



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

HIGH-RANGE SCENARIO

ASSUMPTIONS				
Type of Direct Mail Piece	11 X 17		Patient Revenue - Yr. 1	\$1,200
Projected Campaign Cost	\$21,613		Patient Revenue - Yr. 2	1,000
Cost per Piece	\$0.540		Patient Revenue - Yr. 3	1,000
Projected Avg. Annual Revenue per Patient - Yr 1	\$1,200		Patient Revenue - Yr. 4	1,000
Projected Avg. Annual Revenue per Patient - Yr 1+	\$1,000		Patient Revenue - Yr. 5	1,000
Allocated Office Overhead Rate	60.0%		Patient Revenue - Yr. 6	1,000
Discount Rate - Future Revenue	10%		Patient Revenue - Yr. 7	1,000
Projected Years as New Patient - Years	7		Grand Total Revenue	\$7,200
Total Drops	4		Avg. Patient Revenue per Yr.	\$1,029
Households on Mailing List	10,000		Avg. Discounted Patient Revenue per Yr.	\$721
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	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total First Year New Revenue	120,000	150,000	180,000	210,000	240,000	270,000	300,000
Less: Allocated Office Overhead	(72,000)	(90,000)	(108,000)	(126,000)	(144,000)	(162,000)	(180,000)
New Patient Profit - First Year	48,000	60,000	72,000	84,000	96,000	108,000	120,000
ROI - First Year	2.22	2.78	3.33	3.89	4.44	5.00	5.55

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	721	721	721	721	721	721	721
Projected Multiple Year Revenue per Patient	5,050	5,050	5,050	5,050	5,050	5,050	5,050
Total Multiple Year Discounted Revenue	505,024	631,280	757,536	883,791	1,010,047	1,136,303	1,262,559
Less: Allocated Office Overhead	(303,014)	(378,768)	(454,521)	(530,275)	(606,028)	(681,782)	(757,536)
New Patient Profit - Multiple Years	202,009	252,512	303,014	353,517	404,019	454,521	505,024
ROI - Multiple Years	9.35	11.68	14.02	16.36	18.69	21.03	23.37

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