

SHOTGUNS - contd.MODEL 870, 28-410 GAUGEMODEL 1100, 20-28-410 GAUGE - contd.

Chart IX - Total plant position and effect of the addition of the Model 1100, 20, 28 and 410 gauge and Model 870, 28 and 410 gauge shotguns in the third year 1971.

The discussion that followed indicated that Management would need time to study and evaluate the figures presented. R & D favors the use of N/C machines which is the main issue as both methods of manufacture indicate a satisfactory return. In the opinion of R & D, the main issue is to find out as soon as possible if N/C machines are the answer to combating increased labor costs and improvement in quality control as it affects future designs. It is felt by R & D that these proposed models supported by N/C machines provide the quickest means of answering this issue. Further, that even with N/C machines, a reasonable product cost will result as well as obtaining experimental information. 83

The variance in opinion on the use of N/C as compared with standard machines is chiefly based on volume of production. The yearly forecast volume is 34,400 and standard machines may be the most practical approach. Opinions were also expressed that N/C machines are best adapted to production quantities where the same machine can be used for a variety of parts and not continuing production of a single component.

Marketing indicated that the volumes of 34,400 for the new guns with a net increase of 22,900 and the selling prices indicated are realistic.

Since further study is required, R & D was requested to prepare drafts of two projects, one based on N/C machines and the second using standard machines. Management would review and decide which would be presented to the Board for approval.