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A New and Innovative way to Buy Frames

The Optometrist operates an office to help patients with their eye problems, but at the same time the Doctor is operating a BUSINESS that has to generate profits. How will he be able to have and operate an “Eye Practice” if he does not generate profits!?

After all, the Doctor has to pay bills to be able maintain his BUSINESS operation.

In addition to eye examinations, a big part of profits are generated from selling frames, lenses and accessories. As we all know, profit is the difference between the purchase price and the selling price of an item. Naturally, the frame buyer is always trying to buy frames at a reduced price to be able generate profits from the sales. Let us compare a buying technique that, I think, will improve your profits.

As an example, after buying 21 frames, the frames buyer is asking the sales representative for a discount. In our example, the frame company is generously giving a 20% discount on that purchase.

Now let us count how much profit the Doctor will generate after the 21 frames are sold.

21 frames, at \$50 and 20% discount

Purchase price: 21 frames x \$50 = \$1,050

After applying the 20% discount, the Dr. has to pay to the company \$840

Cost after discount: \$ 1,050 - \$210 (20%) = \$840

The Optician sold each frame for \$150

Gross profit: 21 frames x \$150 = \$3,150

From this gross profit the Dr. has to pay the company the purchase price of \$840

Net Profit: 3,150 - 840 = \$2,310

Now let us explore a different way of frames buying:

21 frames at \$50 and 7 free frames

Purchase price: 21 frames at \$50 = \$1,050

But now, instead of a discount, the Dr. receives seven additional frames for free!

Let us do the mathematics.

The optician sold each frame for \$150

Gross profit: 28 frames x \$150 = \$4,200

From this gross profit the Dr. has to pay the company the purchase price of \$1,050

Net profit: 4,200 - 1,050 = \$3,150

Discount vs. Free frames

After receiving a 20% discount the Dr. made \$2,310 net profit.

But after receiving 7 additional free frames the Dr. made \$3,150 net profit.

\$840 more in profits!

Basically, the seven free frames sold at \$150 will pay the bill for 21 frames.

7 free frames x \$150 = \$1,050

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