 ESTIMATE # 4143
EMC 3-26-79

ESTIMATED SAVINGS & RETURN ON INVESTMENT

ENGINEER: [illegible] DRILL (2) HOLES TO REDUCE WEIGHT OF M-700.S STOCKS

DATE: 5/10/80

	PRESENT WEIGH STOCKS ONLY	PROPOSED DRILL (2) HOLES & WEIGH STOCKS		
Forecast Year #1	1980			
Quantity Forecast	1800			
OPERATING COSTS				
Purchased Parts	$	$	$	$
Raw Material				
Standard Labor	80.	260.		
Labor Variance @	20.	70.		
Industrial Relations @	50.	160.		
Supplies	—	—		
Tool Replacement	—	30.		
Cutter Grind	—	20.		
Tool Maintenance	—	—		
Maintenance	—	—		
Energy	—	20.		
Equipment Depreciation @ 7.5%	—	1590.		
Sub Totals	$ 150	A $ 2150	$	A $
Gross Savings Before Admin. Exp.		$ (2000)		$
Admin. Exp. @4.3% Gross Savings		B $		B $
Sub Totals	$ 150	A+B $ 2150	$	A+B $
SAVINGS IN OPERATING COST		$ (2000)		$
Less: Income Tax @48.5 %		($ 960)		($)
Plus: Amortization of Investment Tax Credit		$ 220		$
NET SAVINGS		$ (820)		$
INVESTMENT				
Project Expenditures		$ 21,250		$
Manufacturing & Working Facilities		$		$
Net Change in Working Capital		$ (700)		$
Total Capital Required for this Project		$ 21,950		$
RETURN ON INVESTMENT - THIS PROJECT		(-3.7 %)		
Net Savings - After Amortization of Operation Charges		$		$
Project Operation Charges		$		$
Less: Administration Expense @4.3 % & Income Taxes @48.5 % (Factor .5072)		($)		($)
Total Capital Required Including Research & Development & Other Charges		$		$
RETURN ON TOTAL CAPITAL REQUIRED		%		
Equipment to be Released				
Increased Space Requirements (Decrease)		40 ft		
Production Capacity				
Forecast Burdening		%		

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