TO: Professor Pomykalski

FROM: Roger Baumbach II

RE: Feasibility Analysis

DATE: September 8th, 2013

On the subject of Feasibility Analysis, I recommend that the first of the two projects be undertaken from the class project. Out of the two projects the 6% has a better cash return for the business and still has the same lifetime that the second does.

On the subject of cash flow it takes the business 4.4 years to break even at a 6% discount rate whereas at a 12% rate it takes a whole .8 years longer with a 5.2 break-even point.

In terms of intangible benefits and costs, there are none. The current project did not have much information on background for the company.

In terms of the entire project the 6% rate is going to be the most effective.