

Annual Performance Benchmarking Survey and State of the Industry

**Presented by
Bob Capasso of Concrete Financial Insights**

Let's start with safety

Note the exits and agree on a rallying point in event of an emergency



Volunteer trained in CPR – if available

Volunteer to take responsibility for calling 911



Antitrust Statement

This session is being conducted in accordance with the NRMCA Antitrust Policy Statement

The National Ready Mixed Concrete Association assigns the highest priority to full compliance with both the letter and the spirit of the antitrust laws. Agreements among competitors that unreasonably limit competition are unlawful under federal and state antitrust laws, and violators are subject to criminal fines and incarceration, civil fines and private treble-damage actions. Even the successful defense of antitrust litigation or an investigation can be very costly and disruptive. It is thus vital that all meetings and activities of the Association be conducted in a manner consistent with the Association's antitrust policy.

Examples of illegal competitor agreements are those that attempt to fix or stabilize prices, to allocate territories or customers, to limit production or sales, or to limit product quality and service competition. Accordingly, it is inherently risky and potentially illegal for competitors to discuss under Association auspices, or elsewhere, the subjects of prices, pricing policies, other terms and conditions of sale, individual company costs (including planned employee compensation), the commercial suitability of individual suppliers or customers, or other factors that might adversely affect competition.

It is important to bear in mind that those in attendance at Association meetings and activities may include competitors, as well as potential competitors. Any discussion of sensitive antitrust subjects with one's competitors should be avoided at all times before, during, and after any Association meeting or other activity. This is particularly important because a future adversary may assert that such discussions were circumstantial evidence of an illegal agreement, when viewed in light of subsequent marketplace developments, even though there was, in fact, no agreement at all.

If at any time during the course of a meeting or other activity, Association staff believes that a sensitive topic under the antitrust laws is being discussed, or is about to be discussed, they will so advise and halt further discussion for the protection of all participants. **Member attendees at any meeting or activity should likewise not hesitate to voice any concerns or questions that they may have in this regard.**

Adopted by the NRMCA Membership, on April 3, 2006, and reaffirmed by legal counsel on January 19, 2024

We have a joint responsibility to fully comply with antitrust guidelines

- Each business makes its own independent decisions on strategies and tactics
 - We will discuss a range of ways that individual businesses can approach their own independent decisions regarding volume, price and costs
 - Importantly, we are not advocating any one approach
 - In fact, our experience is that the most successful businesses find their own niche(s)
- We intend to follow the NRMCA antitrust guidelines
 - Please raise your hand if any part of our discussion is of concern

Today's discussion in five parts

- 1) Industry Overview
- 2) Overview of the annual PBS and monthly key metrics
- 3) Results of the Performance Benchmarking Survey – 2023 data
- 4) Improvements under review
- 5) Sharing the PBS as a tool to be more profitable

Section #1

Industry Overview

Ready Mix is a \$64 billion revenue industry across the U.S.

Concrete is the second most widely used material (after water)

400 million cubic yards delivered in 2023

Average 2023 selling price:

\$160 per cubic yard

Estimated number of concrete plants:

7,500 plants

Estimated number of mixer trucks:

70,000 trucks

Estimated number of round-trip loads:

50 million trips

Three states account for 1/3 of the volume:

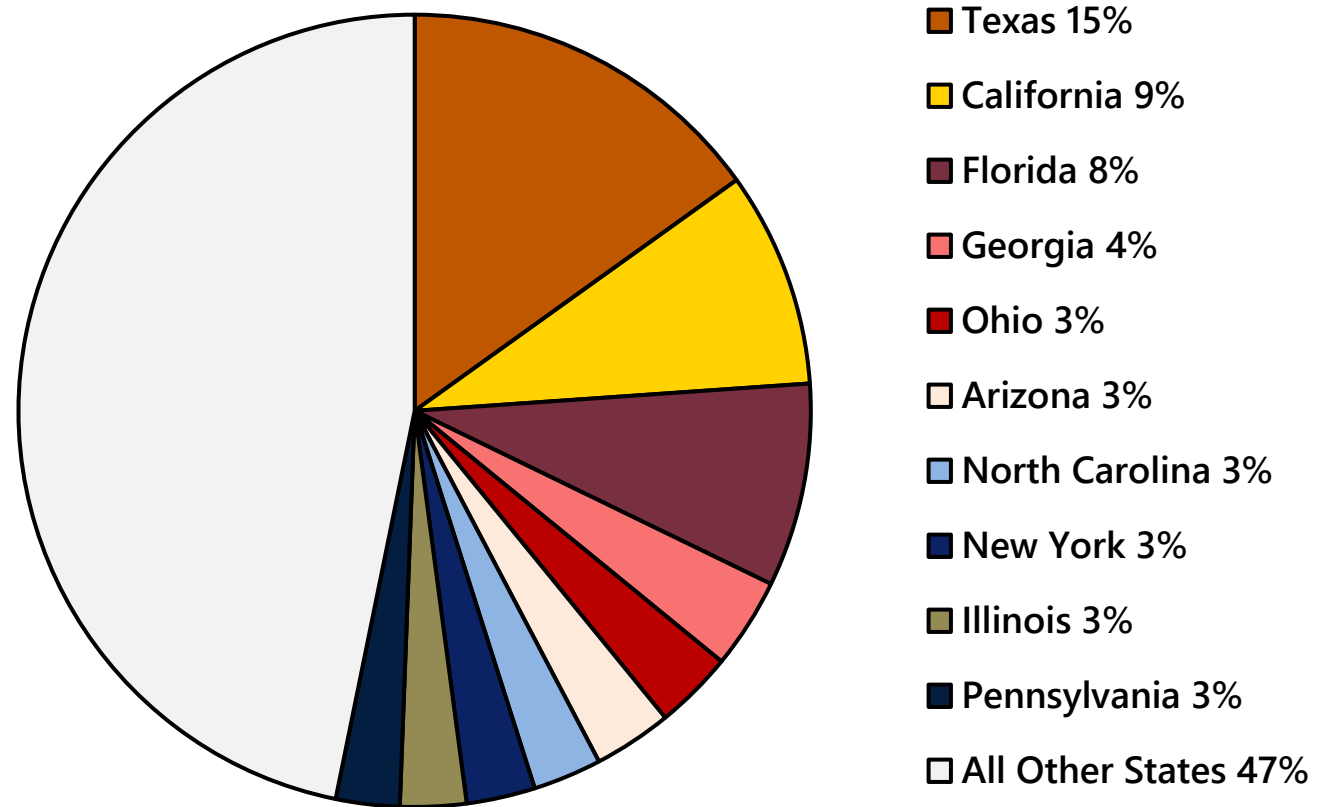
Texas, California, & Florida

Concrete is a cyclical industry

Recent volume peak in 2005 - 458 million yards

Recent volume bottom in 2010 - 257 million yards

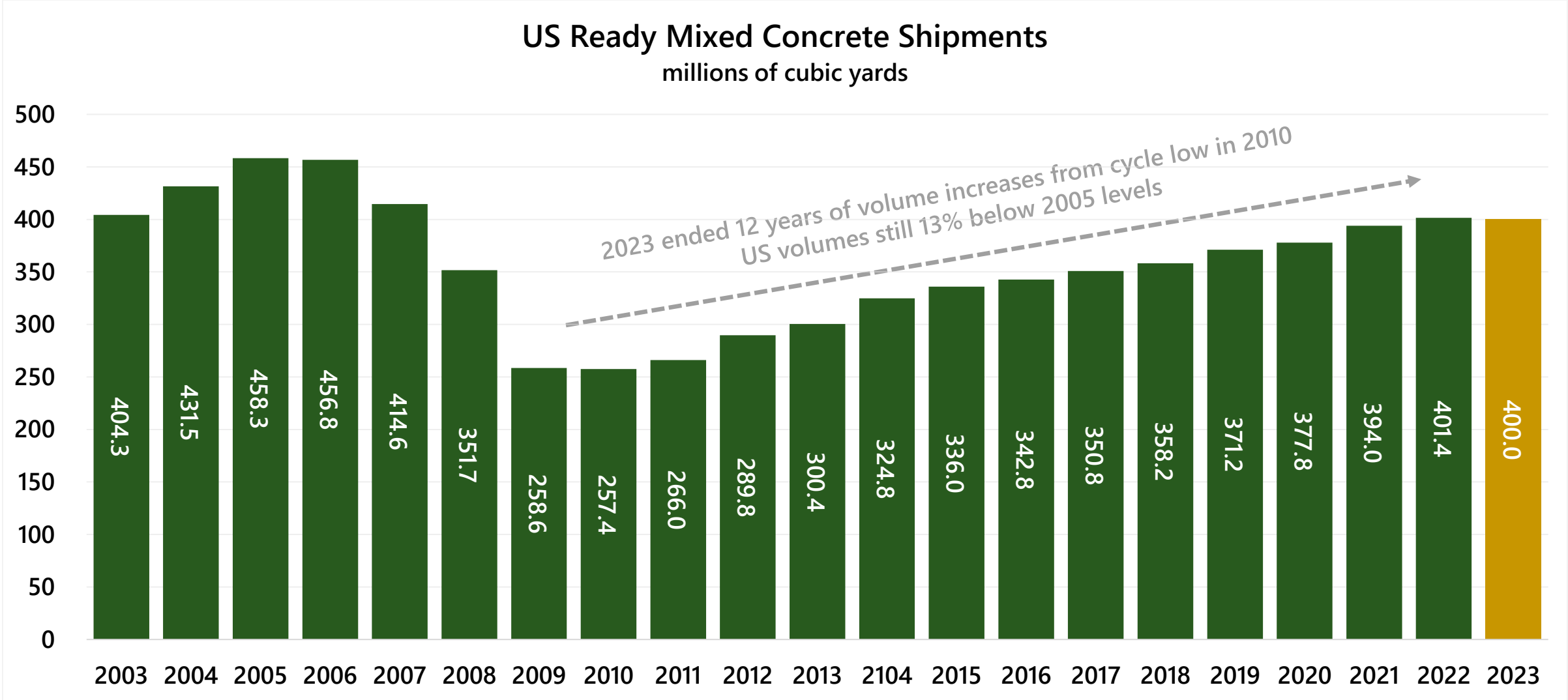
2023 Ready Mixed Concrete Volumes
Percentage of overall U.S. volume by State



Source: NRMCA using U.S. Geological Survey data with analysis by Concrete Financial Insights

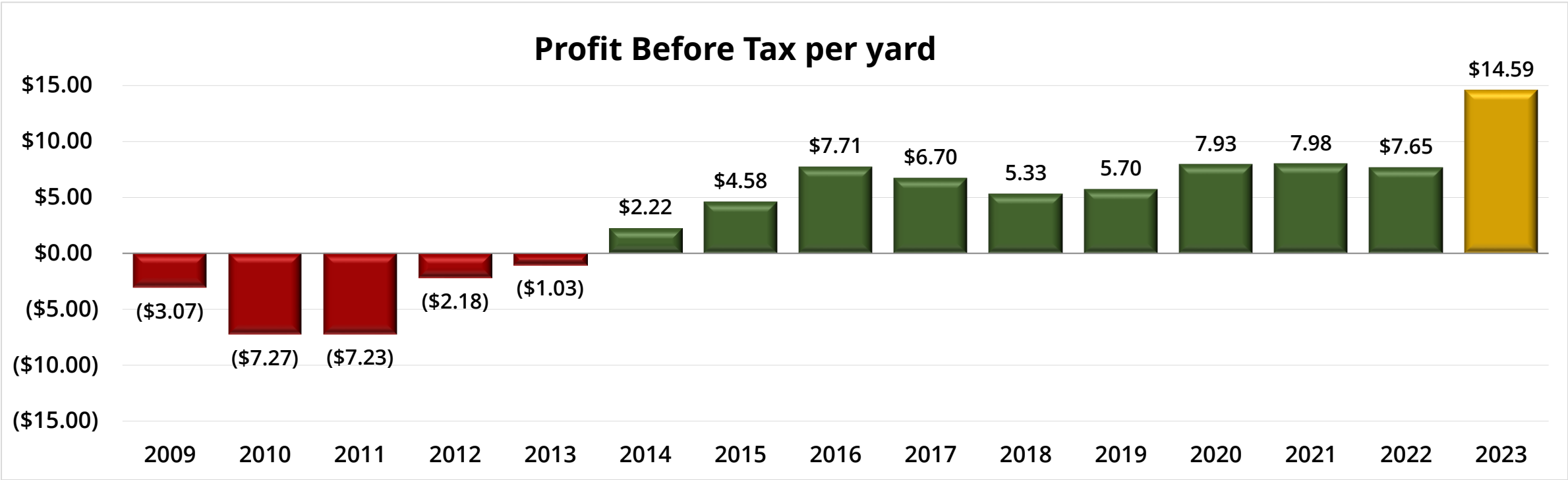
U.S. Ready volume trends 2003 through 2023

US Ready Mixed Concrete Shipments
millions of cubic yards

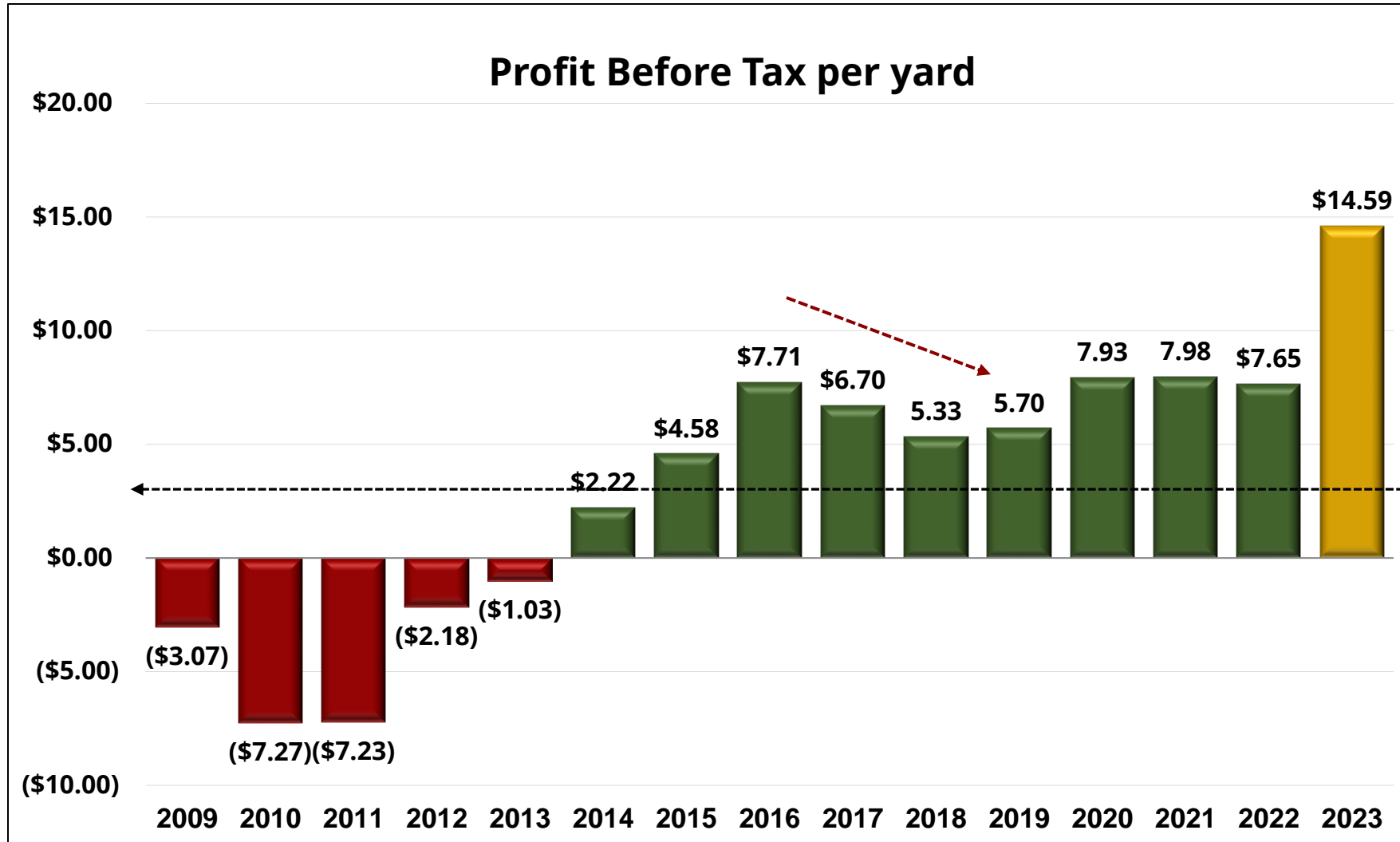


Source: NRMCA utilizing US Geological Survey data – updated July 2024

2023 was a record year in terms of profit per yard



Industry pretax profits have been mediocre over the cycle



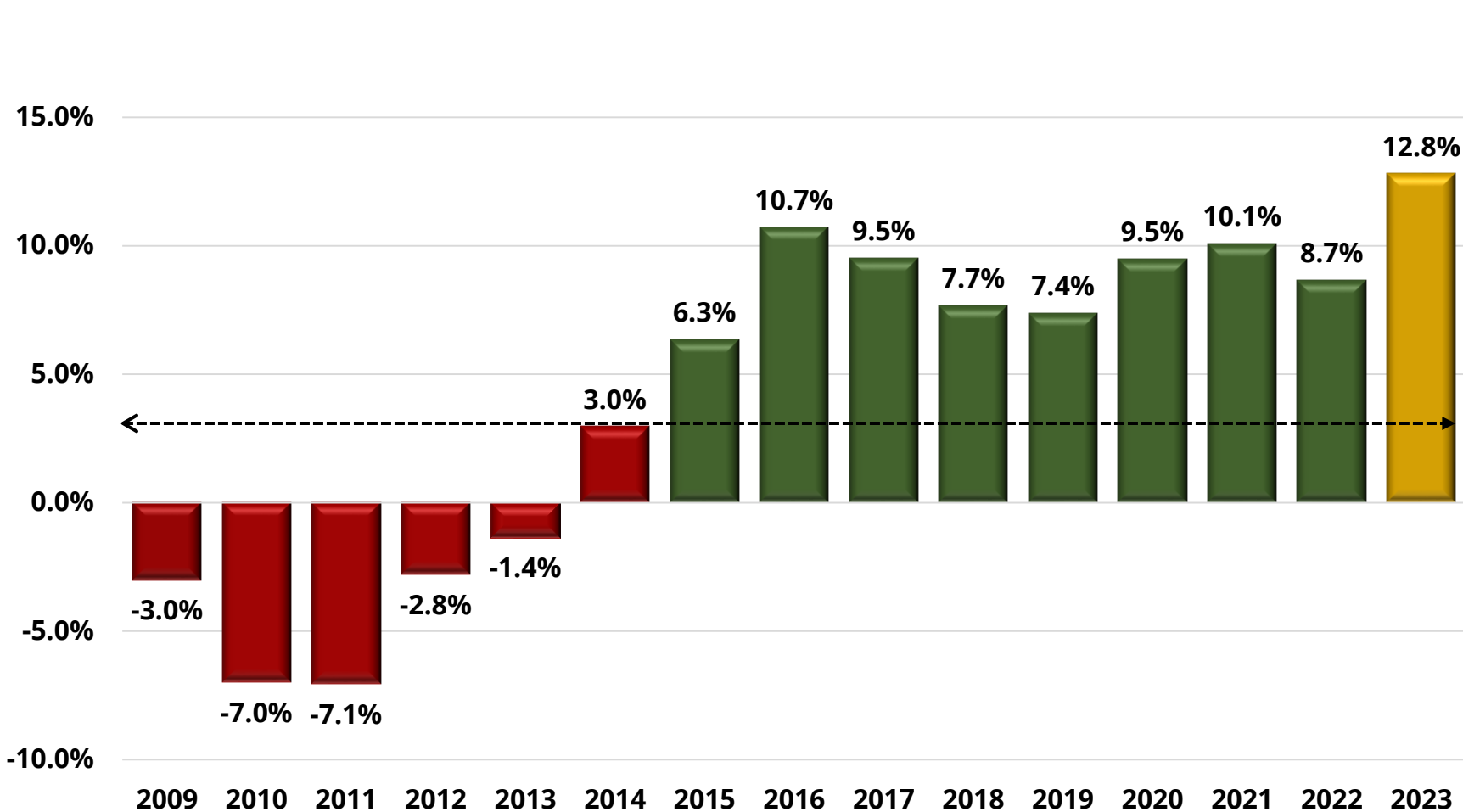
Source: NRMCA Performance Benchmarking Survey – 2023 data

**Average profits per cyd.
tumbled 31%**
between 2016 and 2018

Average profit/cyd.
across this 15-year period
was \$3.31

Pretax returns have also been mediocre over the cycle

Pretax Return on Assets

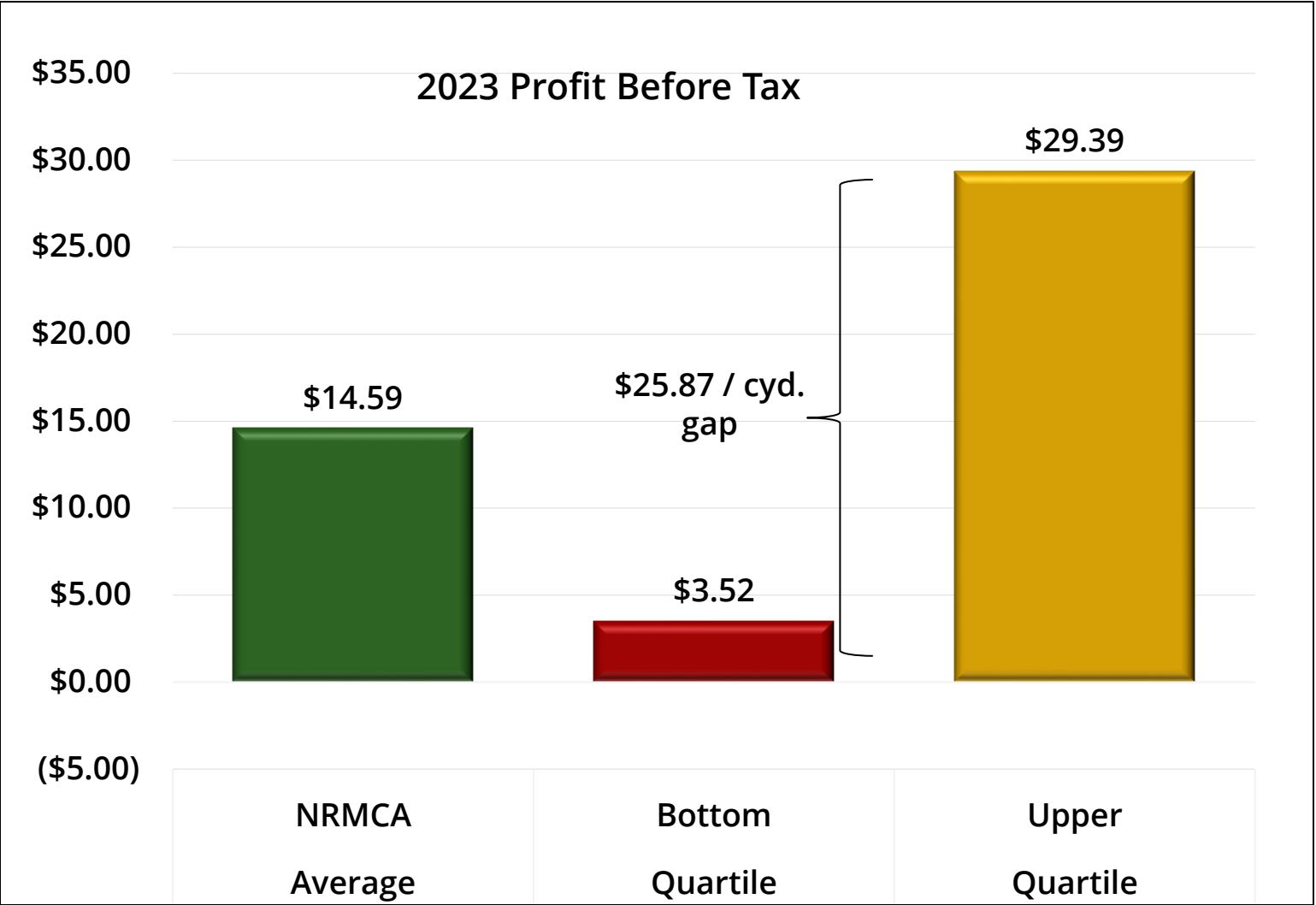


Source: NRMCA Performance Benchmarking Survey – 2023 data

Average returns
fell by 28%
between 2016 and 2018

Average returns across
this 15-year period
were 4.3%

More good news - not everyone is average



The top quartile (highest 25% in profitability per yard) in the NRMCA Performance Benchmarking Survey illustrates the opportunity which exists for the other 75% of the industry.

The gap in profitability from average to top quartile was \$14.80 per yard

Concrete Works 2024

The wide gap in profitability per yard demonstrates our opportunity

Section #2

NRMCA Performance Benchmarking Survey

Overview of the annual and monthly surveys

The NRMCA Performance Benchmarking Survey

What is it ? Why should you participate?

Participants receive:

- Customized report - compares your performance to your peers, by size and geographic region, company area and financial reporting type. Comparisons against the typical NRMCA member, four profit quartiles, and producers in your state (if at least 5 from your state submit)
Detailed Report : line-item detail \$ cyd. and % of sales
- Quick Reference Executive Summary

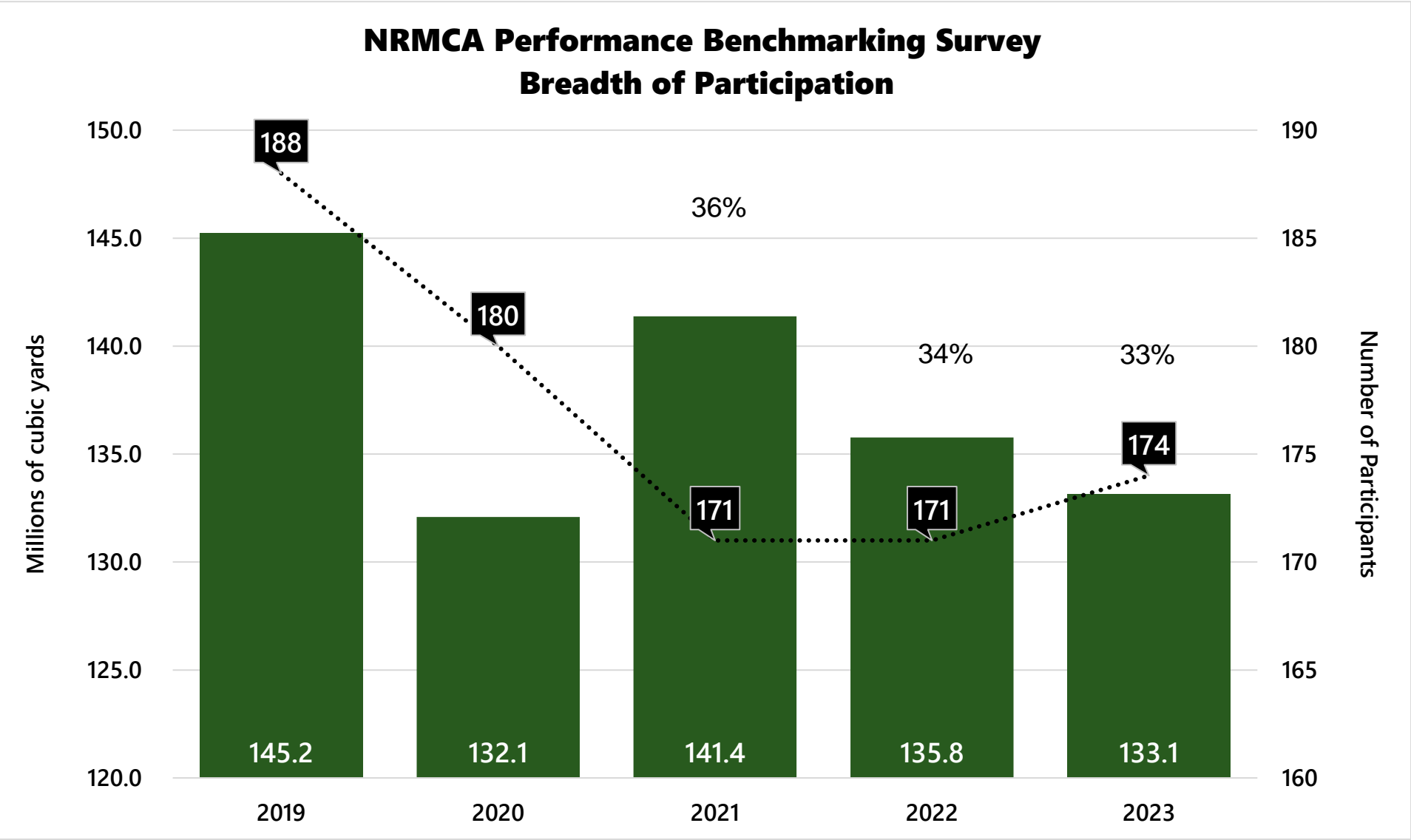
Comprised of Five Sections / Views:

- 1) Analysis By Company Size (four volume ranges)
- 2) Analysis By Geographic Region (8 regions)
- 3) Analysis By Company Area Type (Rural, Urban Mixed)
- 4) Analysis By Company Reporting Type (Stock traded on public exchanges versus privately owned)
- 5) Trends

2023 Survey contained 133 million yards = 33% of estimated U.S. industry

NRMCA Performance Benchmarking Survey

NRMCA Performance Benchmarking Survey
Breadth of Participation



The 174 participants in the current NRMCA Performance Benchmarking Survey accounted for 33% of ready mixed concrete delivered in 2023

Safe & secure

- Confidential
 - ✓ No one on a Committee or in the NRMCA sees individual company data
 - ✓ An outside CPA processes the information to ensure your data remains private
- Verified Compliant for Anti-Trust
 - ✓ Reviewed by NRMCA outside attorneys

Your data remains confidential

Submitting by state can add value

Survey results available by State:

Arizona

Michigan

Texas

California

New York

Virginia

Florida

Ohio

Iowa

Pennsylvania

Results available by Micro-region:

No. & So. Carolina

Alabama, Louisiana, & Mississippi

Utah & Colorado

Indiana, Kentucky, & Tennessee

Oregon & Washington

5 or more producers allowed participants to receive state
or micro- region PBS benchmark results in 22 states

Second monthly mini survey option

97 participants receive monthly key metric reports

- Volumes
- Price per cubic yard
- Material cost per cubic yard
- Material margin per cubic yard
- Number of licensed and insured trucks
- Mixer utilization – cubic yards per truck

Fresh up to date key metrics served monthly

Monthly NRMCA Key Metric Survey

**NATIONAL READY MIXED CONCRETE ASSOCIATION
MONTHLY KEY METRIC SURVEY - 13 MONTH ROLLING BASIS
(JUNE 2023 - JUNE 2024)
ALL REGIONS**

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
1 Total Cubic Yards Produced													
Month-to-Date	9,639,968	8,610,575	9,644,751	8,590,430	9,000,193	7,810,812	6,859,524	5,518,008	7,401,502	7,655,606	8,671,923	8,797,265	8,846,385
Number of Participants	91	91	91	91	91	91	92	97	97	97	97	97	97
2 Avg Sales Price Per CYD (Standard Mean)													
Month-to-Date	\$ 152.20	\$ 156.02	\$ 156.18	\$ 156.30	\$ 158.00	\$ 161.70	\$ 162.19	\$ 167.48	\$ 169.14	\$ 167.95	\$ 165.14	\$ 164.13	\$ 164.50
Month-to-Month % Change		2.5%	0.1%	0.1%	1.1%	2.3%	0.3%	3.3%	1.0%	-0.7%	-1.7%	-0.6%	0.2%
3 Avg Sales Price Per CYD (Weighted)													
Month-to-Date	\$ 154.08	\$ 157.93	\$ 159.45	\$ 159.01	\$ 161.11	\$ 162.60	\$ 162.18	\$ 166.91	\$ 166.05	\$ 165.60	\$ 165.49	\$ 166.03	\$ 166.10
Month-to-Month % Change		2.5%	1.0%	-0.3%	1.3%	0.9%	-0.3%	2.9%	-0.5%	-0.3%	-0.1%	0.3%	0.0%
4 Avg Materials Cost Per CYD (Standard Mean)													
Month-to-Date	\$ 85.39	\$ 86.84	\$ 86.11	\$ 86.98	\$ 87.67	\$ 88.74	\$ 87.90	\$ 92.44	\$ 92.25	\$ 91.88	\$ 91.58	\$ 91.17	\$ 91.43
% of Sales	56.1%	55.7%	55.1%	55.6%	55.5%	54.9%	54.2%	55.2%	54.5%	54.7%	55.5%	55.5%	55.6%
Month-to-Month % Change		1.7%	-0.8%	1.0%	0.8%	1.2%	-0.9%	5.2%	-0.2%	-0.4%	-0.3%	-0.5%	0.3%
5 Avg Materials Cost Per CYD (Weighted)													
Month-to-Date	\$ 88.58	\$ 90.23	\$ 89.49	\$ 90.28	\$ 91.24	\$ 91.86	\$ 91.82	\$ 96.87	\$ 97.14	\$ 96.60	\$ 96.77	\$ 95.42	\$ 96.19
% of Sales	57.5%	57.1%	56.1%	56.8%	56.6%	56.5%	56.6%	58.0%	58.5%	58.3%	58.5%	57.5%	57.9%
Month-to-Month % Change		1.9%	-0.8%	0.9%	1.1%	0.7%	0.0%	5.5%	0.3%	-0.6%	0.2%	-1.4%	0.8%
6 Avg Materials Margin Per CYD (Standard Mean)													
Month-to-Date (\$)	\$ 66.81	\$ 69.19	\$ 70.08	\$ 69.32	\$ 70.33	\$ 72.96	\$ 74.29	\$ 75.04	\$ 76.89	\$ 76.07	\$ 73.56	\$ 72.96	\$ 73.07
% of Sales	43.9%	44.3%	44.9%	44.4%	44.5%	45.1%	45.8%	44.8%	45.5%	45.3%	44.5%	44.5%	44.4%
Month-to-Month % Change		3.6%	1.3%	-1.1%	1.5%	3.7%	1.8%	1.0%	2.5%	-1.1%	-3.3%	-0.8%	0.1%
7 Avg Materials Margin Per CYD (Weighted)													
Month-to-Date (\$)	\$ 65.50	\$ 67.70	\$ 69.96	\$ 68.73	\$ 69.87	\$ 70.74	\$ 70.35	\$ 70.04	\$ 68.90	\$ 69.00	\$ 68.73	\$ 70.61	\$ 69.90
% of Sales	42.5%	42.9%	43.9%	43.2%	43.4%	43.5%	43.4%	42.0%	41.5%	41.7%	41.5%	42.5%	42.1%
Month-to-Month % Change		3.4%	3.3%	-1.8%	1.7%	1.3%	-0.5%	-0.4%	-1.6%	0.1%	-0.4%	2.7%	-1.0%
8 Total Licensed & Insured Ready Mix Trucks													
Month-to-Date	17,958	18,134	18,244	18,274	18,198	18,011	18,265	19,993	20,170	20,123	20,376	20,381	20,382
Month-to-Month % Change		1.0%	0.6%	0.2%	-0.4%	-1.0%	1.4%	9.5%	0.9%	-0.2%	1.3%	0.0%	0.0%
9 CYD Per Ready Mix Truck													
Month-to-Date	546	478	555	490	510	449	371	256	348	342	403	425	431
Month-to-Month % Change		-12.6%	16.2%	-11.7%	4.1%	-12.1%	-17.4%	-31.0%	36.1%	-1.6%	17.6%	5.5%	1.4%

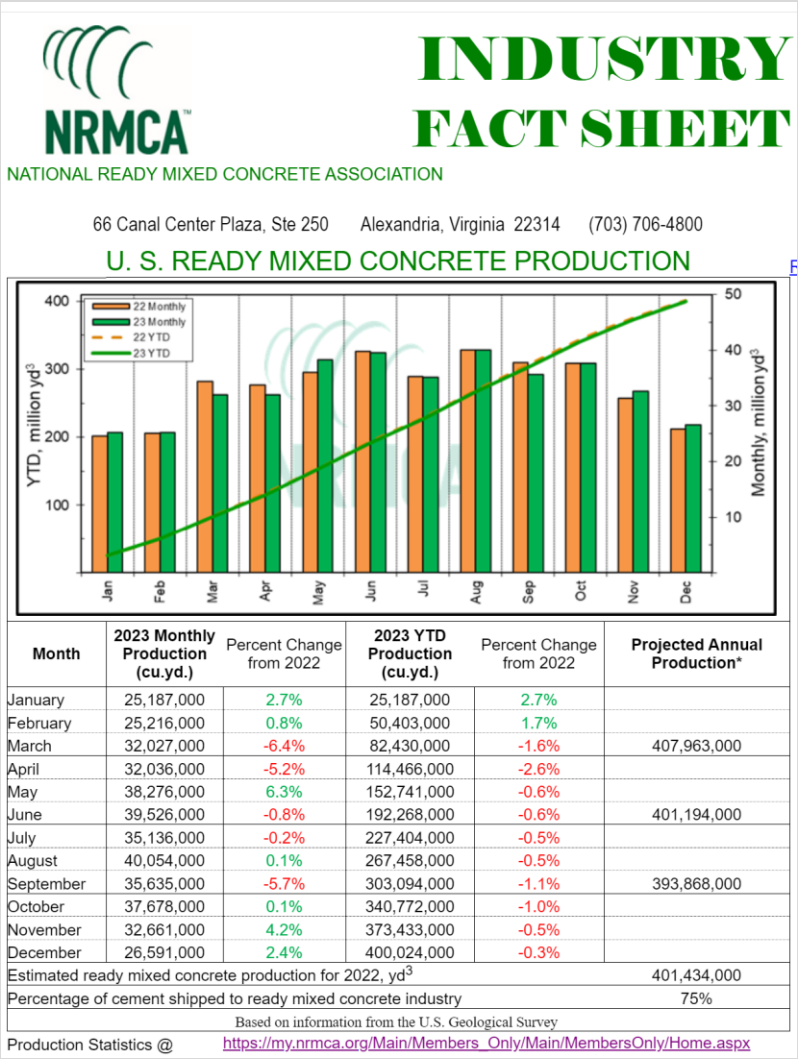
This example is
"all regions"


Also produced by
geographic region

- # of yards
- Avg. selling price
- Avg. material cost
- Avg. MOM
- # of trucks
- Avg Yards per truck

Are you taking
part?

Other NRMCA information on ‘members only’ section of website





Estimated Ready Mixed Concrete Production By State - 2023

2023 U.S. Ready Mixed Concrete Production

400,024,000cubic yards
305,858,000cubic meters

State	Cubic Yards	Percent of Total	Change from 2022	State	Cubic Yards	Percent of Total	Change from 2022
Alabama	6,145,000	1.5%	0.7%	Montana	1,557,000	0.4%	7.8%
Alaska	642,000	0.2%	32.1%	Nebraska	5,298,000	1.3%	-1.0%
Arizona	12,585,000	3.1%	-1.1%	Nevada	5,898,000	1.5%	-7.7%
Arkansas	3,997,000	1.0%	14.5%	New Hampshire	751,000	0.2%	-4.3%
California	34,378,000	8.6%	-11.0%	New Jersey	5,287,000	1.3%	-4.7%
Colorado	8,161,000	2.0%	-8.1%	New Mexico	2,654,000	0.7%	-5.2%
Connecticut	2,099,000	0.5%	8.3%	New York	11,259,000	2.8%	2.3%
Delaware	747,000	0.2%	1.2%	North Carolina	12,303,000	3.1%	9.2%
Dist. of Columbia	566,000	0.1%	-3.7%	North Dakota	1,915,000	0.5%	11.6%
Florida	32,209,000	8.1%	-3.2%	Ohio	12,473,000	3.1%	-3.8%
Georgia	14,419,000	3.6%	5.0%	Oklahoma	6,053,000	1.5%	-4.3%
Hawaii	1,075,000	0.3%	3.1%	Oregon	3,121,000	0.8%	-10.5%
Idaho	2,915,000	0.7%	-1.6%	Pennsylvania	9,440,000	2.4%	-8.2%
Illinois	10,744,000	2.7%	-0.7%	Puerto Rico	2,294,000	0.6%	-1.6%
Indiana	8,686,000	2.2%	-2.2%	Rhode Island	530,000	0.1%	-10.4%
Iowa	6,960,000	1.7%	-7.2%	South Carolina	7,507,000	1.9%	4.2%
Kansas	5,036,000	1.3%	4.5%	South Dakota	2,230,000	0.6%	13.4%
Kentucky	5,263,000	1.3%	0.9%	Tennessee	9,470,000	2.4%	2.5%
Louisiana	6,385,000	1.6%	-27.7%	Texas	69,880,000	17.5%	12.9%
Maine	926,000	0.2%	-4.1%	Utah	5,902,000	1.5%	-10.3%
Maryland	4,453,000	1.1%	-4.7%	Vermont	380,000	0.1%	-4.6%
Massachusetts	3,838,000	1.0%	-8.4%	Virginia	7,951,000	2.0%	-2.7%

2024 States quarterly 24 2023 States 23 Historical Alabama Alaska Arizona Arkansas California Colorado Connecticut De

The NRMCA website contains estimated concrete volumes on both a national basis and a state basis updated monthly.
https://my.nrmca.org/Main/Members_Only/Main/MembersOnly/Home.aspx

Section #3

Results from the NRMCA Performance Benchmarking Survey 2023 data

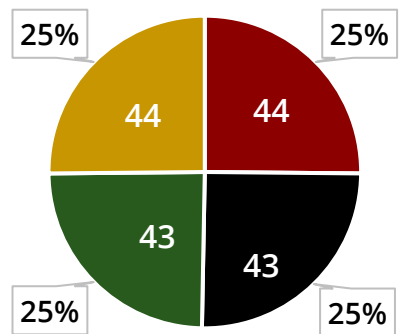
Profits per yard nearly doubled in 2023 for the average producer

	2021	2022	2023	Better (Worse)		
				\$	%	
Revenues	\$122.98	\$137.99	\$159.68	\$21.69	16%	
Materials Cost	<u>69.66</u>	<u>79.58</u>	<u>89.01</u>	<u>(9.43)</u>	<u>-12%</u>	
Material Margin	53.32	58.42	70.68	12.26	21%	← + 12.26
<i>as a percent of revenue</i>	43%	42%	44%		2%	
Operating Costs						
Plant	13.32	14.57	16.52	(1.95)	-13%	
Delivery	<u>26.34</u>	<u>29.42</u>	<u>32.07</u>	<u>(2.66)</u>	<u>-9%</u>	
Total Operating Costs	39.67	43.99	48.60	(4.61)	-10%	← + \$ 4.61
Operating profit	13.65	14.42	22.08	7.65	53%	
Selling	1.61	1.74	2.04	(0.30)	-17%	
Administrative	<u>4.35</u>	<u>4.95</u>	<u>5.18</u>	<u>(0.22)</u>	<u>-5%</u>	
S,G & A	5.97	6.70	7.22	(0.52)	-8%	← + \$ 0.52
Interest	0.21	0.22	0.34	(0.12)	-56%	
Other Income / (Expense)	0.50	0.14	0.07	(0.07)	-51%	
Profit Before Tax	7.98	7.65	14.59	6.94	91%	← + \$6.94

Profit before tax by quartile

50% of the companies (representing 49% of the volume)
are not economically sustainable at their current return on asset levels

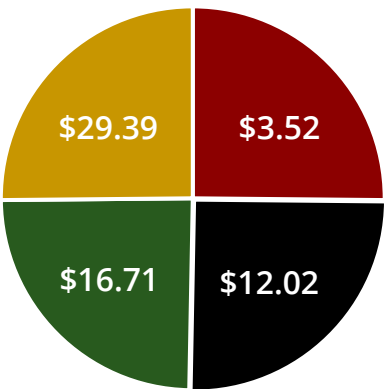
Number of Companies



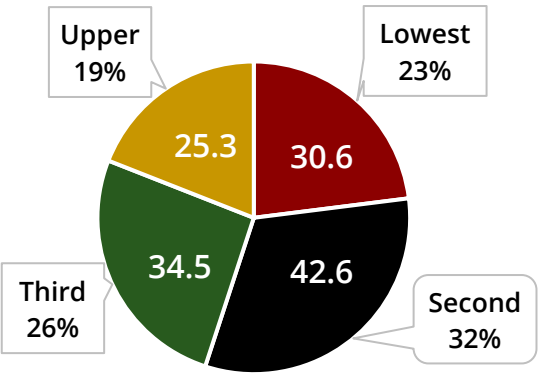
The bottom 25% of companies representing 23% of the PBS volume, **realized \$3.52 in profit** on their average yard sold, and produced a **3.9% return on assets**

The second quartile of companies representing 32% of the volume, **realized \$12.02 in profit** on their average yard sold, and produced a **12.4% return on assets**

Pretax profit per cyd.



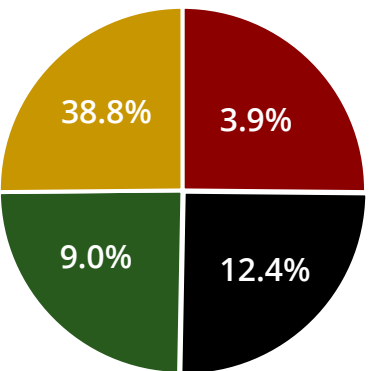
Number of million cyds.



The third quartile of companies representing 26% of the volume **realized \$16.71 in profit** on their average yard sold, and produced a **9.0% return on assets**

The top 25% of companies representing 19% of the volume **realized \$29.39 in profit** on their average yard sold, and produced a **38.8% return on assets**

Return on Assets



The industry became more economically sustainable in 2023

2023 Results by Quartile

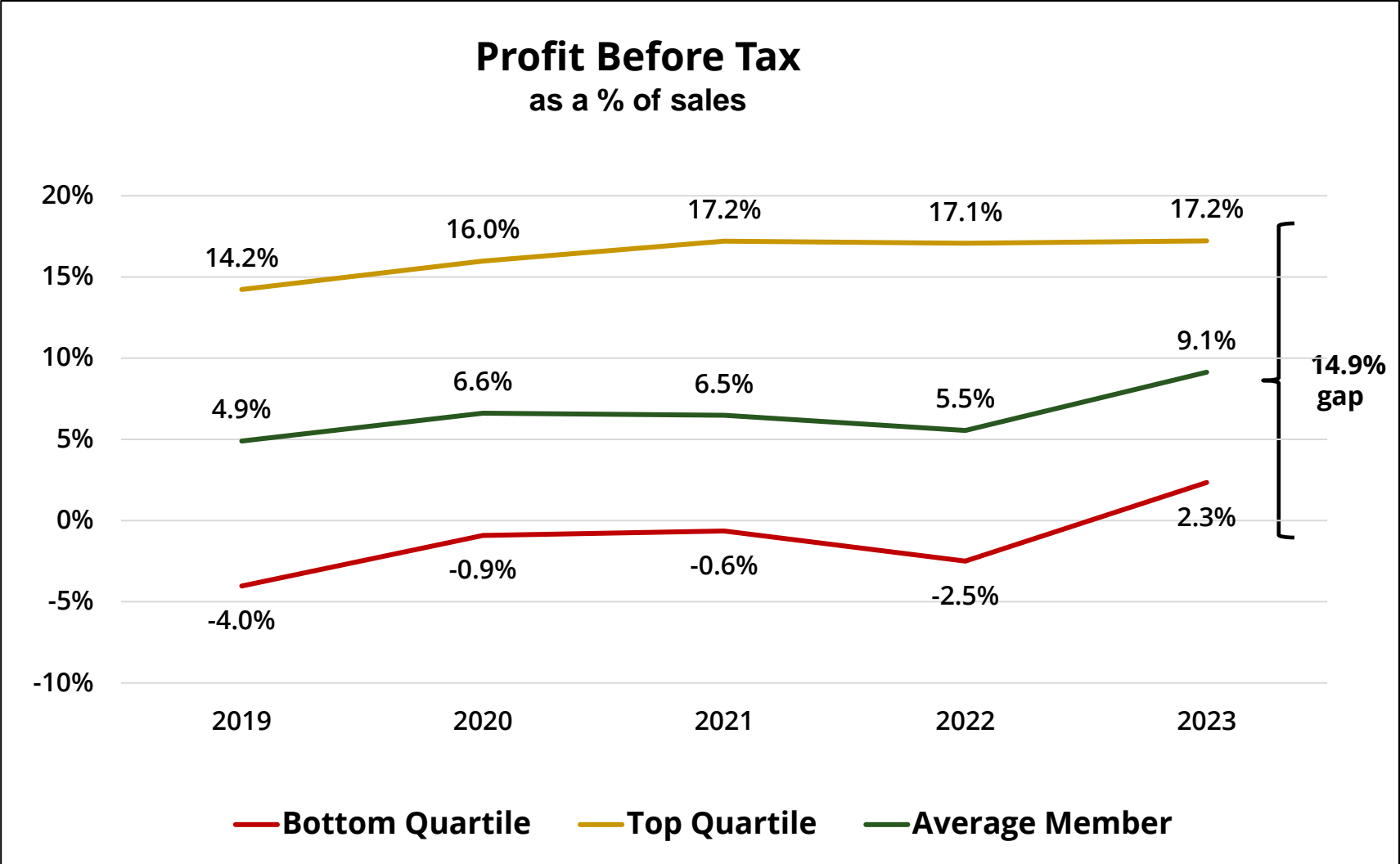
	Average NRMCA Member	Bottom Quartile	Second Quartile	Third Quartile	Top Quartile
Revenues	\$159.68	\$150.03	\$158.09	\$162.16	\$170.66
Materials Cost	<u>89.01</u>	<u>91.40</u>	<u>89.20</u>	<u>88.68</u>	<u>86.23</u>
Material Margin	70.68	58.63	68.89	73.48	84.43
<i>as a percent of revenue</i>	<i>44%</i>	<i>39%</i>	<i>44%</i>	<i>45%</i>	<i>49%</i>
Operating Costs					
Plant	16.52	17.46	15.74	16.89	16.22
Delivery	<u>32.07</u>	<u>31.32</u>	<u>32.95</u>	<u>31.52</u>	<u>32.27</u>
Total Operating Costs	48.60	48.78	48.69	48.41	48.49
Operating profit	22.08	9.85	20.20	25.07	35.94
S,G & A	7.22	6.16	7.86	7.34	7.25
Interest	0.34	0.16	0.45	0.48	0.19
Other Income / (Expense)	0.07	(0.02)	0.13	(0.54)	0.89
Profit Before Tax	14.59	3.52	12.02	16.71	29.39

How the 2023 top quartile did it:

	Average NRMCA Member	Upper Quartile	Better (Worse)		
			\$	%	
Revenues	\$159.68	\$170.66	\$10.98	7%	
Materials Cost	<u>89.01</u>	<u>86.23</u>	<u>2.77</u>	<u>3%</u>	+ \$13.75
Material Margin	70.68	84.43	13.75	19%	←
<i>as a percent of revenue</i>	<i>44%</i>	<i>49%</i>		<i>5%</i>	
Operating Costs					
Plant	16.52	16.22	0.31	2%	
Delivery	<u>32.07</u>	<u>32.27</u>	<u>(0.20)</u>	<u>-1%</u>	- \$ 0.11
Total Operating Costs	48.60	48.49	0.11	0%	←
Operating profit	22.08	35.94	13.86	63%	
S,G & A	7.22	7.25	(0.03)	0%	+ \$ 0.03
Interest	0.34	0.19	0.15	43%	
Other Income / (Expense)	0.07	0.89	0.82	1226%	+ \$14.80
Profit Before Tax	14.59	29.39	14.80	101%	←

Price (material margin) accounted for most of the \$14.80 outperformance

Profitability as a % of sales



Source: NRMCA Performance Benchmarking Survey – 2023 data

The **profitability gap**, between the top and bottom quartiles, as a percentage of sales, has decreased from 18.2% in 2019 to 14.9% in 2023.

The bottom 25% of PBS participants (44 firms) lost money in each of the ten past years before 2023

The the top 25% of producers in the NRMCA survey (44 firms) realized an average profit over these five years of 16.3% of revenue

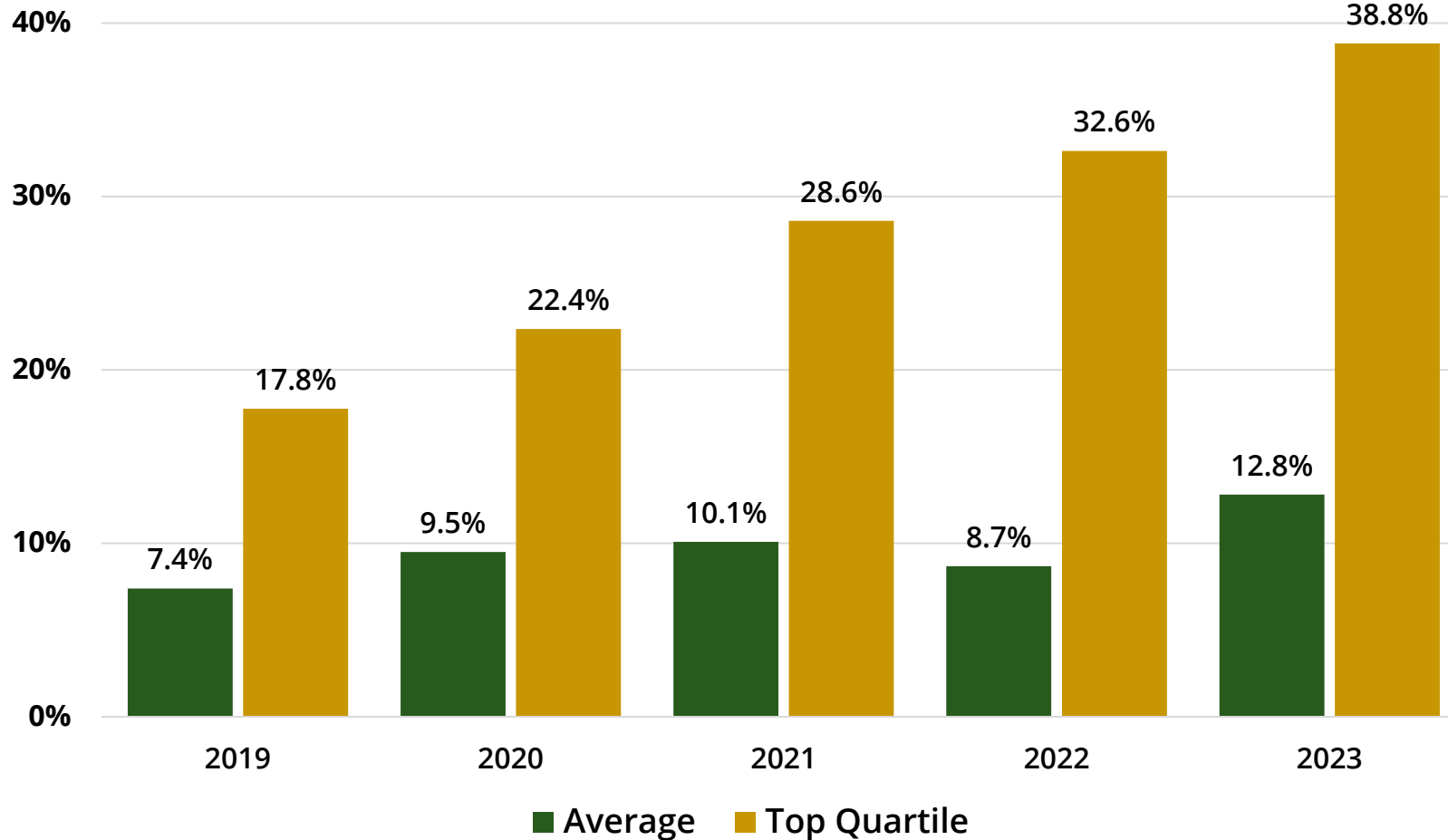
This shows that **ready mixed concrete can be more profitable** than the returns of the average member would indicate.

Concrete Works 2024

A substantial profitability gap in *Profit as a % of Sales* is evident across years

Pretax return on assets – performance gap

Pretax return on assets



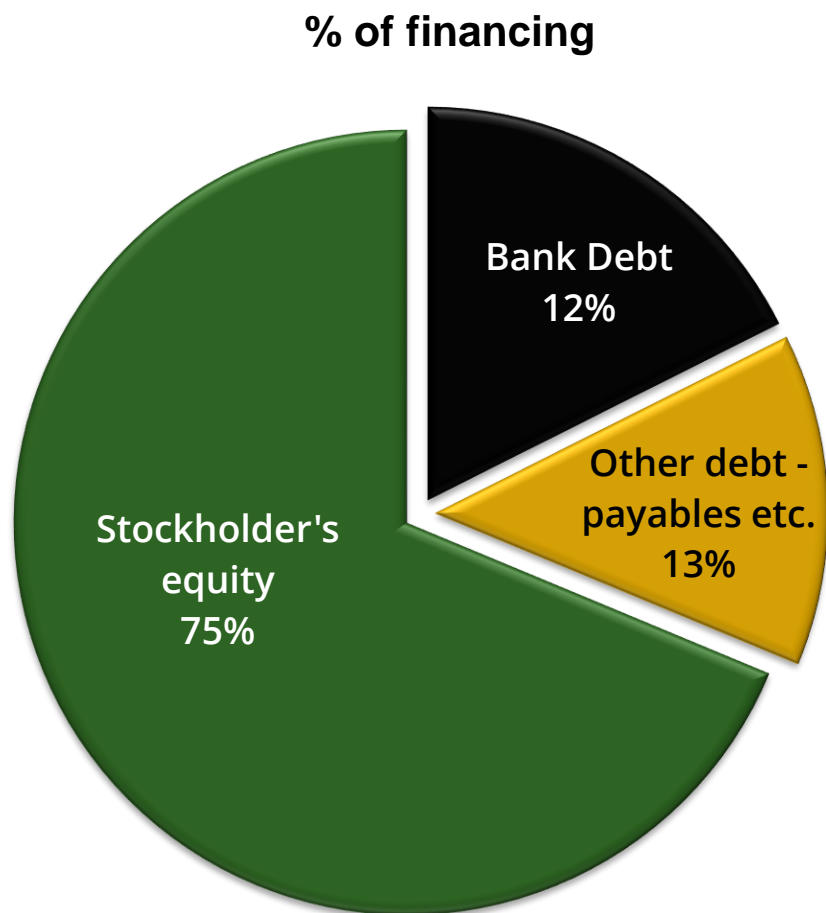
A profitability gap is evident in Pretax Return on Assets between the top 25% of PBS participants (approx. 50 firms) versus the Industry as a whole.

Average return over the past 5 years:

Top Quartile = 28%
Average = 10%

Next, we will benchmark versus the perennial top performers (100K - 299K firms) since the membership of the top 25% changes over time.

The industry's average blend of financing



■ Bank Debt ■ Other debt - payables etc. ■ Stockholder's equity

Type of Financing	Expected Return	Weighted
Bank debt	10%	1.3%
Other debt	13%	1.7%
Equity	12%	9.0%
Blended WACC		12.0%

Above for illustrative purposes only

Financing costs vary by firm

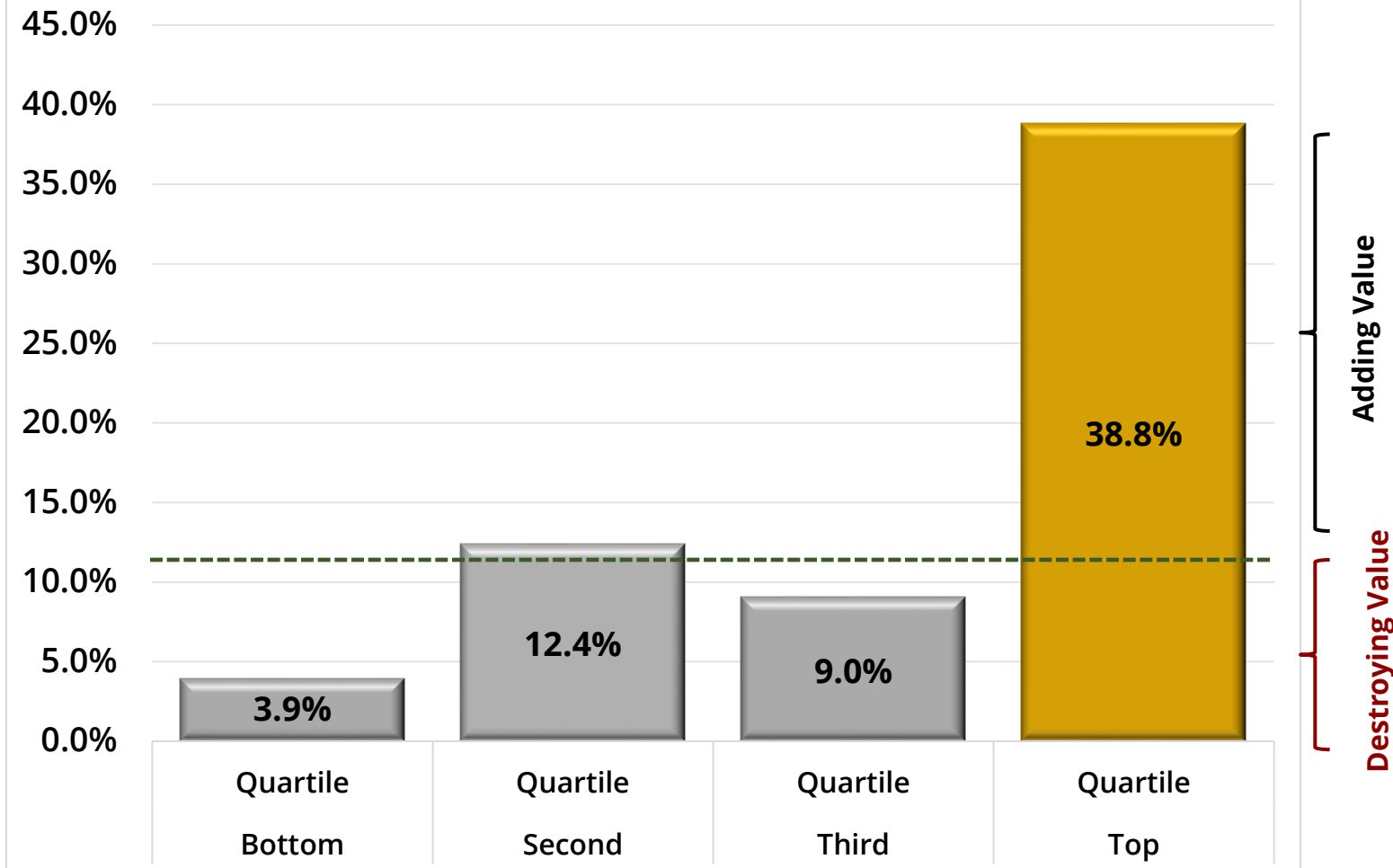
based on credit worthiness, collateral, perceptions of quality of management team, etc.

Concrete Works 2024

Firms are financed by banks, other debtors, and owners / shareholders

Financing costs and WACC vary by firm

Pretax return on assets



At left is are the annual returns on assets generated by each quartile of participants determined by profitability per yard.

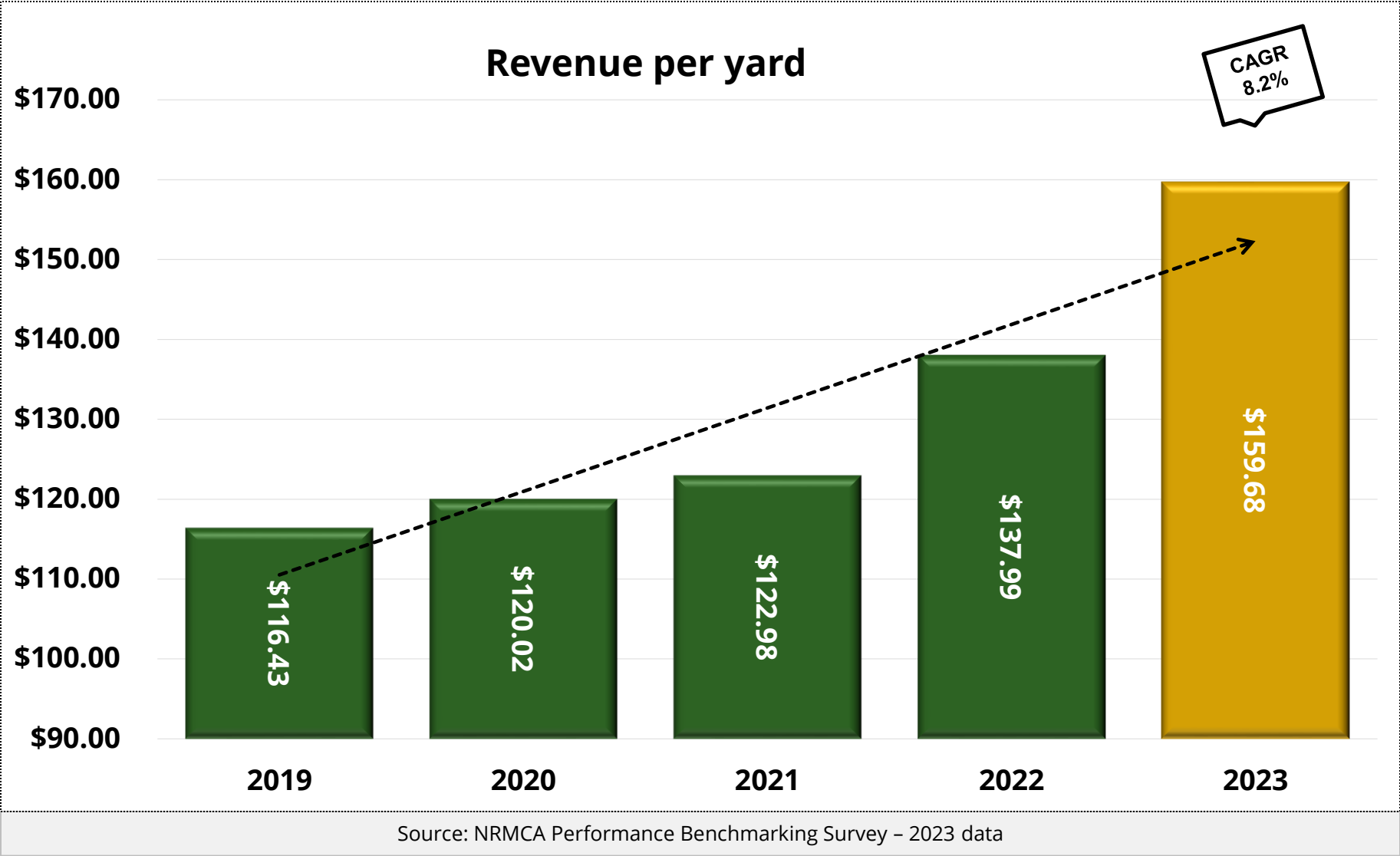
Note that the Third Quartile had a lower return on assets based on profitability per yard of \$16.71 than the Second Quartile based on profitability per yard of \$12.02 meaning that the Third Quartile managed their balance sheets much less effectively.

Each company has its own WACC based on its unique capital structure and lender perception of credit worthiness. However, for the mythical average participant, returns on assets at or above 12% add value to the business and returns on assets below 12% destroy value of the business

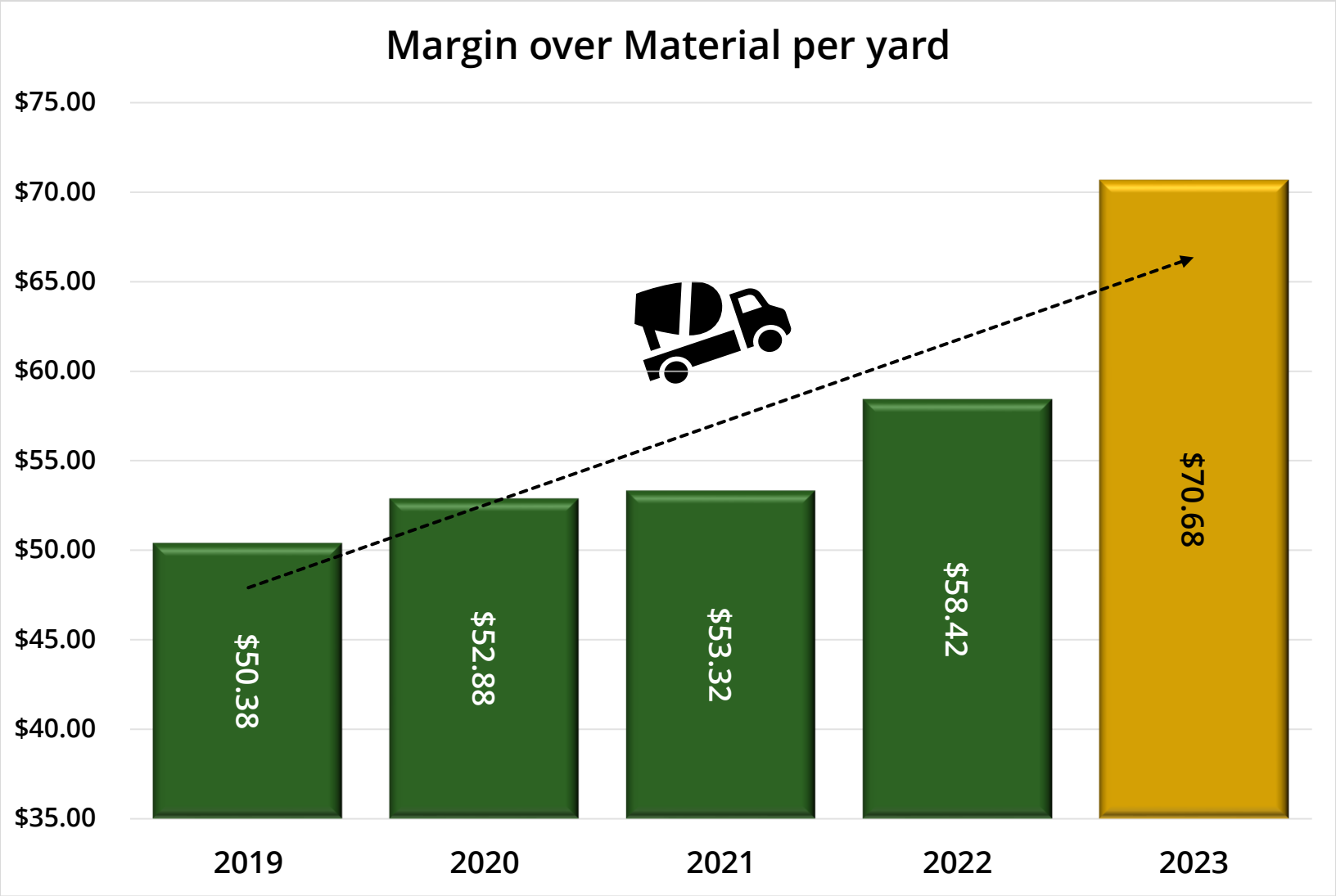
Concrete Works 2024

50% of participants appear to be reducing the value of their companies

U.S. Ready Mixed Concrete price trends



Trends – material margins

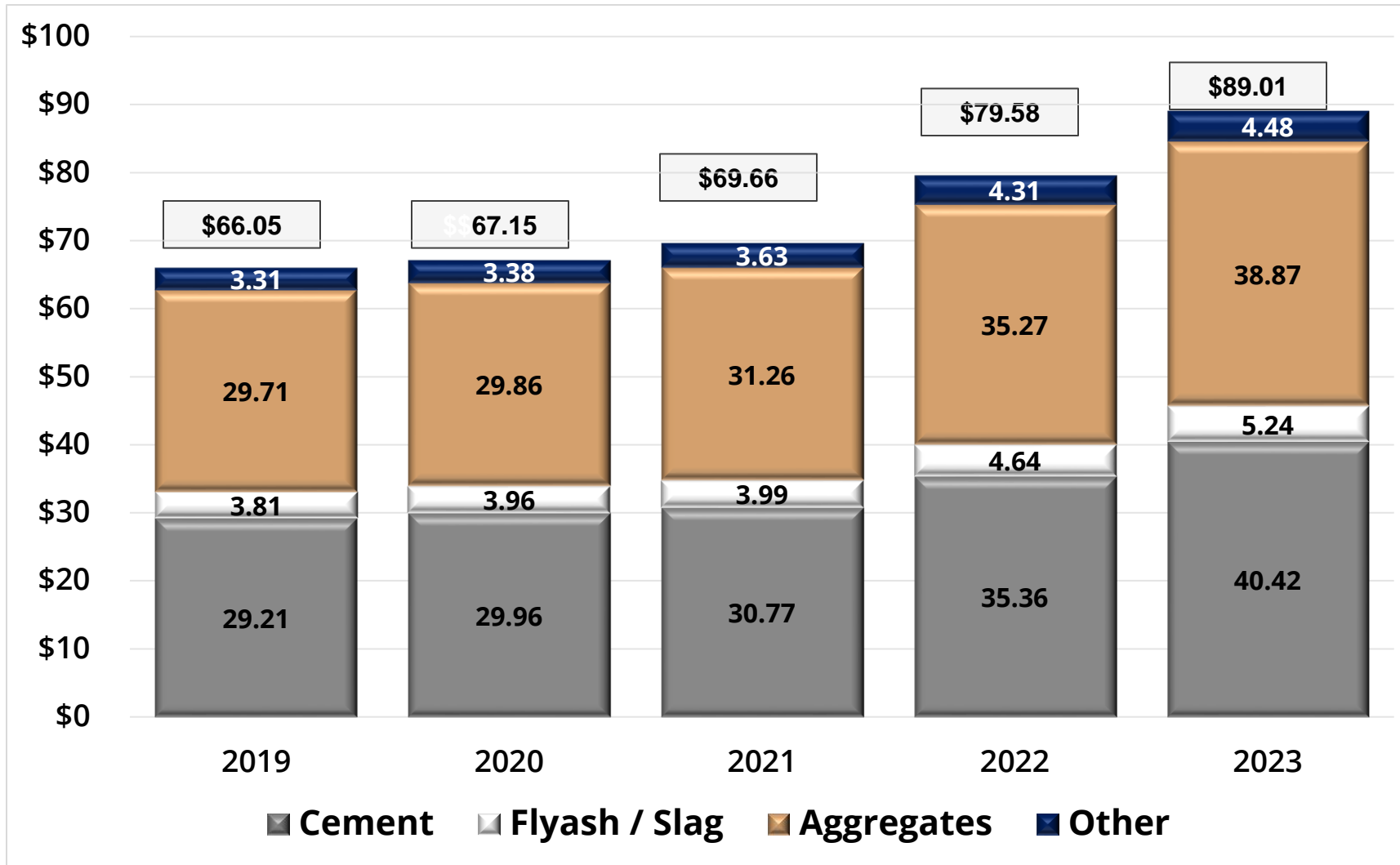


Material margin per yard increased by \$12.26 over the prior year

Material margin per yard improved 40% from 2019

The CAGR of material margins from 2019 through 2023 was 8.8%

Trends – material costs



Material cost up 35% since 2019

CAGR = 7.7%

Aggregates up 31%

CAGR = 6.9%

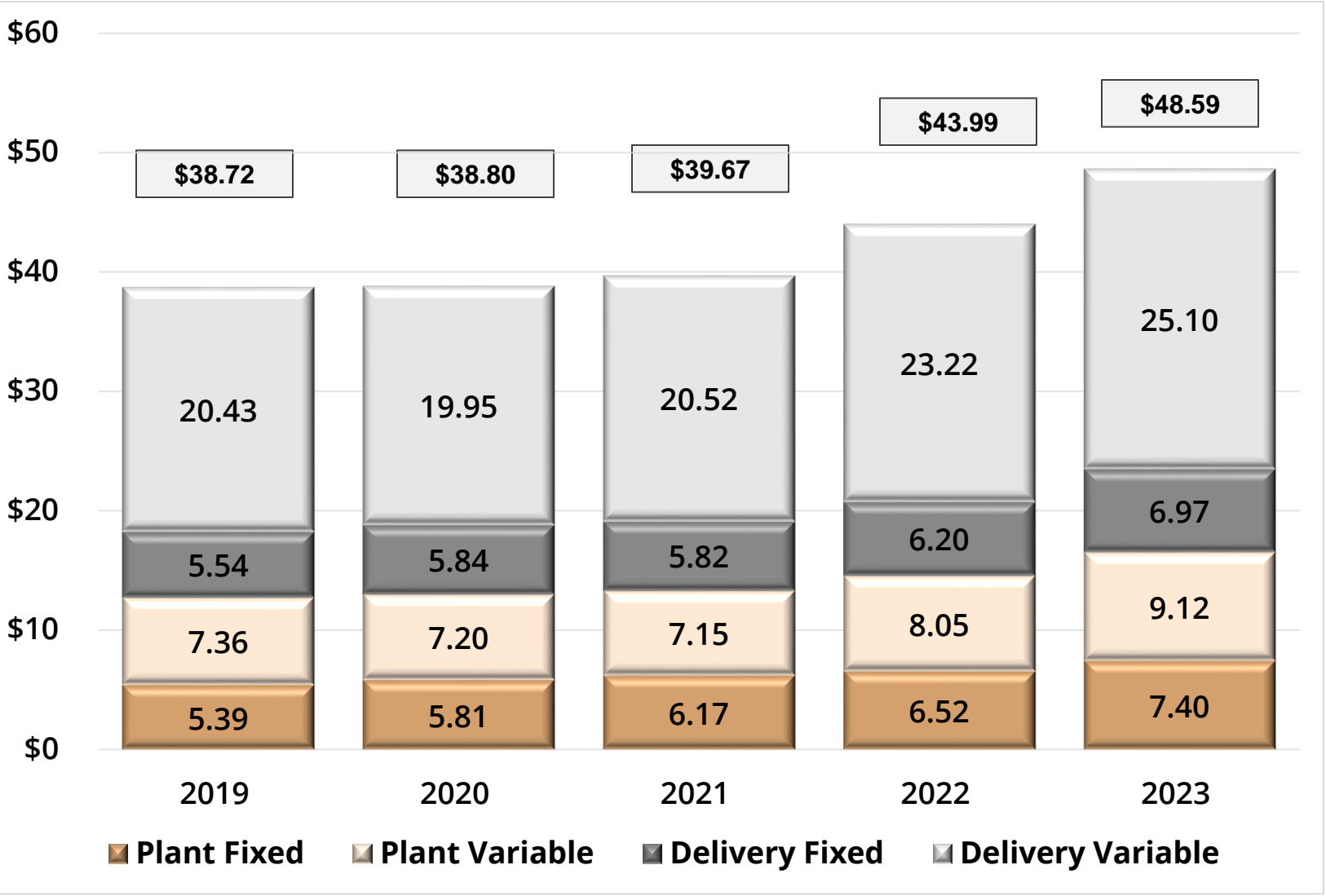
Cementitious up 38%

CAGR = 8.4%

Concrete Works 2024

Material cost trends from PBS - up 35% since 2019

Trends – operating costs



Operating costs were up \$4.60 per cyd. In 2023

- The majority of the increase was in variable delivery costs:
- Repairs per cyd rose 16%
 - Wages per cyd. rose 7%
 - Tire cost per cyd rose 7%

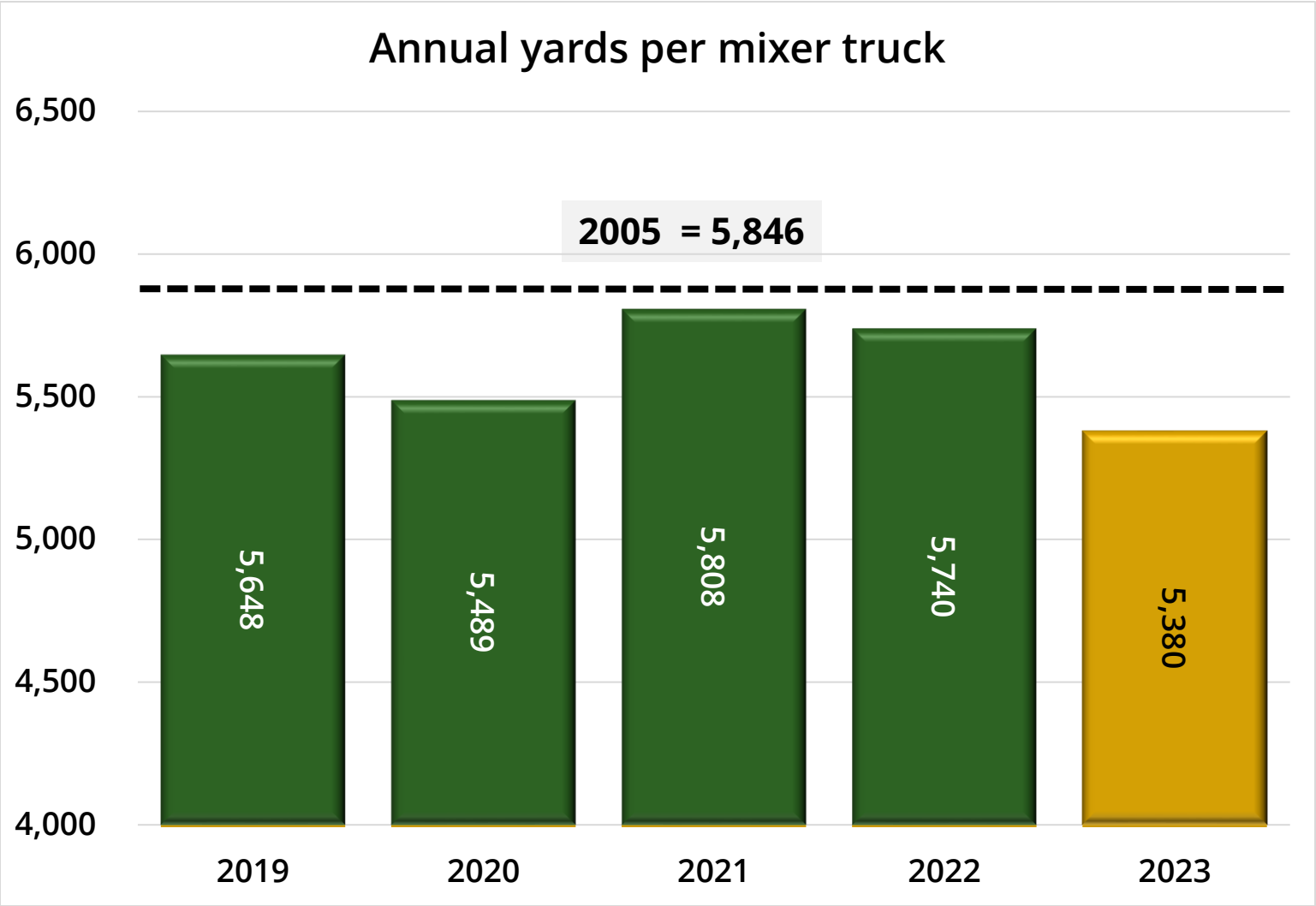
Operating costs per yard Increased by \$9.87 since 2019

The CAGR from 2019 through 2023 is 5.8%

\$ 32.07

\$16.52

Trends - Mixer productivity is stubbornly mediocre



Yards per truck fell by 360 yards from 5,740 cyds. in 2022 to 5,380 cyds. in 2023.

Efficiency has declined by 466 cyds. per mixer truck since 2005 despite investments in technology and recent capital spending on new trucks.




Where are the benefits of digital transformation within the ready mix industry?

Why not 7,000+ yards per truck?

Selected Sales Performance benchmarking

Measure	Comment	Bottom Quartile of Profitability	Average Participant	Top Quartile of Profitability
Commercial percentage	% of sales volume	46%	44%	45%
Residential percentage	% of sales volume	29%	31%	35% ↑
Public Works percentage	% of sales volume	9%	9%	9%
Roads percentage	% of sales volume	13%	11%	↓ 7%
Parking lots percentage	% of sales volume	4%	5%	5%
Flowable fill percentage	% of sales volume	3%	2%	1%
Utilization of EPDs	% of output	12%	15%	↓ 8%
Base selling price per cubic yard	Sales price w/o additional charges, fees, products	\$141.86 / cyd.	\$148.11 / cyd.	\$156.58 / cyd. ↑
Additional charges, fees and products per cyd.	Sales price from added charges, fees, products	\$ 8.17 / cyd.	\$11.57 / cyd.	\$14.08 / cyd. ↑
Total selling price per cubic yard	Sales price including additional charges, fees, products	\$150.03 / cyd.	\$159.68 / cyd.	\$170.66 / cyd. ↑
MOM per cubic yard	Sales margin after materials costs	\$58.63 / cyd.	\$70.68 / cyd.	\$84.43 / cyd. ↑
MOM as a % of sales	Material margin as % of sales	39%	44%	50% ↑

Operational Performance benchmarking #1

Measure	Comment	Bottom Quartile of Profitability	Average Participant	Top Quartile of Profitability
Number of Plants	Average # of Plants	13	14	9 
Cubic yards sold per plant	Measures yards batched per plant	55,187 cyds.	53,295 cyds.	64,646 cyds. 
Cubic yards per production employee	Measures yards per production employee	4,351 cyds.	3,581 cyds.	2,780 cyds.
Delivered cubic yards per hour	Measures avg. yards delivered per driver hour	3.2 cyds.	3.1 cyds.	2.9 cyds.
Plant cost per cubic yard	Measures avg. total plant cost per cyd.	\$17.46 / cyd.	\$16.52 / cyd.	\$16.22 / cyd.
Average age of fleet	Measures average age of the mixer truck fleet	8.8 years	7.8 years	7.3 years
# of Ready Mix mixer trucks	Number of mixer trucks owned	128	142	104 
# of Aggregate haul trucks	Number of aggregate trucks owned	8	12	17
# of Cement trucks	Number of cement tankers owned	8	8	5
Pieces of equipment per mechanic	Measures # of equipment maintained per mechanic	15	16	18

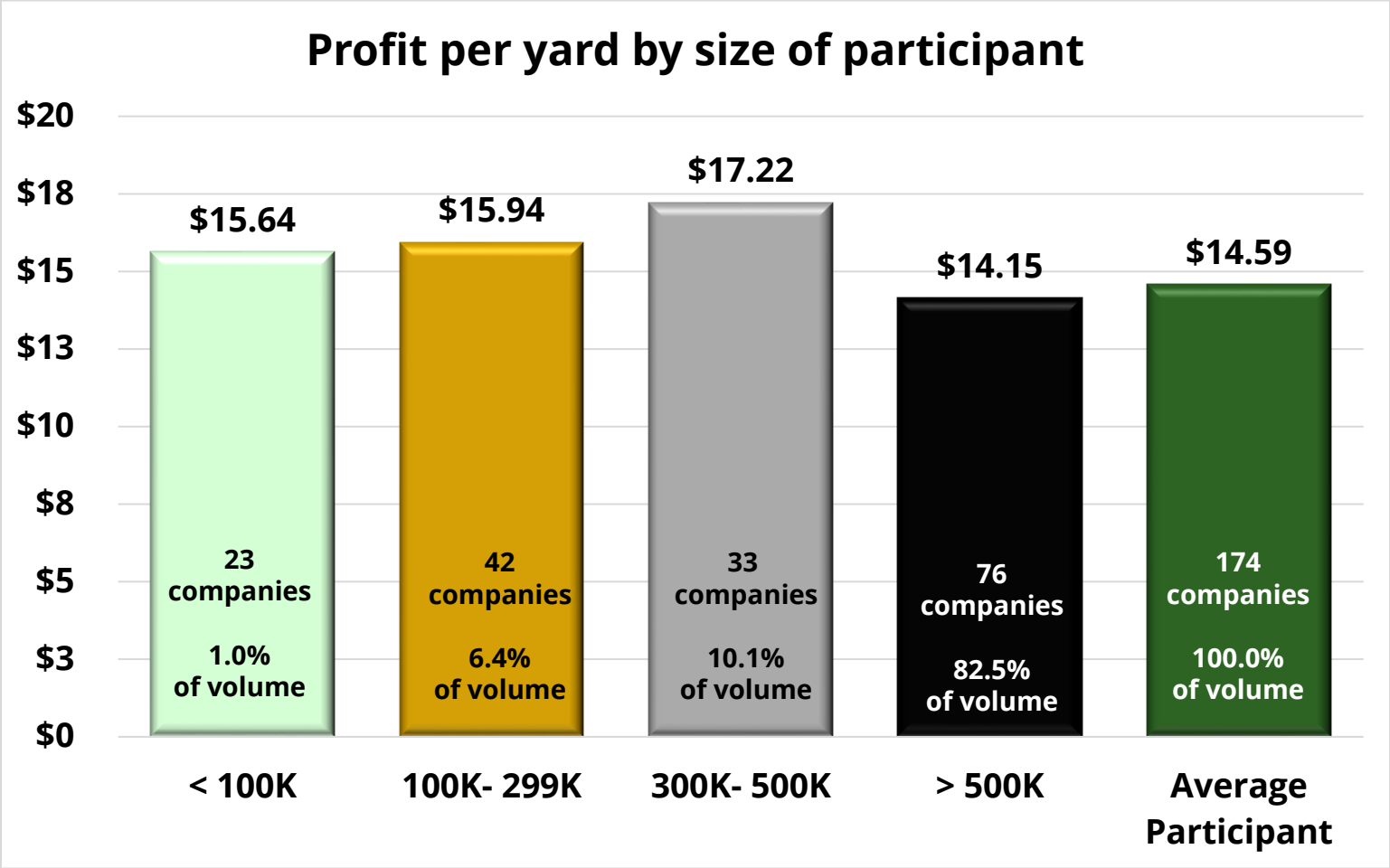
Concrete Works 2024

Operational Performance benchmarking #2

Measure	Comment	Bottom Quartile of Profitability	Average Participant	Top Quartile of Profitability
Distance per roundtrip (miles)	Measures average roundtrip miles	29 miles	28 miles	28 miles
Time per roundtrip (minutes)	Measures average time per roundtrip in minutes	108 minutes	114 minutes	117 minutes
Total roundtrips	Measures total roundtrips	563 trips	630 trips	650 trips
Average Load Size	Measures average cyd. per delivery Yards per truck / round trips	9.7 cyd	8.5 cyd	8.5 cyd
Traditional delivery cost per minute	Measures avg. total delivery cost per minute <u>based on driver's hours</u>	\$1.67 / driver min	\$1.64 / driver min	\$1.59 / driver min
Delivery cost per roundtrip min	Measures avg. total delivery costs divided by total roundtrip minutes	\$2.79 / rt min	\$2.41 / rt min	\$2.35 / rt minute
Cubic Yards per mixer truck	Measures yards delivered and sold per truck	5,444 cyds.	5,380 cyds.	5,551 cyds.
Delivery cost per cubic yard	Measures avg. total delivery cost per cyd.	\$30.68 / cyd.	\$29.42 / cyd.	\$30.09 / cyd.
Percent of yards not billed	Measures impact of rejected loads & breakdowns	0.5%	0.5%	0.4%

Concrete Works 2024

Profitability by size of company



Producers with annual volumes between 300K – 500K cyds. per year range were the most profitable company size in 2023:

The 100K – 299K cyd. company size had been the only company size to outperform the average member’s profitability per yard in each of the past ten years prior to 2023

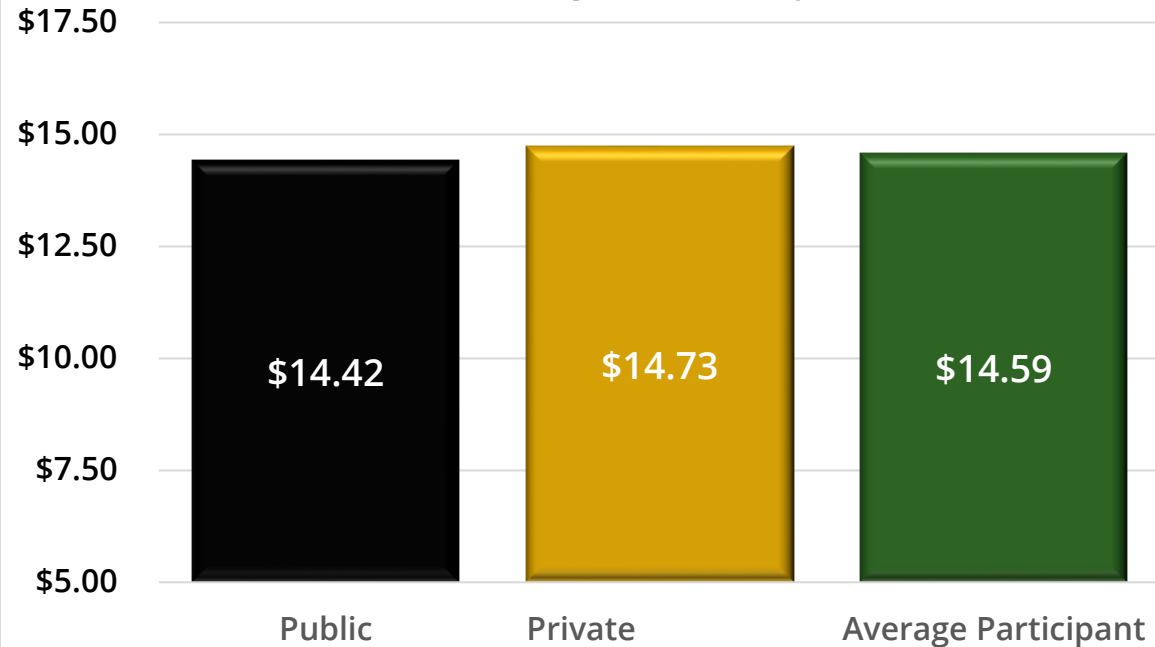
In 2023 all company size with annual volumes below 500K cyds. outperformed the average

The smaller producers remain more profitable – 100 to 299K consistently

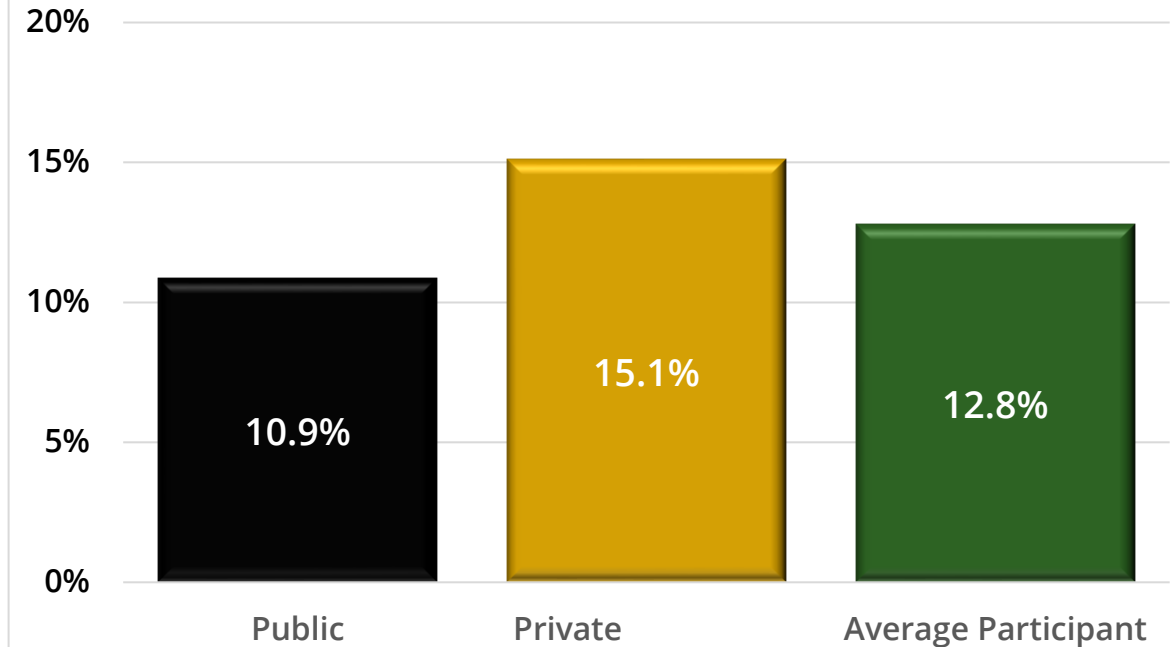
Privately owned participants outperform the public companies

A new view of the data was added to the Performance Benchmarking Survey beginning in 2021
We asked participants to categorize themselves as Publicly traded or Privately owned
The privately owned participants outperform the publicly traded companies

Profit per cubic yard

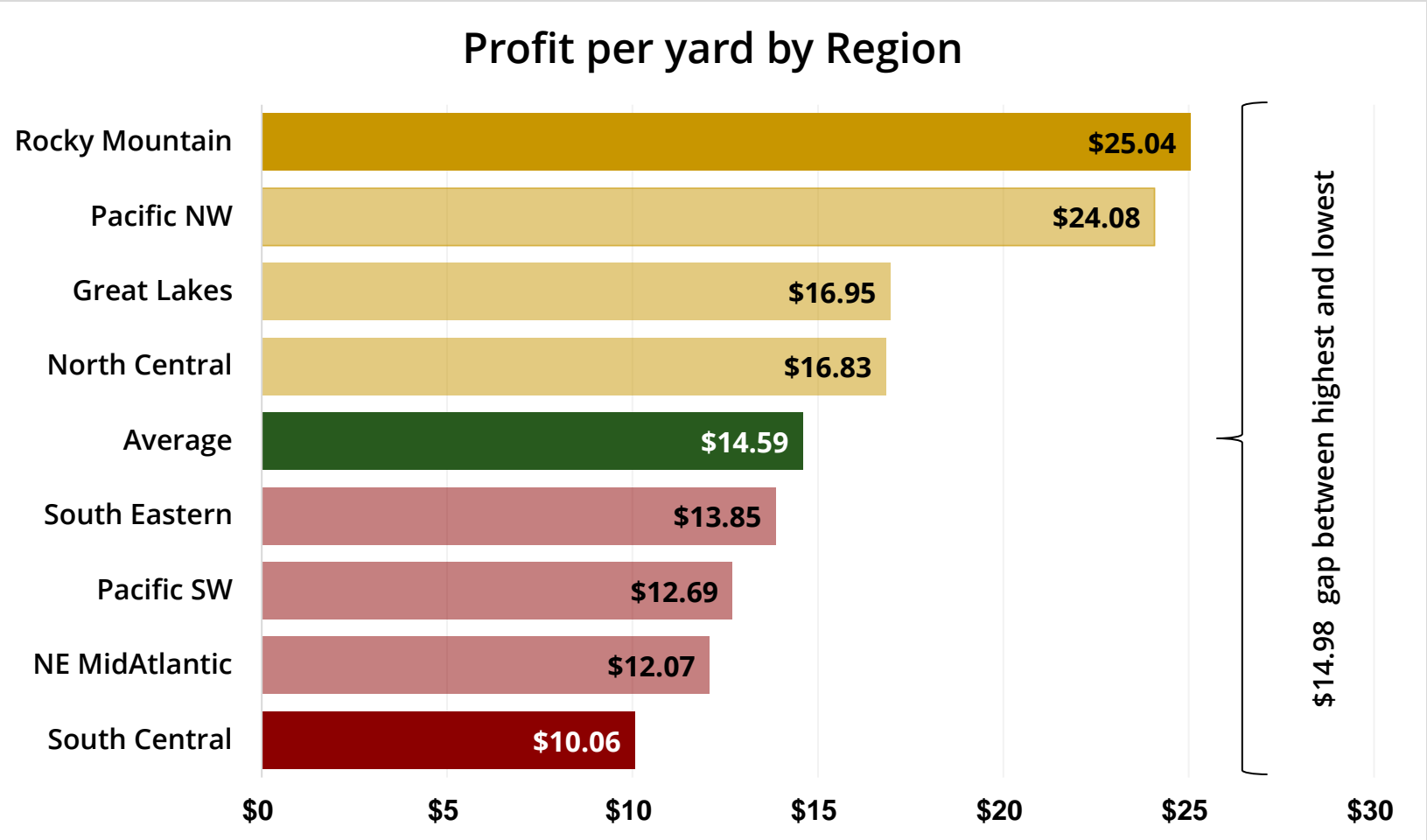


Return on Assets



Privately owned firms are more profitable - Think Like An Owner

Large differences in profitability by geographic region



Producers in the South-Central region with 18% of the PBS volume were the least profitable:

**Arkansas, Kansas, Louisiana
Missouri, Oklahoma, Texas**

Producers in the Rocky Mountain region with 6% of the PBS volume were the most profitable:

Colorado, New Mexico, Utah, Wyoming

Rocky Mountain region producers outperformed the national average by \$10.45 per cubic yard – 72% better

Section #4

Improvements to the NRMCA Performance Benchmarking Survey under review

PBS improvement suggestion #1

depreciation and amortization (lines 23,26,27,33,42)	
	Mythical Company
1 Number of Firms Reporting	1
2 Average Sales Dollars	108,533,541
3 PROFIT MODEL RATIOS	
4 Profit(Loss) Margin (pre-tax)(%)	9.3
5 Asset Turnover	1.6
6 Return on Assets (pre-tax)(%)	15.1
7 Financial Leverage	1.5
8 Return on Net Worth (pre-tax)(%)	22.9
9 Percentage Allocation of Cubic Yardage	
10 Commercial Structure (including high-rise residential)	44.7
11 Residential Structure (including above-grade walls but excluding high-rise)	32.5
12 Public-Works Structure (including churches and public schools)	8.6
13 Parking Lots (combines three old line items: parking lots - new/reconstruction-conventional c	4.7
14 Streets/Local Roads (combines three old line items: streets/local roads new/reconstruction and	7.4
15 Flowable-Fill	2.2
16 Total Cubic Yardage	100.0
UTILIZATION OF TECHNOLOGIES THAT SEQUESTER OR REDUCE CARBON ("Y" OR "N")	
17	39%
18 IF YES ABOVE, WHAT PERCENTAGE OF CARBON REDUCTION ACHIEVED? PERCENTAGE LOW CARBON CEMENT SUCH AS PORTLAND LESTONE CEMENT OR OTHER LOW CARBON BLENDED CEMENT USED (AS A	6%
19 PERCENTAGE OF TOTAL CEMENT)	47%
20 UTILIZATION OF ENVIRONMENTAL PRODUCT DECLARATIONS ("Y" OR "N")	33%
21 PERCENTAGE OF OUTPUT FOR WHICH YOU HAVE EPDS?	19%
22 Total Dollars Invested in Fixed Assets:	
23 Additions to Fixed Assets - Vehicles (light commercial)	20,729,625
24 Additions to Fixed Assets - Trucks, Tractors & Trailers	344,633,623
25 Additions to Fixed Assets - Plant Equipment	186,250,826
26 Additions to Fixed Assets - Loaders & Heavy Equipment	53,637,668
27 Additions to Fixed Assets - Office Furniture & Equipment	7,277,054
28 Additions to Fixed Assets - Buildings	29,191,220
29 Additions to Fixed Assets - Land Improvements	19,293,292
30 Additions to Fixed Assets - Land	8,338,752
31 Additions to Fixed Assets - Intangible Assets	1,471,380
32 Additions to Fixed Assets - Construction in Progress	63,029,653
33 Total Additions to Fixed Assets	733,853,003

Have the output format appear as a tab in the input Excel file

This would allow the participants to self-audit, speeding up cycle

PBS improvement suggestion #2

Company Size Analysis

Mix Components	Under 100,000 Cubic Yds.	100,000 to 299,999 Cubic Yds.	300,000 to 500,000 Cubic Yds.	Over 500,000 Cubic Yds.	Average NRMCA Member	L
1 MIX COMPONENTS						
2 Number of Firms Reporting	21	38	32	74	165	
3 Cubic yards of ready mixed concrete sold	1,223,602	7,714,669	13,129,308	107,191,414	129,258,993	
4 Mix Components in Lbs. per Yard (a)						
5 Cement	483	480	481	494	492	
6 Fly Ash	53	60	60	62	62	
7 Slag	22	20	24	34	32	
8 Fine Aggregates	1,458	1,431	1,404	1,480	1,470	
9 Coarse Aggregates	1,651	1,723	1,646	1,686	1,684	
10 Total	3,667	3,714	3,615	3,756	3,739	
11 Mix Components in \$ per ton						
12 Cement	187.07	176.26	171.88	162.85	164.76	
13 Fly Ash	90.55	99.96	93.24	99.25	98.63	
14 Slag	176.55	159.98	149.57	138.41	140.34	
15 Fine Aggregates	17.76	18.80	20.76	22.46	22.04	
16 Coarse Aggregates	20.77	21.62	23.35	27.82	26.93	
17 Mix Components in \$ per yard (b)						
18 Cement	45.15	42.29	41.38	40.20	40.49	
19 Fly Ash	2.39	3.00	2.80	3.09	3.05	
20 Slag	1.98	1.64	1.76	2.32	2.22	
21 Fine Aggregates	12.95	13.45	14.57	16.62	16.19	
22 Coarse Aggregates	17.14	18.62	19.21	23.46	22.68	
23 Subtotal	79.61	79.01	79.73	85.70	84.64	
24 Chemical Admixtures	3.03	2.83	2.65	2.39	2.45	
25 Mechanical Admixtures	0.95	0.66	0.79	0.90	0.88	
26 Coloring	0.54	0.29	0.20	0.19	0.20	
27 Water	0.28	0.30	0.21	0.20	0.20	
28 Misc Material Costs	0.76	0.89	0.79	0.76	0.77	
29 Total	85.17	83.99	84.37	90.14	89.14	

Include the mix component information in the output to the participants

CPA was holding back since not all participants completed this section & concerns about State info

PBS improvement suggestion # 3

NRMCA Performance Benchmarking Survey - 2023 Data				
	Mythical Company	NRMCA Average Producer	Better (Worse)	
			\$	%
Revenues	\$158.25	\$159.68	(\$1.43)	-1%
Materials Cost	84.24	89.01	\$4.77	5%
Material Margin	74.01	70.68	3.34	5%
as a percent of revenue	47%	44%		-3%
Operating Costs:				
Plant	15.77	16.52	0.75	5%
Delivery	34.02	32.07	(1.95)	-6%
Total Operating Costs	49.79	48.60	(1.19)	-2%
Operating profit	24.22	22.08	2.15	10%
S,G & A	8.89	7.22	(1.68)	-23%
Interest	0.58	0.34	(0.24)	-71%
Other Income / (Expense)	(0.02)	0.07	(0.08)	-124%
Profit Before Tax	14.73	14.59	0.14	1%

Key Metrics:	Mythical Company	NRMCA Average	Better (Worse)	
			\$	%
Pretax profit as a % of revenue	9.3%	9.1%	0.2%	
Pretax return on assets	15.1%	12.8%	2.3%	
Annual cubic yards per plant	49,947	53,295	(3,348)	-6%
Annual cubic yards per truck	5,144	5,380	(236)	-4%
Average age of truck mixer fleet (months)	93	87	(6)	-7%
Average load size	8.5	8.5	(0.1)	-1%
Distance per roundtrip (miles)	25.9	28.4	2.6	9%
Total Delivery Cost Per Minute	\$2.50	\$2.41	(\$0.09)	-4%
Delivered Cubic Yards / Manhour	2.9	3.1	(0.2)	-7%
Average Collection Period (days)	43.9	58.7	14.9	25%
Accounts Payable Payout (days)	35.2	43.1	(7.9)	-18%

NRMCA Performance Benchmarking Survey - 2023 Data				
	Mythical Company	NRMCA Top Quartile	Better (Worse)	
			\$	%
Revenues	\$158.25	\$170.66	(\$12.41)	-7%
Materials Cost	84.24	86.23	\$1.99	2%
Material Margin	74.01	84.43	(10.42)	-12%
as a percent of revenue	47%	49%		3%
Operating Costs:				
Plant	15.77	16.22	0.45	3%
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Total Operating Costs	49.79	48.49	(1.30)	-3%
Operating profit	24.22	35.94	(11.72)	-33%
S,G & A	8.89	7.25	(1.65)	-23%
Interest	0.58	0.19	(0.39)	-201%
Other Income / (Expense)	(0.02)	0.89	(0.91)	-102%
Profit Before Tax	14.73	29.39	(14.66)	-50%

Key Metrics:	Mythical Company	NRMCA Top Quartile	Better (Worse)	
			\$	%
Pretax profit as a % of revenue	9.3%	17.2%		-7.9%
Pretax return on assets	15.1%	38.8%		-23.7%
Annual cubic yards per plant	49,947	64,646	(14,698)	-23%
Annual cubic yards per truck	5,144	5,551	(407)	-7%
Average age of truck mixer fleet (months)	93	87	(6)	-7%
Average load size	8.5	8.5	(0.1)	-1%
Distance per roundtrip (miles)	25.9	28.2	2.3	8%
Total Delivery Cost Per Minute	\$2.50	\$2.35	(\$0.15)	-6%
Delivered Cubic Yards / Manhour	2.9	2.9	(0.1)	-3%
Average Collection Period (days)	43.9	39.2	(4.7)	-12%
Accounts Payable Payout (days)	35.2	38.1	(2.9)	-8%

Include a couple of front- end tabs in the Excel output returned to participants

PBS improvement suggestion # 4

Company Size Analysis					
	Under 100,000 Cubic Yds.	100,000 to 299,999 Cubic Yds.	300,000 to 500,000 Cubic Yds.	Over 500,000 Cubic Yds.	Average NRMCA Member
1 Number of Firms Reporting	23	42	33	76	174
2 Total Cubic Yardage	1,300,093	8,491,235	13,445,544	109,894,969	133,131,841
3 Average Sales Dollars	\$8,416,863	\$30,020,105	\$60,572,485	\$214,019,391	\$113,326,426

	23	42	33	76	174
	13.2%	24.1%	19.0%	43.7%	100.0%
	1,300,093	8,491,235	13,445,544	109,894,969	133,131,841
	1.0%	6.4%	10.1%	82.5%	100.0%

Consider a size dispersion that puts 25 % of participants or volume in each size

Work with CPA possibly :

- 1) Below 250
- 2) 250 – 499
- 3) 500 – 749
- 4) Over 750

PBS improvement suggestion # 5

A small task force will review and enhance the directions for completing the survey

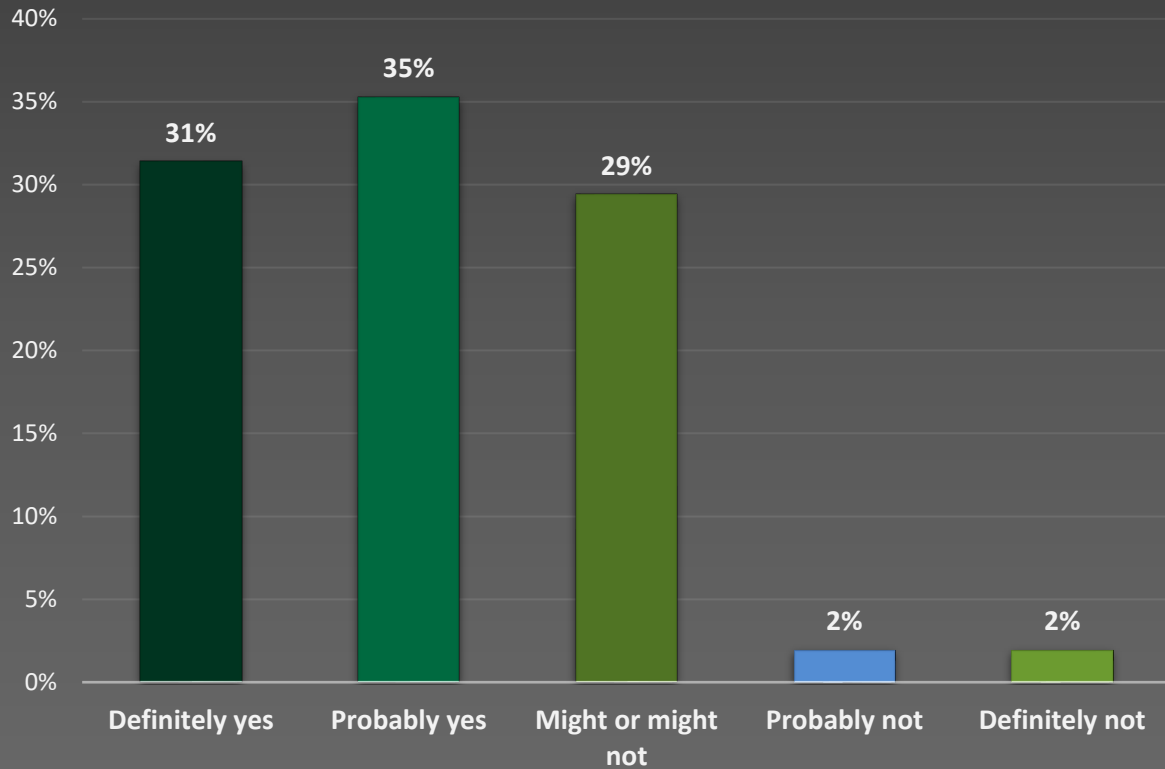
THANK YOU FOR YOUR PARTICIPATION Your Data Makes the Survey More Accurate and the Industry Stronger	
CANADIAN CONVERSION - Please use this standard to calculate conversions	
\$1 Canadian Dollar to \$1.01 U.S. Dollars	
1 Kilometer to 0.6214 Miles	
1 Cubic Meter to 1.3080 Cubic Yards	
DEFINITIONS - In order that they appear on survey	
Urban - The bureau of the Census defines an urbanized area by a population density of 50,000 or more in a central city and surrounding densely settled territory. This generally translates to more than 1,000 people per square mile.	
Rural - Those areas that do not fall into the definition of urban	
Mixed - Operations are located in a mixture of urban and rural areas. (See instructions on page one for dividing operations if you choose).	
Public (P) - A publicly held company Private (PR) - A privately held company	
NUMBER OF CURRENT READY MIXED PLANTS IN OPERATION (LINE 15) - "In Operation" means those plants that were operational for at least 50% of the year.	
NUMBER OF CURRENT READY MIXED TRUCKS IN OPERATION (LINE 16) - "In Operation" means those trucks that were in use for at least 50% of the year.	
EXPLANATION OF PERCENTAGE CARBON REDUCTION ACHIEVED	
o This question is intended to capture any and all activities that NRMCA members undertake to reduce or offset their carbon footprint, including technologies that capture and sequester carbon, energy switching including alternative energy sources and alternative fuels for plants and trucks, utilization of lower carbon cement and cement mixes, and additional activities that offset carbon footprint like planting trees, or purchasing carbon offsets.	
EMPLOYEES	
Please Note: If an employee has multiple duties that fall in different categories, please classify the employee in the category where he/she spends the majority of his/her time.	
Production Employees - Hourly - Drivers, Plant and Yard Personnel, and others directly involved in the production and delivery of concrete who earn hourly wages.	
Production Employees - Salaried - Plant Managers, Batching Supervisors, Dispatchers, Quality Control Personnel, Shop Supervisors and others directly involved in the production and delivery of concrete who earn salaries.	
Non-Production Employees - Sales Professionals, G&A Personnel and others not directly involved in production and delivery of concrete. These are generally salaried employees.	
Mixer Driver Hours On-Duty - All regular time and overtime for all mixer drivers spent driving, waiting, loading, washing out the truck, ETC that is charged to the delivery function. Do not include time when a driver is performing another duty that is not charged to the delivery function (i.e. full day of training, full day of yard clean-up, etc.)	

Section #5

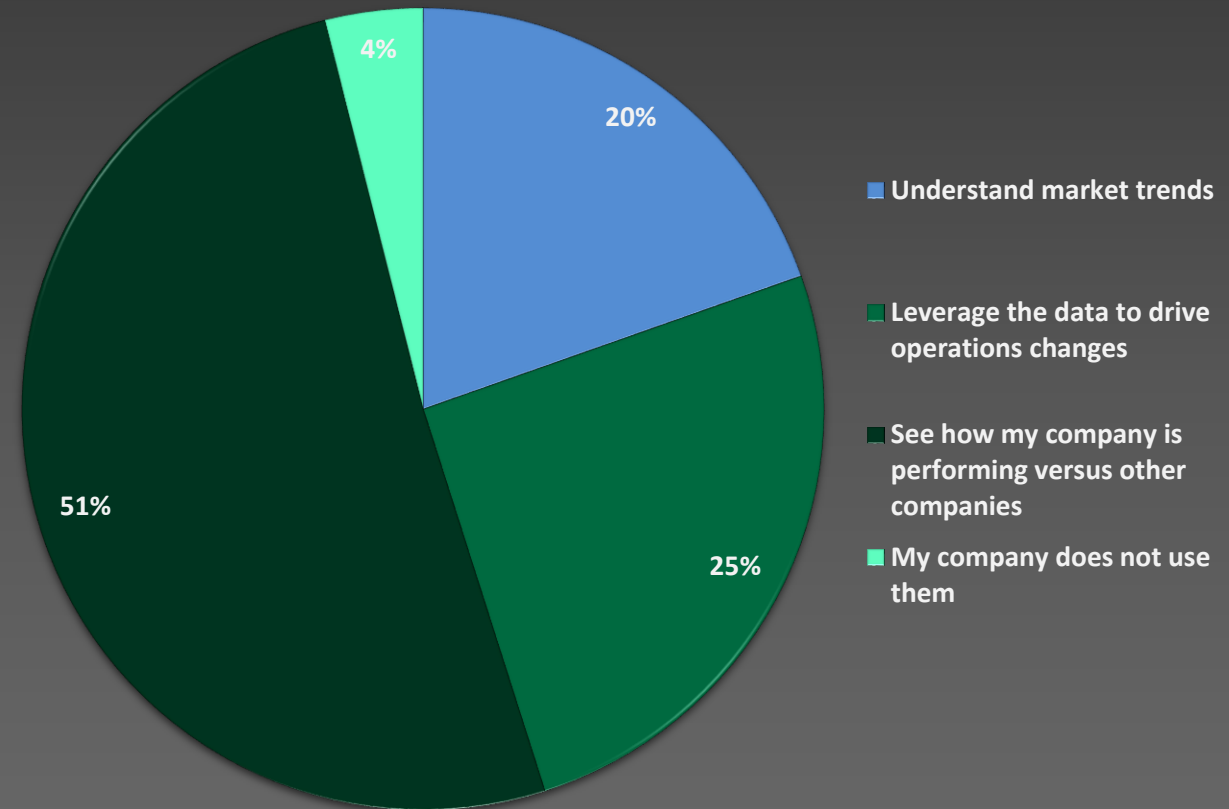
Sharing the PBS survey results with your team

Utilization of results

IS YOUR COMPANY ABLE TO UTILIZE THE RESULTS OF THE SURVEY TO DRIVE ACTIONABLE CHANGE FOR THE BUSINESS?

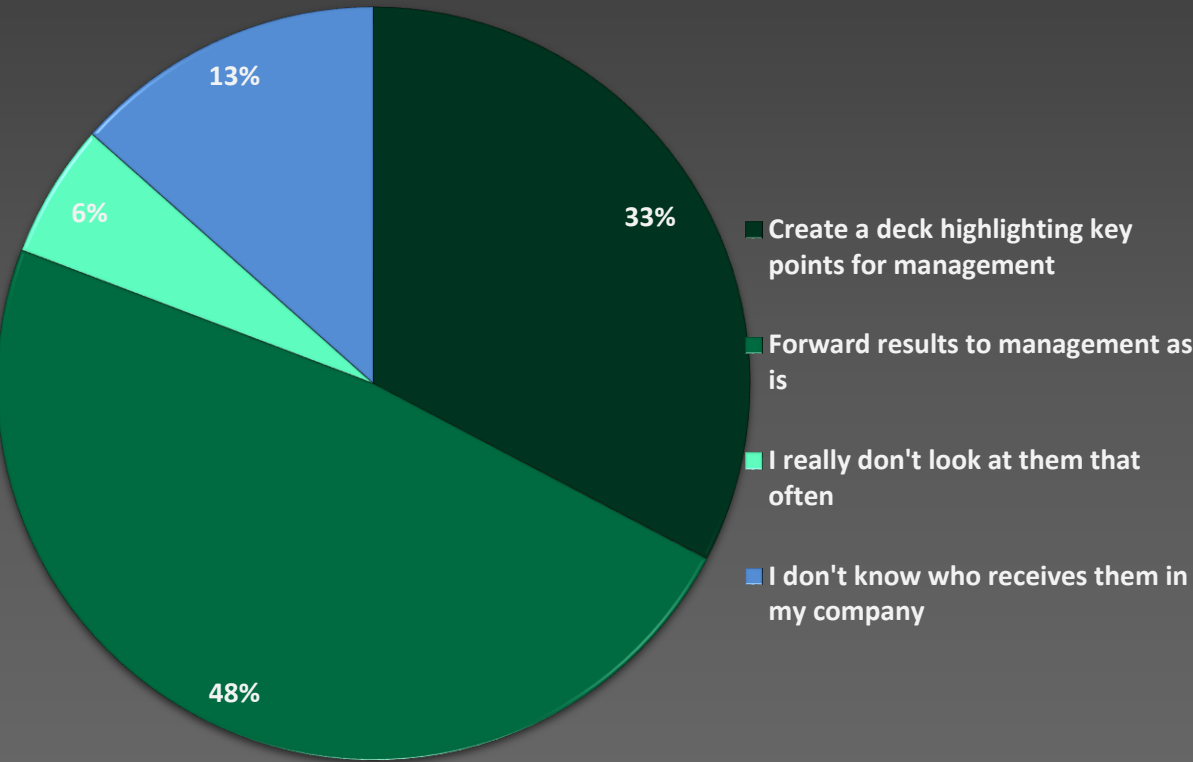


MY COMPANY USES THE SURVEY RESULTS TO:

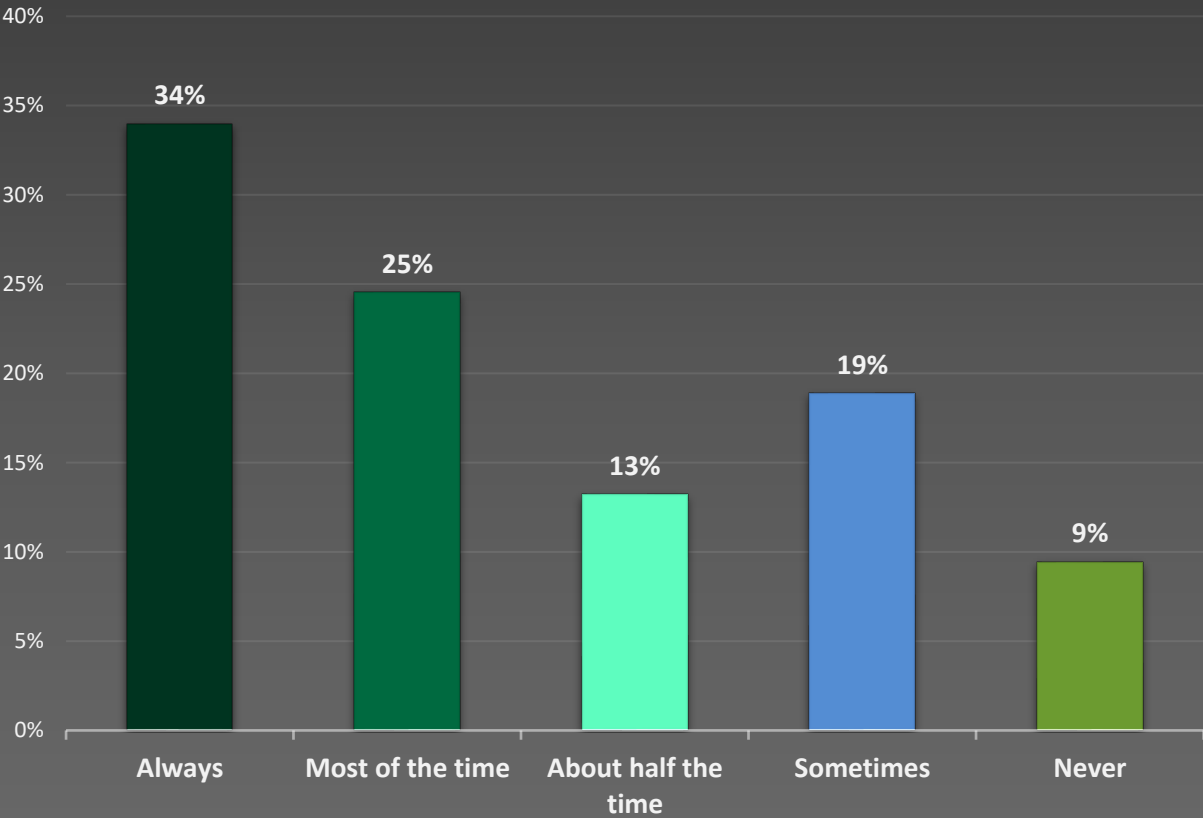


Sharing the PBS results

WHAT DOES YOUR TEAM DO WITH THE SURVEY RESULTS?



ARE SURVEY RESULTS DISCUSSED IN YOUR COMPANY?



Sharing the NRMCA PBS Survey with your management teams

NRMCA Performance Benchmarking Survey - 2023 Data				
	Mythical Company	NRMCA Average Producer	Better (Worse)	
			\$	%
Revenues	\$158.25	\$159.68	(\$1.43)	-1%
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Material Margin	74.01	70.68	3.34	5%
as a percent of revenue	47%	44%		-3%
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Plant	15.77	16.52	0.75	5%
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Total Operating Costs	49.79	48.60	(1.19)	-2%
Operating profit	24.22	22.08	2.15	10%
S,G & A	8.89	7.22	(1.68)	-23%
Interest	0.58	0.34	(0.24)	-71%
Other Income / (Expense)	(0.02)	0.07	(0.08)	-124%
Profit Before Tax	14.73	14.59	0.14	1%

Key Metrics:	Mythical Company	NRMCA Average	Better (Worse)	
			\$	%
Pretax profit as a % of revenue	9.3%	9.1%	0.2%	
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Annual cubic yards per truck	5,144	5,380	(236)	-4%
Average age of truck mixer fleet (months)	93	87	(6)	-7%
Average load size	8.5	8.5	(0.1)	-1%
Distance per roundtrip (miles)	25.9	28.4	2.6	9%
Total Delivery Cost Per Minute	\$2.50	\$2.41	(\$0.09)	-4%
Delivered Cubic Yards / Manhour	2.9	3.1	(0.2)	-7%
Average Collection Period (days)	43.9	58.7	14.9	25%
Accounts Payable Payout (days)	35.2	43.1	(7.9)	-18%

NRMCA Performance Benchmarking Survey - 2023 Data				
	Mythical Company	NRMCA Top Quartile	Better (Worse)	
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Interest	0.58	0.19	(0.39)	-201%
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Average load size	8.5	8.5	(0.1)	-1%
Distance per roundtrip (miles)	25.9	28.2	2.3	8%
Total Delivery Cost Per Minute	\$2.50	\$2.35	(\$0.15)	-6%
Delivered Cubic Yards / Manhour	2.9	2.9	(0.1)	-3%
Average Collection Period (days)	43.9	39.2	(4.7)	-12%
Accounts Payable Payout (days)	35.2	38.1	(2.9)	-8%

A high-level presentation is easier to absorb than 50+ pages of detail

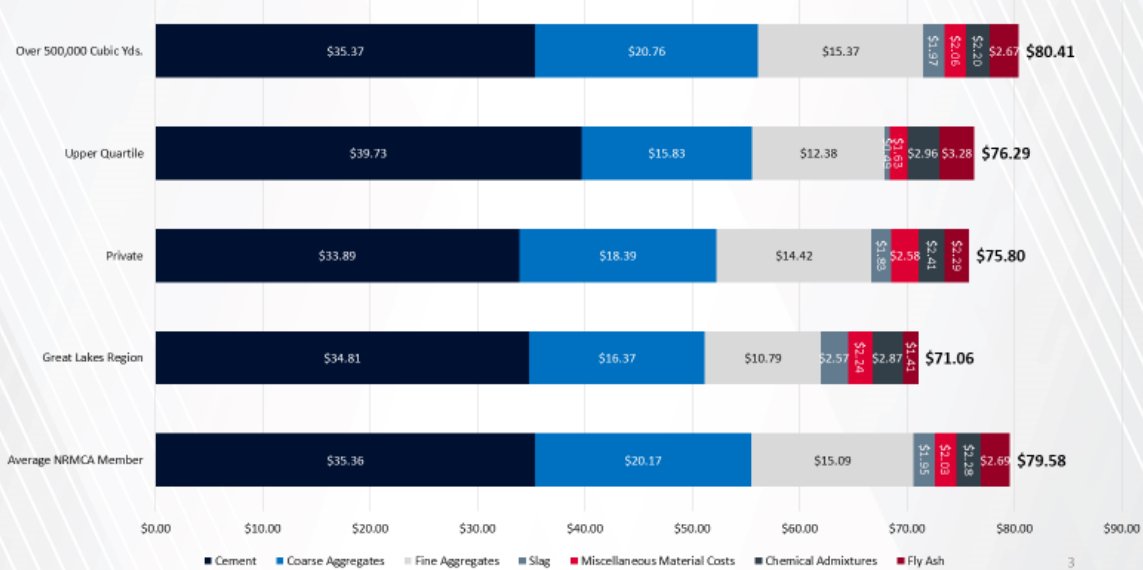
These are Excel tab formats that can be placed in the Excel survey file received back from the CPA firm

Formulas included

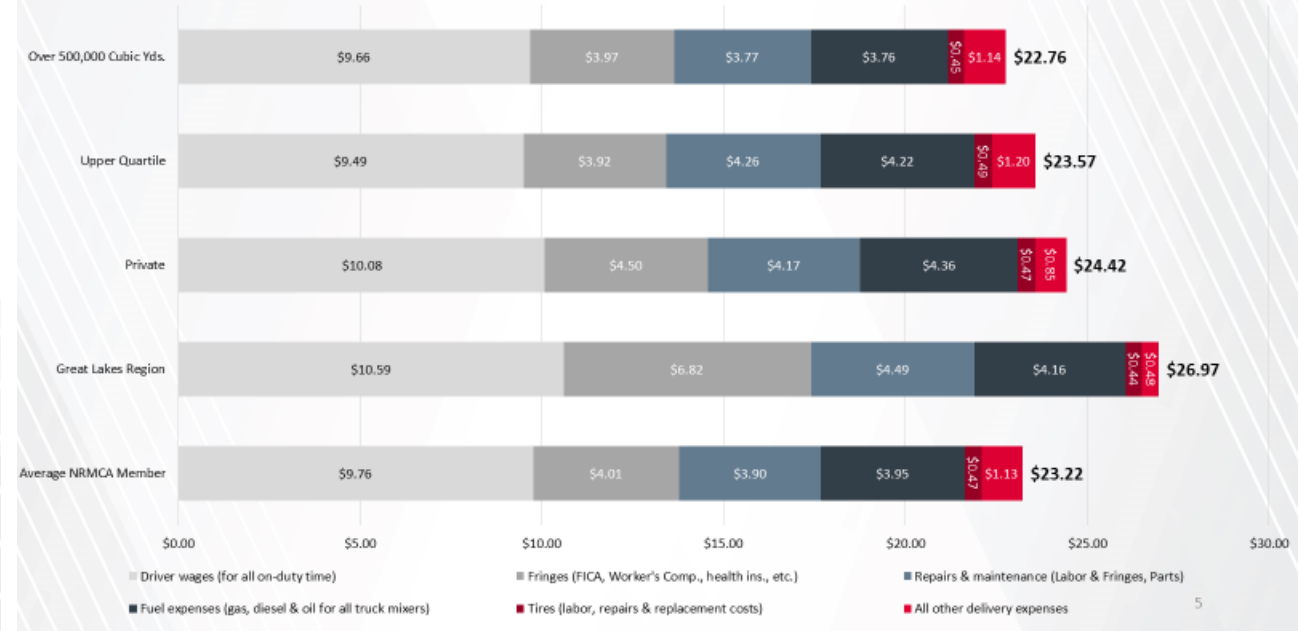
Sample chart templates

Since the PBS is delivered in an Excel format, it is easy to develop charts linked to the PBS Survey files

Variable Costs – Materials (\$/CYD)



Variable Costs – Delivery (\$/CYD)



Best Practices

- 1) Share the information with the people who can influence results
- 2) Summary presentations put the 52 pages of detailed information in an approachable format
- 3) Look deeper into the numbers that show areas to improve
- 4) With margin over materials the primary differentiator, hone-in on customer profitability
- 5) Consider the NRMCA Think Like an Owner course

Managing like an Owner – Profitability by Customer

	Volume	Sales Price	Materials Cost	Margin	Variable Delivery Costs	Fixed Delivery Costs	Plant Cost	Operating Margin	Selling and Admin	Net Profit
Basis of calc.		Actual	Theoretical	calculation	per minute	per yard	per yard	calculation	per yard	calculation
Customer A :										
- Job # A -1	10,000	\$152.00	\$90.00	\$62.00	\$27.00	\$3.00	\$16.00	\$16.00	\$6.00	\$10.00
- Job # A - 2	<u>20,000</u>	<u>\$170.00</u>	<u>\$93.00</u>	<u>\$77.00</u>	<u>\$30.00</u>	<u>\$3.00</u>	<u>\$16.00</u>	<u>\$28.00</u>	<u>\$6.00</u>	<u>\$22.00</u>
Total Cust A	30,000	\$164.00	\$92.00	\$72.00	\$29.00	\$3.00	\$16.00	\$24.00	\$6.00	\$18.00
Customer B:										
- Job # B -1	10,000	\$150.00	\$95.00	\$55.00	\$35.00	\$3.00	\$16.00	\$1.00	\$6.00	\$(5.00)
- Job # B- 2	<u>40,000</u>	<u>\$175.00</u>	<u>\$100.00</u>	<u>\$75.00</u>	<u>\$30.00</u>	<u>\$3.00</u>	<u>\$16.00</u>	<u>\$26.00</u>	<u>\$6.00</u>	<u>20.00</u>
Total Cust B	50,000	\$170.00	\$99.00	\$71.00	\$31.00	\$3.00	\$16.00	\$21.00	\$6.00	\$15.00
Customer C:										
- Job # C - 1	500	\$195.00	\$120.00	\$75.00	\$26.00	\$3.00	\$16.00	\$30.00	\$6.00	\$24.00
All Customers	80,500	\$167.92	\$96.52	\$71.40	\$30.22	\$3.00	\$16.00	\$22.18	\$6.00	\$16.18

Managing Profitability by Customer – base case

Mythical Concrete - Base Case														
Customer	Volume Cyd.	Price per cyd.	Revenue \$	Margin per cyd.	Margin \$	Delivery per cyd.	Plant per cyd.	Operating Margin per cyd.	Dollars	S,G.&A per cyd.	S,G.&A Dollars	Profit per cyd.	Profit \$	Profit %
Andrew's Framing	2,000	180.00	360,000	74.00	148,000	35.00	16.50	22.50	45,000	7.25	14,500	15.25	30,500	8.5%
Bill's Shell Contracting	500	175.00	87,500	68.00	34,000	32.00	16.50	19.50	9,750	7.25	3,625	12.25	6,125	7.0%
Cash Sales	8,000	185.00	1,480,000	70.00	560,000	35.00	16.50	18.50	148,000	7.25	58,000	11.25	90,000	6.1%
Duval Development	5,000	195.00	975,000	82.00	410,000	40.00	16.50	25.50	127,500	7.25	36,250	18.25	91,250	9.4%
Edenrock Tall Buildings	3,300	185.00	610,500	45.00	148,500	45.00	16.50	(16.50)	(54,450)	7.25	23,925	(23.75)	(78,375)	-12.8%
Franklin's Towers	4,400	220.00	968,000	87.00	382,800	35.00	16.50	35.50	156,200	7.25	31,900	28.25	124,300	12.8%
Gigabyte Data Warehouses	3,500	165.00	577,500	70.00	245,000	35.00	16.50	18.50	64,750	7.25	25,375	11.25	39,375	6.8%
Homescapes of Daphne	200	160.00	32,000	60.00	12,000	40.00	16.50	3.50	700	7.25	1,450	(3.75)	(750)	-2.3%
ICF Walls of Mexico Beach	120	170.00	20,400	79.00	9,480	30.00	16.50	32.50	3,900	7.25	870	25.25	3,030	14.9%
J Stuart Contracting	400	165.00	66,000	71.00	28,400	35.00	16.50	19.50	7,800	7.25	2,900	12.25	4,900	7.4%
Karl's Development	1,900	170.00	323,000	70.00	133,000	32.00	16.50	21.50	40,850	7.25	13,775	14.25	27,075	8.4%
Larson Landscaping	130	170.00	22,100	70.00	9,100	40.00	16.50	13.50	1,755	7.25	943	6.25	813	3.7%
Milemarker 20 Investors	250	215.00	53,750	90.00	22,500	30.00	16.50	43.50	10,875	7.25	1,813	36.25	9,063	16.9%
Nolan Drywall and Stucco	5,500	165.00	907,500	72.00	396,000	30.00	16.50	25.50	140,250	7.25	39,875	18.25	100,375	11.1%
Ocala Megascapes	7,500	195.00	1,462,500	83.00	622,500	32.00	16.50	34.50	258,750	7.25	54,375	27.25	204,375	14.0%
Phase 2 Contractors	250	150.00	37,500	65.00	16,250	32.00	16.50	16.50	4,125	7.25	1,813	9.25	2,313	6.2%
Quick Quality Remodeling	1,750	200.00	350,000	82.50	144,375	25.00	16.50	41.00	71,750	7.25	12,688	33.75	59,063	16.9%
Robert's Seawalls & Piers	950	185.00	175,750	62.00	58,900	42.00	16.50	3.50	3,325	7.25	6,888	(3.75)	(3,563)	-2.0%
Sea Shantys, Inc.	1,250	187.00	233,750	68.00	85,000	33.00	16.50	18.50	23,125	7.25	9,063	11.25	14,063	6.0%
Tom's Medical Offices	7,500	185.00	1,387,500	76.00	570,000	25.00	16.50	34.50	258,750	7.25	54,375	27.25	204,375	14.7%
Utility Department of Yucatan	1,500	185.00	277,500	77.00	115,500	30.00	16.50	30.50	45,750	7.25	10,875	23.25	34,875	12.6%
Vistas of Manalapan	400	185.00	74,000	74.00	29,600	28.00	16.50	29.50	11,800	7.25	2,900	22.25	8,900	12.0%
Walter's Concrete Finishing	3,000	185.00	555,000	75.00	225,000	30.00	16.50	28.50	85,500	7.25	21,750	21.25	63,750	11.5%
Xtra Good Shell Contractors	300	160.00	48,000	40.00	12,000	35.00	16.50	(11.50)	(3,450)	7.25	2,175	(18.75)	(5,625)	-11.7%
Zania Brothers	400	190.00	76,000	76.00	30,400	25.00	16.50	34.50	13,800	7.25	2,900	27.25	10,900	14.3%
Total	60,000	186.01	11,160,750	74.14	4,448,305	33.04	16.50	24.60	1,476,105	7.25	435,000	17.35	1,041,105	9.3%
Volumes targeted to replace:														
Loss Customers	4,750													
A portion of low margin customers	1,250													
Total targeted volumes to replace	6,000													

Concrete Works 2024

Targeting customer volumes to replace & existing customer volumes to expand

Managing Profitability by Customer – after replacement

Mythical Concrete - After Price Increases or Replacement														
Customer	Volume Cyd.	Price per cyd.	Revenue \$	Margin per cyd.	Margin \$	Delivery per cyd.	Plant per cyd.	Operating	Dollars	S,G.&A per cyd.	S,G.&A Dollars	Profit per cyd.	Profit \$	Profit %
								Margin per cyd.						
Andrew's Framing	2,000	180.00	360,000	74.00	148,000	35.00	16.50	22.50	45,000	7.25	14,500	15.25	30,500	8.5%
Bill's Shell Contracting	500	175.00	87,500	68.00	34,000	32.00	16.50	19.50	9,750	7.25	3,625	12.25	6,125	7.0%
Cash Sales	9,000	185.00	1,665,000	70.00	630,000	35.00	16.50	18.50	166,500	7.25	65,250	11.25	101,250	6.1%
Duval Development	5,000	195.00	975,000	82.00	410,000	40.00	16.50	25.50	127,500	7.25	36,250	18.25	91,250	9.4%
Edenrock Tall Buildings	0													
Franklin's Towers	4,400	220.00	968,000	87.00	382,800	35.00	16.50	35.50	156,200	7.25	31,900	28.25	124,300	12.8%
Gigabyte Data Warehouses	3,500	165.00	577,500	70.00	245,000	35.00	16.50	18.50	64,750	7.25	25,375	11.25	39,375	6.8%
Homescapes of Daphne	100	174.50	17,450	74.50	7,450	40.00	16.50	18.00	1,800	7.25	725	10.75	1,075	6.2%
ICF Walls of Mexico Beach	240	170.00	40,800	79.00	18,960	30.00	16.50	32.50	7,800	7.25	1,740	25.25	6,060	14.9%
J Stuart Contracting	400	165.00	66,000	71.00	28,400	35.00	16.50	19.50	7,800	7.25	2,900	12.25	4,900	7.4%
Karl's Development	1,900	175.00	332,500	75.00	142,500	32.00	16.50	26.50	50,350	7.25	13,775	19.25	36,575	11.0%
Larson Lanscaping	130	170.00	22,100	87.50	11,375	40.00	16.50	31.00	4,030	7.25	943	23.75	3,088	14.0%
Milemarker 20 Investors	500	212.50	106,250	83.00	41,500	30.00	16.50	36.50	18,250	7.25	3,625	29.25	14,625	13.8%
Nolan Drywall and Stucco	5,500	165.00	907,500	72.00	396,000	30.00	16.50	25.50	140,250	7.25	39,875	18.25	100,375	11.1%*
Ocala Megascapes	7,500	195.00	1,462,500	83.00	622,500	32.00	16.50	34.50	258,750	7.25	54,375	27.25	204,375	14.0%*
Phase 2 Contractors	250	150.00	37,500	65.00	16,250	32.00	16.50	16.50	4,125	7.25	1,813	9.25	2,313	6.2%
Quick Quality Remodeling	2,330	200.00	466,000	80.00	186,400	25.00	16.50	38.50	89,705	7.25	16,893	31.25	72,813	15.6%
Robert's Seawalls & Piers	950	197.50	187,625	74.50	70,775	42.00	16.50	16.00	15,200	7.25	6,888	8.75	8,313	4.4%
Sea Shantys, Inc.	1,250	191.90	239,875	72.90	91,125	33.00	16.50	23.40	29,250	7.25	9,063	16.15	20,188	8.4%
Tom's Medical Offices	7,500	185.00	1,387,500	76.00	570,000	25.00	16.50	34.50	258,750	7.25	54,375	27.25	204,375	14.7%
Utility Department of Yucatan	1,500	185.00	277,500	77.00	115,500	30.00	16.50	30.50	45,750	7.25	10,875	23.25	34,875	12.6%
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Xtra Good Shell Contractors	0													
New Customers acquired	1,750	185.00	323,750	75.00	131,250	33.00	16.50	25.50	44,625	7.25	12,688	18.25	31,938	9.9%
Zania Brothers	400	190.00	76,000	76.00	30,400	25.00	16.50	34.50	13,800	7.25	2,900	27.25	10,900	14.3%
Total	60,000	186.88	11,212,850	76.41	4,584,785	31.33	16.02	27.62	1,657,235	7.25	435,000	20.37	1,222,235	10.9%
Volumes targeted to replace:														
Loss Customers volumes kept	1,050	at former company avg. margin %				Homescapes - 100, Roberts - 950								
New Customers acquired	1,750	at former company avg. margin %												
Increased share of higher margin customers	1,950					Cash sales - 1,000, ICF Walls - 120, Milemarker 20 with \$2.50 price cut - 250, Quick Quality - 580 with \$2.50 price cut								
Volumes replaced or repriced	4,750													
A portion of low margin customers repriced	1,250	at former company avg. margin %				Larson - 130, Phase 2- 250, A geographic portion of Sea Shanty - 870								

Putting the Profitability By Customer improvement plan in action

Managing Profitability by Customer – The result

	Before	After	Better (Worse)	Percent B/W
Volume	60,000	60.000	none	-
Selling Price	\$186.01	\$186.88	\$0.87	1%
Material Margin	\$74.14	\$76.41	\$2.27	3%
Operating Costs	\$55.01	\$57.64	\$2.63	5%
Operating Margin	\$24.60	\$27.62	\$3.02	12%
S,G&A	\$7.25	\$7.25	none	-
Profit per cyd.	\$17.35	\$20.37	\$3.02	17%
Profit before tax	\$1,041 thousand	\$1,222 thousand	\$181 thousand	17%

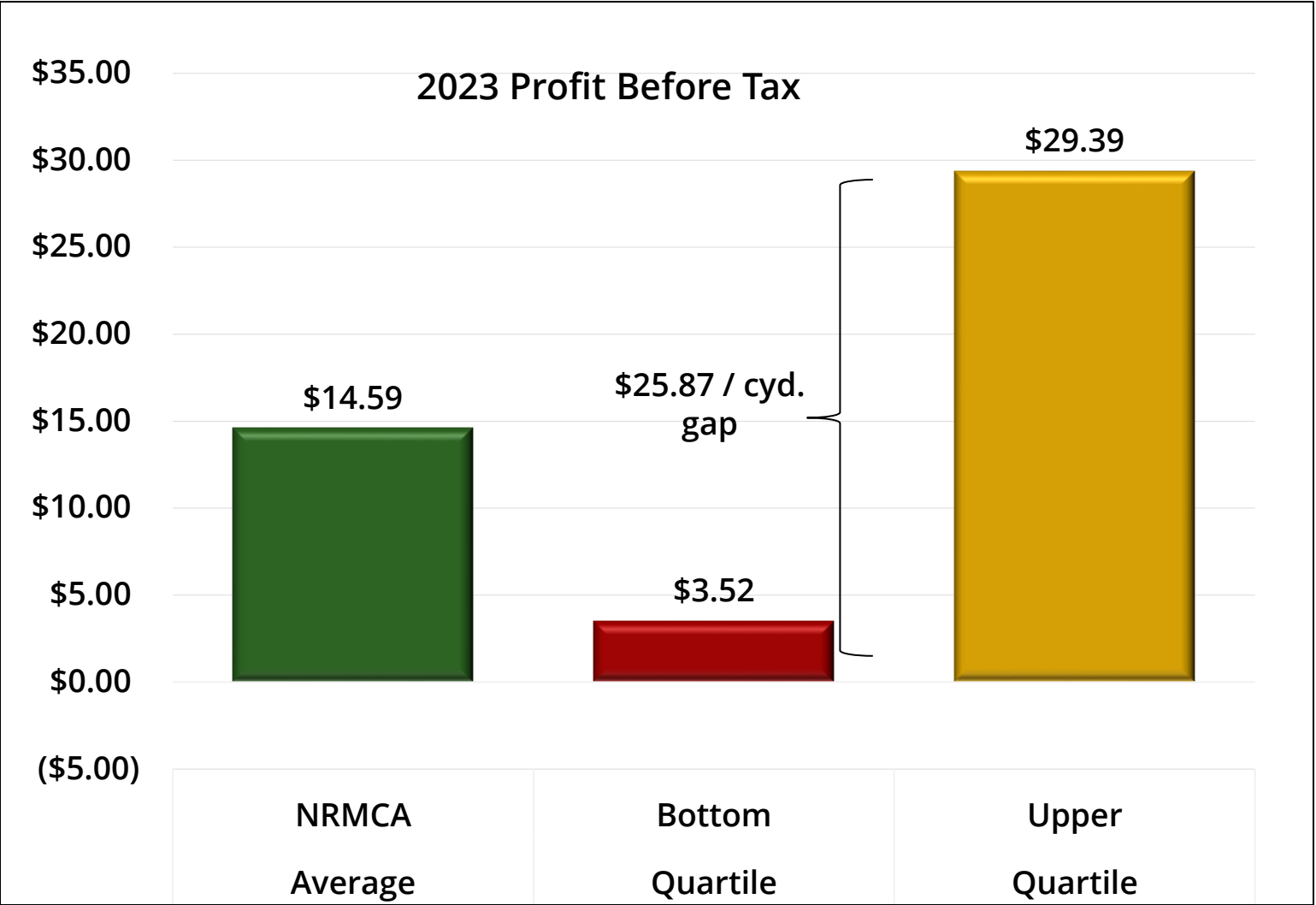
Concrete Works 2024

Managing profitability by customer can be a powerful method to improve profits

Wrapping up

Final thoughts

More good news - not everyone is average



The top quartile (highest 25% in profitability per yard) in the NRMCA Performance Benchmarking Survey illustrates the opportunity which exists for the other 75% of the industry.

The gap in profitability from average to top quartile was \$14.80 per yard

The wide gap in profitability per yard demonstrates our opportunity

We have the tools to improve and thrive

- The NRMCA offers a number of training programs to help producers improve quality, increase operational efficiencies, enhance sales professionalism, and improve profitability
 - Benchmarking surveys:
 - Annual Performance Benchmarking Survey
 - Monthly Key Metrics
 - Fleet Benchmarking Survey
 - Compensation Survey
 - Quality Survey
 - Safety Survey
- Lessons we can learn from highest performing producers – Think Like an Owner
- Industry specific software
 - CRM and quoting, batching, dispatch & delivery software highlight opportunities to improve
 - Profitability reports by product, job, and customer

Annual Performance Benchmarking Survey and State of the Industry

Thank You

**Presented by
Bob Capasso of Concrete Financial Insights**



Concrete Financial Insights

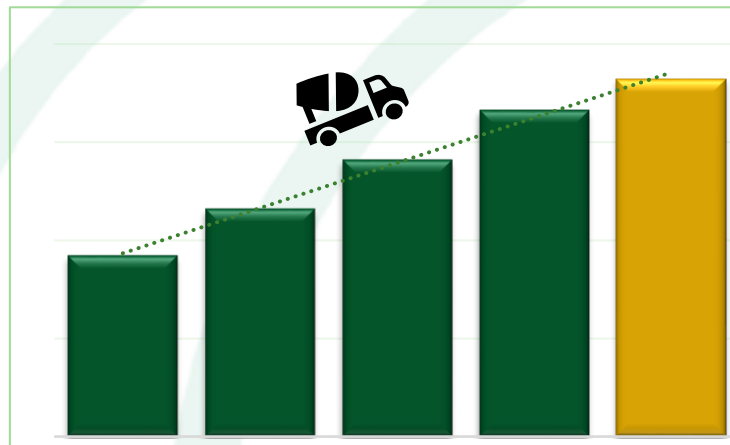
October 2024

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across economic cycles**

At your service as your partner:

- Maximizing economic profit
- Business planning
- Benchmarking & metrics
- Implementing improvements
- Evaluating investments
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