

*Helma
Sill*

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REMINGTON ARMS CO.
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G.D. Campbell

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Bolt Action Carbine

FIREARMS RESEARCH DIVISION

The estimated economic results for the proposed Bolt Action Carbine have been updated based on revised data issued by P.E.&C. The changes reflected in this update include:

- Metal finishes equal to the M/700.
- A revised stock machining process utilizing the Richardson RTR NC-Router.
- Revised discount factors and third year pricing.
- Including the cost effect of the rivetless extractor in the third year.
- Revised project expenditures.

The net effect of these changes is to increase the estimated unit cost by \$4.64 in the first year and \$3.17 in the third year. This results in reduced margins and net returns on investment in all positions.

The revised economic results are summarized as follows:

	<u>First Year (1983)</u>		<u>Third Year (1985)</u>	
	<u>Full Book</u>	<u>Incremental</u>	<u>Full Book</u>	<u>Incremental</u>
% Pretax Margin	9.0%	--	11.8%	--
Net Earnings	\$ 317	\$1,193	\$ 557	\$1,571
Net ROI	5.4%	22.3%	8.0%	24.2%

J.C. Hutton, Superintendent
Industrial Engineering Section

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Attached