**Project Proposal**

**ACC BCC Expansion Project**

**American Chemet Corporation**

**145 Highway 282**

**East Helena, MT 59635**

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# Introduction

American Chemet Corporation (ACC) is excited to present a comprehensive proposal for the expansion of production capacity for Basic Copper Carbonate (BCC). This proposal outlines the strategic initiative to address market opportunity, sales, innovation, and increased customer satisfaction by introducing brand new production plant at the East Helena, MT manufacturing facility. The following sections detail the project plan, anticipated outcomes, cost analysis, and terms and conditions for the successful implementation of this project.

By leveraging their current position in the copper manufacturing market, the decision to expand production capacity for BCC can easily be justified as presented in this document. With an existing framework perfectly tailored to copper manufacturing and sales, the expansions easily integrate into the already existing copper production ecosystem.

# Client Operations

At ACC, our primary focus is on time delivering of quality materials and providing solutions that meet the evolving needs of our clients. With an 80-year track record of excellence in the industrial metal manufacturing industry, we understand the importance of staying ahead of the curve. With a strong presence in the industry, ACC has established itself as a trusted partner for organizations seeking to buy or sell copper related products.

Within ACC, several key departments and processes are integral to the successful execution of the proposed BCC Expansion project:

* Research and Development (R&D): The R&D department plays a crucial role in designing and implementing new product lines and processes. They will play an essential role in researching and selecting the appropriate third-party to provide any additional toll processing for any material as required by the customer.
* Sales and Marketing: The sales and marketing teams are tasked with promoting ACC’s products, identifying customer needs, and driving revenue growth through effective marketing and customer engagement strategies.
* Information Technology (IT): The IT department provides essential technology infrastructure and support services, ensuring the reliability, security, and performance of ACC production platforms.

# Executive Summary

Due to the rising demand for Basic Copper Carbonate, American Chemet Corporation has elected to increase production capacity for Basic Copper Carbonate at their manufacturing facility in East Helena, MT. As the market demand increases for copper bearing pressure impregnated building materials, the demand for the source compound increases as well. This increase in capacity allows American Chemet Corporation to increase its’ market share in the Basic Copper Carbonate market both domestically and internationally. Having increased volumes of quality products available in the market generates a higher scrutiny over quality of material, pricing, availability, and on time delivery. American Chemet Corporation has an 80-year track record of providing quality products to customers around the globe and intends to do so with Basic Copper Carbonate. Not only does this expansion give American Chemet Corporation a competitive market advantage, but it also increases available jobs in the community. Through efforts towards continual improvement and innovation, adapting to market demands, and robust supply chains, American Chemet Corporation will continue to be a world leader in not one, but a family of copper-based chemicals & compounds for another 80-years.

Increasing production capacity of Basic Copper Carbonate will allow American Chemet Corporation to capture major market shares, both domestically and internationally. This increase in production capacity requires additional employees to operate the facility. Having more available jobs to the community is a core value of American Chemet Corporation, and with this expansion, expects to increase workforce by 10%. In addition to capturing market share, this expansion will be profitable in less than 2 years, adding to the total net worth of the company, and will intrinsically increase salaries for all employees. With increased workforce, supply chain, resources, and capacity, American Chemet Corporation is primed to become a world leader in the production of Basic Copper Carbonate.

Numerous options and alternatives were examined prior to determining the best way to produce Basic Copper Carbonate. The following approaches will allow American Chemet Corporation to continue to be a world leader in not one, but a family of copper-based chemicals and compounds. Through company values such as safety, innovation, customer service, efficiency, and quality, the expansion of production capacity for Basic Copper Carbonate will be another tool in the toolbelt of American Chemet Corporation. The extra capacity will allow American Chemet Corporation to pursue greater markets domestically and internationally.

With an increase in market demand for Basic Copper Carbonate, the only logical course of action for American Chemet Corporation was to invest into manufacturing of the product. Over the last 5 years, multiple teams at American Chemet Corporation including, but not limited to: Research & Development, Quality Control, Purchasing, Logistics, Sales, and Production, have dedicated thousands of hours to producing the highest quality Basic Copper Carbonate in the most efficient way possible.

# Cost Summary

The cost-benefit analysis demonstrates the significant savings and revenue potential associated with the BCC Expansion project. By investing in additional production equipment, process development, marketing, training, and implementation, ACC anticipates a net savings of $5,000,000 by the end of the project lifecycle (not including future revenue beyond the project). These cost savings are attributed to increased sales, revenue growth, and operational efficiency gains resulting from the successful launch and adoption of the new product.

**Cost Summary**

Planning and Analysis:

* Project requirements are assessed, potential third-party contractors are evaluated, decisions are made regarding contract selection to be used in preliminary build out.

Projected cost: $350,000

Design and Prototyping:

* Comprehensive design plans and prototypes are developed, integrating the functionalities of the new plant with existing production infrastructure.

Projected cost: $38,000

Software Development:

* Delta V component installation, setup, and configuration. Scaling up IT infrastructure to support additions.

Projected cost: $585,000

Quality Assurance & Testing:

* Integration testing, user acceptance testing, bug fixing, refinement, and updating documentation to ensure the finished product meets quality standards and customer requirements.

Projected cost: $124,000

Implementation & Deployment (includes Marketing):

* Staff training, knowledge transfer, deployment of the new plant and product, and marketing activities to promote its launch.

Projected cost: $197,000

Post-Deployment Support & Project Closure:

* Provide ongoing support to users, optimize software performance, and conclude the project with closure tasks.

Projected cost: $74,500

**Savings Summary**

Increased Sales and Revenue:

* Projected increase in sales and revenue from the new plant.

Anticipated savings: $5,000,000.

Operational Efficiency:

* Efficiency gains leading to reduced operational costs.

Anticipated savings: $1,700,000.

Cost Reduction in Manual Processes:

* Savings resulting from the automation of manual processes through the implementation of the new production facility.

Anticipated savings: $880,000.

Decrease in Support Costs:

* Savings from a decrease in support costs associated with the previous production facility due to enhanced functionality and reduced maintenance requirements of the new plant.

Anticipated savings: $1,100,000.

Increased Employee Productivity:

* Savings from increased employee productivity resulting from streamlined workflows and improved employee morale and engagement.

Anticipated savings: $20,000.

Based on the cost-benefit analysis above, ACC anticipates net savings of $5,000,000 by the end of the project lifecycle. This substantial increase in revenue and cost savings demonstrates the financial viability and potential return on investment associated with the BCC Expansion project. These savings do not include potential future revenue beyond the project, emphasizing the initiative's long-term benefits.

# Terms and Conditions

The terms and conditions outlined in this proposal govern the relationship between ACC and its clients throughout the duration of the BCC Expansion project. Key considerations include project timelines, proprietary technologies, deliverables, payment schedules, and intellectual property rights. ACC is committed to transparent communication, collaboration, and quality assurance to ensure the successful execution of the project and the satisfaction of our clients.

* ACC agrees to undertake the development, launch, and implementation of the new production plant, as outlined in the project proposal and associated documentation.
* The project timeline, including key milestones and target completion dates, is outlined in the project plan, and will be adhered to by all parties.
* Payments for the project will be made in accordance with an agreed upon payment schedule.
* ACC retains ownership of all intellectual property rights associated with the new production plant, including but not limited to software code, design elements, and documentation.
* Both parties agree to maintain the confidentiality of any proprietary or sensitive information shared during the course of the project, including but not limited to trade secrets, business strategies, and technical specifications related to the production plant.

By acknowledging the intellectual property rights of ACC and third-party contractors, all parties affirm their commitment to respecting and protecting proprietary information and technologies associated with the new production plant.

# Contact

Please feel free to contact at any time if you have any questions!

American Chemet Corporation

Executive Sponsor: Bill H. S.

East Helena, MT