

cc: E. E. Warden  
G. C. Clifford  
J. M. Carlsberg  
H. A. Brown  
E. V. Hughes  
File: 381-78-721

Bridgport, Connecticut  
August 19, 1947

**FEDERAL AND CONFIDENTIAL**

**TO: G. E. KINZER  
ILION**

**FROM: W. E. GUNN**

**SUBJECT: ARMS DEVELOPMENT - M/TH BOLT ACTION S.F. RIFLE**

I am attaching hereto draft of Project 78-721 Part II. The economies included in this Part II have been corrected from the economies submitted by you to the Ilion Technical Department for inclusion in the project.

The total sales forecast for the M/TH and TH for the five calibers involved in this project was 15,000 and you used a net selling price of \$30.95 computed from the prices quoted in G. E. Pickney's letter of October 22, 1946 to E. V. Hughes. Since that time, the sales price has been changed and different prices are forecast for the two models. These new prices as obtained from G. C. Clifford are as follows:

|      | Retail<br>Price | Net<br>Price |
|------|-----------------|--------------|
| M/TH | \$61.50         | \$37.50      |
| M/TH | 54.50           | 30.95        |

These new net prices have been used in correcting the attached economies and should be used in all future calculations.

The sales forecast has been broken down between the two models and was obtained from G. C. Clifford as follows:

|      | Five<br>Calibers | All<br>Calibers |
|------|------------------|-----------------|
| M/TH | 11,000           | 11,900          |
| M/TH | 4,000            | 3,100           |
|      | 15,000           | 15,000          |

If you have any questions, I will be glad to discuss them with you.

*W. E. Gunn*  
W. E. Gunn

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