

SEXTANT & SEXTANT PE *frequently asked questions*

▶ ***What is SEXTANT?***

SEXTANT is a software application that helps Financial Executives and Estimators determine their costing and budgeting standards also known as Budgeted Hourly Rates (“BHR”s).

▶ ***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 SEXTANT 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 SEXTANT or SEXTANT PE.

▶ ***I work in an in-plant shop and we don’t “sell” our work. Why would I need SEXTANT?***

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 SEXTANT employ?***

“All-Inclusive costing” also referred to as “All-In Costing” or “(Full) Absorption Costing”. It is a form of cost analysis that assigns a representative portion of ALL manufacturing and overhead costs to individual cost centers and products.

▶ ***Does this mean that SEXTANT 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 I perform “what-if” scenarios using SEXTANT?***

Yes. SEXTANT 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.

► **Other than the BHR details, what other reports will SEXTANT generate?**

Scenario List: List of scenarios that you have created.

Cost Center List: Cost centers and the employees who work in each, as well as the approximate percentage of time that employees spend in each cost center.

Employee List: Employees’ names and numbers, pay types, hourly wages, salaries, shifts per week, hours per shift, paid weeks and vacation days.

Benefits Packages List: The Benefits packages that you have created.

Benefits List: The user-defined individual benefits (dental, medical, life, etc.). The combinations of various benefits comprise the user-defined Benefits Packages.

► ***Does SEXTANT distribute the overhead costs to individual cost centers by square footage?***

SEXTANT 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 be likely be lost.

► ***My PC is old. Will I be able to run SEXTANT on it?***

If your computer can run Microsoft Windows, it can run SEXTANT.

▶ ***What operating systems does SEXTANT work on?***

Microsoft Windows including XP, 2000, NT, ME, 98, 95 and 3.1. (SEXTANT *Power Edition* does not run on Windows 3.1).

▶ ***Do you have a Mac version of SEXTANT?***

No, but we have clients that run SEXTANT on their Macs using Windows emulation software.

▶ ***What information do I need in order to get accurate BHRs from SEXTANT?***

- ✓ Current financial statement or budget
- ✓ Personnel list including payroll info, vacation days, work location
- ✓ Equipment list and current estimated values

▶ ***Does SEXTANT use any industry standards (such as Franklin's) in developing my BHRs?***

No! All results are based exclusively on YOUR company's information. Why use other theoretical standards when SEXTANT provides you with YOUR company's exact standards?

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

SEXTANT'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. SEXTANT 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 SEXTANT simply because of this feature!

▶ ***How much does SEXTANT cost?***

Just \$695.00

► ***How does SEXTANT PE differ from SEXTANT?***

SEXTANT PE is aimed at financial executives who want additional ease of use and flexibility. The major differences are as follows:

SEXTANT	SEXTANT PE
Provides Budgeted Hourly Rates based on All-inclusive costs	Provides BHRs based on Direct cost, Factory Overhead or All-inclusive basis
QuickCheck can prepare cost analyses and pricing estimates based on All-inclusive costs	QuickCheck can prepare cost analyses and pricing estimates based on Direct, Factory Overhead or All-inclusive costs
Cost Centers' available production hours are calculated by the program	Users can override Cost Centers' available production hours if desired
Users can set four productivity factors that will be used by all cost centers	Users can choose four productivity factors for each cost center
Imports information from ASCII files	Imports from Excel spreadsheets
Exports Employee information to ASCII files	Exports all report information to Excel spreadsheets and numerous other file formats

► ***How much does SEXTANT PE cost?***

Only \$1,195.00

► ***Is that all? My Management Information System cost me \$_____ (fill in the blank)!***

Yes. You likely paid a lot more for your Estimating/MI system. Is it not a small price to pay to ensure system accuracy and profitability?

► ***We can easily recover this cost with (please check one box):***

- one less wrongly priced job**
- two less wrongly priced jobs**

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