CH-2 REV. 7-80

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E. I. DU PONT DE NEMOURS & COMPANY
INCORPORATED
WILMINGTON, DELAWARE 19898

CHEMICALS AND PIGMENTS DEPARTMENT

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DISTRIBUTION OF
PRODUCTION DIVISION - COST REDUCTION PROGRAM
SUMMARY REPORT

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E. I. DU PONT DE NEMOURS & COMPANY
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CHEMICALS AND PIGMENTS DEPARTMENT

February 4, 1982

TO: ADDRESSEES

FROM: W. H. MC COY

COST REDUCTION PROGRAM
12 MONTHS-1981
HIGHLIGHTS

- Savings for the year totaled $65,464M, up from $48MM in 1980, 160% of commitment and 111% of goal.
- These savings total about 4.4% of total factory cost.
- Thirteen plants initially set goals of $1MM or more. Fifteen plants exceeded that figure. Two plants calculated their savings to be in excess of $10MM, DeLisle and Chambers Works.
- In 1980, eleven plants exceeded their goals. Fifteen plants exceeded their goals in 1981. Only one failed to meet commitment, Niagara, by $61M, 4.3%, because of yield problem in Teracol®
- Some of the more significant savings achieved (in excess of $500M) are enumerated below. They account for $25MM, only 38% of the total. Obviously, the success of this program depends on achieving a multiplicity of small, far less spectacular savings programs.

Plant/Program	Value $M
Belle	
Improved CO Utilization - H_2/CO	590
Column Control - Amines	673

Plant/Program	Value $M
Chambers Works	
Reduced Carbon Purchases WWTP	1,121
Site Service - Red. Mech. Labor & Salaries	3,430
Energy Conservation	1,350
Waste Treatment Load Reduction (Monastral)	527
DeLisle	
Reduced Coke Price	938
Ferrous Operation	800
Reduced Contract Maintenance	1,576
Reduced Maintenance Materials	3,321
Improved Steam Efficiency	857
Natural Gas Conversion	567
Edge Moor	
Ferrous Operation	1,598
Steam Elimination Vortac	1,424
Johnsonville	
Alternate Coke Use	1,635
Recovered Ore Feed	752
Ferrous Operation	703
SLIP Addition	570
LaPorte	
Reduced Sulfur Consumption	581
Memphis	
HCN - Reduce NH_4/Gas Usage	689
Purchasing Program	793
Newport	
Reduced Tech. Assistance	563
	25,158

- Major Deviations from forecast (greater than $100M shortfall vs. firm or $100M in excess of goal on an individual program) are commented on below.

Plant/Program	Shortfall vs. Firm Forecast ($M)	Excess vs. "Goal" Forecast ($M)
Antioch		
Low Grade Ore Consumption		210
F/P Steam Conservation		221
Ore Freight Savings		158
Beaumont		
WAS Reboilers - Aniline	171	
Maint. Materials - Aniline		102
No Major Shutdown - MeOH	500	
Belle		
Waste Stripper Recycle - Amines		125
Improve CO Utilization - H_2/CO		590
Column Control Strategy - Amines		273
Excess O_2 Control - H_2/CO		229
Additional MeOH Storage		140
Reduced Tank Car Fleet		120
Burnside		
Contract Maintenance		126
Chambers Works		
Site Services (not allocated)		
Ingredients - Environmental		418
Control Labor & Salaries		194
Mechanical Labor & Salaries		302
C&P Businesses		
Aromatics - Labor & Salaries		414
Ingredients	331	
Other		540
Specialties - Ingredients		186
Labor & Salaries		302
Cleveland		
Reduced Ash Price - Zinc		118
Transfer of HCl - GBS		167
Reduced Pt use	123	

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Plant/Program	Shortfall vs. Firm Forecast ($M)	Excess vs. "Goal" Forecast ($M)
DeLisle		
Ferrous Operation		249
Imp. Lamella Yield		310
Reduced HCl, Coke, Cl_2 Price		1,232
Reduced Contract Maintenance	1,224	
Imp. Steam Efficiency	413	
Natural Gas Conversion		394
East Chicago		
Reduced General Contracting		233
Reduced Mech. Crew		350
Reduced Control Lab Chemists		153
Edge Moor		
Reduced Chlorine - Ferrous Mode		438
Lower Coke Consumption		660
Maintenance Materials		141
Steam Elimination Vortac		1,099
Operate One Boiler	166	
Grasselli		
Waste Barging		167
Maintenance		239
Johnsonville		
Alternate Coke		1,635
Recovered Ore Feed		752
Warehouse Restructure		235
Caustic vs. Steam Addition	175	
LaPorte		
Acid Area - Sulfur Use		159
Waste Heat Boiler - HCHO	150	
Memphis		
HCN - Reduce NH_3/Gas Use	219	
H_2O_2 - Reduce Quinone Use	402	
Improved Contract Admin. Maint.		270
Reduced Contract Maint. by Const.		1,400
PG&S Caustic Savings		205
Reduced Steam Usage - HCN	462	
Misc. Purchasing Savings		583

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Plant/Program	Shortfall vs. Firm Forecast ($M)	Excess vs. "Goal" Forecast ($M)
Newport		
Reduce Technical Assist.		446
Reduced Steam Consumption - QA	114	
Raw Materials Consumption - CPC		158
Consolidation Crew - CPC		100
Reduced Tech. Assist. - CPC		117
Reduced Maint. - CPC		136
Mech. Labor Efficiency		111
Niagara		
Reduce THF/Teracol® Ratio	344	
Reduce Teracol® Operating Labor	113	
Repauno		
Reduced Fuel Oil Consumption		369
Improve #7 & #8 T/T Facilities	100	

WHM:pah

COST REDUCTION
SUMMARY REPORT
12 MONTHS-1981

Plant	Committed	Goal Total	Actual	% of Factory Cost
Antioch	380	849	1,772	6.5
Beaumont	1,520	1,973	1,566	1.7
Belle	1,408	2,480	2,710	3.5
Burnside	-	-	243	1.3
Chambers	7,625	11,056	12,287	4.1
Cleveland	852	1,658	1,729	5.2
DeLisle	9,178	11,414	10,502	10.5
East Chicago	341	545	1,460	4.1
Edge Moor	3,713	5,394	7,549	8.7
Florida	335	701	723	4.03
Fort Hill	-	-	300	4.5
Grasselli	871	981	1,189	4.0
Johnsonville	6,395	10,176	9,809	7.9
LaPorte	1,138	1,296	1,889	2.1
Memphis	2,684	3,593	4,770	3.7
Newark	976	1,611	1,623	2.1
Newport	1,490	2,507	3,200	7.0
Niagara	1,416	1,638	1,355	1.4
Repauno	265	1,034	491	0.8
Wurtland	204	218	297	7.4
Total	40,841	59,164	65,464	4.4

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COST REDUCTION
SUMMARY REPORT
12 MONTHS-1981
($M)

Plant	Ingredients	Labor & Salaries	Maintenance Materials	Energy	Other	Total
Antioch	617	57	153	464	481	1,772
Beaumont	909	-	259	229	169	1,566
Belle	1,105	-	-	1,335	270	2,710
Burnside	14	40	186	3	-	243
Chambers	4,366	4,171	586	2,264	900	12,287
Cleveland	965	182	161	102	319	1,729
DeLisle	3,047	1,993	3,514	1,811	137	10,502
East Chicago	227	580	255	306	92	1,460
Edge Moor	2,703	238	378	2,659	1,571	7,549
Florida	-	260	341	57	65	723
Fort Hill	275	25	-	-	-	300
Grasselli	617	13	484	75	-	1,189
Johnsonville	7,348	975	690	708	88	9,809
LaPorte	640	40	260	665	284	1,889
Memphis	1,194	207	1,939	274	1,156	4,770
Newark	587	581	136	250	69	1,623
Newport	478	1,775	306	104	537	3,200
Niagara	266	156	32	27	874	1,355
Repauno	60	49	-	369	14	492
Wurtland	259	-	38	-	-	297
Total	25,677	11,342	9,718	11,702	7,026	65,464
% of Total	39	17	15	18	11	100

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