|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2012 | Percentage | 2011 | Percentage |
| Sales | 31,850,000 | 100.00% | 26,130,000 | 100.00% |
| COGS | 22,503,250 | 70.65% | 20,059,800 | 76.77% |
| Gross profit | 9,346,750 | 29.35% | 6,070,200 | 23.23% |
| Operating expenses |  |  |  |  |
| Selling commission | 2,548,000 | 8.00% | 2,090,400 | 8.00% |
| Other selling | 2,500,000 | 7.85% | 2,500,000 | 9.57% |
| Administrative expense | 3,578,000 | 11.23% | 3,578,000 | 13.69% |
| Operating expenses | 8,626,000 | 27.08% | 8,168,400 | 31.26% |
| Operating income | 720,750 | 2.26% | (2,098,200) | -8.03% |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2012** | | **2011** | |
| **Units sold** | **1,400,000** | **1,050,000** | **1,400,000** | **610,000** |
| **Product costs** | **Black** | **Specialty** | **Black** | **Specialty** |
| **Direct material** | **4.10** | **4.10** | **4.10** | **4.10** |
| **Direct labor** | **1.50** | **1.50** | **1.50** | **1.50** |
| **Overhead** | **3.59** | **3.59** | **4.38** | **4.38** |
| **Unit cost** | **9.19** | **9.19** | **9.98** | **9.98** |

**Information relating to January operations**

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