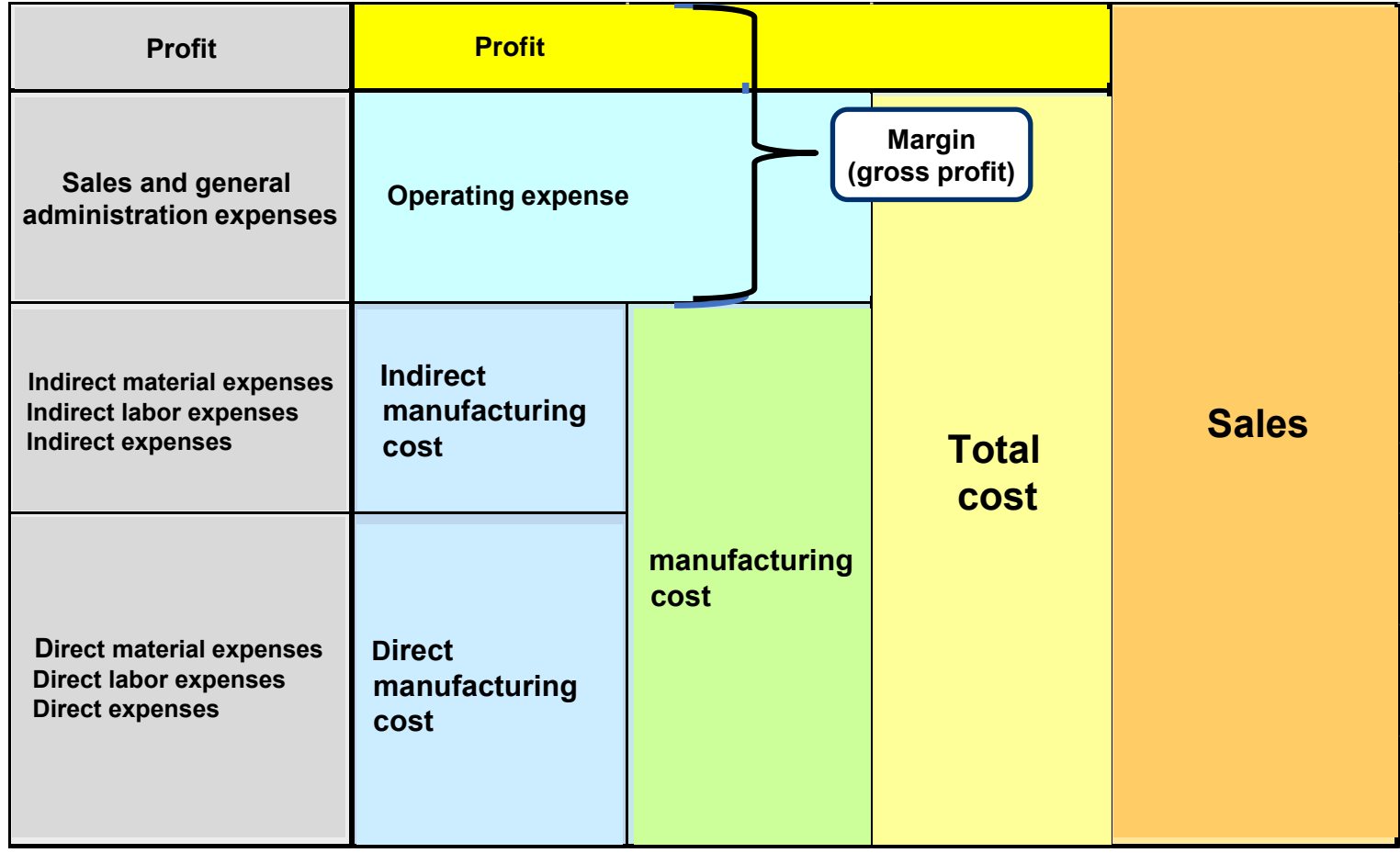


**Cost
Management**

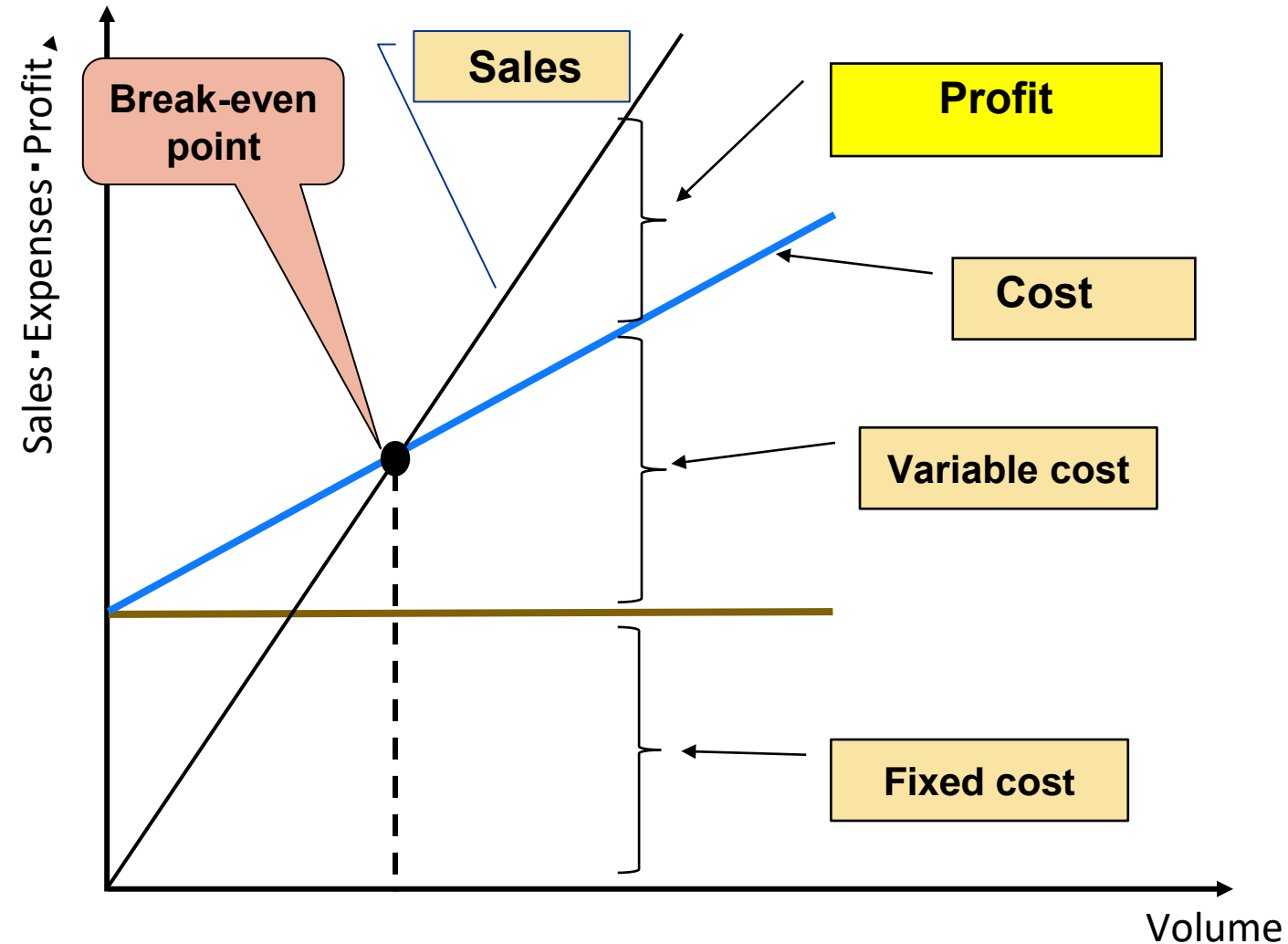
Cost breakdown of manufacturing enterprise

- Cost : expired manpower, material & other expenses for manufacturing & sales
- Margin : difference between Sales and manufacturing cost, profit from the product



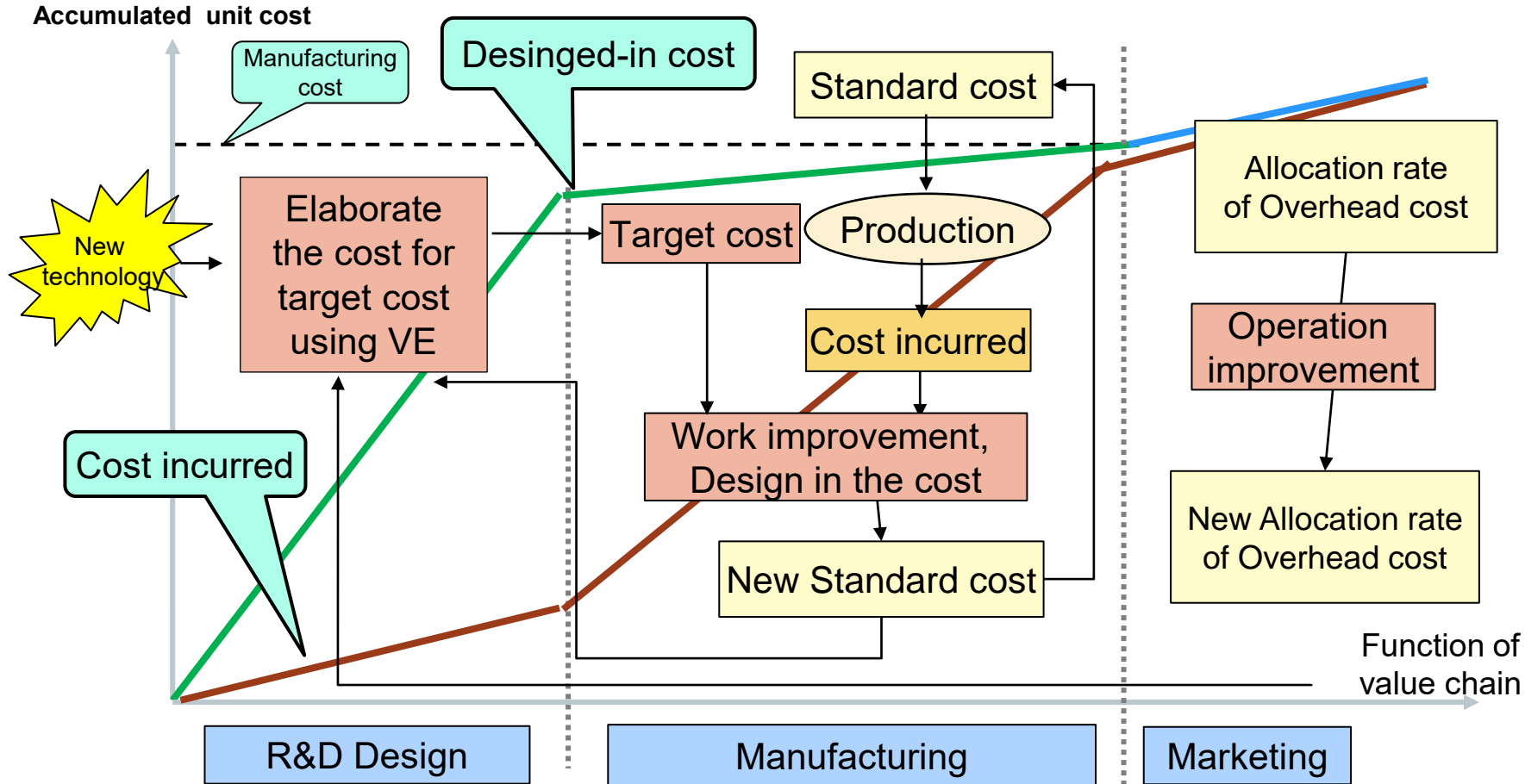
Break-even point

At which loss and profit are equal, called Break-even point (BEP)
Sales exceeding BEP gives us profit.



Designed-in cost and Cost incurred

Target cost = Market price – Target profit
 Designed-in cost is the cost to plan beforehand for realizing target cost.
 Generally it is most effective to examine **how to elaborate the product** in a design stage.



原価計算論 (廣本敏郎・挽 文子著) より引用加工