

8/24/20

Cost Analysis using Cohesive Vs Non-cohesive Stocks:

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

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, 8/21/20.

200 sheets sell for \$97.22 (\$0.4861 per sheet)

Non-cohesive sheet pricing provided by a THERM-O-TYPE customer, 8/21/20.

\$0.08 per sheet

5,000 cohesive sheets per week x \$0.4861 = \$2,430.50

5,000 non-cohesive sheets per week x \$0.08 = \$400.00

Cost difference in paper cost is \$2,030.50 per week.

Times 52 weeks per year = \$105,586. (difference in paper cost between cohesive and non-cohesive).

Glue Cost:

Glue cost varies between \$0.03 to \$0.06 per glued set (two 12" x 18" sheets glued together).

2,500 glued sets = between \$75. (\$0.03 per glued set) and \$150. (\$0.06 per glued set).

Times 52 weeks per year = \$3,900. (\$0.03 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, announcements and invitations, etc., are premium value products which provide a disproportionate level of profit per order.

There are a wide range of other factors that fit into this project, most which favor gluing sheets, but this comparison is focused on paper costs.

Paper Cost Savings Calculator:

<u>Glued Sets/Wk.</u>	<u>Sheets/Wk.</u>	<u>Savings, Paper/Yr.</u>
1,500	3,000	\$63,352.
2,000	4,000	\$84,468.
2,500	5,000	\$105,586.
3,750	7,500	\$158,379.
5,000	10,000	\$211,172.

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