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cc: L.J. Boyle P.B. Croop
R.L. Hall F.H. Byrnes
S.M. Alvis J.A. Henry
L. Fox Estimate File #3075

SMA's file

April 13, 1971

J. H. SWEENEY

MODELS 700, 742, 760, 870 RSS, 552, 572 BDL REAR SIGHT EYEPIECE
PROPOSAL TO REPLACE PRESENT SPECIAL MACHINE WITH EITHER (2)
SPECIAL MACHINES OR STANDARD MACHINES

At the present time special machine #28233 is used to drill and counterbore the windage screw hole, buttmill the step slot and mill the leaf slot in this Rear Sight Eyepiece. This machine was designed and built on the plant in 1959 at a cost of $6,600.

It is understood that considerable difficulty has always been experienced producing quality parts on this machine and the scrap rate has been excessive. The maintenance cost is also high having averaged $1,500 a year over the past six years.

The machine is now badly worn, but rather than replace it in kind, it is proposed to either build two special machines to perform these same operations or process the parts over standard machines. The latter would require a four spindle drill press, a one spindle drill press and a small power mill which are available on the plant.

A comparison of the estimated costs of the proposed methods is shown on the attached summary. This indicates that the proposed special machine process is the least expensive of the two methods.

The $6,880 difference in annual operating costs is sufficient to provide a 20.3% return on the estimated additional capital investment of $20,000 for the two machines and an 11.0% return on total capital required.

F. G. Carlson, Superintendent
Methods & Standards Section

E. A. Karla

By: E. A. Karla, Supervisor

att.
EAK:sm