Est. # 2364

ESTIMATED SAVINGS & RETURN ON INVESTMENT

Compression Mold 1?/700 742 9760 Butt Plates
(In place of present aluminum)

1965 Year of Operation

	Present Aluminum Purchased	Proposed Molded Plastic		
	#2 Sales Forecast			
Quantity Forecast	88150			
OPERATING COSTS				
Purchased parts $17.60/c	$15,820	$	$	$
Raw material		3,320		
Direct labor	730	220		
Labor Variance	170	130		
Industrial Relations @ 3_%	320	130		
Supplies	430	20		
Tool Replacement				
Cutter Grind				
Tool Maintenance		150		
Maintenance	90	250		
Electricity	70	80		
Equipment Depreciation @ 6.5%	—	520		
Scrap	—	120 4?%		
Franchise Tax @ 4 %	—	510		
	$17,630	$5,450	$	$

SAVINGS IN OPERATING COST	$12,180	
Less: All other expense: All Other 6.8%; Federal Tax 48%	6,280	
NET SAVINGS	$5,900	$
INVESTMENT		
Project expenditures	$ None	$
Manufacturing and working facilities		
Net Change in working capital	(10,500)	
Total capital required for this project	$(10,500)	$

RETURN ON INVESTMENT - THIS PROJECT

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Tooling - 4-Cavity Molding Die $7,600

Return on total capital required including research and development and other operation charges ____

Return on total additional investment after completion of this project ____

(Subdivision 5)

FG Carlson
3-29-65