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Ilion, New York
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G. M. CALHOUN
BRIDGEPORT

MODEL 700
PROPOSED NEW HIGH POWER BOLT ACTION CENTER FIRE RIFLES

We have been making an effort to pull together a picture on this situation. Among the reasons is that we are afraid the relatively low volume indicated may not justify a project. On the other hand, it is quite obvious that one of the principal things which is wrong with our M/721 and 722 today is that they are obsolete. Having been introduced in 1948 they have since been meeting competition from practically all sources of new models having new styling and features.

Another reason for moving up on this one is to try to clarify the Plant's procurement and planning situation, which continues to become more difficult. In addition it is not wise for us to go too far spending money beyond the arms design stage only to find ourselves in an untenable project position.

As you recall, we had anticipated a possible 5,000 + rifles if the new Model 700 was to be introduced. However, I have the impression from our R. A. Morris that this does not seem to be the case on basis of figures he has just obtained from W.F. Larsen.

Another situation which concerns me after discussing with Walker is that apparently we have not gone far enough with the stock development to have a reasonable picture of expected cost. Apparently he can estimate the checkering operation but there are questions regarding what has to be done in the way of operations preceding checkering. This involves refinements to existing machines. Walker has suggested that we meet with the Plant and review these operations, establishing some tentative prices for cost. I am suggesting that this be done just as soon as possible. Otherwise can foresee there being extended delays of making decisions, probably changing forecast, etc., and even to the point that we may find it necessary to abandon the work altogether.

I believe that we do have sufficient information in the way of definitive models for sales to give us a forecast, and perhaps this has already been done. If the forecast for the new models is

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not sufficiently high, perhaps it would be well to take a look at the forecast for the old models; perhaps it should be lowered. Walker is of opinion that we need a volume of about 30,000 per year to justify this job.

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