

Request For Capital Expenditures/Retirements		REPORTING CLASSIFICATION C1	DATE APPROVED 5/18/81	JOB ORDER NO. OC-5380
DIVISION OR COMPANY Organic Chemicals Division		SUMMARY OF AMOUNTS		
LOCATION Chicago Plant	J.O. CONTROL POINT 097	DESCRIPTION	LOCAL CURRENCY	U.S. DOLLARS
JOB TITLE Purchase and install a Sulfuric Acid pump.		ESTIMATED PROJECT COST		\$ 3477
		DISMANTLEMENT EXPENSE		
		TRANSFER EQUIPMENT		
		GROSS AMOUNT FOR APPROVAL		\$3577
		LESS TRANSFER EQUIPMENT		
		LESS SALVAGE OR TRADE-IN ALLOWANCE		
		NET CASH REQUIRED (GOF-3027)		\$3577

RETIREMENT DATA		ECONOMICS as called for in General Procedure Memo #3 Attachment C. (Attach calculations)		REVISION DETAIL (GROSS AMOUNTS)			
	AMOUNT			REV. #	DATE	AMOUNT	CUM. AUTHORIZATION
COST	876	ECONOMICS PERIOD		1			
DISMANTLEMENT	100	NET SALES		2			
LESS SALVAGE		NAT (PROFIT/SAVINGS)		3			
		TOTAL INVESTMENT		4			
		% ROI (ON TOTAL INVEST.)		5			
		INTERNAL RATE OF RETURN		6			
TOTAL - CHARGE RESERVE	976	PAYOUT OF NEW FIXED CAPITAL		7			

DESCRIPTION AND REASONS REQUIRED

Funds of ----- \$3577 are required to purchase and install a sulfuric acid pump for use in the manufacture of lead sulfate heat stabilizers.

closed 2/82

Description	Acq. Cost	Acq. Date	Disposition
Stainless Steel Pump	876	6-71	Scrap

SUMMARY OF ESTIMATED COST - Details on GOF-3027		ESTIMATE NO.	STARTING DATE When approved	COMPLETION DATE after approval	5 mo.
ITEM NO.	DESCRIPTION	MATERIAL	LABOR	ENGINEERING	TOTAL
1	Acid pump	2950	200	100	3250
2	Freight	50			50
3	Illinois Sales and Use Tax	177			177
4	Dismantlement		100		100
NET CASH REQUIRED		3177	300	100	3577

ACCOUNTING TREATMENT		DEPR. RATE	APPROVALS	
ITEM NO.			NAME	DATE
	Dr. \$3300. P. P. & E (2A320)	7 1/4%	PROJECT SPONSOR	
	Cr. \$876 P. P. & E (61--320)		<i>R. Johnson</i>	5/7/81
	Dr. \$876 Res. for Depr (61-320)		<i>R. Laffey</i>	5/7/81
	Dr. \$100 Res. for Depr (68-320)			
	Dr. \$177 Expense as Incurred			5/18/81
ACCOUNTING TREATMENT / ECONOMICS APPROVED BY DIV. CONTROLLER (CHECK BOXES)				
☒ <i>L. L. L. L. L.</i>		DATE 5/15/81		
POST AUDIT PERIOD		POST AUDIT DUE DATE	DIVISION PRESIDENT/DIRECTOR	
DISTRIBUTION		CORPORATE OFFICER		N14624

DESCRIPTION AND REASONS REQUIRED

Proposed Work and Cost

Funds of -----\$3577
are requested to purchase and install a sulfuric acid pump
for use in the manufacture of lead sulfate heat stabilizers.

Present Situation

The manufacture of lead sulfate heat stabilizers requires
520 pounds of concentrated (93%) sulfuric acid per 5,000 pound
batch. The acid is pre-weighed in a tank and pumped to a
tank above the reactor by way of a submerged pump. The
sulfuric acid is then gravity feed to the reactor after
being diluted with water.

The present twenty year old submerged sulfuric acid pump
is in poor condition and has recently been repaired. This
pump has a very limited life, and replacement parts are
no longer available.

Justification

If Cyanamid is to continue as a major supplier of lead
sulfate heat stabilizers budgeted for 2.7M pounds per year,
the twenty year old sulfuric acid pump must be replaced.

Commercial Factors

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

<u>(k\$/lbs.)</u>	<u>Sales</u>		<u>Marginal Income</u>		<u>POS</u>	
	<u>lbs.</u>	<u>\$</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Budget all stabilizers 1981	6,400	5,207	2,337	44.9	1,512	29.0
Budget sulfate stabilizers 1981	2,659	2,006	883	43.9	600	29.8
First quarter sulfate stabilizers 1981	691	507	329	64.9	288	56.9

N14634.01

Details of Proposal

A Taber one H. P. immersed acid pump will be installed as a direct replacement. Delivery is 18 weeks from receipt of order.

Alternatives Considered

An external pump would not provide the safety margin the submerged pump provides. Any other type of pumping system would require expensive modifications to the present system.

Production Factors

This proposal will not alter product quality or production rates.

Contingent Future Commitments

This proposal will not require additional funds to complete.

Risks

No operating risks are involved.

Concise Summary

Replace a worn out twenty year old pump to enable the uninterrupted production of lead sulfates.