



American Cyanamid Company

PLASTIC & ADDITIVES Department

REPORT

ON

PRODUCTION AND COST

CHICAGO PLANT

CHICAGO, ILLINOIS

DATE FEB 1982

Mr. H. C. Gaffney

March 12, 1982

Chicago

B. G. Witherspoon

Charlotte

280

Mr. A. C. Bell NA

Dr. R. B. Toothill NA

DIRECT COST VARIATION

Mr. C. R. Wherley NA

During the month of February 1982, the Chicago Plant generated a favorable variation of \$61,029 as shown below:

	February 1982 Favorable (Unfavorable)	Cumulative Favorable (Unfavorable)
<u>MANUFACTURING VARIANCE</u>		
Litharge	(3.5)	(8.1)
Stabilizers	(6.2)	4.1
Plant General Expense	4.4	10.8
Control Laboratory	.2	.5
Plant Protection	.1	(1.2)
Steam	(5.9)	(4.3)
Maintenance & Repair	(2.9)	(2.9)
Sub Total	(13.8)	(1.1)
<u>MATERIAL PRICE VARIANCE</u>		
	74.8	84.2
Grand Total	61.0	83.1

The major components contributing to the current month and cumulative manufacturing variances are listed below:

Variable	Favorable (Unfavorable)			Total	Y-T-D Total
	Litharge	Stabilizers	Service Dept.		
Material & Containers	(2.4)	(2.1)		(4.5)	5.4
Overhead	(3.1)	(5.5)		(8.6)	(16.3)
Sub Total	(5.5)	(7.6)		(13.1)	(10.9)
<u>Price</u>					
Labor	1.1	(1.0)		.1	(1.1)
Prime Period Cost	.9	2.4	(4.1)	(.8)	10.9
Total Controllable Cost	(3.5)	(6.2)	(4.1)	(13.8)	(1.1)

N14473.01

An analysis of the current month's manufacturing variance is tabulated below:

1. Manufacturing Variance

Variable Materials

Pig Lead

Usage of Pig Lead overstated. Will correct in March (2.4)

Litharge

Correction of Bulk Lead Carbonate production has caused an unfavorable variation of (4.2)

PVC Bags

Higher than standard usage of PVC Bags. This Variation is due to customer request for a particular type of bag (1.4)

Bulk Lead Carbonate

February usage adjusted to reflect a January usage of Cyastab #15. This was an overstated usage of Bulk Lead Carbonate during January 4.6

Other Variable Usage (1.1) (4.5)

Variable Overhead

Direct Labor

Distribution of Labor force more closely scrutinized during February. This has offset January variation .9

Fuel Oil

Usage of Fuel Oil higher than standard. Cold weather and heating efficiency of the kiln are the major reasons for this variance (1.3)

Electricity

Higher than standard usage of electricity in non-productive areas during extreme winter conditions (2.3)

Natural Gas

Winter conditions and lower than budgeted production requirement have caused an unfavorable variation of (3.9)

Other Variable Overhead (2.0) (9.5)

10010

VARIABLE STANDARD COST OF PRODUCTION

DEPARTMENT 682 DEPARTMENT 682
 PERIOD FEB 1982
 PLANT CHICAGO

PROD NO	PRODUCT NAME	INV CL	CURRENT MONTH			YEAR TO DATE		
			PRODUCTION QUANTITY	VAR. STD UNIT COST	VAR. STD DOLLARS	PRODUCTION QUANTITY	VAR. STD DOLLARS	VAR. STD DOLLARS
9534501	CYASTAB #15	01				11,100		4,834
9534502	CYASTAB #40	01	73,300	.438700	32,156	167,800		73,611
9534509	CYASTAB #15-24	01				40,008		17,743
9534582	BULK LEAD CARBONATE	21	62,280	.426700	26,574	207,605		89,585
9534803	CYASTAB #563	01	19,300	.401300	7,745	90,350		36,243
9534805	CYASTAB #593	01	20,300	.352400	7,153	20,300		7,153
9534810	CYASTAB #523	01				12,350		5,955
9534817	CYASTAB 563 DUSTLESS	01				41,150		16,418
9534827	CYASTAB #800	01	64,129	.440900	28,274	207,814		91,625
9534829	CYASTAB #800 DUSTLES	01				29,806		13,171
9534832	CYASTAB #800 OILED	01	30,586	.464100	14,194	30,586		14,194
9534834	CYASTAB 670 OILED	01	40,100	.482000	19,328	40,100		19,328
9534902	CYASTAB 712 OIL	01	11,000	.762800	8,390	15,500		11,823
9535001	CYASTAB #908	01	31,877	.536200	17,092	53,827		28,862
9535002	CYASTAB #918	01	32,055	.471100	15,101	35,825		16,877
9535003	CYASTAB #948	01	44,350	.423800	18,795	49,400		20,935
9535005	CYASTAB #988	01	9,350	.579700	5,420	9,350		5,420
9535011	CYASTAB 908 DUSTLESS	01	34,000	.542300	18,438	56,758		30,779
9535012	CYASTAB 988 DUSTLESS	01				24,550		14,206
9535015	CYASTAB 919A	01	15,555	.472900	7,355	36,867		17,434
9535016	CYASTAB SX3	01	16,000	.444400	7,110	40,450		17,975
GROSS PRODUCTION AT STD			504,182		233,132	1,221,496		553,180

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DEPARTMENT STABILIZERS
 PERIOD FEB 1982
 PLANT CHICAGO

682

PRODUCT

0682

ATERIAL CODE	MATERIAL DESCRIPTION	C U R R E N T			M O N T H		Y E A R		T O		D A T E	
		USG QTY ACTUAL	STAND QTY	VARI AMT	USG QTY ACTUAL	STAND QTY	USG QTY ACTUAL	STAND QTY	USG QTY ACTUAL	STAND QTY	USG QTY ACTUAL	VARI AMT
534582	BULK LEAD CARBONATE	10	73,080	4,621	207,605	218,404	4,648					
534807	CYASTAB #810	10			1,950		865-					
534827	CYASTAB #800	10	28,778	1-	93,614	93,613	16-					
534829	CYASTAB #800 DUSTLES	10		-	30,756	30,755	4					
534832	CYASTAB #800 OILED	10	28,835	1-	28,836	28,835	1-					
535001	CYASTAB #908	10	8,877		8,877	8,876						
535002	CYASTAB #918	10	31,355	7-	34,925	34,925	7-					
535006	CYASTAB 988 OILED	10		-	700		417-					
535011	CYASTAB 908 DUSTLESS	10		-	23,308	23,307	3					
535015	CYASTAB 919A	10	12,605		31,867	31,866	1					
536901	LITHARGE	10			7,950		3,619-					
536980	LITHARGE BULK	10	247,224	4,158-	532,774	574,415	18,505					
			515,520	512,643	2,157-	1,240,718	7,689 *					
			515,520	512,643	2,157-	1,240,718	7,689 **					
TOTAL DEPT												