

A summary of its findings (continued)

Selling prices are not proportional to manufacturing cost but influenced by competition.

Competition of the 12 models offered by Remington is heavy with 18 manufacturers offering 135 different models.

Based on these findings, the Sub-Committee recommended:

1. Continue the present full rimfire line to the extent that no out-of-pocket loss to earnings will result.
2. Continue the program of improvements and replacements consistent with indicated needs for improving sales or reducing manufacturing cost.
3. Consider a long range development program of Model XR in which a laminated wood stock, the barrel, bolt, fire control and magazine will be as common as design will permit over the range of bolt single shot, bolt repeating, lever repeating, autoloading repeating and pump repeating rifles. Improvements anticipated in this program include high strength wood, fast loading and increased capacity of magazine, quick change barrels, adjustable sights and low cost component forming processes.

The Committee accepted the Sub-Committee report and adopted its broad recommendations. Committee actions to date in implementing specific proposals in this field consist of:

1. Approving the changeover of the bolt action rimfire rifles from 20 inch to 24 inch barrels to overcome sales resistance to the shorter barrel.
2. Instituted a manufacturing cost reduction study of the Model 514 that to date will affect the direct cost of this model by approximately \$.17 each.
3. Approved the reintroduction in 1964 of the wood stocked Models 510, 511, and 512, to restore our share of the bolt action rimfire market and improve operative earnings by \$65,000 annually.
4. Recommended that General Management approve the study of the Model XR Rimfire Series included in the October, 1963 Firearms Semi-Annual Development Schedule.

Committee Action

The Committee approved and recommends that General Management approve the broad recommendations of the Sub-Committee and the action taken to implement the specific proposals.