



Pax Products Case Study: Savings From Utilizing a Pax Spray System & Eliminating a Secondary Operation

Overview:

The below calculations reflect the actual cost savings that one specific company realized by implementing a Pax Lubrication System. In this specific case, the company switched to a higher cost lubricant that would not require a secondary cleaning operation, which provided significant savings. Additionally, even though the new lubricant they utilized was more expensive, the Pax system allowed the company to reduce the total amount of lubricant used by 69%, which afforded them additional savings. In this case, the company did not increase their production speeds and no research has yet been done to determine if and how much the tooling life has increased.

Total Annual Cost Savings Realized

Annual Savings Realized by utilizing a lubricant that does not require Secondary Cleaning Operations =	\$38,520
Annual Savings (for 10 mil. Parts) Realized by Utilizing Less of the Higher Cost Lubricant =	<u>\$13,438</u>
Total Annual Savings based on 10 million Parts =	\$51,958

Calculating the Cost of Utilizing Each Lubricants

	Lubricant Cost per Gallon	# Parts Made During Test	Gallons of Lubricant Used During Test	Parts Made Per Gallon	Lubricant Required Per Part		Lubricant Cost per 100,000 parts,
					Gallons	Ounces	
Original Lubricant	\$7.98	30,000	8.0	3,750	0.00027	0.017	\$213
New Lubricant	\$9.41	6,000	0.5	12,000	0.00008	0.005	\$78

Note: By applying the "new lubricant" with a Pax Spraying system, which enabled the company to apply the exact amount of lubricant exactly where they needed it, this company **reduced the volume of lubricant that they use by: 69%**