

Gross profit break-even

This calculation will identify the gross profit and total sales your business needs to cover overhead and break even. It's useful if you sell multiple products and services, making it difficult to allocate specific overhead to one product or service.

Overhead costs

Enter your total annual exporting overhead costs. Include costs that remain the same regardless of how much you sell, such as rent, insurance, wages, marketing, travel.

Gross profit percentage

Enter your gross profit percentage, calculated by dividing your yearly gross profit by yearly revenue. If you're a pure service business with no product, this will be 100%.

Your results

Total sales revenue required	Sales per week
(Overhead / gross profit percentage)	(Total sales revenue / 52 weeks)

How to change your results

Lower overhead or improve your gross profit percentage by, for example, increasing price or decreasing labor and materials. Each will impact how much you need to sell in order to break even.

Gross profit example

Software subscriptions		Furniture factory	
Overhead	\$500,000	Overhead	\$500,000
Gross profit percentage	100%	Gross profit percentage	25%
Total sales revenue required	\$500,000	Total sales revenue required	\$2,000,000
Sales per week	\$9,615	Sales per week	\$38,462