

REMINGTON ARMS COMPANY, INC.

INTER-DEPARTMENTAL CORRESPONDENCE

Remington



F-12

cc: C. A. Riley
P. H. Holmberg
C. B. Workman
T. L. Capeletti ✓

Bridgeport, Connecticut
September 7, 1982

TO: J. A. LAWRENCE
FROM: W. H. FORSON, JR.
SUBJECT: MODEL 700 FORECAST AND COMPETITIVE
BOLT ACTION PRICES

The current five year sales forecast assumes price increases through 1987 at the following levels:

Year	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
%	6.0	6.0	7.5	7.5	7.0

The Model 700 Total Company sales forecast at above indicated price increases is: (Assumes new BDL in 1986)

Year	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Domestic	80,000	82,000	85,000	92,000	100,000
Int'l.	3,560	3,900	4,300	4,700	5,100
Total					
Company	83,560	85,900	89,300	96,700	105,100

If costs could be lowered to the extent that price increases were no more than 5% per year with no deterioration in pretax earnings, we estimate the sales volume would increase each year. This increase would be at the expense of competition, provided the other manufacturers increase their prices well above 5% per year. However, if competition holds down prices and maintains status quo, there would be no gain to Remington. The sales estimate at the lower cost level follows:

J. A. LAWRENCE

-2-

September 7, 1982

Year	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Forecast	N.C.	88,570	95,660	105,230	117,860
Increase vs. 5 Yr.	--	+ 2,670	+ 6,360	+ 8,530	+12,760
% Increase	--	+ 3.1%	+ 7.1%	+ 8.8%	+12.1%

To provide some insight into competitive selling prices, I have included a copy of the retail price comparison for all major manufacturers. It includes 1980, 1981, and 1982 retail prices. You will note Ruger increased prices 5% 7/1/82 and this is noted on Page 6.

If you have any questions or need additional information, give me a call.

Bill

WHF:daf
Attach.