

Bridgeport, Connecticut  
June 7, 1956

TO: P. H. BURDETT (30)  
FROM: N. F. LARSEN  
SUBJECT: REVISED SALES AND OPERATIVE EARNINGS  
MODEL 524T

Following is a tabulation showing sales and operative earnings for the M/524T based on revised selling price and volumes furnished by the Sales Department:

	First Year			Normal Year		
	Each	Amount	%	Each	Amount	%
Quantity		2,500			2,000	
Retail price	\$ 64.95*			\$ 64.95		
Net selling price	37.48	\$ 93,850	100.0%	37.48	\$ 74,920	100.0%
Factory cost	27.43	68,575	73.2	27.43	54,860	73.2
Research	.94	2,350	2.5	.94	1,880	2.5
Total mill cost	28.37	70,925	75.7	28.37	56,740	75.7
Factory profit	9.09	22,725	24.3	9.09	18,180	24.3
Selling & admin.	3.75	9,375	10.0	3.75	7,500	10.0
Operative earnings	\$ 5.34	\$ 13,350	14.3%	\$ 5.34	\$ 10,680	14.3%

For purposes of comparison, sales and operative earnings on the M/521T and M/513T are shown below:

	Normal Year					
	M/521T			M/513T		
	Each	Amount	%	Each	Amount	%
Quantity		800			900	
Retail price	\$ 40.85*			\$ 72.30**		
Net selling price	23.56	\$ 18,848	100.0%	39.10	\$ 35,190	100.0%
Factory cost	24.25	19,400	102.9	35.08	31,572	89.7
Research	.59	471	2.5	.98	882	2.5
Total mill cost	24.84	19,871	105.4	36.06	32,454	92.2
Factory profit	(1.28)	(1,023)	(5.4)	3.04	2,736	7.8
Selling & admin.	2.36	1,885	10.0	3.91	3,519	10.0
Operative earnings	\$ (3.64)	\$ (2,908)	(15.4)%	\$ (.87)	\$ (783)	(2.2)%

\*Subject to trade discounts of 20%-17 1/2%.  
\*\* " " " " " 25%-17 1/2%.

*N. F. Larsen*  
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