

SCCA Enterprises Inc



SCCA Enterprises Results 2010

- Budgeted Profit was \$48,337 as approved
- Actual 2010 result was a **\$10,554** loss
- SCCA Loan Balance is under \$450,000
 - Continued to Pay \$5,560 per month
 - Paid \$53,000 in principal & almost \$14,000 in interest
- Primary product lines:
 - SRF 0.5% above 2009 (reflective of flat participation)
 - FE 26% above 2009 (Pro Series parts sales)
 - Engines 6% below 2009 (less rebuilds / customer)
- Why the Loss:
 - Initial Overheads unsustainable – made hard cuts
 - Held back Price Increases despite COG hits
 - Marketing Investments - \$12,000 above budget
 - Pro Series Support - \$23,000 total cost
 - Invested heavily in SRF and FE R&D Projects
 - Lost \$10,000 to date on FA Swift Intake

SCCA Enterprises Results 2010 Continued

- **Participation:**
 - **SRF dropped to the # 2 National class, total Club Racing entries exactly equal to 2009 (measured via compliance income)**
 - **FE 18% higher total Club Racing entries**
 - **Enterprises cars provided 3,850 Club Racing entries**
 - **25th Anniversary SRF weekend featured 96 SRF's**
 - **SCCA Pro SRF averaged 24 cars per race**
 - **SCCA Pro FE averaged 12.5 cars per race**
- **Bright Side :**
 - **No Changes in our exceptional Payment History (to all Vendors and SCCA)**
 - **Reviewed major New Projects – stayed aggressive**
 - **Had sufficient Cash Reserves (i.e. no loans needed)**
 - **Best Staff ever with significant momentum in terms of service quality and new products are ready for '11**
 - **Proved what I always said would be our real test....**

SCCA Enterprises 2011 and beyond

- **Budgeted Profit is again conservative at \$45,000**
- **Continue to support SCCA Pro Series for the SRF and FE – looking for class growth as a result**
- **Launching most ambitious new Marketing for SRF since the 1980's and developing similar effort for FE**
- **Rolling out “level 1” products for both SRF and FE (obsolescence's and upgrades)**
- **CSR Conference in late February – first in 3 years (reviewing all aspects of customer service and marketing)**
- **Testing “level 2” Upgrades / Obsolescence Updates**
- **Continuing to look towards New Markets and Products**