

## Steve Perniciaro

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**From:** Krol, Richard J.  
**Sent:** 11/08/2005 09:47:59 AM  
**To:** Luke, Kyle D.; Perniciaro, Stephen; Doolittle, James F.; Shumway, Daniel W.  
**CC:** Kelly, John W.; Tucker, Peter L.  
**BCC:**  
**Subject:** 2006 Budget - SPL

Guys,

As part of the budget presentation that Paul and I presented yesterday, we made the statement that the SPL would be an additional cost of \$7 as compared to the current fire control. Assuming 150,000 units involved, it would be an additional cost of \$1.1MM to the business. However, based on the budget we created for the new department (i.e. 18773), and the current routings, it looks like the cost may be more like \$12 more than the current fire control. Before we go too far down the road, I'd like you to review the information (i.e. B.O.M.; routers; manpower; spending) and make sure that we are comfortable with it. There are some assumptions such as the \$1,000/day in tooling cost that I'd like someone to confirm.

I'd like a response by the end of the day today, so we can proceed with the budget process. Please call me with any questions.

Thanks

Rich Krol

Plant Controller

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