

XR SERIES BOLT ACTION LINE - contd.

Sales expressed concern in entering fields now covered by smaller competitors. Price competition could develop and erase the potentially small forecast profit margin indicated.

The possibility of selling the guns under a brand name such as "Mohawk" or private brand is not in keeping with the policy of maintaining Remington as the No. 1 quality gun manufacturer.

It was recommended that before further major R & D expenditures develop, a program be established with Sales to:

1. Review market data to firm up the potential sales of the new Bolt Action Line.
2. A comparison of guns offered by competitors with the proposed Bolt Action guns.
3. Determine the customer visual and functional benefits that will draw sales away from competitive models.

There must be assurance that the preliminary cost information developed will permit the accomplishment of the strength, styling, functioning and other features being proposed by R & D.

Sales pointed out that the results of the market survey presented by J. J. Callahan at the June Operations Committee Meeting covers the entire gun line as well as ammunition and should be used as basic information in any new gun developments.

Additional high spot cost estimate figures have been developed for review by R & D and Treasury with Bridgeport Management.

Committee Action

R & D was authorized to continue the development of the Bolt Action Line based on a 1967 announcement.

R & D and Sales are to make comparisons of competitive guns. Also review the Market Research data to confirm the sales potential of the Bolt Action Line.

The additional cost information is to be issued to the Operations Committee members after the Management review is completed.