

AUTOLOADING TRAP FOR SKRETT
ESTIMATED COSTS AND ECONOMICS

	<u>FULL FACTORY COSTS</u>		
	<u>FIRST YEAR</u>	<u>SECOND YEAR</u>	<u>THIRD YEAR</u>
VOLUME - SETS	150	200	250
WHOLESALE PRICE	\$1450.00	\$1450.00	\$1500.00
NET SELLING	1411.14	1411.14	1459.80
FACTORY COST	1596.95	1575.70	1511.79
SELLING & ADMINISTRATION	132.65	132.65	137.22
RESEARCH	-	-	-
TOTAL COST	\$1729.60	\$1708.35	\$1649.01
OPERATIVE EARNINGS	(\$318.46)	(\$297.21)	(\$189.21)
% OF NET SELLING	(22.6%)	(21.1%)	(13.0%)

	<u>CASH RESULTS</u>		
	<u>FIRST YEAR</u>	<u>SECOND YEAR</u>	<u>THIRD YEAR</u>
NET SELLING	\$211,670	\$282,250	\$364,950
FACTORY COST	231,820	304,480	366,270
OPERATIVE EARNINGS	(\$19,650)	(\$22,250)	(\$ 1,320)
LESS 5.0% & 48.0%	(9,940)	(11,260)	(670)
NET EARNINGS	(9,710)	(10,990)	(650)
<u>INVESTMENT</u>			
WORKING CAPITAL	\$288,000	\$379,700	\$461,200
RETURN ON INVESTMENT	(3.4%)	(2.9%)	(0.1%)
RETURN ON TOTAL EXPENDITURES	(3.7%)	(3.2%)	(0.5%)
<u>PROJECT EXPENDITURES</u>			
DEVELOPMENT	\$ 40,000	\$ 40,000	\$ 40,000
OPERATIONS	6,800	6,800	6,800
TOTAL	\$ 46,800	\$ 46,800	\$ 46,800

JHS:I
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