

CYANAMID

REQUEST AND AUTHORITY FOR CAPITAL
EXPENDITURES/RETIREMENTS

REPORTING CLASSIFICATION

C 1

DATE APPROVED

8/3/82

JOB ORDER NO.

OC-5727

DIVISION OR COMPANY

Organic Chemicals Division

LOCATION

Chicago Plant

J.O. CONTROL POINT

097

JOB TITLE

Overhaul first section of the
Proctor & Schwartz dryer.

SUMMARY OF AMOUNTS

DESCRIPTION	LOCAL CURRENCY	U.S. DOLLARS
ESTIMATED PROJECT COST		\$30,069
DISMANTLEMENT EXPENSE		500
TRANSFER EQUIPMENT		
GROSS AMOUNT FOR APPROVAL		30,569
LESS TRANSFER EQUIPMENT		
LESS SALVAGE OR TRADE-IN ALLOW.		
NET CASH REQUIRED (60F-3027)		30,569

RETIREMENT DATA		ECONOMIC JUSTIFICATION		REVISION DETAIL (GROSS AMTS.)			
	AMOUNT		5-YEAR AVG.	REV. #	DATE	AMOUNT	CUM. AUTHORIZATION
COST	17,965	NET SALES		1			
DISMANTLEMENT	500	NET SAVINGS BEFORE TAXES		2			
LESS SALVAGE		NET AFTER TAXES		3			
		% ROI (ON TOTAL INVEST.)		4			
		PAYOUT YRS.		5			
TOTAL - CHARGE RESERVE	18,465			6			

DESCRIPTION AND REASONS REQUIRED

Funds of -----\$30,569
are requested to overhaul the first section of the Proctor & Schwartz dryer
and replace the stainless steel dryer belt.

RECEIVED
AMERICAN CYANAMID CO.
450 N. LAKE
CHICAGO, ILL. 60623

AUG 13 1982

Chosen

SUMMARY OF ESTIMATED COST - Details on GOF-3027		ESTIMATE NO.	STARTING DATE 1 week after approval	COMPLETION DATE 3 mths. after approval
ITEM NO.	DESCRIPTION	MATERIALS	LABOR	ENGINEERING
	See attached sheet			
	NET CASH REQUIRED	27,529	2600	200
				30,329
ACCOUNTING TREATMENT		RECOMMENDATIONS AND APPROVALS (CHECK BOX)		
ITEM NO.	DEPR. RATE	NAME	REC.	DATE
Dr. \$28,770. P. P. & E. (2A320)	7 1/4%	<i>R. Johnson</i>	✓	7/23/82
Cr. \$17,965. P. P. & E. (61320)		<i>R. Johnson</i>	✓	7/23/82
Dr. \$17,965. Res for Depr. (61320)				
Dr. \$500. Res for Depr. (68320)				
Dr. \$1,299. Expense as Incurred				
COUNTING TREATMENT / ECONOMICS APPROVED BY DIV. CONTROLLER (CHECK BOX (ES))		DATE 7/29/82		
POST AUDIT PERIOD		POST AUDIT DUE DATE		
DISTRIBUTION		VICE-PRESIDENT		



Proposed Work and Cost

Funds of-----\$30,569
are requested to overhaul the first section of the Proctor and
Schwartz belt dryer, by replacing the stainless steel dryer belt
and six doors.

Present Situation

The two stage Proctor and Schwartz dryer purchased and installed in
1964 has had one major overhaul of its first drying section, that
being in 1975.

This unit is the only plant dryer which can be utilized for the
production of the sulfate and phthalate lead stabilizers, which
have had the annual throughput of:

Millions of Pounds

1975	1976	1977	1978	1979	1980	1981	1982 est.
2.33	3.80	3.69	3.77	4.10	3.89	4.05	3.5

The eight foot wide stainless steel 'A' section belt is made up of
81 non perforated sections which now have started to leak product
at the seams. When this occurs repair is not possible and the sit-
uation deteriorates to a point where leakage causes an enormous
recycle and lead exposure problem.

The internal baffle plates must also be repaired to assure effective
distribution of air, and the dryer doors replaced to prevent heat
and dust into the operating area.

Justification

The Chicago Plant is Cyanamid's only manufacturing facility for
PVC heat stabilizers which are a viable, profitable portion of
the plastic additives products sold by the PA/TC group.

The subject dryer is the only piece of equipment which can be used
for processing the sulfate and phthalate stabilizers, which generate
59.2% of the plant's sales dollars. Repairing the dryer as proposed
will assure continued production of the sulfate and phthalate sta-
bilizers for at least six years.

N14648.01



Details of Proposal

The first stage dryer belt as well as six dryer doors will be replaced. Upper baffle plate and support wall will be repaired/replaced as necessary. Work will be done by shop personnel with parts fabricated by the manufacturer.

Production Factors

This proposal will not alter product quality or production rates.

Contingent Future Commitments

This proposal will not require additional funds to complete.

Alternatives Considered

1. Shut down Proctor & Schwartz dryer and buy sulfate and phthalates for resale. Rejected as uneconomical.
2. Do nothing. Run dryer until it becomes inoperative. The plant would still have to purchase its sulfate and phthalate needs for resale when the dryer becomes inoperative. Rejected as uneconomical.
3. Purchase a new dryer. Rejected as too expensive. Present dryer, if repaired, could handle the plant's present needs, as well as future needs.

Risks

No operating risks are involved.

Concise Summary

Repair first section of P & S dryer to maintain high production output of heat stabilizers.

COMMERCIAL FACTORS

This order supports a plant budget for lead stabilizers as follows:

	<u>Sales</u>		<u>Marginal Income</u>		<u>POS</u>	
	<u>Lbs.</u>	<u>\$</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Actual Sulfate and Phthalate Stabilizers 1981	3,580	2,908	1,239	42.6	1,064	36.6
Budget Sulfate and Phthalate Stabilizers 1982	4,670	3,868	1,638	42.4	1,278	33



PROCTOR & SCHWARTZ, INC.

SUBSIDIARY OF SCM CORPORATION

OC-5727
8/3/82
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SEVENTH STREET AND TABOR ROAD, PHILADELPHIA, PA. 19120

TELEPHONE: 215-329-6400

TELEX: International 685-1098
Domestic 902-136

TO: AMERICAN CYANAMID CO.
4500 W. 15TH STREET
CHICAGO, ILL. 60623

QUOTATION NO. 640A-81M

CC TO

ATTN: MR. BOB JOHNSON

REFERENCE

MACHINE NO. K15015 (STAGE "A")

TERMS

DUE WHEN RENDERED

EST. DELIVERY AFTER RECEIPT OF ORDER

4-6 WEEKS

FOB OUR PLANT

DATE

EXINGTON, NC

12-22-81

We are pleased to quote:

QUANTITY

DESCRIPTION

PRICE

ONE COMPLETE SET OF CONVEYOR PLATES FOR STAGE "A" ONLY,
CONSISTING OF:

81 SECTIONS SOLID CONVEYOR PLATES (NON-PERFORATED)
18 GA. TYPE 304 STA. STEEL WITH #10 GA. TYPE
304 STA. STEEL MAIN GIRTS & #14 GA. TYPE 304
STA. STEEL AUXILIARY GIRTS, COMPLETE WITH
NECESSARY NUTS AND BOLTS.

\$290.00 EACH *ok*

6 2½" THICK SIDE PANELS, 3'-5" X 7'-2"
OF ALUMIN. STEEL

\$292.00 EACH

330.- each

(4/14/82)

-- CONFIRMING --

DEC 28 1981

Vendor confirmed price still current

7/23/82

This Quotation incorporates and is subject to the terms and conditions on the reverse side

NOTE: MINIMUM CHARGE PER ORDER - \$50.00

ENCLOSURES

PROCTOR & SCHWARTZ, INC.

Thank you for this opportunity of quoting.

We look forward to serving you . . .

GEORGE MAC MILLAN

PRODUCT PARTS & SERVICE DEPT.

PRICES SUBJECT TO CHANGE WITHOUT NOTICE

FORM NO. 2703A REV. 8-73

CYWI 25-0007373

DETAIL SHEET

SHEET NO. 1		JOB ORDER NO.		DATE July 23, 1982	
COMPANY American Cyanamid Company			LOCATION Chicago Plant		
ITEM OR CODE NO.	DESCRIPTION	EQUIPMENT OR MATERIALS	LABOR	ENG. MECH. SVC.	TOTAL
1	Stainless Steel Conveyor	23,490	1,500	200	25,190
2	Doors	1,980	100		2,080
3	Baffle Plate	500	500		1,000
4	Tax	1,299			1,299
5	Freight	500			500
6	Dismantlements		500		500
TOTALS		27,769	2,600	200	30,569
<u>Dismantlement</u>		<u>Acq. Date</u>	<u>Acq. Cost</u>	<u>Disposition</u>	
P & S Dryer Internals		3/76	17,965	Scrap	