTERLY REPORT  
(page 2)

TM-1088/001/00

Market

Indicate the calls of each salesman by placing an "X" in the appropriate customer's box. Indicate the pages of advertising per region in the appropriate box.

← Pages of Advertising →					
1	2	3	7	8	9
Urban	Urban	Urban	Rural	Rural	Rural
4	5	6	10	11	12
Urban	Urban	Urban	Rural	Rural	Rural
13	14	15	19	20	21
Rural	Rural	Rural	Rural	Rural	Rural
16	17	18	22	23	24
Rural	Rural	Rural	Urban	Urban	Urban
← Pages of Advertising →					

Salesmen Remaining

Previous Salesmen \_\_\_\_\_

Salesmen Hired \_\_\_\_\_

Total \_\_\_\_\_

Salesmen Lost

Field \_\_\_\_\_

Block 2 \_\_\_\_\_

Block 3 \_\_\_\_\_

Block 4 \_\_\_\_\_

Hiring \_\_\_\_\_

Total - \_\_\_\_\_

Total Remaining \_\_\_\_\_

15 May 1963

51

TM-1088/001/00

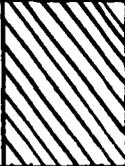
APPENDIX III

GAME BOARD

15 May, 1963

52

TM-1088/001/00

	Accounts Receivable	Production	Construc- tion	Salesmen
		16	2	4
	3	9		1
	7			
	13			
	8			

15 May 1963

53

TM-1088/001/00

APPENDIX IV

MARKET FORM

15 May 1963

54

TM-1088/001/00

MARKET POTENTIAL  
QUARTER NUMBER \_\_\_\_\_

Team Number      Sales

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Total Sales

\_\_\_\_\_  
\_\_\_\_\_

1	2	3	7	8	9
4	5	6	10	11	12
13	14	15	19	20	21
16	17	18	22	23	24

Handwritten marks in the table:  
- Cell 2: 1 vertical tick mark  
- Cell 5: 3 vertical tick marks  
- Cell 11: 2 vertical tick marks  
- Cell 17: 3 vertical tick marks  
- Cell 23: 1 vertical tick mark and a checkmark symbol

Total Potential \_\_\_\_\_

Form M-1



15 May 1967

57

TM-1088/001/00

**APPENDIX V**

**CONSULTING FORMS**

15 May 1963

8

TM-1088/001/00

TEAM NUMBER \_\_\_\_\_

THE TOTAL MARKET POTENTIAL IS \_\_\_\_\_ UNITS

Form C-1

15 May 1963

59

TM-1088/001/00

TEAM NUMBER \_\_\_\_\_

THE BUYING POTENTIAL FOR MARKET REGION \_\_\_\_\_ IS DISTRIBUTED  
AS FOLLOWS:


Form C-2

15 May 1963

60

TM-1088/001/00

TEAM NUMBER \_\_\_\_\_

YOUR COMPANY MADE \_\_\_\_\_% OF THE TOTAL SALES  
LAST YEAR.

Form C-3

15 May 1963

6.1

TM-1088/001/00

TEAM NUMBER \_\_\_\_\_

OPERATING COST FOR AN INITIAL PLANT PLUS \_\_\_\_\_

PRODUCTION LINE(S) IS:

FIXED COST: \_\_\_\_\_

VARIABLE COST: \_\_\_\_\_ PER UNIT IN WIP

Form C-4

15 May 1963

62

TM-1088/001/00

TEAM NUMBER \_\_\_\_\_

\$ \_\_\_\_\_ HAVE BEEN SPENT ON R & D IN THE PAST YEAR.

Form C-5

15 May 1963

63  
(Page 64 blank)

TM-1088/001/00

TEAM NUMBER \_\_\_\_\_

A PRODUCT IMPROVEMENT INCREASES THE PROBABILITY OF  
MAKING A SALE BY 10%.

Form C-6

15 May 1963

65

TM-1088/001/00

**APPENDIX VI**

**TABLES**

TABLE I  
RANDOM NUMBERS

87	82	79	74	73	72	71	70	69	68	67	66	65	64	63	62	61	60	59	58	57	56	55	54	53
16	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47
67	76	43	24	72	68	63	63	56	59	1	20	39	29	44	20	20	48	52	40	58	7	73	30	37
79	56	52	45	12	28	43	43	20	54	8	26	52	80	13	9	73	9	73	30	37				
97	39	38	14	90	69	27	55	78	57	64	43	51	43	48	19	14	84	1						
28	51	82	41	10	98	7	0	78	30	32	0	70	28	28	84	71	65	35	94					
95	76	91	14	54	21	94	20	12	49	49	15	14	83	49	95	63	38	75	94					
91	77	14	99	7	51	58	50	90	48	84	27	17	50	17	77	51	88	73						
20	3	40	46	37	52	92	62	95	25	20	23	72	19	43	0	12	23	98	94					
9	64	9	57	21	8	43	46	62	7	46	52	18	34	69	76	21	95	21	63					
14	10	69	17	67	50	54	30	36	14	18	63	47	17	13	41	39	76	11	38					
81	96	97	93	78	67	20	40	45	22	12	12	7	14	29	55	46	89	75	59	94				
47	70	57	31	20	34	54	37	32	8	27	18	3	42	16	16	94	77	16	77					
55	20	66	43	44	62	59	66	1	17	17	76	63	14	40	56	47	12	31	14					
98	73	12	21	11	36	72	44	44	42	54	18	30	43	69	49	69	53	95	31					
49	31	47	10	18	25	79	61	64	69	40	34	7	80	85	34	95	30	80	87					
57	44	75	48	77	85	30	41	44	49	95	8	78	58	84	50	65	88	42	37					
8	63	75	48	26	27	18	40	59	27	15	8	69	31	39	18	39	60	74						
35	63	21	17	40	45	45	66	71	2	5	9	43	38	74	92	12	24	5	32					
82	34	0	22	34	15	90	79	70	40	33	92	48	34	47	36	54	1	53	59					
6	6	40	53	94	19	94	3	38	46	97	87	20	98	12	31	86	77	43	73					
42	14	25	2	5	11	16	17	79	45	13	47	49	20	70	51	59	98	94	31					
94	17	88	48	79	84	22	18	41	83	29	21	71	91	72	38	78	26	9	84					
66	26	63	67	6	40	4	8	52	78	30	63	38	82	72	28	20	0	94	24					
62	48	18	12	60	43	49	62	34	44	66	41	91	51	60	27	9	80	50	12					
54	20	51	17	98	91	16	63	18	48	97	7	70	13	3	59	53	61	61						
75	3	5	47	30	65	47	76	44	29	20	34	40	49	12	43	1	37	38	63					
6	17	88	48	79	84	22	18	41	83	29	21	71	91	72	38	78	26	9	84					
66	26	63	67	6	40	4	8	52	78	30	63	38	82	72	28	20	0	94	24					
24	41	44	12	17	31	84	49	61	56	45	35	10	24	57	72	59	85	32	94					
14	41	44	12	17	31	84	49	61	56	45	35	10	24	57	72	59	85	32	94					
50	37	21	12	12	0	34	17	56	42	97	19	10	10	7	22	65	56	48	38	70				
60	56	73	78	80	77	39	33	58	45	48	52	17	37	24	76	93	58	33	80					
98	17	82	22	12	12	3	81	11	0	44	75	90	09	51	18	69	96	26	83	44				
9	77	0	98	22	12	77	95	0	9	38	73	71	93	28	12	87	29	26	5	84				
95	31	32	43	18	66	13	23	96	26	26	83	37	45	44	51	23	20	47	90	93				
41	43	16	26	74	52	8	1	32	58	97	59	57	59	47	44	59	21	49	90	6	13			
1	91	47	49	17	30	34	68	2	72	60	72	15	19	48	13	48	13	48	13	48	13			
92	44	56	47	76	63	22	51	47	18	72	18	84	84	74	82	65	21	47	40	7				
78	27	93	18	67	79	19	72	47	88	38	81	69	48	79	80	0	49	70	33	59				
84	14	86	30	36	21	42	94	73	42	47	61	22	17	93	0	76	5	43	35					
30	61	63	24	66	42	57	59	4	78	86	60	29	53	70	27	59	45	61	12					
56	91	18	77	61	53	15	84	94	24	13	7	82	11	12	20	10	88	80	35	23				
30	36	40	13	7	55	5	33	30	27	59	23	47	43	62	70	47	65	11	4					
39	79	94	0	89	97	27	2	86	51	17	36	59	50	82	82	37	31	80	81					
78	18	22	17	28	33	75	9	53	87	40	30	89	51	49	41	73	40	84	79					
97	27	42	10	2	19	40	9	80	33	95	19	42	95	22	92	40	40	23	15					
47	40	8	13	5	74	80	86	42	36	40	86	51	93	5	95	61	14	85	71					
24	70	99	10	95	45	45	37	52	23	29	79	88	73	49	19	67	64	25	5					
97	35	53	17	88	37	17	20	72	83	93	82	24	44	24	13	73	64	64	14					
16	14	8	18	75	10	9	22	48	6	54	97	6	22	53	26	60	72	72	34					

15 May 1963

67

TM-1088/001/00

TABLE I  
RANDOM NUMBERS

71	61	52	78	40	4	6	23	59	95	14	7	15	6	37	58	62	14	29	98
94	57	74	12	43	42	10	28	71	18	60	59	10	41	31	42	17	56	29	43
63	62	31	67	68	53	78	15	71	29	65	7	67	38	12	59	38	73	32	95
91	25	94	27	18	95	46	76	18	48	80	90	55	72	51	6	54	89	50	73
20	56	24	63	24	2	23	87	98	47	11	92	47	74	46	37	79	23	51	31
24	63	98	13	66	21	64	24	57	73	12	64	25	48	23	17	72	27	33	72
89	36	16	3	63	34	14	59	46	6	0	47	46	21	47	86	49	58	43	34
86	21	57	75	74	11	27	32	40	30	21	18	98	78	45	32	35	3	44	4
96	42	23	38	94	63	49	56	59	20	71	81	75	66	38	55	31	47	24	30
3	32	24	45	45	7	18	9	72	91	96	69	79	40	18	22	98	60	91	43
40	64	7	2	1	62	19	35	50	7	71	66	40	44	11	46	78	2	42	48
66	63	6	16	14	47	91	46	9	46	56	41	40	24	99	90	71	31	47	73
24	50	20	2	27	29	2	68	67	80	21	12	28	76	49	26	48	30	17	18
83	70	93	22	64	6	0	6	7	4	0	21	78	77	43	54	96	83	49	5
64	21	57	30	50	42	2	33	13	74	66	94	63	83	51	38	49	95	77	22
61	27	37	44	58	1	79	6	52	21	51	58	27	29	43	32	40	39	26	79
13	12	93	48	16	27	0	52	41	62	71	33	10	45	74	44	69	63	5	15
40	34	42	55	40	37	90	88	49	4	42	46	71	93	43	67	91	78	14	96
90	45	90	26	39	76	33	71	21	45	63	18	47	95	44	88	67	21	4	74
76	20	17	90	60	9	12	2	91	75	4	52	18	4	7	36	34	48	3	47
50	28	15	95	81	84	65	76	50	44	17	95	10	0	6	96	38	83	63	83
17	61	45	40	19	36	74	40	90	95	85	49	59	91	17	0	97	16	68	61
57	63	13	47	97	87	36	43	42	46	9	6	28	3	21	10	93	33	42	31
73	14	98	46	75	34	57	61	24	1	5	82	82	66	16	9	99	64	10	90
92	14	52	15	48	28	90	50	51	11	66	93	46	72	47	7	70	19	37	24
54	71	45	8	83	13	34	74	54	52	29	13	42	33	87	1	40	97	13	14
94	71	1	23	30	42	13	21	79	29	43	12	14	27	4	32	18	50	48	64
80	30	51	48	48	27	73	24	97	49	38	75	43	7	30	41	5	22	47	36
8	71	29	74	94	54	24	5	99	94	13	74	49	9	83	62	92	60	1	99
62	77	65	45	43	73	3	49	73	6	26	98	48	73	25	23	28	38	66	17
2	36	35	28	69	65	52	35	97	3	99	99	44	26	30	39	71	44	94	10
54	74	58	24	61	27	74	73	75	82	10	41	2	79	47	89	3	54	47	95
61	27	54	33	86	79	99	23	83	77	32	69	72	14	91	38	6	40	26	96
5	27	16	41	36	54	72	27	88	59	15	35	75	48	53	30	76	76	77	77
75	6	22	2	32	45	41	19	88	24	94	98	50	6	41	64	90	66	68	14
88	22	22	42	21	78	53	10	84	97	28	14	21	39	23	64	34	41	56	56
14	10	79	61	53	36	46	63	41	75	28	6	89	62	12	3	14	3	57	44
28	48	47	1	53	65	39	85	58	20	40	98	26	14	77	4	44	63	18	7
42	41	40	46	90	70	49	47	79	68	20	33	46	72	51	19	14	68	63	89
7	32	6	14	48	7	50	63	81	5	37	12	26	21	46	29	64	38	49	74
34	54	58	6	41	78	20	95	36	77	93	73	45	48	93	66	61	33	29	87
97	76	24	27	98	88	2	23	29	96	35	13	18	50	17	62	39	45	10	39
87	6	4	48	16	24	0	59	3	90	40	91	13	10	18	42	48	48	98	66
41	45	46	42	47	45	34	33	61	9	45	85	49	60	66	40	59	41	1	40
14	15	31	40	70	62	52	13	94	90	71	41	42	4	79	10	91	68	44	69
89	15	93	40	19	94	19	44	28	82	88	38	40	24	14	72	60	34	41	77
32	4	90	28	20	62	42	14	33	92	7	94	9	61	61	45	1	2	40	18
86	34	83	71	97	74	43	26	42	21	9	96	93	69	40	75	38	65	67	87
35	96	73	48	21	28	10	15	42	16	50	22	24	37	46	43	64	39	27	55
49	8	6	58	48	23	86	59	55	29	72	44	20	58	40	49	74	13	44	44

15 May 1963

68

TM-1088/001/00

TABLE I  
RANDOM NUMBERS

94	34	38	2	33	58	94	50	84	54	44	27	59	75	24	74	4	33	22	6
15	31	27	11	19	42	71	47	60	76	83	7	77	42	71	4	64	23	69	40
32	62	24	53	33	31	20	87	76	49	61	52	43	70	40	68	29	6	81	12
97	1	49	26	38	64	4	89	45	94	97	5	45	92	31	91	57	95	85	90
24	66	14	55	24	82	41	17	69	34	72	60	49	22	77	81	82	53	75	14
17	3	68	47	98	67	74	93	5	21	67	6	18	83	57	30	41	12	38	89
42	65	11	22	61	39	6	71	48	47	13	58	51	16	43	75	64	21	47	40
5	16	10	37	4	41	0	80	99	77	3	25	42	44	79	38	30	77	50	72
43	43	33	49	10	4	3	55	59	73	2	9	14	6	52	42	7	54	22	11
23	45	25	54	40	14	48	6	97	48	53	41	49	57	61	36	20	86	50	68
59	26	74	11	64	20	46	14	74	98	16	41	10	54	17	53	28	84	13	97
84	44	52	99	77	25	55	91	46	54	64	66	14	61	13	48	95	24	57	80
72	60	33	26	71	20	27	44	47	72	10	55	49	1	47	52	42	91	24	10
74	43	24	77	5	5	80	62	99	26	81	0	84	68	16	78	44	82	80	44
44	31	26	40	21	26	29	53	4	37	4	78	12	10	74	92	29	6	53	74
37	16	44	93	1	49	62	56	29	92	96	44	74	88	20	53	51	72	65	25
72	26	23	97	82	53	88	25	45	22	68	92	4	73	50	72	54	30	97	16
62	52	50	48	66	63	72	11	12	97	31	77	13	81	0	23	1	88	12	17
67	42	4	34	38	88	42	94	28	42	30	40	23	74	12	44	30	19	44	30
80	72	65	16	14	62	48	66	32	39	90	31	70	31	68	14	22	21	15	8
52	45	42	39	75	16	56	71	59	39	36	63	46	35	29	12	53	21	25	84
91	44	23	11	98	35	62	48	57	48	60	42	44	68	48	14	15	15	15	15
77	23	52	79	96	80	0	83	27	70	74	55	73	10	87	34	74	59	4	68
42	25	45	46	31	8	61	89	89	97	10	34	23	24	11	68	16	54	30	92
40	23	15	4	17	74	75	41	54	3	9	38	24	83	61	99	74	77	76	83
37	37	98	71	04	13	72	86	98	52	95	17	40	3	49	26	10	46	91	12
23	97	76	17	5	31	30	94	47	47	95	80	16	6	33	0	68	19	79	64
11	26	14	81	78	84	59	38	85	81	5	36	77	98	8	47	87	87	86	18
93	87	55	46	25	76	93	87	45	17	94	83	40	0	86	43	22	78	76	41
1	4	10	7	73	70	74	76	39	6	17	31	19	64	20	95	62	36	13	7
22	51	67	35	51	69	60	9	53	61	53	70	53	22	19	69	72	74	74	94
47	77	46	11	44	1	16	60	40	40	47	93	86	34	47	14	25	7	14	58
5	75	35	0	29	15	41	65	47	65	50	10	10	8	84	21	93	95	52	38
44	73	17	28	39	31	41	85	49	14	63	46	1	91	63	47	14	83	83	53
52	65	28	59	83	35	21	94	77	27	14	2	27	84	16	83	93	37	16	71
53	51	1	15	87	98	87	76	72	45	36	32	14	8	87	14	94	60	93	90
42	35	80	44	64	11	27	11	59	89	34	24	27	19	84	72	93	79	67	97
84	22	98	25	28	12	89	77	78	93	84	91	28	84	84	31	64	64	4	34
88	25	81	49	23	3	44	2	25	88	1	22	32	54	44	11	47	28	12	16
96	45	1	36	31	51	17	99	29	84	73	72	25	19	63	69	96	79	49	9
64	63	72	22	88	71	60	1	98	89	77	12	84	8	84	49	88	92	25	22
74	57	95	99	27	12	60	15	19	47	44	41	22	23	66	17	6	71	97	52
0	57	97	26	97	46	59	95	92	92	34	34	93	2	7	63	24	89	92	71
94	27	14	55	47	63	97	82	68	41	71	54	42	57	63	91	94	82	54	34
57	27	80	39	86	23	49	69	66	96	17	51	2	85	84	31	21	73	93	45
4	58	69	73	61	84	73	11	29	61	4	47	87	32	18	89	31	77	14	93
47	44	76	56	36	23	35	99	4	70	94	47	41	32	18	21	28	64	63	49
85	70	40	23	9	87	63	1	71	33	60	63	2	78	84	60	53	67	41	77
2	47	4	24	68	74	46	8	76	31	25	87	3	39	02	62	71	72	34	22
67	20	57	14	74	41	22	1	10	75	34	85	91	39	6	65	65	68	22	4

15 May 1963

69

TM-1088/001/00

TABLE I  
RANDOM NUMBERS

66	64	23	33	24	23	90	13	46	12	51	69	76	60	61	54	52	88	49	43
67	14	15	49	26	17	17	61	67	25	10	65	19	42	43	31	24	67	53	43
68	75	23	23	26	3	95	60	14	20	98	16	9	74	10	6	10	29	2	56
69	41	23	6	60	71	45	76	20	44	62	40	04	14	21	37	5	3	54	71
70	33	71	42	15	25	74	64	77	63	12	36	76	37	63	59	58	24	35	16
71	6	3	71	45	62	77	74	77	63	12	64	66	69	4	57	77	64	35	54
72	7	24	17	42	22	75	3	1	66	19	24	45	30	49	24	32	12	28	9
73	77	0	12	15	45	17	42	5	6	19	31	41	77	27	22	89	97	72	71
74	73	12	77	30	24	69	50	10	79	67	46	69	71	36	85	45	22	26	49
75	15	66	24	45	31	9	62	21	61	40	39	72	41	22	34	5	65	1	44
76	41	56	23	23	23	23	70	15	26	23	37	11	6	10	38	81	60	82	48
77	54	56	22	21	54	42	64	19	38	48	61	6	69	4	10	69	9	25	64
78	54	9	77	15	71	64	20	79	14	48	33	19	21	28	35	29	5	40	74
79	40	41	40	44	26	10	95	55	44	51	27	67	65	1	13	73	89	37	71
80	51	24	26	20	32	69	34	24	41	68	25	25	81	67	61	19	62	19	24
81	47	74	42	20	32	69	81	27	13	70	15	28	54	70	20	42	98	86	77
82	74	13	23	28	41	30	14	55	38	86	30	45	64	66	55	75	21	56	43
83	44	29	2	16	7	20	13	35	11	11	24	74	26	19	67	64	78	82	66
84	47	40	2	33	64	22	13	52	67	14	57	20	75	25	41	20	27	94	90
85	13	16	16	36	42	17	35	14	32	53	55	10	37	54	12	23	2	41	44
86	17	65	37	28	52	41	3	22	63	56	25	88	84	23	94	24	15	21	61
87	55	48	0	38	24	24	68	23	69	44	77	42	52	4	92	39	34	82	5
88	64	13	23	24	50	57	10	52	17	47	28	49	61	97	79	76	94	98	72
89	51	1	12	75	52	74	66	69	76	69	73	78	67	5	92	49	79	3	21
90	30	24	18	92	25	59	41	32	64	27	68	17	97	3	67	53	45	36	7
91	66	60	14	28	64	31	4	29	65	27	33	14	2	12	35	64	99	38	20
92	1	52	22	42	38	58	68	23	19	39	68	71	38	40	17	10	24	43	30
93	2	3	26	65	46	56	46	46	47	4	45	57	55	55	27	53	94	6	2
94	54	70	51	57	65	64	25	14	54	17	56	76	93	14	2	33	66	1	54
95	55	64	10	12	71	58	8	82	31	1	14	20	47	40	90	52	0	37	55
96	42	51	39	77	23	20	17	39	50	35	79	92	53	44	50	67	16	96	96
97	32	6	27	37	42	50	37	74	75	5	1	42	72	7	19	99	98	42	64
98	3	13	8	53	71	24	7	46	51	97	70	14	50	10	54	13	21	89	97
99	43	0	24	25	24	43	3	78	62	0	0	71	43	10	69	43	16	62	97
100	21	72	10	7	24	34	34	61	50	76	61	45	0	27	70	44	42	4	89
101	24	19	10	49	79	69	49	29	3	18	70	51	73	34	63	85	11	25	25
102	4	49	23	71	99	99	95	60	60	6	72	11	61	69	22	67	63	89	89
103	74	84	71	17	26	21	47	2	23	41	50	13	57	31	50	39	27	21	54
104	21	20	4	25	19	52	90	62	14	16	72	40	67	49	90	43	48	94	74
105	1	76	34	34	27	63	70	73	13	67	38	4	49	0	44	22	64	66	10
106	6	12	12	18	61	17	34	19	95	19	2	16	74	14	57	85	44	48	4
107	67	1	33	33	74	63	39	0	87	96	96	12	74	68	28	21	59	89	21
108	41	41	17	69	4	2	54	16	34	95	46	65	17	93	29	55	24	7	4
109	44	98	19	90	15	76	56	36	27	39	15	66	4	73	74	4	10	96	97

TABLE II  
FACTORING - CASH & EXPENSE

80% BLOCK 4 OR 5			90% BLOCK 1 OR 2		
UNITS FACTORED	CASH	EXPENSE	CASH	EXPENSE	UNITS FACTORED
1	8000	2000	9000	1000	1
2	16000	4000	18000	2000	2
3	24000	6000	27000	3000	3
4	32000	8000	36000	4000	4
5	40000	10000	45000	5000	5
6	48000	12000	54000	6000	6
7	56000	14000	63000	7000	7
8	64000	16000	72000	8000	8
9	72000	18000	81000	9000	9
10	80000	20000	90000	10000	10

TABLE III  
 FIXED AND VARIABLE COSTS  
 (in hundreds of dollars)

Prod- uction Facilities	Units in WIP																										
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
1	Fixed Cost	600	600	600	600	600																					
	Variable Cost	0	300	600	900	1200	1500																				
2	Fixed Cost	144	144	144	144	144	144	144	144	144	144																
	Variable Cost	0	220	440	660	880	1100	1320	1540	1760	1980	2200															
3	Fixed Cost	225	225	225	225	225	225	225	225	225	225	225	225	225	225	225											
	Variable Cost	0	150	300	450	600	750	900	1050	1200	1350	1500	1650	1800	1950	2100	2250										
4	Fixed Cost	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288
	Variable Cost	0	100	200	300	400	500	600	700	800	900	1000	1100	1200	1300	1400	1500	1600	1700	1800	1900	2000					
5	Fixed Cost	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315	315
	Variable Cost	0	600	1200	1800	2400	3000	3600	4200	4800	5400	6000	6600	7200	7800	8400	9000	9600	10200	10800	11400	12000	12600	13200	13800	14400	15000

TABLE IV

## PROBABILITY OF PRODUCT IMPROVEMENT

ACCUMULATED R & D	IMPROVEMENT PROBABILITY
5,000	0
10,000	0
15,000	0
20,000	2
25,000	4
30,000	7
35,000	11
40,000	15
45,000	18
50,000	20
over 50,000	20

15 May 1963

73  
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TM-1088/001/00

TABLE V  
INCREASE IN SALES PROBABILITY  
DUE TO ADVERTISING

PAGES OF ADS	INCREASE IN SALES PROBABILITY
0	0
1	4
2	10
3	17
4	23
5	27

15 May 1963

75

TM-1088/001/00

APPENDIX VII

FINANCIAL STATEMENTS

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter _____</u>		
Sales		\$ _____
Cost of Goods Sold		
Beginning Inventory	\$ _____	
Production	+ \$ _____	
Total Available		\$ _____
Ending Inventory		- \$ _____
Total Cost of Goods Sold		- \$ _____
Gross Margin		\$ _____
Expenses		
Sales Salaries	\$ _____	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ _____	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ _____
Net Profit		\$ _____

<u>Statement of Position Beginning Quarter <u>1</u></u>		
Assets		
Cash	\$ <u>100,000</u>	
A/R	\$ _____	
Inventory	\$ _____	
Plant	\$ _____	
Total		\$ <u>100,000</u>
Equity		\$ <u>100,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>1</u></u>		
Sales		\$ _____
Cost of Goods Sold		
Beginning Inventory	\$ _____	
Production	+ \$ _____	
Total Available		\$ _____
Ending Inventory		- \$ _____
Total Cost of Goods Sold		- \$ _____
Gross Margin		\$ _____
Expenses		
Sales Salaries	\$ _____	
Salesmen Hire	\$ <u>30,000</u>	
R & D	\$ _____	
Advertising	\$ _____	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>30,000</u>
Loss		
Net Profit		<u>(\$30,000)</u>
<u>Statement of Position Beginning Quarter <u>2</u></u>		
Assets		
Cash	\$ <u>220,000</u>	
A/R	\$ _____	
Inventory	\$ _____	
Plant	\$ <u>150,000</u>	
Total		\$ <u>370,000</u>
Equity		\$ <u>370,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>2</u></u>		
Sales		\$ _____
Cost of Goods Sold		
Beginning Inventory	\$ _____	
Production	+ \$ _____	
Total Available		\$ _____
Ending Inventory	- \$ _____	
Total Cost of Goods Sold		- \$ _____
Gross Margin		\$ _____
Expenses		
Sales Salaries	\$ <u>3,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ _____	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>3,000</u>
Net Profit		( <u>\$ 3,000</u> )
<u>Statement of Position Beginning Quarter <u>3</u></u>		
Assets		
Cash	\$ <u>217,000</u>	
A/R	\$ _____	
Inventory	\$ _____	
Plant	\$ <u>150,000</u>	
Total		\$ <u>367,000</u>
Equity		\$ <u>367,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>3</u></u>		
Sales		\$ _____
Cost of Goods Sold		
Beginning Inventory	\$ _____	
Production	+ \$ _____	
Total Available		\$ _____
Ending Inventory	- \$ _____	
Total Cost of Goods Sold		- \$ _____
Gross Margin		\$ _____
Expenses		
Sales Salaries	\$ <u>3,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ _____	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>3,000</u>
Net Profit		( <u>\$ 3,000</u> )
<u>Statement of Position Beginning Quarter <u>4</u></u>		
Assets		
Cash	\$ <u>214,000</u>	
A/R	\$ _____	
Inventory	\$ _____	
Plant	\$ <u>150,000</u>	
Total		\$ <u>364,000</u>
Equity		\$ <u>364,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>4</u></u>		
Sales		\$ _____
Cost of Goods Sold		
Beginning Inventory	\$ _____	
Production	+ \$ <u>18,000</u>	
Total Available		\$ <u>18,000</u>
Ending Inventory		- \$ <u>18,000</u>
Total Cost of Goods Sold		- \$ _____ 0
Gross Margin		\$ _____ 0
Expenses		
Sales Salaries	\$ <u>3,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ _____	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>3,000</u>
Loss		
Net Profit		( \$ <u>3,000</u> )
<u>Statement of Position Beginning Quarter <u>5</u></u>		
Assets		
Cash	\$ <u>193,000</u>	
A/R	\$ _____	
Inventory	\$ <u>18,000</u>	
Plant	\$ <u>150,000</u>	
Total		\$ <u>361,000</u>
Equity		\$ <u>361,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>5</u></u>		
Sales		<u>\$40,000</u>
Cost of Goods Sold		
Beginning Inventory	<u>\$ 18,000</u>	
Production	+ <u>\$ 18,000</u>	
Total Available		<u>\$ 36,000</u>
Ending Inventory		- <u>\$ 18,000</u>
Total Cost of Goods Sold		- <u>\$ 18,000</u>
Gross Margin		<u>\$ 22,000</u>
Expenses		
Sales Salaries	<u>\$ 3,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	<u>\$ 3,000</u>	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- <u>\$ 6,000</u>
Net Profit		<u>\$ 16,000</u>
<u>Statement of Position Beginning Quarter <u>6</u></u>		
Assets		
Cash	<u>\$ 169,000</u>	
A/R	<u>\$ 40,000</u>	
Inventory	<u>\$ 18,000</u>	
Plant	<u>\$ 150,000</u>	
Total		<u>\$ 377,000</u>
Equity		<u>\$ 377,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>6</u></u>		
Sales		\$ <u>30,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ <u>18,000</u>	
Production	+ \$ <u>21,000</u>	
Total Available		\$ <u>39,000</u>
Ending Inventory		- \$ <u>26,000</u>
Total Cost of Goods Sold		- \$ <u>13,000</u>
Gross Margin		\$ <u>17,000</u>
Expenses		
Sales Salaries	\$ <u>3,000</u>	
Salesmen Hire	\$ <u>20,000</u>	
R & D	\$ _____	
Advertising	\$ <u>3,000</u>	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>26,000</u>
Net <sup>Loss</sup> Profit		( \$ <u>9,000</u> )

<u>Statement of Position Beginning Quarter <u>7</u></u>		
Assets		
Cash	\$ <u>122,000</u>	
A/R	\$ <u>70,000</u>	
Inventory	\$ <u>26,000</u>	
Plant	\$ <u>150,000</u>	
Total		\$ <u>368,000</u>
Equity		\$ <u>368,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>7</u></u>		
Sales		<u>\$ 60,000</u>
Cost of Goods Sold		
Beginning Inventory	<u>\$ 26,000</u>	
Production	+ <u>\$ 21,000</u>	
Total Available		<u>\$ 47,000</u>
Ending Inventory		- <u>\$ 15,700</u>
Total Cost of Goods Sold		- <u>\$ 31,300</u>
Gross Margin		<u>\$ 28,700</u>
Expenses		
Sales Salaries	<u>\$ 5,000</u>	
Salesmen Hire	<u>\$ _____</u>	
R & D	<u>\$ _____</u>	
Advertising	<u>\$ 6,000</u>	
Consulting	<u>\$ _____</u>	
Factoring	<u>\$ _____</u>	
Writeoff of Scrapped Inventory Lines	<u>\$ _____</u>	
Total		- <u>\$ 11,000</u>
Net Profit		<u>\$ 17,700</u>
<u>Statement of Position Beginning Quarter <u>8</u></u>		
Assets		
Cash	<u>\$ 90,000</u>	
A/R	<u>\$ 100,000</u>	
Inventory	<u>\$ 15,700</u>	
Plant	<u>\$ 150,000</u>	
Total		<u>\$ 355,700</u>
Equity		<u>\$ 355,700</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>8</u></u>		
Sales		<u>\$40,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ <u>15,700</u>	
Production	+ \$ <u>21,000</u>	
Total Available		\$ <u>36,700</u>
Ending Inventory		- \$ <u>22,000</u>
Total Cost of Goods Sold		- \$ <u>14,700</u>
Gross Margin		<u>\$25,300</u>
Expenses		
Sales Salaries	\$ <u>5,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ <u>6,000</u>	
Consulting	\$ <u>8,000</u>	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>19,000</u>
Net Profit		<u>\$ 6,300</u>
<u>Statement of Position Beginning Quarter <u>9</u></u>		
Assets		
Cash	\$ <u>60,000</u>	
A/R	\$ <u>60,000</u>	
Inventory	\$ <u>22,000</u>	
Plant	\$ <u>180,000</u>	
Total		<u>\$322,000</u>
Equity		<u>\$322,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>9</u></u>		
Sales		<u>\$40,000</u>
Cost of Goods Sold		
Beginning Inventory	<u>\$22,000</u>	
Production	+ <u>\$21,000</u>	
Total Available		<u>\$43,000</u>
Ending Inventory		- <u>\$27,400</u>
Total Cost of Goods Sold		- <u>\$15,600</u>
Gross Margin		<u>\$24,400</u>
Expenses		
Sales Salaries	<u>\$5,000</u>	
Salesmen Hire	<u>          </u>	
R & D	<u>          </u>	
Advertising	<u>\$6,000</u>	
Consulting	<u>          </u>	
Factoring	<u>          </u>	
Writeoff of Scrapped Inventory Lines	<u>          </u>	
Total		- <u>\$11,000</u>
Net Profit		<u>\$13,400</u>
<u>Statement of Position Beginning Quarter <u>10</u></u>		
Assets		
Cash	<u>\$68,000</u>	
A/R	<u>\$60,000</u>	
Inventory	<u>\$27,400</u>	
Plant	<u>\$180,000</u>	
Total		<u>\$335,400</u>
Equity		<u>\$335,400</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter 10</u>		
Sales		<u>\$60,000</u>
Cost of Goods Sold		
Beginning Inventory	<u>\$ 27,400</u>	
Production	+ <u>\$ 21,000</u>	
Total Available		<u>\$ 48,400</u>
Ending Inventory		- <u>\$ 24,200</u>
Total Cost of Goods Sold		- <u>\$ 24,200</u>
Gross Margin		<u>\$ 35,800</u>
Expenses		
Sales Salaries	<u>\$ 5,000</u>	
Salesmen Hire	<u>          </u>	
R & D	<u>          </u>	
Advertising	<u>\$ 12,000</u>	
Consulting	<u>          </u>	
Factoring	<u>          </u>	
Writeoff of Scrapped Inventory Lines	<u>          </u>	
Total		- <u>\$ 17,000</u>
Net Profit		<u>\$ 18,800</u>
<u>Statement of Position Beginning Quarter 11</u>		
Assets		
Cash	<u>\$ 60,000</u>	
A/R	<u>\$ 90,000</u>	
Inventory	<u>\$ 24,200</u>	
Plant	<u>\$ 180,000</u>	
Total		<u>\$ 354,200</u>
Equity		<u>\$ 354,200</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>11</u></u>		
Sales		\$ <u>60,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ <u>24,200</u>	
Production	+ \$ <u>36,400</u>	
Total Available		\$ <u>60,600</u>
Ending Inventory		- \$ <u>37,900</u>
Total Cost of Goods Sold		- \$ <u>22,700</u>
Gross Margin		\$ <u>37,300</u>
Expenses		
Sales Salaries		\$ <u>4,000</u>
Salesmen Hire		\$ _____
R & D		\$ _____
Advertising		\$ <u>9,000</u>
Consulting		\$ _____
Factoring		\$ <u>10,000</u>
Writeoff of Scrapped Inventory Lines		\$ _____
Total		- \$ <u>23,000</u>
Net Profit		\$ <u>14,300</u>
<u>Statement of Position Beginning Quarter <u>12</u></u>		
Assets		
Cash		\$ <u>70,000</u>
A/R		\$ <u>80,000</u>
Inventory		\$ <u>37,900</u>
Plant		\$ <u>180,000</u>
Total		\$ <u>367,900</u>
Equity		\$ <u>367,900</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter 12</u>		
Sales		\$ <u>100,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ <u>37,900</u>	
Production	+ \$ <u>36,400</u>	
Total Available	\$ <u>74,300</u>	
Ending Inventory	- \$ <u>37,100</u>	
Total Cost of Goods Sold		- \$ <u>37,200</u>
Gross Margin		\$ <u>62,800</u>
Expenses		
Sales Salaries	\$ <u>4,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ <u>9,000</u>	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>13,000</u>
Net Profit		\$ <u>49,800</u>
<u>Statement of Position Beginning Quarter 13</u>		
Assets		
Cash	\$ <u>60,600</u>	
A/R	\$ <u>140,000</u>	
Inventory	\$ <u>37,100</u>	
Plant	\$ <u>180,000</u>	
Total		\$ <u>417,700</u>
Equity		\$ <u>417,700</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>13</u></u>		
Sales		<u>\$ 90,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ 37,100	
Production	+ \$ 36,400	
Total Available		\$ 73,500
Ending Inventory		- \$ 40,400
Total Cost of Goods Sold		- \$ 33,100
Gross Margin		<u>\$ 56,900</u>
Expenses		
Sales Salaries	\$ 4,000	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ 12,000	
Consulting	\$ _____	
Factoring	\$ 3,000	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ 19,000
Net Profit		<u>\$ 37,900</u>
<u>Statement of Position Beginning Quarter <u>14</u></u>		
Assets		
Cash	\$ 65,200	
A/R	\$ 170,000	
Inventory	\$ 40,400	
Plant	\$ 180,000	
Total		<u>\$455,600</u>
Equity		<u>\$455,600</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>14</u></u>		
Sales		<u>\$110,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ <u>40,400</u>	
Production	+ \$ <u>36,400</u>	
Total Available	\$ <u>76,800</u>	
Ending Inventory	- \$ <u>36,600</u>	
Total Cost of Goods Sold		- <u>\$40,200</u>
Gross Margin		<u>\$69,800</u>
Expenses		
Sales Salaries	\$ <u>4,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ <u>9,000</u>	
Consulting	\$ _____	
Factoring	\$ <u>11,000</u>	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		<u>\$24,000</u>
Net Profit		<u>\$45,800</u>

<u>Statement of Position Beginning Quarter <u>15</u></u>		
Assets		
Cash	\$ <u>54,800</u>	
A/R	\$ <u>220,000</u>	
Inventory	\$ <u>36,600</u>	
Plant	\$ <u>180,000</u>	
Total		<u>\$491,400</u>
Equity		<u>\$491,400</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter 15</u>		
Sales		<u>\$ 80,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ 36,600	
Production	+ \$ 36,400	
Total Available		<u>\$ 73,000</u>
Ending Inventory		- <u>\$ 43,800</u>
Total Cost of Goods Sold		- <u>\$ 29,200</u>
Gross Margin		<u>\$ 50,800</u>
Expenses		
Sales Salaries	\$ 4,000	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ 12,000	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- <u>\$ 16,000</u>
Net Profit		<u>\$ 34,800</u>
<u>Statement of Position Beginning Quarter 16</u>		
Assets		
Cash	\$ 52,400	
A/R	\$ 250,000	
Inventory	\$ 43,800	
Plant	\$ 180,000	
Total		<u>\$ 526,200</u>
Equity		<u>\$ 526,200</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>16</u></u>		
Sales		<u>\$ 30,000</u>
Cost of Goods Sold		
Beginning Inventory	<u>\$ 43,800</u>	
Production	+ <u>\$ 36,400</u>	
Total Available		<u>\$ 80,200</u>
Ending Inventory		- <u>\$ 69,300</u>
Total Cost of Goods Sold		- <u>\$ 10,900</u>
Gross Margin		<u>\$ 19,100</u>
Expenses		
Sales Salaries	<u>\$ 4,000</u>	
Salesmen Hire	<u>          </u>	
R & D	<u>          </u>	
Advertising	<u>          </u>	
Consulting	<u>          </u>	
Factoring	<u>          </u>	
Writeoff of Scrapped Inventory Lines	<u>          </u>	
Total		- <u>\$ 4,000</u>
Net Profit		<u>\$ 15,100</u>
<u>Statement of Position Beginning Quarter <u>17</u></u>		
Assets		
Cash	<u>\$ 102,000</u>	
A/R	<u>\$ 190,000</u>	
Inventory	<u>\$ 69,300</u>	
Plant	<u>\$ 180,000</u>	
Total		<u>\$ 541,300</u>
Equity		<u>\$ 541,300</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter <u>17</u></u>		
Sales		<u>\$ 70,000</u>
Cost of Goods Sold		
Beginning Inventory	<u>\$ 69,300</u>	
Production	+ <u>\$ 36,400</u>	
Total Available		<u>\$ 105,700</u>
Ending Inventory		- <u>\$ 80,400</u>
Total Cost of Goods Sold		- <u>\$ 25,300</u>
Gross Margin		<u>\$ 44,700</u>
Expenses		
Sales Salaries	<u>\$ 4,000</u>	
Salesmen Hire	<u>\$ 10,000</u>	
R & D	<u>\$ _____</u>	
Advertising	<u>\$ _____</u>	
Consulting	<u>\$ _____</u>	
Factoring	<u>\$ _____</u>	
Writeoff of Scrapped Inventory Lines	<u>\$ _____</u>	
Total		- <u>\$ 14,000</u>
Net Profit		<u>\$ 30,700</u>
<u>Statement of Position Beginning Quarter <u>18</u></u>		
Assets		
Cash	<u>\$ 91,600</u>	
A/R	<u>\$ 220,000</u>	
Inventory	<u>\$ 80,400</u>	
Plant	<u>\$ 180,000</u>	
Total		<u>\$ 572,000</u>
Equity		<u>\$ 572,000</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter 18</u>		
Sales		<u>\$130,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ <u>80,400</u>	
Production	+ \$ <u>29,800</u>	
Total Available		\$ <u>110,200</u>
Ending Inventory		- \$ <u>60,800</u>
Total Cost of Goods Sold		- \$ <u>49,400</u>
Gross Margin		\$ <u>80,600</u>
Expenses		
Sales Salaries	\$ <u>5,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ <u>15,000</u>	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>20,000</u>
Net Profit		\$ <u>60,600</u>
<u>Statement of Position Beginning Quarter 19</u>		
Assets		
Cash	\$ <u>151,800</u>	
A/R	\$ <u>240,000</u>	
Inventory	\$ <u>60,800</u>	
Plant	\$ <u>180,000</u>	
Total		\$ <u>612,600</u>
Equity		\$ <u>612,600</u>

## FINANCIAL STATEMENTS

<u>Income Statement for Quarter 19</u>		
Sales		<u>\$ 80,000</u>
Cost of Goods Sold		
Beginning Inventory	\$ <u>60,800</u>	
Production	+ \$ <u>32,000</u>	
Total Available		\$ <u>92,800</u>
Ending Inventory		- \$ <u>61,900</u>
Total Cost of Goods Sold		- \$ <u>30,900</u>
Gross Margin		<u>\$ 49,100</u>
Expenses		
Sales Salaries	\$ <u>5,000</u>	
Salesmen Hire	\$ _____	
R & D	\$ _____	
Advertising	\$ <u>12,000</u>	
Consulting	\$ _____	
Factoring	\$ _____	
Writeoff of Scrapped Inventory Lines	\$ _____	
Total		- \$ <u>17,000</u>
Net Profit		<u>\$ 32,100</u>
<u>Statement of Position Beginning Quarter 20</u>		
Assets		
Cash	\$ <u>182,800</u>	
A/R	\$ <u>240,000</u>	
Inventory	\$ <u>61,900</u>	
Plant	\$ <u>180,000</u>	
Total		<u>\$ 664,700</u>
Equity		<u>\$ 664,700</u>

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System Development Corporation,  
Santa Monica, California  
BUSINESS MANAGEMENT GAME, PART II  
INSTRUCTIONS FOR UMPIRES.  
Scientific rept., TM-1088/001/00,  
by S. Peterson, A. C. Martin.  
15 May 1963, 95p.

Unclassified report

DESCRIPTORS: Management Engineering.

UNCLASSIFIED

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Describes the operations to be  
performed by the umpires in the  
management game described in TM-  
1088/00/00.

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