The most, and the least, valuable businesses in America

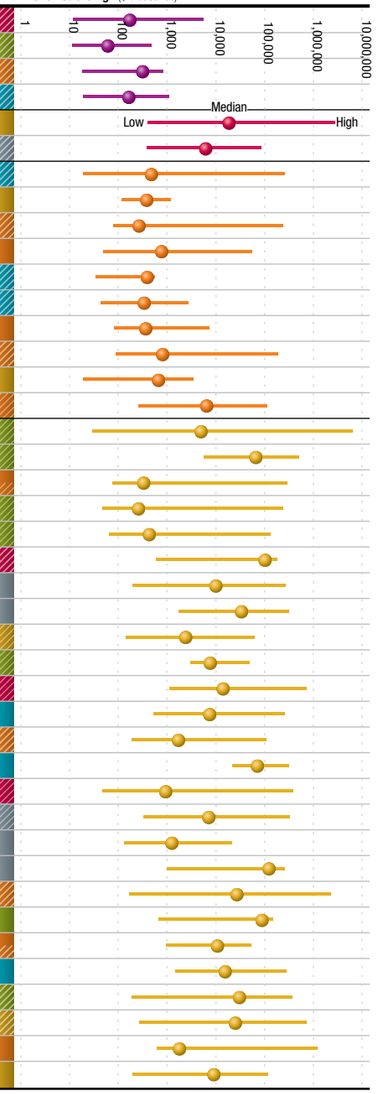
Buying a business is, in at least one respect, like buying a house—you can learn a lot by looking at the comparables. The tables below tell you what businesses are selling for in 147 different industries. For each industry, the tables note the number of businesses sold in the survey period, the median annual revenue and sale price, and the industry's three best valuation multiples. The line graphs on the right show each category's sale price range, from low to high; the circle in the middle marks the median sale price. That makes it easy to compare price ranges among different industries.

Equity Price divided by: Net Sales | Gross Cash Flow | EBT | Net Income | Book Value of Equity

MVIC divided by: Net Sales | EBIT | EBITDA | Disc. Earnings | BVIC | Gross Profit

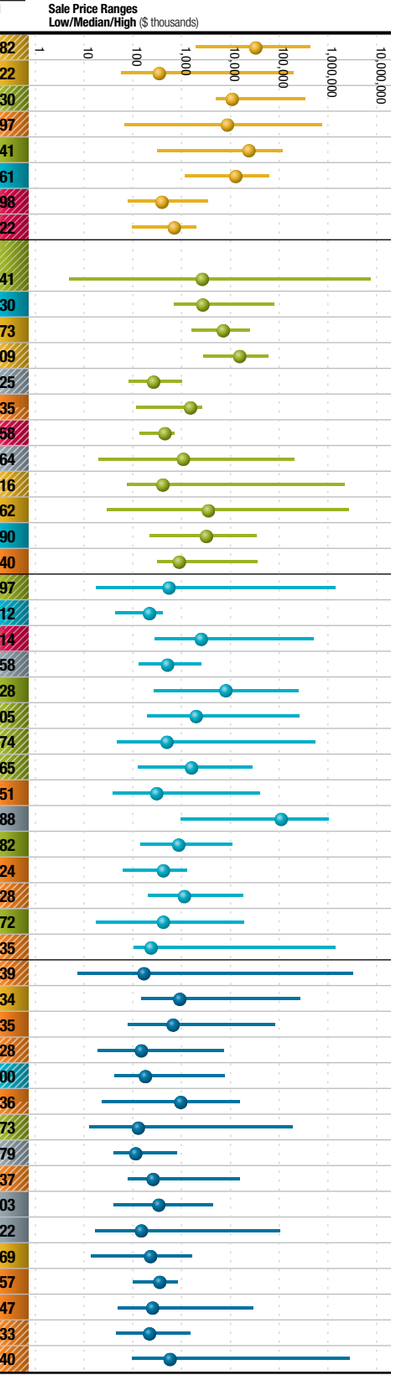
Data based on transactions from 1/1/2003 to 9/29/2006

Type of Business (Number of transactions)	Median Annual Revenue ($ 000's)	Median Sale Price ($ 000's)	MEDIAN VALUATION MULTIPLES Best Indicator	Second Best	Third Best
AGRICULTURE, FORESTRY, AND FISHING (49)	$262	$175	0.56	0.56	0.66
Animal Specialty Services (10)	138	62	0.47	0.46	1.23
Landscape Counseling and Planning (9)	723	315	1.13	1.13	0.49
Lawn and Garden Services (21)	250	165	0.53	0.53	1.54
MINING (20)	12,397	18,526	7.76	2.51	7.54
Oil and Gas Field Services (9)	5,774	6,200	5.90	3.52	1.98
CONSTRUCTION (134)	1,197	475	0.41	0.38	2.60
Carpentry Work (11)	623	385	2.33	3.54	3.59
Concrete Work (7)	438	266	9.02	9.02	0.66
Electrical Work (16)	1,334	775	2.64	0.39	0.33
Painting and Paper Hanging (6)	906	400	0.39	1.24	2.84
Plumbing, Heating, and Air Conditioning (19)	929	340	0.38	0.38	2.05
Roofing, Siding, and Sheet Metal Work (8)	1,788	365	2.11	0.21	0.21
Single-Family Housing Construction (11)	4,200	825	1.45	5.83	0.33
Special Trade Contractors (19)	1,039	675	2.60	3.85	3.81
Water, Sewer, and Utility Lines (7)	11,087	6,555	6.33	6.38	0.63
MANUFACTURING (707)	4,255	5,000	3.26	8.70	7.70
Biological Products, Except Diagnostic (6)	30,031	67,365	18.45	18.40	10.81
Bread, Cake, and Related Products (6)	1,051	335	3.21	3.21	0.67
Commercial Printing (25)	413	260	2.59	0.70	5.17
Commercial Printing, Lithography (31)	650	435	2.77	7.60	5.14
Communications Equipment (6)	6,269	103,400	6.01	6.25	4.70
Computer Peripheral Equipment (12)	8,354	10,026	15.92	17.93	11.08
Computer Storage Devices (6)	4,946	33,876	13.25	11.91	3.18
Electrical Equipment and Supplies (7)	2,169	2,400	7.32	17.19	15.20
Electrical Industrial Apparatus (6)	5,917	7,716	2.67	10.87	8.89
Electromedical Equipment (9)	12,328	14,752	4.07	3.76	5.01
Electronic Connectors (10)	11,510	7,600	1.21	1.28	10.81
Fabricated Metal Products (10)	2,407	1,750	2.14	4.20	0.68
In Vitro and In Vivo Diagnostic Substances (6)	38,049	73,012	8.33	8.32	7.56
Industrial Machinery (21)	1,787	950	0.60	0.64	1.65
Laboratory Analytical Instruments (9)	3,334	7,500	4.93	2.31	2.44
Manufacturing Industries (18)	1,171	1,315	3.34	0.78	2.62
Medicinals and Botanicals (5)	44,158	123,063	4.89	49.80	1.65
Miscellaneous Publishing (9)	20,349	27,500	11.62	1.85	1.85
Motor Vehicle Parts and Accessories (6)	73,746	89,000	17.78	14.82	6.97
Optical Instruments and Lenses (6)	13,579	11,529	2.28	4.17	0.70
Orthopedic, Prosthetic, and Surgical Appliances (10)	14,290	16,207	11.10	3.76	13.85
Periodicals (8)	22,979	30,931	20.46	23.49	16.81
Pharmaceutical Preparations (35)	10,624	25,410	17.91	5.42	16.04
Plastics Products (15)	4,455	1,827	8.27	0.65	0.65
Printed Circuit Boards (8)	3,333	9,275	11.43	12.32	11.81



Data based on transactions from 1/1/2003 to 9/29/2006

Type of Business (Number of transactions)	Median Annual Revenue ($ 000's)	Median Sale Price ($ 000's)	MEDIAN VALUATION MULTIPLES Best Indicator	Second Best	Third Best
Semiconductors and Related Devices (29)	$7,751	$33,590	94.93	58.58	52.82
Signs and Advertising Specialties (25)	560	350	2.56	2.15	5.22
Special Industry Machinery (7)	7,929	11,190	4.83	3.85	7.30
Sporting and Athletic Goods (6)	13,284	8,703	4.15	3.90	0.97
Surgical and Medical Instruments (14)	8,460	23,899	12.67	9.71	11.41
Telephone and Telegraph Apparatus (10)	15,268	13,325	1.21	26.78	26.61
Wood Kitchen Cabinets (14)	858	405	0.44	2.85	0.98
Wood Products (6)	1,243	722	0.63	0.55	2.22
TRANSPORTATION, COMMUNICATIONS, ELECTRIC, GAS, AND SANITARY SERVICES (161)	4,153	2,691	2.57	1.48	5.41
Airports, Flying Fields, and Services (7)	5,378	2,766	10.92	11.96	14.30
Cable and Other Pay Television Services (8)	4,448	7,270	4.14	1.12	9.73
Communications Services (13)	10,693	15,500	10.75	9.64	11.09
Local Passenger Transportation (7)	460	270	2.32	3.28	2.25
Local Trucking With Storage (6)	3,587	1,550	3.31	5.60	0.35
Local Trucking Without Storage (7)	676	455	2.58	0.55	0.58
Radiotelephone Communication (13)	4,153	1,086	4.44	3.06	1.64
Refuse Systems (8)	980	413	1.89	3.85	2.16
Telephone Communications, Except Radio (29)	6,225	3,568	1.64	6.74	9.62
Travel Agencies (8)	5,120	3,267	7.65	7.65	7.90
Trucking, Except Local (7)	2,558	896	2.69	0.51	0.40
WHOLESALE TRADE (194)	1,417	555	4.96	2.96	4.97
Chemicals and Allied Products (6)	500	222	0.38	1.28	2.12
Computers, Peripherals, and Software (9)	8,456	2,580	13.77	11.02	2.14
Durable Goods (6)	1,652	518	1.60	1.50	1.58
Electrical Apparatus and Equipment (8)	4,687	8,081	0.84	2.66	8.28
Electronic Parts and Equipment (9)	6,894	2,000	3.42	1.11	9.05
Groceries and Related Products (8)	1,244	508	1.12	1.95	1.74
Industrial Supplies (9)	4,331	1,620	4.26	1.45	7.65
Medical and Hospital Equipment (11)	739	309	2.69	0.51	0.51
Metals Service Centers and Offices (5)	121,801	111,000	2.79	5.47	3.88
Motor Vehicle Supplies and New Parts (7)	1,631	880	1.45	4.24	5.82
Nondurable Goods (9)	1,467	425	4.49	0.85	0.24
Petroleum Products (6)	3,547	1,151	15.00	21.63	0.28
Sporting and Recreation Goods (6)	1,069	424	3.65	0.35	4.72
Stationery and Office Supplies (6)	504	238	2.10	0.35	0.35
RETAIL TRADE (734)	458	168	2.58	0.76	0.39
Auto and Home Supply Stores (6)	2,445	925	1.63	1.24	4.34
Boat Dealers (7)	4,245	670	1.39	2.23	0.35
Computer and Software Stores (21)	822	150	0.58	3.10	0.28
Drinking Places (26)	390	184	5.06	5.27	4.00
Drug Stores and Proprietary Stores (11)	5,100	975	3.62	1.48	0.36
Eating and Drinking Places (257)	340	130	2.09	2.22	2.73
Florists (28)	266	116	0.48	0.72	1.79
Furniture Stores (10)	836	264	2.68	4.00	0.37
Gasoline Service Stations (13)	1,800	341	2.53	5.83	1.03
Gift, Novelty, and Souvenir Shops (22)	314	152	0.53	1.00	1.22
Grocery Stores (39)	773	235	0.28	0.28	5.69
Hardware Stores (9)	766	360	3.39	1.49	0.57
Hobby, Toy, and Game Shops (9)	758	256	2.64	0.54	0.47
Liquor Stores (24)	722	223	1.64	0.33	0.33
Lumber and Other Building Materials (12)	2,491	580	4.16	1.39	0.40



GLOSSARY: Book Value of Equity = Total Assets - Total Liabilities, **BVIC** (Book Value of Invested Capital) = (Total Assets - Total Liabilities) + Long-Term Liabilities, **Discretionary Earnings** = Net Income + Taxes + Interest Expense + Owner's Compensation + Noncash Charges, **EBIT** = Net Income + Interest Expense + Taxes

EBITDA = Net Income + Interest Expense + Taxes + Noncash Charges, **EBT** (Earnings Before Taxes) = Net Income + Taxes, **Equity Price** = Reported Selling Price (not including long-term liabilities assumed), **Gross Cash Flow** = Net Income + Noncash Charges, **MVIC** (Market Value of Invested Capital) = Equity Price + Long-Term Liabilities Assumed, **Net Income** = After-tax Net Income, **Net Sales** = Annual Sales - Returns and Discounts

The most, and the least, valuable businesses in America, continued

Equity Price divided by:	Net Sales	Gross Cash Flow	EBT	Net Income	Book Value of Equity
MVIC divided by:	Net Sales	EBIT	EBITDA	Disc. Earnings	BVIC	Gross Profit

Data based on transactions from 1/1/2003 to 9/29/2006

Type of Business (Number of transactions)	Median Annual Revenue ($ 000's)	Median Sale Price ($ 000's)	MEDIAN VALUATION MULTIPLES: Best Indicator	Second Best	Third Best
RETAIL TRADE (continued)					
Merchandising Machine Operators (12)	$222	$236	0.69	0.65	1.55
Miscellaneous Apparel and Accessory Stores (6)	429	186	0.43	0.76	2.73
Miscellaneous Food Stores (10)	1,065	330	1.16	22.75	2.82
Miscellaneous Home furnishings (20)	561	185	0.82	0.36	2.16
Miscellaneous Retail Stores (35)	361	165	2.54	3.41	0.86
Radio, Television, and Electronic Stores (6)	443	95	0.33	0.40	1.25
Record and Prerecorded Tape Stores (6)	300	165	0.51	0.95	3.21
Retail Bakeries (16)	235	82	0.51	2.41	0.36
Retail Nurseries and Garden Stores (9)	550	205	2.37	0.44	0.98
Sporting Goods and Bicycle Shops (15)	323	106	0.33	0.83	3.48
Women's Clothing Stores (14)	544	191	2.57	0.45	0.45
FINANCE, INSURANCE, AND REAL ESTATE (83)	6,775	13,500	1.89	10.04	7.29
Fire, Marine, and Casualty Insurance (5)	52,005	40,394	12.07	8.30	0.95
Functions Related to Deposit Banking (10)	18,564	42,644	3.93	1.70	19.95
Insurance Agents, Brokers, and Service (8)	638	840	1.01	1.35	9.37
Investment Advice (5)	6,775	86,153	18.50	12.76	18.97
Mortgage Bankers and Loan Correspondents (8)	2,957	2,479	2.47	4.74	2.55
Security Brokers and Dealers (7)	46,583	31,000	0.57	7.66	5.96
State Commercial Banks (10)	1,686	28,500	2.35	6.55	20.80
SERVICES (1,188)	1,037	818	5.58	3.64	1.94
Accounting, Auditing, and Bookkeeping (17)	203	220	1.08	1.08	1.10
Advertising (8)	590	453	5.04	0.67	2.84
Advertising Agencies (8)	8,321	4,900	2.57	7.27	2.90
Amusement and Recreation (6)	735	380	4.71	0.60	0.56
Automotive Repair Shops (10)	603	250	0.60	0.43	2.97
Automotive Services (25)	524	358	1.04	0.85	0.85
Beauty Shops (45)	256	95	0.49	0.38	1.96
Bowling Centers (12)	838	1,413	1.78	2.14	18.74
Building Maintenance Services (25)	388	200	0.54	0.65	2.72
Business Consulting Services (14)	9,348	10,022	5.77	0.84	9.05
Business Services (90)	459	298	0.65	0.65	1.04
Car Washes (11)	250	265	1.67	5.11	5.11
Child Daycare Services (32)	323	143	0.48	3.15	0.52
Coin-operated Laundries and Cleaning (22)	127	137	2.17	2.20	1.07
Commercial Nonphysical Research (6)	5,461	4,682	11.49	11.49	2.67
Commercial Physical Research (7)	8,137	22,000	10.74	14.00	10.88
Computer Integrated Systems Design (48)	8,497	6,559	1.79	11.38	13.23
Computer Related Services (22)	9,792	11,659	5.14	1.34	1.34
Custom Computer Programming Services (51)	7,056	15,650	1.93	9.41	7.16
Data Processing and Preparation (9)	5,010	4,800	12.42	15.94	12.48
Detective and Armored Car Services (6)	2,234	1,103	3.42	0.56	18.37
Direct-Mail Advertising Services (10)	903	681	2.99	4.40	4.55
Disinfecting and Pest Control Services (9)	2,929	2,730	5.03	1.06	1.01
Dry-cleaning Plants, Except Rugs (17)	250	220	0.77	0.74	4.23
Employment Agencies (9)	2,259	600	3.49	0.65	14.38
Engineering Services (11)	6,640	2,960	3.65	2.61	2.76
Equipment Rental and Leasing (12)	667	669	4.73	4.37	1.11
General Automotive Repair Shops (39)	621	245	0.40	0.40	3.43
Help Supply Services (14)	4,959	3,146	2.58	1.51	0.33
Information Retrieval Services (23)	2,178	2,200	9.23	10.29	8.34
Management Consulting Services (43)	8,422	9,384	2.61	9.14	10.03

Sale Price Ranges Low/Median/High ($ thousands): 1 | 10 | 100 | 1,000 | 10,000 | 100,000 | 1,000,000 | 10,000,000

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Type of Business (Number of transactions)	Median Annual Revenue ($ 000's)	Median Sale Price ($ 000's)	MEDIAN VALUATION MULTIPLES: Best Indicator	Second Best	Third Best
Miscellaneous Personal Services (32)	$212	$115	0.78	1.92	2.09
Nursing and Personal Care (6)	302	165	6.02	1.53	4.56
Offices and Clinics of Dentists (87)	1,351	800	1.38	0.62	0.62
Offices and Clinics of Medical Doctors (10)	2,936	2,375	6.01	3.34	3.26
Photofinish Laboratories (6)	619	220	1.02	0.83	0.60
Physical Fitness Facilities (28)	152	116	0.68	0.68	0.68
Prepackaged Software (142)	5,106	11,275	3.00	20.02	17.87
Repair Services (14)	580	412	0.54	0.54	2.55
Schools and Educational Services (12)	465	345	6.96	6.96	4.19
Security Systems Services (13)	5,001	4,288	2.43	7.31	2.68
Testing Laboratories (8)	3,654	2,800	1.91	1.07	1.01
Top and Body Repair and Paint Shops (14)	556	248	0.78	0.47	5.00

Sale Price Ranges Low/Median/High ($ thousands): 1 | 10 | 100 | 1,000 | 10,000 | 100,000 | 1,000,000 | 10,000,000

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