

TABLE 2

ESTIMATED SAVINGS AND RETURN ON INVESTMENT
SHORT STOCK "MOLDING" DEVELOPMENT

	First Year of Operation		All	
	M/870		Short Stocks	
	Present	Proposed	Present	Proposed
<u>OPERATING COST</u>				
Labor and other employment costs	\$ 63,590	\$ 29,970	\$243,510	\$126,660
Supplies and direct expenses	30,530	21,690	111,060	91,660
Electricity	-	1,670	-	9,790
Depreciation	-	5,200	-	11,030
Other operating costs	-	1,420	-	4,620
	<u>\$ 94,120</u>	<u>\$ 59,950</u>	<u>\$354,570</u>	<u>\$243,760</u>
<u>SAVINGS IN OPERATING COST</u>				
		\$ 34,170		\$110,810
Less: All other expense				
All other 6.8%; Federal Tax 48%		(17,600)		(57,070)
<u>NET SAVINGS</u>		<u>\$ 16,570</u>		<u>\$ 53,740</u>
<u>INVESTMENT</u>				
Project Expenditures		\$ 52,000		\$110,300
Net change in working capital		(15,750)		(52,080)
Total capital required for this project		<u>\$ 36,250</u>		<u>\$ 58,220</u>
<u>RETURN ON INVESTMENT - THIS PROJECT</u>		45.7%		92.3%

Return on total capital required including research and development and other operation charges		6.8%		14.8%