**Year :**  2018 2019 2020 2021 2022 **Total**

**Benefits**

Increased Sales 600,000 700,000 800,000 900,000 5,000,000

Reduction in customer complaint calls 50,000 50,000 50,000 50,000 200,000

Reduction inventory costs 48,000 48,000 48,000 48,000 192,000

**Total Benefits 698,000 798,000 898,000 998,000 5,392,000**

**Development Costs**

2 Servers @ $ 200,000 400,000 0 0 0 0 400,000

Printer 200,000 0 0 0 0 200,000

Software Licenses 100,000 0 0 0 0 100,000

Server Software 50,000 0 0 0 0 50,000

Development labor 2,000,000 2,000,000

**Operational Costs**

Hardware 50,000 50,000 50,000 50,000 200,000

Software 30,000 30,000 30,000 30,000 120,000

Operational labor 100,000 150,000 200,000 250,000 700,000

**Total Operational Costs 180,000 230,000 280,000 330,000 1,020,000**

**Total Benefits 698,000 798,000 898,000 998,000 5,392,000**

**PV of Total Benefits 598,909 601,322 723,825 882,021 2,806,077**

**Total Costs 2,000,000 180,000 230,000 280,000 330,000 5,020,000**

**PV of Total Costs 2,000,000 179,091 186,917 230,021 290,089 2,886,118**

**Total Benefits - Total Costs** [2,000,000] 518,000 568,000 618,000 668,000 372,000

**Cumulative net cash flow [2,000,000] [1,482,000] [714,000]** **[296,000]** **372,000**

**Return on Investment (ROI)** **7.4 % [372,000/5,020,000]**

**(PV of Total Benefits - PV of Total Costs ) (NPV) 80,041**

**Break-Even Point (BEP) 3.44 YEARS**