

# Setting up for success

## Here's how to work out your rates, paint and materials.

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It's important to set the SMART Estimator App up correctly so you can offer competitive pricing to your customers, whilst still remaining profitable.

Once you work this out, there will be no room for negotiation, no more lost sleep questioning your pricing, because you set the app up precisely to your business requirements.

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### Labour Rates

Work out your monthly running costs without paint & materials

Rent	£750/month
Utility Bills	£150/month
Insurance	£25/month
Waste removal	£60/month
Vehicle running costs	£200/month
Wages	£5000/month
Advertising	£50/month
Accountant fees	£30/month
Tools	£150/month
Courtesy Cars	£250/month

**In this example you need to earn £6665/MONTH**

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**Now work out how many hours you work per month**

**8am - 5pm = 45 hours/week**  
(Company operating hours)

**45 hours x 4.34**  
(average weeks per month)

**You work 195.3 hours/MONTH**



Now divide your costs by the **hours you work**

$$\begin{array}{r} £6665 \\ \div \\ 195.3 \\ \div \\ 2 \\ \text{(No. of employees)} \\ = \\ \text{£17.06 per hour} \end{array}$$

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**£17.06 per hour**

If you make less than this per hour,  
you're losing money.

**Now let's add profit**

**£17.06/hour**

Bare minimum labour rate

**£20.47/hour**

with 20% profit margin

**£22.17/hour**

with 30% profit margin

**£23.88/hour**

with 40% profit margin

Pick your  
profit  
margin, this  
part is up to  
you.

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ESTIMATOR APP  
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**After you have picked your labour rate add your tax % to get  
your **final figure**.**

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$$\text{£23.88} + 20\% \text{ Tax} = \text{£28.65}$$

This is now my retail rate based on  
40% margin + Tax.



## Paint and Materials

Here's one simple example of working it out.

Work out your monthly paint & materials based on average - any profit margin above the average cost will guarantee profit in the long run.

**£1500/month**

Paint & Materials

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**20 cars/month**

Cars repaired on average

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**= £75**

Average cost paint & materials per job

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**2 full panels**

Number of full panels on average you paint per job

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**= £37.50**

Average panel COST price.

If you charge less than this per full panel, you're losing money.

**Now lets add profit for paint and materials**

**£37.50**

Average FULL panel cost

**£48.75**

with 30% profit margin

**£52.50**

with 40% profit margin

**£56.25**

with 50% profit margin

} Pick your profit margin, this part is up to you.

The most common type of paint you work on, will determine which "Cost per Full Panel" paint type you enter this price for - for example if you mainly work on solid colour paint types, this is the price you will enter.



Now take your FULL panel cost & add your cost uplift for all the different paint types.

So if metallic costs you 20% more to purchase, add this to your average panel cost.

See examples below

(We used 50% profit margin and solid as our average full panel cost).

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### Full Panel

Solid Colour	£56.25	
Metallic (costs 20% more than solid colour)	£67.50	+20%
Pearlescent/Xirallic (costs 30% more than solid colour)	£73.12	+ 30%
3 Stage / Tri-coat (costs 40% more than solid colour)	£78.75	+ 40%

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### New Panels

Add more on top of each FULL panel price to cover the increase of paint and materials costs for insides of panels.

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### Blend Panels

Reduce the cost so you only include costs associated with blend panels.

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Every business is **unique**, set this up once, use the app, and you have accurate, consistent pricing, that guarantees not only profit, but peace of mind.

**STOP GUESSING YOUR PRICES AND  
START ABSOLUTELY NAILING IT!**