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Estimate File #2308

February 19, 1968

H. L. HARTMEISTER

SHORT STOCK MOLDING - M/870 FIELD GRADE

A re-evaluation of the economics comparing the present method of manufacturing M/870 Short Stocks to the current proposed Molded Wood Process has been completed.

The Molded Process indicates a net annual savings of $26,700 and a 32.7% return on a capital investment of $107,000. A return of 3.7% is indicated based on a total expenditure of $494,000, including operation and developmental charges. 83

The Molded Process has been based on a process that includes:

1. A new shorter length blank designed for Stocks fitted with Recoil Pads.
2. A special machine to assemble Grip Cap and Recoil Pad.
3. A special machine to "size" the Recoil Pad to the Stock.
4. One hand sprayed coat of RK-W finish.
5. A final buff operation performed on the Harper Buffing Machine.

A capacity study indicates that a 2nd Master Press and a 2nd Profile Press will be required to meet the 1969 Forecast, based on a 3-shift, 5-day schedule. Money has been provided in the present project for the acquisition of this additional equipment.

F. G. Carlson, Chief Supervisor
Methods & Standards Section

RJLong

By: R. J. Long

RJL:mm

EXHIBIT 1