

MOHAWK 77 - ESTIMATED COSTS AND PROJECT ECONOMICS
(FIRST YEAR 1972)

FULL FACTORY COST

	PRESENT NYLON 77	PROPOSED MOHAWK 77
VOLUME	7,800	15,000
RETAIL PRICE	\$ 54.95	\$ 49.95
NET SELLING	\$ 29.32	\$ 26.65
FACTORY COST	\$ 19.20	\$ 19.23
SELLING & ADMIN.	\$ 2.76	\$ 2.51
RESEARCH	\$.76	\$.69
TOTAL COST	\$ 22.72	\$ 22.43
OPER. EARNINGS	\$ 6.60	\$ 4.22
% OF NET SELLING	22.5%	15.8%

INCREMENTAL CASH & PROJECT RESULTS

NET INCREASE IN SALES VOLUME	7,200
TOTAL NET SALES	\$ 171,050
TOTAL COST TO SALES	\$ 112,750
TOTAL GROSS OPER. EARNINGS	\$ 58,350
LESS 5.0% AND 48.0%	\$ 29,530
TOTAL NET EARNINGS	\$ 28,820
PROJECT INVESTMENT	
CONSTRUCTION	---
ADDITIONAL WORKING CAPITAL	\$ 112,500
RETURN ON INVESTMENT	25.6%
RETURN ON TOTAL INVESTMENT INCLUDING R&D AND OTHER OPERATION CHARGES	25.0%
PROJECT EXPENDITURES	
OPERATIONS -	\$3,800

JHSweeney:I
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EXHIBIT 1