



ROI / Through-put Rate Worksheet

Estimated ROI prepared for:

Confidential

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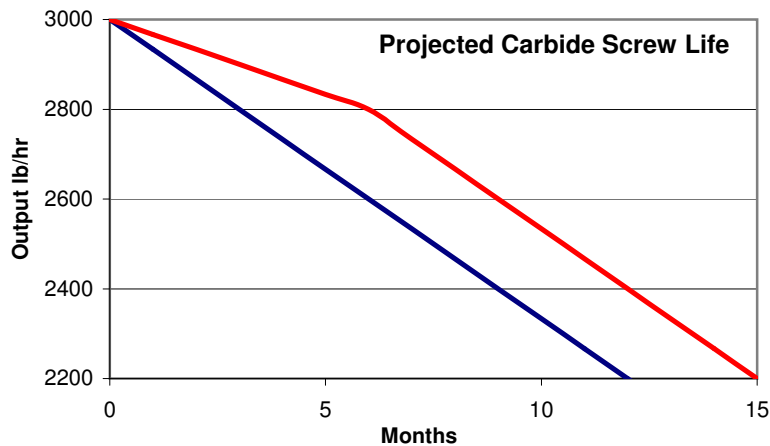
Customer Contact:

John Q. Public

Screw Rep:

Acme Feedscrew

This document provides an estimate of return based on feedscrew output improvement of carbide compared to your current feed screw. This simple model uses beginning and ending output rate, present screw hardfacing and total wear amount to compare these options. Carbide is estimated to wear at 1/2 the rate of existing hardfacing. The output estimates are calculated using the current feedscrew service life. Tungsten carbide will wear at 1/3 to 1/5 the rate of standard hardfacing. See our ASTM G65 wear test data.



Calculation Data

	Current	Carbide
Screw Diameter in mm or in:	6.00	6.00
Screw substrate/hardfacing:	Col 83	XC1000
OD Wear tolerance in thousandths:	0.080	0.080
Projected life in months:	12	15
Production sell price per lb.	\$0.40	\$0.40

Production Data

	New	End
Output/hr.	3000	2200
RPM	80	80
	Hrs/day	Days/mo
Schedule	24	30
Output/mo.	Current	Carbide
New	2,160,000	2,160,000
@ 12 mo.	1,584,000	1,728,000
Decline	-27%	-20%
Output at month 12		
Total	22,752,000	23,976,000
Output Gain	1,224,000	
Saleable Production Gain	\$490,000	
Monthly Gain	\$41,000	

Estimated Monthly Return on Investment from Production Gain

Saleable output gain/mo. =

\$41,000

The Production Efficiency Advantage Factor (PEAF) helps quantify gains that result from postponing a wear condition. Direct cost reduction includes: power consumption, cooling requirements, scrap regrind and handling, degraded non-useable product, direct maintenance labor, unscheduled downtime, etc.

Indirect costs include; lower productivity, higher cost per unit produced, lost capacity, process instability, etc.

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