

Presstimator Budgeted Hourly Rates

Frequently Asked Questions

- ***What is Presstimator Budgeted Hourly Rates?***

Presstimator Budgeted Hourly Rates is a software application that helps Financial Executives and Estimators determine their costing and budgeting standards, also known as Budgeted Hourly Rates (BHRs).

- ***Why should I use it?***

Simply speaking, if your machine and labor cost rates or standards are not absolutely accurate, you are likely losing jobs you should be attracting and running jobs you should be avoiding! The bottom line is that you can use Presstimator Budgeted Hourly Rates to improve profitability by determining your organization's EXACT costs of operation for each piece of equipment and manufacturing process thereby assuring that your estimating process WILL generate the profits that it forecasts.

- ***Who should be using it?***

ALL printers need to establish accurate costing standards in order for their Estimating systems to generate realistic numbers. Therefore anyone who sells print should use Presstimator Budgeted Hourly Rates.

- ***I work in an in-plant shop and we don't "sell" our work. Why would I need Presstimator Budgeted Hourly Rates?***

You still need to know what your costs are in order to determine whether your charge backs are realistic.

- ***What type of costing analysis does Presstimator Budgeted Hourly Rates employ?***

"All-Inclusive costing" also referred to as "All-In Costing" or "(Full) Absorption Costing". It is a form of cost analysis that assigns an appropriate and representative portion of ALL manufacturing and overhead costs to individual cost centers and products. Presstimator Budgeted Hourly Rates also provides BHRs based on Direct cost and Factory cost basis.

- ***Does this mean that Presstimator Budgeted Hourly Rates will provide me with the all-inclusive costs of operating each piece of equipment and production center in my company, including the owner's Porsche and "executive assistant"?***

Exactly!

- ***Can Presstimator Budgeted Hourly Rates also provide me with activity-based cost rates?***

The only difference between All-inclusive and Activity-based cost rates is the method in which overhead is applied to cost centers. Presstimator Budgeted Hourly Rates users can choose to allow the software to allocate overhead costs based on the Full Absorption Costing method or to manually assign overheads based on user-defined criteria.

- ***Aren't BHRs the cost standards that determine the accuracy of my Estimating and Costing systems?***

Yes! And when Presstimator BHR software is used with the Presstimator Estimating software, you can be sure you are generating accurate quotes/estimates and tracking your bottom line.

- ***Am I able to perform "what-if" scenarios using Presstimator Budgeted Hourly Rates?***

Yes. Presstimator Budgeted Hourly Rates provides you with the ability to create and save an unlimited number of what-if scenarios.

- ***What types of information do the cost reports include?***

BHR reports are generated for each cost center and include all items that contribute towards the overall cost of running the cost centers including: occupancy costs, taxes, utilities, labor, equipment depreciation, overhead, etc. plus factory and administrative overhead allocations.

· ***Does Presstimator Budgeted Hourly Rates distribute the overhead costs to individual cost centers by square footage?***

Presstimator Budgeted Hourly Rates employs the standards established by the PIA, NAPL and BPIF. Therefore each cost distribution is unique. For example: equipment insurance is distributed based on the values of the equipment in each cost center, factory overhead distribution is based on all accumulated costs unique to each cost center plus labor, indirect supplies and equipment repairs and maintenance and occupancy costs are distributed based on square footage. So although it would be very easy to distribute overhead costs using one simple method, such as on a square footage basis, it would not provide accurate or realistic results. Profits would likely be lost.

· ***On which operating platforms does Presstimator Budgeted Hourly Rates work?***

Microsoft Windows 7, Vista, XP, 2000, NT, ME or 98.

· ***Do you have a Mac version of Presstimator Budgeted Hourly Rates?***

No, but we have clients that run Presstimator Budgeted Hourly Rates on their Macs using Windows emulation software.

· ***What information do I need in order to get accurate BHRs from Presstimator Budgeted Hourly Rates?***

- Current financial statement or budget
- Personnel list including payroll info, vacation days, work location
- Equipment list and current estimated values, hours of operation, occupied space

· ***Does Presstimator Budgeted Hourly Rates use any industry standards in developing my BHRs?***

No! All results are based exclusively on **your** company's information. Why use other theoretical standards when Presstimator Budgeted Hourly Rates provides you with **your** company's exact standards?

· ***I've heard a lot about QuickCheck. What exactly does it do?***

The software's QuickCheck feature permits users to prepare cost analyses and estimates based on what-if scenarios. For example, your company decides to acquire a new 6 color press, hire staff to run it and expand the plant to accommodate it. Presstimator Budgeted Hourly Rates will help you prepare a scenario based on these changes and permit you to actually cost your future 6 color work to see if you will be price competitive. This can be done prior to putting a deposit on the new equipment, hiring a contractor or placing a "Help Wanted" ad in the paper!! Many financial executives have bought Presstimator Budgeted Hourly Rates simply because of this feature!

· ***How much does Presstimator Budgeted Hourly Rates cost?***

\$700 for Presstimator BHR Standard Edition
\$1200 for Presstimator BHR Power Edition

*discounts available when bundled with the Presstimator Estimating Software!

Is this not a small price to pay to ensure system accuracy and increased profitability?

You can easily recover this cost with (please select one):

- one less wrongly priced job
- two less wrongly priced jobs
- three less wrongly priced jobs
- the cost of one extended executive lunch