

## ABSTRACT

This project has targeted and supported on leasing or purchasing decision on test and measuring instruments. For the best decision, project period, trend of technology price of purchasing, leasing, term and condition of contracts are the vital parts that should be taken into consideration.

Data of work implementing project for short term of six months and as long as 36 months has shown us a total cost that would occur for both leasing and purchasing. By applying the method of break-even analysis and linear regression, graphs and figures have shown the break point for certain costs of instruments. With the advantage of break-even analysis and linear regression, it informs and support the decision of management in saving capital. For project under one year, a company would save capital in leasing option and provide more flexibility in changing or terminating with a new model.

After the analysis, the company should go for leasing with the project using MP 1550 instruments series under 13 months period. The break even point of purchasing and leasing is at the 13.02 months. Company would be more flexible in invest in other fields of business. Furthermore, the leasing of such instruments would be cheaper as time goes by. If instrument demanded goes out of fashion, company would save much more than present data in this project.

Leasing concept on test decision instrument has served communication industry but this is not limited to other field of business such as automobile, heavy machine or even labor power.