PROPROSED 6MM CALIBER - ESTIMATED FACTORY COSTS AND ECONOMICS
(ADDITIONAL VOLUME FOR CURRENT MODELS)

| | | | FIRST AND THIRD YEARS (1963) 700 ADL | (1963) 74YA | (1965) TOTAL | | RESULT | |
|---|---|---|---|---|---|---|---|---|
| | | TOTAL | 3000 | 1500 | 4500 | | | |
| VOLUME | | ADD'L | 1500 | 1000 | 2500 | | 2500 | |
| RETAIL PRICE | | | $114.95 | $139.95 | | | | |
| NET SELLING | | TOTAL | 61.97 | 75.45 | 299,086 | | 168,400 | |
| | | ADD'L | | | 168,405 | | | |
| STD MATERIAL | | | 8.37 | 7.79 | | | $20,300 | |
| VARIANCE | | 4.0 | .33 | 2.6 .27 | | | 800 | |
| VEND TOOL | | | — | — | | | — | |
| STD LABOR | | | 7.34 | 6.39 | | | 17,400 | |
| VARIANCE | | 40.0 | 2.93 | 45.0 2.88 | | | 2,300 | |
| DIRECT EXPENSE | | 117.0 | 8.21 | 135.0 8.63 | | | 20,900 | |
| IND RELATIONS | 35.0 | | 3.59 | 2.74 | | | 8,600 | |
| GAS-POWER | | | | | | 6.6 | 1,100 | |
| DEPRECIATION | | | | | | | — | (NO ADD'L) |
| SPACE | | | | | | | — | |
| DIRECT SUPERV. | | 103.0 | 7.55 | 143.0 7.86 | | | — | |
| ENGINEERING | | | | | | | 500 | |
| WTY REPAIRS | | | | | | | 2550 | (700-.76 / 74Y-1.74) |
| OTHER DIRECT | | | | | | 2.0 | 300 | |
| MFG OVERHEAD | | | | | | 4.0 | 1000 | |
| WAREHOUSE | | | | | | | 550 | (700-.73 / 74Y-.70) |
| SUB-TOTAL | | | $38.32 | $37.06 | | | $61,300 | |
| PLANT OVERHEAD | 25.0 | | 9.58 | 9.27 | | 7.4 | 1,800 | |
| FRANCHISE TAX | | | — | — | | 4.0 | 3,400 | |
| INVENTORY ADJ | 1.0 | | .48 | .46 | | | 900 | |
| FACTORY COST | | | $48.38 | $46.79 | | | $87,400 | |
| SELLING AND ADMIN. | 9.5 | | 5.89 | 7.17 | | | — | |
| RESEARCH | 3.0 | | 1.86 | 2.46 | | | — | |
| TOTAL COST | | | $56.13 | $56.22 | | | $87,400 | |
| OPER EARNINGS | | | $5.84 | $19.23 | | | $81,000 | |
| LESS: 6% + .6V% | | | | | | | (44,500) | |
| NET EARNING | | | 9.4% | 25.5% | | | $36,500 | |
| INVESTMENT - PERMANENT | | | | | | | — | |
| WORKING CAPITAL | | | | | | | $87,500 | |
| RETURN ON CAPITAL | | | | | | | $51,5[illegible] | |
| " " " INCL. CHARGES TO OPERATION | | | | | | | [illegible] % | |
| | | | | | | | [illegible] % | |

| WORKING CAPITAL | | | | |
|---|---|---|---|---|
| MATERIAL | 37.4% | x | 20,300 / 800 = | $2,500 |
| WORK IN PROCESS | 20.9% | x | 87,400 = | 18,300 |
| FINISHED GOODS | 24.3% | x | 87,400 = | 21,200 |
| A/C'S RECEIVABLE (168,400 115% = 193,700) | 15.0% | x | 193,700 = | 29,100 |
| CASH | 13.0% | x | 87,400 = | 11,400 |
| | | | | $87,500 |

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