



Projected Return on Investment - ROI
 11 X 17 Direct Mail Campaign
 June 2008

MID-RANGE SCENARIO

| ASSUMPTIONS | | | | |
|---|----------|--|---|---------|
| Type of Direct Mail Piece | 11 X 17 | | Patient Revenue - Yr. 1 | \$1,000 |
| Projected Campaign Cost | \$21,613 | | Patient Revenue - Yr. 2 | 800 |
| Cost per Piece | \$0.540 | | Patient Revenue - Yr. 3 | 800 |
| Projected Avg. Annual Revenue per Patient - Yr 1 | \$1,000 | | Patient Revenue - Yr. 4 | 800 |
| Projected Avg. Annual Revenue per Patient - Yr 1+ | \$800 | | Patient Revenue - Yr. 5 | 800 |
| Allocated Office Overhead Rate | 60.0% | | Patient Revenue - Yr. 6 | 800 |
| Discount Rate - Future Revenue | 10% | | Patient Revenue - Yr. 7 | 800 |
| Projected Years as New Patient - Years | 7 | | Grand Total Revenue | \$5,800 |
| Total Drops | 4 | | Avg. Patient Revenue per Yr. | \$829 |
| Households on Mailing List | 10,000 | | Avg. Discounted Patient Revenue per Yr. | \$582 |
| Total Pieces Mailed | 40,000 | | | |

| Response Rate - % of Households | 1.00% | 1.25% | <-----Typical Results-----> | | | 2.25% | 2.50% |
|---------------------------------|-------|-------|-----------------------------|-------|-------|-------|-------|
| | | | 1.50% | 1.75% | 2.00% | | |

| First Year ROI Projection | 1.00% | 1.25% | 1.50% | 1.75% | 2.00% | 2.25% | 2.50% |
|---------------------------------|----------|----------|-------------|-------------|-------------|-----------|-----------|
| New Patients | 100 | 125 | 150 | 175 | 200 | 225 | 250 |
| Projected Revenue per Patient | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Total First Year New Revenue | 100,000 | 125,000 | 150,000 | 175,000 | 200,000 | 225,000 | 250,000 |
| Less: Allocated Office Overhead | (60,000) | (75,000) | (90,000) | (105,000) | (120,000) | (135,000) | (150,000) |
| New Patient Profit - First Year | 40,000 | 50,000 | 60,000 | 70,000 | 80,000 | 90,000 | 100,000 |
| ROI - First Year | 1.85 | 2.31 | 2.78 | 3.24 | 3.70 | 4.16 | 4.63 |

| Multiple Year ROI Projection | 1.00% | 1.25% | 1.50% | 1.75% | 2.00% | 2.25% | 2.50% |
|---|-----------|-----------|--------------|--------------|--------------|-----------|-----------|
| New Patients | 100 | 125 | 150 | 175 | 200 | 225 | 250 |
| Projected Years as Patient | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Average Projected Discounted Revenue per Year | 582 | 582 | 582 | 582 | 582 | 582 | 582 |
| Projected Multiple Year Revenue per Patient | 4,077 | 4,077 | 4,077 | 4,077 | 4,077 | 4,077 | 4,077 |
| Total Multiple Year Discounted Revenue | 407,655 | 509,569 | 611,483 | 713,397 | 815,311 | 917,224 | 1,019,138 |
| Less: Allocated Office Overhead | (244,593) | (305,741) | (366,890) | (428,038) | (489,186) | (550,335) | (611,483) |
| New Patient Profit - Multiple Years | 163,062 | 203,828 | 244,593 | 285,359 | 326,124 | 366,890 | 407,655 |
| ROI - Multiple Years | 7.54 | 9.43 | 11.32 | 13.20 | 15.09 | 16.98 | 18.86 |

Note: Actual ROI for an individual practice may vary from above projections - results may not be typical