

PRIORITY PLANNING AND MANAGEMENTPriority Category

- I. Necessity These programs which are required to meet mandated regulations (CENA), company policy, safety, product liability needs, contractual commitments, and similar non-discretionary commitments. By definition, these programs are fully funded and supported.
- II. Commitments These programs which have been initiated in response to marketing and manufacturing needs to improve Established Businesses, and have negotiated support of Management.
- III. New Initiatives These program proposals which are under study (or which we plan to study), to explore feasibility, justification, and to develop proposals requesting Management support. (Marketing requests for new products are automatically placed in this category.)

CHART I

ER&D - EQUIPMENT DEVELOPMENT
ACQUISITION PROGRAMS
1980 - 1981

	1980		1981		Incentive	Estimated Completion
	Assignable Mar. Years	Estimated Expenditure	Assignable Mar. Years	Estimated Expenditure		
<u>COMMITMENTS</u>						
S.S. MODERNIZATION PLAN DEVELOPMENT	.25	\$ 20K	.5	\$ 40K	Develop plan to improve competitive position	December, 1981
S.S. ASSEMBLY MODERNIZATION	.25	20K	1.25	100K	Potential savings: \$75,000 per year	TBD
PISTON ASSEMBLY MODERNIZATION	.5	50K	1.5	140K	Potential savings: \$1,000,000 per year	TBD
NEW RXP PROCESS	3.0	400K	1.5	250K	Estimated savings: \$1,000,000	Prototypes June, 1981 Additional two machines June, 1982
TIKK - SEISMIC PRINTER	.5	30K	.5	30K	New business opportunity	October, 1980
IMPROVED S.S. INK PRINTING	.5	80K	.25	40K	Improved product quality and cost reduction	December, 1980
C.F. PROGRESSIVE SHELL FORMING	1.0	100K	1.0	100K	Improved product quality, new process for center fire modernization	June, 1981

CHART II