

RIM FIRE RIFLES - contd.MODEL 540X (COMMERCIAL) & 541X (MILITARY)
RIM FIRE TARGET RIFLES

The attached Exhibit 2 is a comparison of the project and present product costs for the Model 540X (commercial) Target Rifle (birch wood). The cash cost data shows the effect on return on investment and the cause for the difference in product cost. The cost increase for the sight is due to a change from the Redfield Sight #68 to #63. It is possible that the cost will increase if Redfield changes the design as recommended by R & D. This change would provide clearance for the shooter's thumb between the Sight and the Stock.

The original prototype and the proposed rifle with revised Sight Base and three-way adjustable Butt Pad Assembly was shown to the Committee. A competitive Anschutz target rifle was also reviewed. The opinion was that the added feature would justify an increase in selling price of \$5.00. This would increase the net selling price of the basic rifle by \$2.88 and offset the indicated added product cost. 83

Listing in the catalog should be for the rifle without Sights. Accessories for the rifle would be shown separately and Sights would be priced on the basis of the cost from Redfield.

The estimated product cost for the Model 541X (military) Target Rifle increased from \$47.60 to \$49.64. The major cause for the increase is the cost of Sights and the birch Stock blank.

Committee Action:

The increase in selling price of at least \$5.00 for the Model 540X was approved and the proposed listing in the catalog of accessories.