

CENTER FIRE RIFLES (cont'd)

The plant is estimating the costs to make the proposed changes. The basis for calculation is to maintain the present price and forecast volume. When figures are available Marketing will review.

Committee Action:

The plant is to review the economics with Marketing as soon as possible. A program is to be recommended at the July meeting.

MODEL 742-760 CENTER FIRE RIFLES

Prototype of the proposed ADL and BDL grades were shown to the Committee. The features are as listed in the May Operations Committee Minutes except that the Stock will be without the Monte Carlo and cheek piece. Economics are on the basis of retaining two grades. There is no change in the volume forecast. As shown in Exhibit 4 the Operative Earnings are lower on the ADL grade at the present price and greater on the SPL grade because of the proposed \$10.00 increase in selling price. The Cash Results are shown as Exhibit 5. 83

Marketing stated that if Remington is to maintain sales volumes improvements have to be made. While the increased earnings are not significant or might even be reduced if the percentage of BDL sales declined Remington should proceed with the proposed program.

R & D tested five (5) Model 742 and three (3) Model 760 - 243 caliber rifles using soft point ammunition. All except one Model 760 produced groups within 2 1/4". The opinion was expressed that the quality Barrels now being produced should permit a 2 1/4" group size specification. This was accepted by Marketing for this caliber. Introduction January 1968 is desirable.

R & D has to complete the design investigation for required changes to the action and Magazine to accommodate the 243 caliber. Drawings are to be furnished the plant for estimating as soon as possible.