



SPA Calculator for Wholesale Distributors

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	\$000's
Total Revenues	\$ 100,000
Percent SPA Revenues	30%
SPA Revenues	\$ 30,000
Gross Profit @ 20%	\$ 6,000
Cost of Goods Sold at SPA Price Level	\$ 24,000
Average SPA discount from Distributor Net	40%
Price Paid Into Stock	\$ 40,000
Annual SPA Credits	\$ 16,000
Average days lag from claiming monthly	16
Average days to collect from Mfgr	60
Total Cash Flow Days Uncollected SPAs	76
Total Cash Tied Up	\$ 3,332
Average days lag from claiming weekly on Friday and collecting on Monday	6
Reduction in cash flow days tied up	70
Cash Generated from automating SPAs	\$ 3,068
Percent of Revenues	3.1%