



E. I. DU PONT DE NEMOURS & COMPANY
INCORPORATED
NEWPORT, DELAWARE 19804

CHEMICALS AND PIGMENTS DEPARTMENT

P. A. Wriede	-	"	Jackson Lab.
D. J. Willette	-	"	Newport
J. P. Henderson	-	"	"
J. C. Chaney	-	"	"
J. L. Deming	-	"	"
M. W. Williams	-	"	"
D. M. Kafka	-	"	"
A. E. Andrejko	-	"	"
I. A. Berkemeier	-	"	"
G. H. Hull	-	"	"

July 19, 1983

DU PONT CONFIDENTIAL - SPECIAL CONTROL

C. R. OWEN
C&P Department
Wilmington

COST REDUCTION FORECAST/ACCOMPLISHMENT REPORT

1983 YEAR TO DATE

NEWPORT PLANT

Attached is subject report.


J. L. BALASQUIDE
CONTROL SUPERVISOR

JLB:EJP
Attach.

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983
\$M

	SAVING FORECAST		
	<u>Realized Year to Date</u>	<u>Committed</u>	<u>Goal Total</u>
Ingredients	34	185	380
Labor and Salaries	864	1165	1235
Energy	267	600	890
Other	254	480	1010
GRAND TOTAL:	1419	2430	3515
1983 Cost Reduction Index	8.1	7.0	9.8
			9.7

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983

Page 2

\$M

		<u>Rsp'y</u>	<u>Realized</u>	<u>Committed</u>	<u>Goal</u>	<u>Current</u>	<u>Notes</u>
		<u>Year to Date</u>			<u>Total</u>	<u>Estimates</u>	
Area - QA							
<u>Ingredients</u>							
•	Reduced sodium methylate	QA/R&D	-	40	60	20	(1)
•	Reduced "sitol" consumption	QA/R&D	-	-	75	-	
•	"Dowtherm" mixing	QA/R&D	-	75	75	60	(2)
•	"Dowtherm" recovery	QA/R&D	-	-	100	0	(2)
•	Replace acetic acid		-	-	-	-	
SUB-TOTAL:			-	115	310	80	
<u>Labor and Salaries</u>							
•	Reduced exempt from 16 to 12	QA	52	105	105	155	(1)
•	Reduced wage from 41 to 39	QA	20	40	40	60	(1)
•	Reduced tech. assistance:						
	Exempt reduced by 2	R&D	26	70	70	78	(1)
	Wage reduced by 1	R&D	10	30	30	30	(1)
	N/E reduced by 1	R&D	8	10	10	25	(1)
SUB-TOTAL:			116	255	255	348	

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983
\$M

Area - QA	Rsp'y	Realized Year to Date	SAVING FORECAST			Notes
			Committed	Goal Total	Current Estimates	
<u>Energy</u>						
• Steam	QA	9	140	200	100	(2)
• Electricity - save 35M KW/Mo.	QA	46	10	40	20	
• Water	QA	6	-	10	10	
SUB-TOTAL:			150	250	130	
<u>Others</u>						
• Improve yields	QA	-	175	225	175	(3)
• Reduced substandard	QA/R&D	-	-	10	10	
• Waste neutralization	QA	108	90	150	125	
• Rework Gamma QA	QA/R&D	-	-	200	-	
• Miscellaneous	QA	36	50	100	100	
SUB-TOTAL:			315	685	410	
QA TOTAL:			835	1500	968	

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983
\$M

Area - CPC	Rsp'y	Realized Year to Date	SAVING FORECAST			Notes
			Committed	Goal Total	Current Estimates	
<u>Ingredients</u>						
• Reduced kerosene from .75 to .60¢/#	CPC	22	70	70	45	(4)
• Reduced phthalic anhydried from 118.26 to 117.00 ¢ Use/100¢	CPC	12	-	-	24	
SUB-TOTAL:		34	70	70	69	
<u>Labor and Salaries</u>						
• Reduced Exempt by 3	CPC	39	70	70	117	(1)
• Reduced Wage by 2	CPC	20	30	30	60	(1)
• Reduced tech. assistance						
Exempt reduced by 2	R&D	26	75	75	78	(1)
Wage reduced by 2	R&D	20	60	60	60	(1)
N/E reduced by 1	R&D	8	25	25	25	(1)
SUB-TOTAL:		113	260	260	340	

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983
\$M

Area - CPC	Rsp'y	Realized Year to Date	SAVING FORECAST			Notes
			Committed	Goal Total	Current Estimates	
<u>Energy</u>						
• Powerhouse economizer	CPC	79	80	80	80	
• Steam - save 1.1MM Lb./Mo.	CPC	7	-	100	14	(5)
• Water - save 14.9MM Gal./Mo.	CPC	-	65	65	65	(5)
• Improve Powerhouse insulation	CPC	2	-	25	2	
		88	145	270	161	
SUB-TOTAL:						
<u>Other</u>						
• Reduced comp. air usage from 14.4 to 12.0 MCF	CPC	1	10	10	2	
• Reduced substandard from 30M to 20M Lb.	R&D	-	-	20	-	
• Cost reduction by supv.	CPC	-	-	25	-	
• Reduced crude yield from 93.1 to 95%	CPC	22	-	-	40	
		23	10	55	42	
SUB-TOTAL:						
		258	485	655	612	
CPC TOTAL:						

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983
\$M

SAVING FORECAST						
Area - Mechanical	Rsp'y	Realized Year to Date	Goal , Current			Notes
			Committed	Total	Estimates	
<u>Labor and Salaries</u>						
• Reduced Exempt from 24 to 19	Mech.	65	100	100	194	(1)
• Reduced Wage from 101 to 87	Mech.	139	225	225	417	(1)
• Planning and scheduling	Mech.	13	40	80	40	
• Use Del. Valley Shops	Mech.	13	10	20	20	
• Work analysis productivity	Mech.	5	10	20	15	
• Reduced temporary supv.	Mech.	3	-	2	5	
• Miscellaneous	Mech.	25	20	28	40	
• Reduced manpower	Mech.	238	-	-	280	
SUB-TOTAL:		501	405	475	1011	
<u>Energy</u>						
• Improved steam trap program	Mech.	31	250	300	100	(6)
• Use energy efficient gear trains and lights	Mech.	15	5	10	30	
• Improve insulation	Mech.	18	10	20	40	
• Improve doors and windows close building	Mech.	29	40	40	50	
• Miscellaneous	Mech.	25	-	-	40	
SUB-TOTAL:		118	305	370	260	

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983
\$M

Area - Mechanical	Rsp'y	Realized Year to Date	SAVING FORECAST			Notes
			Committed	Goal Total	Current Estimates	
<u>Others</u>						
• Increased use of reconditioned matls.	Mech.	2	30	40	20	
• Improved equip. design	Mech.	6	5	10	10	
• Better contracts and more bid packages	Mech.	8	20	40	30	
• Increase SMD sales	Mech.	-	20	25	20	
• Expand uses of protective coatings	Mech.	2	10	20	10	
• Improved matls. of construction to increase equip. life	Mech.	15	10	20	30	
• Remove obsolete mech. bldg. - reduce maintenance	Mech.	1	5	10	10	
• Undefined items	Mech.	23	50	90	40	
SUB-TOTAL:		57	150	255	170	
MECH. TOTAL:		676	860	1100	1441	

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983
\$M

		SAVING FORECAST				
<u>Employee Relations and Control</u>		<u>Rsp'y</u>	<u>Realized Year to Date</u>	<u>Committed</u>	<u>Goal Total</u> <u>Current Estimates</u>	<u>Notes</u>
<u>Labor and Salaries</u>						
• Reduced N/E from 3 to 2	ER		8	41	41	25 (1)
• Reduced Exempt from 5 to 4	SH&E		27	54	54	54 (1)
• Reduced Wage from 6 to 5	SH&E		10	30	30	30 (1)
• Reduced Exempt from 13 to 9	Control		52	70	70	155 (1)
• Reduced N/E from 22 to 20	Control		17	25	25	51 (1)
• Reduced Wage from 14 to 12	Control		20	25	25	60 (1)
SUB-TOTAL:			134	245	245	375
<u>Other</u>						
• Reduce phones from 9.8M to \$9.4M	Control		1	2	2	2
• Reduce copier			1	3	3	3
• Reduce M&L charges from 192M to \$136M			28	-	10	56
SUB-TOTAL:			30	5	15	61
ER & CONTROL TOTAL:			164	250	260	436

NEWPORT PLANT
COST REDUCTION FORECAST/ACCOMPLISHMENT
SECOND QUARTER - 1983

NOTES

- (1) Scheduled to start Third Quarter 1983
- (2) MCN awaiting priority
- (3) Improved training program for crude press operators
- (4) Consumption down to 0.60¢; price below forecast
- (5) Implementation will be delayed to Fourth Quarter
- (6) Will start when planning and scheduling implemented