

MACHINERY REVIEW - MODELS 550 - 514MODEL 550

The machines which would be written off were for the most part purchased prior to or in 1937. It is planned to retain 13 Milwaukee or Cincinnati milling machines and 1 tapping machine for reconditioning to be used as part of the machine repair program or on current or new models. The reduction in machine investment would be \$78,000.

MODEL 514

The 12 machines were purchased in 1947. There are 8 Kingsbury 83 machines. It is believed that the bases and some heads can be reconditioned for use for the Model 744 and 766 Remington machines.

One standard mill will be retained for use in the machine repair program.

The 3 Logansport machines for the Stock were purchased in 1938; all other 6 wood machines prior to that date.

GENERAL

The reduction in machine investment would be \$253,000. While there will be a reduced work load in heat treat and coloring, there is no total plant capacity problem on the relieved equipment.

As indicated, 15 machines will become available for a much needed repair program or for use on current or new models. The estimated cost of 15 equivalent new machines at 1970 market prices would be approximately \$375,000. The book value of these machines is approximately \$58,000.

VGD:I

EXHIBIT 4