

AdaBox011 Report

Created 2019-04-01

Purpose

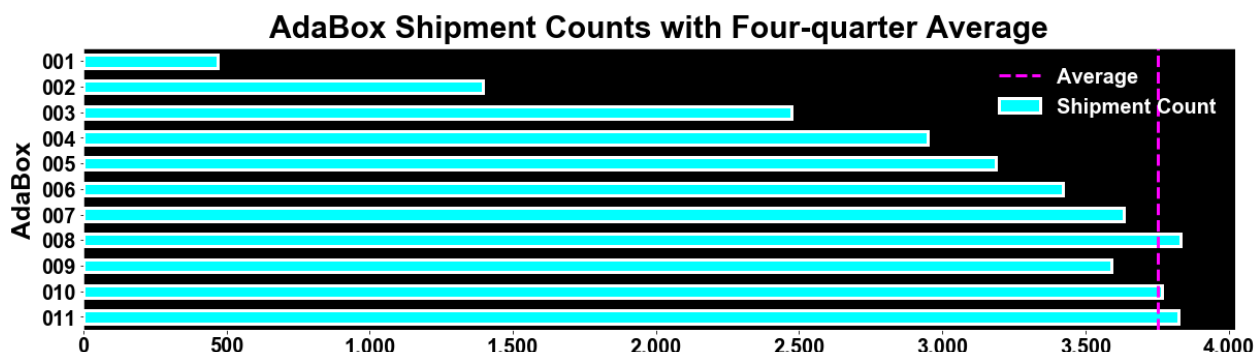
The purpose of this write-up is to report the revenue, cost, gross profit, and churn rate of AdaBox over time, with a focus on the most recent AdaBox, which for Q1 2019 is AdaBox011 (PN [4061](#)). To see subscription counts, etc. in real time, check out [this](#) PLM page.

Summary + Financial Impact

Year over year, shipment counts were up 5%; revenue, including shipping, was up 6%; cost per box, including shipping, was \$41.79; shipping cost per box was \$11.99; gross profit margin, including shipping, was 31.69%; overall churn rate was 12.26%.

Shipment Counts

AdaBox011 shipped to x3,826 recipients, up 5.31% from last year's x3,633. This latest shipment count is about equal to the four-quarter average of x3,754. Check out the chart below for shipment counts over time, along with the four-quarter average.



Revenue

Adabox revenue reached \$229,560 while shipping revenue hit \$4,500; this makes for \$234,060 in total revenue, up 6.04% from last year's \$220,720.

Cost

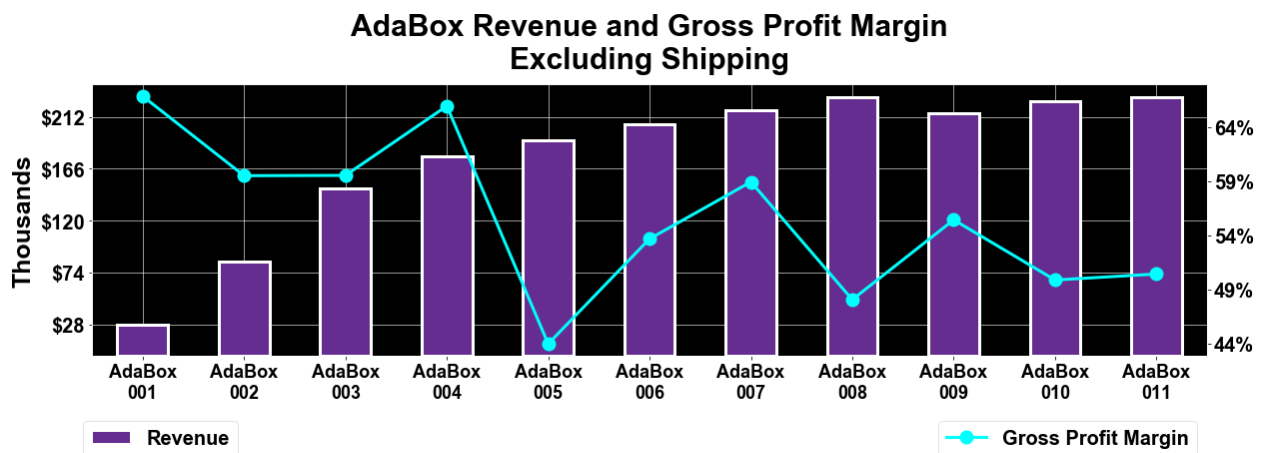
Part cost amounted to \$113,992 while the shipping cost came to \$45,884 for a total of \$159,876, or \$41.79 per box. This cost-per-box is about equal to the four-quarter average of \$41.57.

Focusing now only on shipping, the cost averaged \$11.99 per box, about equal to the four-quarter average of \$12.04.

Gross Profit Margin

When we exclude shipping, the gross profit margin was 50.34%, about equal to than the four-quarter average of 50.86%. When we factor in shipping, the margin becomes 31.69%, about equal to the four-quarter average of 31.97%.

The chart below shows the revenue and gross profit margin over time.



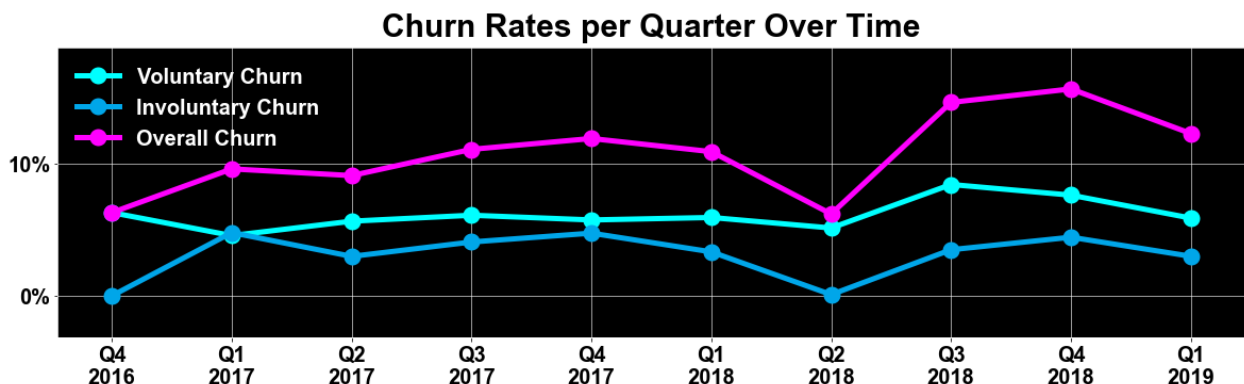
Churn Rate

Churn can be divided into voluntary churn (cancelled) and involuntary churn (expired, payment invalid).

For Q1 2019, the voluntary churn was 5.87%, about equal to the four-quarter average of 6.75%.

The involuntary churn was 2.98%, about equal to the four-quarter average of 2.74%.

The overall churn was 12.26%, about equal to the four-quarter average of 12.17%. Check out the chart below for churn rates over time.



Looking now at the reasons for churn, on average and over the most recent four quarters, expired makes up 27.84%, cancelled makes up 72.01%, and payment invalid makes up 0.14%.

End of report