RD-6565
Rev.
SMC 3-26-79

ESTIMATE # 4145

ESTIMATED SAVINGS & RETURN ON INVESTMENT

ENGINEER: T.R. Andrews — Alteration of Molds for
DATE: 1/12/81 — M/XP-100, 7 m/m B.R. Stock Assem.

	Present	Proposed		
Forecast Year	1981			
Quantity Forecast	3600			
OPERATING COSTS				
Purchased Parts	$ –	$ –	$	$
Raw Material	–	–		
Standard Labor	8,680	7,470		
Labor Variance @	2,150	750		
Industrial Relations @	5,190	3,940		
Supplies	100	20		
Tool Replacement	1,490	110		
Cutter Grind	690	10		
Tool Maintenance	480	140		
Maintenance	1,870	380		
Energy	490	290		
Equipment Depreciation @	–			
Sub Totals	$ 21,140	A $ 13,110	$	A $
Gross Savings Before Admin. Exp.		$ 8,030		$
Admin. Exp. @4.3% Gross Savings		B $ 350		B $
Sub Totals	$ 21,140	A+B $ 13,460	$	A+B $
SAVINGS IN OPERATING COST		$ 7,680		$
Less: Income Tax @48.5 %		($ 3,720)		($
Plus: Amortization of Investment Tax Credit		$ –		$
NET SAVINGS		$ 3,960		$
INVESTMENT				
Project Expenditures		$ –		$
Manufacturing & Working Facilities		$ –		$
Net Change in Working Capital		⟨$ 2,530⟩		$
Total Capital Required for this Project		⟨$ 2,530⟩		$
RETURN ON INVESTMENT - THIS PROJECT		Infinite %		
Net Savings - After Amortization of Operation Charges		$ 3,360		$
Project Operation Charges		$ 16,310		$
Less: Administration Expense @4.3 % & Income Taxes @48.5 % (Factor .5072)		($ 8,270)		($
Total Capital Required Including Research & Development & Other Charges		$ 5,510		$
RETURN ON TOTAL CAPITAL REQUIRED		61.0 %		
Equipment to be Released				
Increased Space Requirements (Decrease)				
Production Capacity				
Forecast Burdening		%		

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