

LEO COMPUTERS LTD.

The Economics of a Computer System

The following are comparative figures for four regular clerical jobs. They indicate the saving which can be obtained by transferring an orthodox routine to an Automatic Office:-

I1 Payroll (36.5%)

On a Payroll of 10,500 employees (showing the saving per employee)

Previous system	-	59 clerks
LEO System	-	29 clerks
A saving of	-	30 clerks

Previous System

Clerks	- £540	
Machine depreciation	- £ 16	£556
Per employee per week		12.71 pence

LEO System

Clerks	- £268	
Computer cost	- £ 52 *	
Data perforating	- £ 20	
Punch card	- £ 13	£353
Per employee per week		8.07 pence

* 6.5 hours at £8 per hour for two shift working

I2 Teashops (25.8%)

For up to 40,000 items per day (showing the saving of clerical staff alone.)

Previous system	-	50 clerks
LEO system	-	22½ clerks
A saving of	-	27½ clerks

The Economics of a Computer System Cont'd.

I5 Invoicing and Sales Accounting (29.1%)

Provisional costs for 10,000 orders per week, which represents part only of the whole. (Showing the calculated saving per order).

Previous system

Invoicing (B.S.O.)	-	£396
Sales Statistics (B.S.O.)	-	£ 58
Reconciliation (A/cs.)	-	£ 38
Per Order		£492
		11.8 pence

LEO system

Clerks (B.S.O.)	-	£165
Clerks (A/cs.)	-	£ 15
Computer cost	-	£ 74
Data Perforating	-	£ 90
Gards	-	£ 6
Per Order		£350
		8.4 pence

Time on job

Part 1	-	2.0
Part 2	-	.7
Part 3	-	.18
Part 4	-	.12

I6 Ice Cream Sales Statistics (23.5%)

Provisional costs based on a trial job, which will ultimately be extended to cover tens of thousands of dealers.

Previous system

LEO system	-	£187
Clerks	-	£ 64
Computer cost	-	£ 46*
Data perforating	-	£ 33
		£143

* 6.5 hours in summer and 4.5 hours in winter at £8 an hour for two shift working. Average cost is shown.