

Self-financing and the profit-and-loss accounting system will force the Institute to show some initiative and demonstrate its flexibility. By "selling" one and the same scientific research development we will be able to vary the agreed-upon price, after examining the financial situation of the client enterprise, its funds, etc. Last year we developed a two-stage chemical pulp cooking technology for the Sloka Pulp and Paper Mill in Latvia. This method helps greatly to save on the wood and chemicals used in the cooking process and improves product quality. It has resulted in economic gains of more than one million roubles. The Solikamsk and Balakhna Combines are now interested in the new technology. We had asked the Solikamsk Combine to pay us 560,000 roubles for it but the Combine's financial situation was such that it could only pay 270,000 roubles. We agreed to this sum and the transaction was beneficial to both parties.

The actual method of setting a price for each development has also changed. What is considered is its effectiveness, its closeness to world standards, and its urgency.

The new management conditions are inspiring the Association not just to develop new technologies but also to build prototypes of the new equipment. The first phase of the Astrakhan' Experimental mechanical Plant, which has come on line, has made it possible to undertake this work as well.

Creative work teams are being set up to carry out important and urgent jobs. Here we are introducing a normative salary planning system depending on the volumes of research completed in contracted prices. For example, if we have a contract for 100,000 roubles, then from 35,000 to 40,000 roubles will be allocated for salaries.