

CUSTOMER BENEFIT SUMMARY

Customer _____

Check Benefits Received	Benefits	Conversion Calculation to Dollars (Based on National Estimates)	Financial Value of Benefits		
			This period	Annual	3 yr. prol.
	Longer tool life	\$2,000 x (#) 50 employees x 5 % reduction = annual savings	\$417	\$5K	\$15K
	Reduced down time	\$15 per hour x each \$100,000 of machine cost x (#) 20 hours downtime	\$3K	\$36K	108K
		saved = savings per time period * example machine cost = \$1 million			
	Lower reject/rework costs	\$ 5 value per part x (#) 22,00 parts produced this period x %	\$2,500	\$30K	\$90K
		difference in scrap rate = savings this period.			
	Productivity Improvements	\$ 5 base value per part x 1 % Improvement x (#) 50,000	\$2,500	\$30K	\$90K
		produced = savings this period			
	Lower chemical costs	\$400 x (#) 50 employees x 5 % reduction (coolant) = annual savings	\$83	\$1K	\$3K
		\$200 x (#) employees x % reduction (other) = annual savings			
	Lower freight	\$20 per drum or \$0.35/gallon x (#) 2 drums or gallons reduced	\$3.33	\$40	\$120
	Inventory capital savings	\$2.00 x (#) 2 fewer drums in inventory - monthly cost of money savings	\$4.00	\$48	\$144
	Inventory floor space savings	\$20.00 x (#) 2 drums reduced inventory = annual value of floor space	\$3.33	\$40	\$120
		saved			
	Reduced disposal costs	\$0.75 per gallon x (#) 2,200 gallons reduced disposal	5137.50	\$1,650	\$4,950
	Labor savings	\$25 per hour x (#) 2Q hours saved	\$500	\$6K	\$18K
	Other savings/improvements	<i>Eliminated 4 doctor visits at \$100 each</i>	\$400	\$4,800	14,400
	TOTALS		9,548	114,578	343K+
	Action needed	<i>Send new MSDS</i>	BY: CUSTOMER		

Overall Evaluation of Product Performance 1 2 3 4 5 6 7 8 9 10
 (Circle one, #1 –poor, #10=excellent)

