

EXHIBIT C

Overhead Expenses for Custom Blotter Company. Franchise format; Modest sales, With 6% Royalty and 2% Ad Fee + Adjustments [See Note]

6 Months to end Mar	2000 Oct	2000 Nov	2000 Dec	2001 Jan	2001 Feb	2001 Mar	00-01 6-Mths
Selling expenses (\$000):	The variable descriptions in blue can be changed						Tot/Avg
-Variable selling expenses as % sales *	20.0	20.0	20.0	20.0	20.0	20.0	20.0
-Variable selling expenses	2.0	2.7	3.3	4.2	5.0	5.2	22.3
-Advertising & brochures							
-Travel expenses							
-Public relations, exhibitions							
Total selling expenses (\$000)	2.0	2.7	3.3	4.2	5.0	5.2	22.3
Management/administration staff expenses:							Tot/Avg
-Clerical staff (Persons)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
-Clerical payroll/benefits (\$000/pers/mth)	1.383	1.383	1.383	1.383	1.383	1.383	1.383
-Management staff (Persons)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
-Management payroll/benefits (\$000/pers/mth)	2.667	2.667	2.667	2.667	2.667	2.667	2.667
Total management/admin staff exs (\$000)	4.1	4.1	4.1	4.1	4.1	4.1	24.3
General expenses (\$000):	The variable descriptions in blue can be changed						Total
-Office supplies etc.	0.1	0.1	0.1	0.1	0.1	0.1	0.6
-Mail, telephone, telex & fax	0.2	0.2	0.2	0.2	0.2	0.2	1.2
-Travel	1.0						1.0
-Computer supplies etc.	0.1	0.1	0.1	0.1	0.1	0.1	0.6
-Utilities	0.1	0.1	0.1	0.1	0.1	0.1	0.6
-Rent & property taxes	2.0	2.0	2.3	2.3	2.3	2.3	13.2
-Professional fees & audit							
-Miscellaneous expenses	0.2	0.2	0.2	0.2	0.2	0.2	1.2
Total general expenses (\$000)	3.7	2.7	3.0	3.0	3.0	3.0	18.4
Total overhead expenses (\$000)	9.8	9.4	10.3	11.2	12.1	12.2	65.0
Supplementary Data & Calculations: *	8% has been added to the cost of sales for royalties (6%) and ad fees (2%), while line item cost for brochures/ads has been adjusted to zero.						

NOTE:

The "Variable Selling Expense as % of Sales" assumes a 12% commission paid out to a sales person, plus 8%, for a total of 20%. The added 8% reflects the most common franchise royalty and advertising fee structure: Six percent (6%) is a "royalty payment" (an ongoing fee for owning the franchise), plus two percent (2%) mandatory advertising fee (paid to franchisor or franchisor's advertising entity).