

Rev. 3/10/77

WE/ks

ESTIMATE # 3861

ESTIMATED SAVINGS & RETURN ON INVESTMENT

M/700 BDL STOCK ASS'Y - CHANGE THE FRONT SWIVEL SCREW FROM A 2-PIECE SCREW TYPE ASS'Y

ENGINEER: E.G. ORGANSOJAIL

TO A WOOD SCREW TYPE SUCH AS USED ON THE REAR

DATE: 2-16-78

	<u>PRESENT</u>	<u>PROPOSED</u>	
Forecast Year	<u>1978</u>		
Quantity Forecast	<u>80426</u>		

OPERATING COSTS

Purchased Parts	\$ 256.50	\$ 224.30	\$	\$
Raw Material				
Standard Labor	9320	8210		
Labor Variance @				
Industrial Relations @ 45%	4190	3690		
Supplies	23	20		
Tool Replacement	50	10		
Cutter Grind	170	50		
Tool Maintenance	80	60		
Maintenance	50	40		
Energy				
Equipment Depreciation @				

Sub Totals	\$ 39530	A \$ 34510	\$	A \$
Gross Savings Before Admin. Exp.		\$ 5020		\$
Admin. Exp. @ 4.5% Gross Savings		B \$		B \$
Sub Totals	\$	A+B \$	\$	A+B \$

SAVINGS IN OPERATING COST

Less: Income Tax @ 50.5%	(\$)	(\$)
Plus: Amortization of Investment Tax Credit	\$	\$
<u>NET SAVINGS</u>	\$	\$

INVESTMENT

Project Expenditures	\$	\$
Manufacturing & Working Facilities	\$	\$
Net Change in Working Capital	\$	\$
<u>Total Capital Required for this Project</u>	\$	\$

RETURN ON INVESTMENT - THIS PROJECT

Net Savings - After Amortization of Operation Charges	\$	\$
Project Operation Charges	\$	\$
Less: Administration Expense @ 4.5% & Income Taxes @ 50.5% (Factor .5273)	(\$)	(\$)
Total Capital Required Including Research & Development & Other Charges	\$	\$

RETURN ON TOTAL CAPITAL REQUIRED

Equipment to be Released