ESTIMATED COST & ECONOMICS - FIRST YEAR (1974)
MODEL 700 - GENERAL IMPROVEMENTS ON BOTH ADL & BDL
NEW STOCK WITH CUT CHECKERING ON BDL ONLY

	FULL FACTORY COST				
	BEFORE LINE		AFTER LINE		
	ADL	BDL	ADL	BDL HAND CHECKER.	BDL MACHINE CHECKER.
VOLUME	32,000	48,000	32,000	15,600	41,400
RETAIL PRICE	$154.95	$174.95	$154.95	$184.95	$184.95
NET SELLING	$ 82.30	$ 92.91	$ 82.30	$ 98.22	$ 98.22
FACTORY COST	$ 52.04	$ 60.31	$ 53.68	$ 77.23	$ 63.81
SELLING, ADMIN.& RESEARCH	$ 9.63	$ 10.87	$ 9.63	$ 11.49	$ 11.49 83
TOTAL COST	$ 61.67	$ 71.18	$ 63.31	$ 88.72	$ 75.30
OPERATIVE EARNINGS	$ 20.63	$ 21.73	$ 18.99	$ 9.50	$ 22.92
% OF NET SELLING	25.1%	23.4%	23.1%	9.7%	23.3%

CASH RESULTS	
VOLUME (ADDED BUSINESS)	9,000
NET SELLING	$1,138,860
FACTORY COST	$ 913,780
OPERATIVE EARNINGS	$ 225,080
LESS 5.0% & 48%	$ 113,890
NET EARNINGS	$ 111,190
INVESTMENT	
CONSTRUCTION THIS PROJECT	$ 645,400
WORKING CAPITAL	$ 797,400
TOTAL	$1,442,800
RETURN ON INVESTMENT	7.7%
RETURN ON TOTAL EXPENDITURES	4.8%

PROJECT EXPENDITURES	
DEVELOPMENT	$ 276,000
CONSTRUCTION	$ 645,400
OPERATIONS	$ 358,000
TOTAL	$1,279,400

JHSweeney:I
11/20/72

EXHIBIT 3

CONFIDENTIAL

WIL02379