

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

	<u>FULL FACTORY COST</u>	
	<u>PRESENT</u> <u>NYLON 77</u>	<u>PROPOSED</u> <u>MOHAWK 77</u>
VOLUME	7,800	15,000
RETAIL PRICE	\$ 54.95	\$ 54.95
NET SELLING	\$ 29.32	\$ 29.32
FACTORY COST	\$ 19.20	\$ 19.23
SELLING & ADMIN.	\$ 2.76	\$ 2.76
RESEARCH	\$.76	\$.76
TOTAL COST	\$ 22.72	\$ 22.75
OPER. EARNINGS	\$ 6.60	\$ 6.57
% OF NET SELLING	22.5%	22.4%

INCREMENTAL CASH & PROJECT RESULTS

NET INCREASE IN SALES VOLUME	7,200
TOTAL NET SALES	\$ 211,100
TOTAL COST TO SALES	\$ 114,200
TOTAL GROSS OPER. EARNINGS	\$ 96,900
LESS 5.0% AND 48.0%	\$ 48,030
TOTAL NET EARNINGS	\$ 47,870
PROJECT INVESTMENT	
CONSTRUCTION	-
ADDITIONAL WORKING CAPITAL	\$ 126,600
RETURN ON INVESTMENT	37.8%
RETURN ON TOTAL INVESTMENT INCLUDING R&D AND OTHER OPERATION CHARGES	37.1%
PROJECT EXPENDITURES	
OPERATIONS -	\$ 3,800

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10/13/71