

Request For Capital
Expenditures/Retirements

C-1

DATE APPROVED
11/5/85JOB ORDER NO.
PP-1277

DIVISION OR COMPANY

Polymer Products Division

LOCATION

Chicago Plant

J.O. CONTROL POINT

097

JOB TITLE

Overhaul two carbonate vessels

SUMMARY OF AMOUNTS

DESCRIPTION	LOCAL CURRENCY	U.S. DOLLARS
ESTIMATED PROJECT COST		\$8384
DISMANTLEMENT EXPENSE		400
TRANSFER EQUIPMENT		
GROSS AMOUNT FOR APPROVAL		\$8784.
LESS TRANSFER EQUIPMENT		
LESS SALVAGE OR TRADE-IN ALLOWANCE		
NET CASH REQUIRED (GOF-3027)		\$8784.

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	2000	ECONOMICS PERIOD	1			
DISMANTLEMENT	400	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	2400	PAYOUT OF NEW FIXED CAPITAL	7			

DESCRIPTION AND REASONS REQUIRED

CHEM. GRP. AC.

\$8784.

Funds of
are requested to overhaul the Chicago Plants two carbonators seals,
bearings, and shafts.

RECEIVED
NOV 13 1985

SUMMARY OF ESTIMATED COST - Details on GOF-3027

ESTIMATE NO.

STARTING DATE

COMPLETION DATE

2 weeks after approval

ITEM NO.	DESCRIPTION	MATERIAL	LABOR	ENGINEERING	TOTAL
0194	See attached Dismantlement	\$7484	800 400	100	8384 400
NET CASH REQUIRED		\$7484.	\$1200	\$100	\$8784.

ACCOUNTING TREATMENT

APPROVALS

ITEM NO.	ACCOUNTING TREATMENT	DEPR. RATE	APPROVALS	DATE
0980	Dr \$ 554 Operating Expense	7-1/2%	PROJECT SPONSOR	
0194	Dr \$ 400 Dism. Cost to Depr. Res.			
0201	Dr \$ 7830 Equipment (320)			
	Cr \$ 2000 Equipment (320)			
	Dr \$ 2000 Depr. Reserve			
COUNTING TREATMENT/ ECONOMICS APPROVED BY DIV. CONTROLLER (CHECK BOX(ES))				
☒ <i>10/11/85</i>				
POST AUDIT PERIOD			DIVISION PRESIDENT/DIRECTOR	
POST AUDIT DUE DATE			CORPORATE OFFICER	
DISTRIBUTION				

DESCRIPTION AND REASONS REQUIRED

PROPOSED WORK AND COST

Funds of _____ \$8784.
are requested to overhaul the Chicago Plants two carbonators
seals, bearings and shafts.

PRESENT SITUATION

The two carbonators, installed in 1938, have never had the bearings and seals overhauled and both have reached a point where a major overhaul is necessary. The north carbonator is currently idled and requires the bearings replacement before it can be operated.

JUSTIFICATION

This is the only plant capable of manufacturing lead carbonate but can only do so with maintained pressurized carbonators.

DETAILS OF PROPOSAL

The necessary parts to rebuild the bearings, with seals will be purchased. Rebuilding will be done by plant maintenance personnel.

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

No alternatives other than abandoning the lead carbonate business.

RISKS

No operating risks are involved.

CONCISE SUMMARY

Rebuild both carbonators for the uninterrupted production of lead carbonate.

N14576.01

COMMERCIAL FACTORS

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

k \$/ LBS.	LBS.	SALES	MARGINAL INCOME	POS
		\$	\$	\$
Budgeted for 1985 all stabilizers	6,500	4,345	1,921	44.2
				914
Budgeted for 1985 lead carbonate	1,445	910	397	43.6
				242
Actual lead carbonate first seven months	252	137	84	61.5
				26
				19.3

N14576.02

DETAIL SHEET

SHEET NO.		JOB ORDER NO.		DATE	
ANY		LOCATION			
American Cyanamid Company		Chicago Plant			
ITEM OR CODE NO.	DESCRIPTION	EQUIPMENT OR MATERIALS	LABOR	ENG. MECH. SVC.	TOTAL
0201	Parts, bearings and seals	\$6930	\$800		\$7730
0980	Illinois sales and use tax	554			554
		\$7484	\$800		\$8284
0194	Dismantlement Exp.				400
	Engineering				100
	TOTAL				\$8784
01094	<u>DISMANTLEMENT</u>	<u>ACQUISITION</u>	<u>DISPOSITION</u>		
	Carbonators (31000-37)	<u>DATE</u>	<u>AMOUNT</u>		
		1971	\$2000	Scrap	

N14576.03