Table 1: Fixed/Variable Costs

This table shows the initial and recurring costs for our business. Recurring costs are further broken down into fixed and variable costs. Variable costs are shown as cost per system, independent of the volume of sales. All of the variable costs were calculated in table 6, and the initial costs were calculated in tables 4 and (hours worked; in text of document).

Table 2: Assembly

This table gives the cost of assembling each subsystem based on the number of hours needed to assemble each subsystem as estimated by the design team. Costs for wages are based on information from Professor Nielson’s lecture first semester.

Table 4: Storage

Table 4 calculates the cost for a storage facility where the manufactured systems can be stored until they are shipped to the customers. Floorspace needed was calculated based on the physical volume of each subsystem and how many pallets would be needed to hold a quarter of a year’s supply. From this information we found the cost of a standard warehouse facility using information found at [www.buildingsguide.com](http://www.buildingsguide.com).

Table 5: Demand

Table 5 shows calculations for how many customers our business expects to have. Using the total number of electric companies and number of homes in the U.S., we determined our percentage of the market and combined this with the estimate of the total number of potential customers from the business team to find the number of systems we can expect to sell. Final numbers are given in terms of each subsystem.

Table 6: Cost Per

Table 6 shows the costs of the subsystems as calculated in other tables and determines the cost of a full system for use in table 1.