MOHAWK 600- ESTIMATED COSTS AND PROJECT ECONOMICS
(FIRST YEAR 1971)

FULL FACTORY COST

	PRESENT LINE MODEL 660 REGULAR	PRESENT LINE MODEL 660 MAGNUM	PROPOSED MOHAWK 600 REGULAR	PROPOSED MOHAWK 600 MAGNUM
VOLUME	(9,000)	(1,000)	18,400	1,600
RETAIL PRICE	$124.95	$154.95	$114.95	$134.95
NET SELLING	$ 66.84	$ 82.89	$ 61.46	$ 72.17
FACTORY COST	$ 44.84	$ 52.69	$ 40.49	$ 46.21
SELLING, ADMIN. & R&D	$ 7.29	$ 9.03	$ 6.70	$ 7.86
TOTAL COST	$ 52.13	$ 61.72	$ 47.19	$ 54.07
OPERATIVE EARNINGS	$ 14.71	$ 21.17	$ 14.27	$ 18.10
% OF NET SALES	22.0%	25.5%	23.2%	25.1%

CASH OR PROJECT COSTS

	PRESENT LINE MODEL 660	PROPOSED MOHAWK 600	CASH OR PROJECT RESULTS 83
VOLUME	(10,000)	20,000	10,000
NET SELLING	$684,450	$1,246,340	$561,890
FACTORY COST	$371,800	$ 677,440	$305,640
OPERATIVE EARNINGS	$312,650	$ 568,900	$256,250
LESS 5.6% & 48.0%	$159,180	$ 289,640	$130,460
NET EARNINGS	$153,470	$ 279,260	$125,790

PROJECT INVESTMENT	
CONSTRUCTION	$ 75,000
WORKING CAPITAL	$329,600
TOTAL	$404,600
RETURN ON INVESTMENT	31.1%
RETURN ON TOTAL EXPENDITURES	29.6%

PROJECT EXPENDITURES FOR MOHAWK CONVERSION AND ADDITIONAL SALES

DEVELOPMENT	$ 1,000
CONSTRUCTION	$ 75,000
OPERATIONS	$ 29,000
TOTAL	$105,000

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