Cost analysis using cohesive vs. non-cohesive paper.

The calculations below are based on producing 2,500 double thick sheets each week.

Customers may need to adjust these calculations based on the quantity of double thick sheets produced in their plants or use the paper cost calculator provided below.

5,000 sheets are used to produce 2,500 double thick sheets, per week.

Paper is 12 pt. C1S.

Cohesive sheets 12” x 18.5”.

Non-cohesive sheets 12” x 18”.

Cohesive sheet pricing based on online advertised price, Convertible Solutions®, MultiLoft®, 2/11/19.

200 sheets sell for $63.95 ($0.31975 per sheet). Other cohesive sheets listed are more expensive than the C1S chosen for this comparison.

Non-cohesive sheet pricing provided by a Therm-O-Type customer, 2/11/19.

$0.07 per sheet

5,000 cohesive sheets per week x $0.31975 = $1,598.75

5,000 non-cohesive sheets per week x $0.07 = $350.00

Cost difference in paper cost is $1,248.75 per week.

Times 52 weeks per year = $64,935. (difference in paper cost between cohesive and non-c ohesive).

Glue Cost:

Glue cost varies between $0.04 to $0.06 per glued set (two 12” x 18” sheets glued together).

2,500 glued sets = between $100. ($0.04 per glued set) and $150. ($0.06 per glued set).

Times 52 weeks per year = $5,200. ($0.04 per glued set) and $7,800. ($0.06 per glued set).

Labor Factor:

To glue 5,000 sheets to produce 2,500 glued sets should take one operator between 2 and 3 hours.

Notes:

Thick printed business cards, announcement and invitations, etc., are premium value products which provide a disproportionate level of profit per order.

Paper Cost Savings Calculator:

<table>
<thead>
<tr>
<th>Glued Sets/Wk.</th>
<th>Sheets/Wk.</th>
<th>Savings, Paper/Yr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,500</td>
<td>3,000</td>
<td>$38,961</td>
</tr>
<tr>
<td>2,000</td>
<td>4,000</td>
<td>$51,948</td>
</tr>
<tr>
<td>2,500</td>
<td>5,000</td>
<td>$64,935</td>
</tr>
<tr>
<td>3,750</td>
<td>7,500</td>
<td>$97,402</td>
</tr>
<tr>
<td>5,000</td>
<td>10,000</td>
<td>$129,870</td>
</tr>
</tbody>
</table>

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