



Manufacturing Cost Savings

How \$450 of ProOne saves \$339,414 per year !

In a Slotting application, the savings from using ProOne Industrial Oil Concentrate are enormous. By extending tool life 10 times, and by eliminating a step to increase production from 4 parts per minute to 7.5 parts per minute, a \$449 application of ProOne is estimated to have saved the company \$339,414 annually .. per machine!

Key results:

- Initial treatment of Industrial Oil Concentrate @15% in a 50 gallon tank = 7.5 gallons @ \$59.99 per gallon = \$450
- Blade life extended from 1,000 parts to 10,000 parts. Blades cost \$80 and take 22 minutes to change out.
- Production increased from 4 parts/minute to 7.5 parts/minute (19,200/week to 36,000/week based on 2 shifts, 5 days/week) by getting a clean cut and therefore eliminating a wire brushing step.

WITHOUT ProOne

PIECE PROFIT/WEEK:	
19,200 parts @ \$0.30 ea	= \$5,760.00
BLADE CHANGE COSTS:	
Cost per blade	= \$80.00
Downtime = 22 minutes	
X 4 parts/minute	
X \$0.30 ea	= \$26.40
Labor = 22 minutes @ \$30/hour	= <u>\$11.00</u>
	\$117.40
X 19.2 blades needed/week	X <u>19.2</u>
	-\$2,254.08
NET PROFIT/WEEK	\$3,505.92

WITH ProOne

PIECE PROFIT/WEEK:	
36,000 parts @ \$0.30 ea	= \$10,800.00
BLADE CHANGE COSTS:	
Cost per blade	= \$80.00
Downtime = 22 minutes	
X 7.5 parts/minute	
X \$0.30 ea	= \$49.50
Labor = 22 minutes @ \$30/hour	= <u>\$11.00</u>
	\$140.50
X 3.6 blades needed/week	X <u>3.6</u>
	-\$505.80
NET PROFIT/WEEK	\$10,294.20

TOTAL SAVINGS PER MACHINE PER WEEK

\$6,788.28

X 50 weeks

TOTAL SAVINGS PER MACHINE PER YEAR

\$339,414.00

Organization: Fastenal Manufacturing
Contact Person: David Nelson
Application: Slotting Stainless Steel
ProOne Product used: 15% Industrial Oil Concentrate added to existing cutting oil.

- PLUS:**
- Energy savings!
 - Less equipment wear & tear!
 - Fewer machines needed!