Progress Report
Week Ending 3/1/63

INVESTIGATION OF UNFAVORABLE PRODUCTION VARIANCES IN DEPARTMENT NO. 01

In last week's progress report dated February 27, 1963, I mentioned the large monetary expenditure of the necessary weekly clean-up of the wet machines and comparisons of a two and three shift basis. For record purposes, the following is the dollar value of this expenditure. The direct labor, excluding overhead, was furnished by the Industrial Engineering's Standards Department and the material scrap furnished by our own actual experience and tests made in conjunction with the Research Laboratory. The scrap included all torn sheets coming from the accumulator rolls after the last batch has been dropped from the beater, scrap under the accumulator rolls and on the floor, beater clean up slurry, stuff chests, header boxes and cones. On the two shift basis, it also includes scrap and cone water loss at the end of the "C" shift nightly.

Method No. 1

Two machines operating on two shifts (present practice) 144 maximum machine hrs.

#70 Whiteboard -	Direct Labor	$145.83
	Weekly Scrap	450.14
	Total	$595.97
Asbestoprene -	Direct Labor	$145.83
	Weekly Scrap	558.18
	Total	$704.01

Method No. 2

Two machines operating on three shifts - 224 maximum machine hours.

#70 Whiteboard -	Direct Labor	$145.83
	Weekly Scrap	243.98
	Total	$389.81
Asbestoprene	Direct Labor	$145.83
	Weekly Scrap	472.82
	Total	$618.65

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