To: Dale Danner From: Scott Franz

3/31/00

RE: Monthly Status Report

CAD Activities

SolidWorks/SmarTeam:

SolidWorks usage continues to grow. We are averaging about 10 licenses out per day. No major problems reported to date. SolidWorks 2000 has been released to Beta and we will receive this the first week in April. We will only load this on 1 station to review capability in this new release. We will upgrade when the official release is made and we're sure that the code is stable. We will need to upgrade to NT Service Pack 5 and MS Office Service Release 2 at that time also. We have tested these two system upgrades and have not seen any problems.

We currently have 6 Projects operational (3 Ammo and 3 Firearms) in SmarTeam and 16 people have PDM software loaded. Harold has been given administrative software and privileges for both SmarTeam and the Key Sever license manager.

• Test Lab Activities

Phillip and I are actively investigating and discussing the bullet trap and gun cleaning capital projects. We should have a recommended path forward in the next few weeks. Model 710 DAT and EV drop testing are the two major lab activities currently one-going. Additional Test Lab activities will be included in Phillips status report.

Model 710 Activity

Currently running three Engineering Evaluation tests aimed at characterizing the performance of the 710 line control under extreme conditions. Assisted Jim Urbon with the first test (strength), which is complete. A short write up is in progress. Held a short meeting on fatigue and creep tests on 3/30/00. Activity will be started the first week in April on both of these.

Direct Conversion Steel Shot Project

- Initiated an IP search through Sam Grecco. Received information on recently issued patents. Mostly in the heavy metal powder metal area. Nothing found to date to keep us from pursuing Abrasive Industry cast shot technology.
- Signed NDA in place with Wheelabrator. Will determine next step early next week
- 3. Samples received from Metaltec Steel Abrasive Co. on 3/30/00. Samples are standard abrasive shot, i.e. hard and not screened for shape, only approximate size. The smaller the shot the better the shape.
- 4. Also talking with Pana-Abrasives. They sound interested. They have given me some information around size distribution. This is a major concern at this

