

In the next chart we are showing the effect of a 10% increase in prices...
 You can actually maintain the same gross profit with a decrease in volume of 25% !

Key Leverage Chart #2									
The following table identifies the decrease in sales that can be tolerated when you increase your price, without it having any effect on your gross profit.									
<i>If your present margin is</i>									
	20%	25%	30%	35%	40%	45%	50%	55%	60%
<i>and you</i>									
<i>increase your</i>									
<i>price by.....</i>	<i>to produce the same profit you can decrease sales volume by.....</i>								
2%	9%	7%	6%	5%	5%	4%	4%	4%	3%
4%	17%	14%	12%	10%	9%	8%	7%	7%	7%
6%	23%	19%	17%	15%	13%	12%	11%	10%	9%
8%	29%	24%	21%	19%	17%	15%	14%	13%	12%
10%	33%	29%	25%	22%	20%	18%	17%	15%	14%
12%	38%	32%	29%	26%	23%	21%	19%	18%	17%
14%	41%	36%	32%	29%	26%	24%	22%	20%	19%
16%	44%	39%	35%	31%	29%	26%	24%	23%	21%
18%	47%	42%	38%	34%	31%	29%	26%	25%	23%
20%	50%	44%	40%	36%	33%	31%	29%	27%	25%
25%	56%	50%	45%	42%	38%	36%	33%	31%	29%
30%	60%	55%	50%	46%	43%	40%	38%	35%	33%

Note: The two leverage charts above were provide by David Price of The Crisp Consulting Group