

PROPOSED MODEL 40XB PRONE - RIM FIRE TARGET RIFLE
HIGH SPOT ESTIMATED COST AND PROJECT ECONOMICS

FULL FACTORY COSTS

	BEFORE LINE CURRENT MODEL 40XB S-2	AFTER LINE PROPOSED MODEL 40XB PRONE S-2
VOLUME	250	500
RETAIL SELLING PRICE	\$169.95	\$225.00
NET SELLING	* \$100.00	* \$132.35
FACTORY COST	\$ 84.66	\$ 94.47
SELLING & ADMIN. RESEARCH	\$ 10.90	\$ 14.43
TOTAL COST	\$ 95.56	\$111.90
OPER. EARNINGS	\$ 4.44	\$ 20.45
% NET SELLING	4.4%	15.5%

* DISCOUNTS 20% & 15%

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CASH OR PROJECT RESULTS

ESTIMATED SALES VOLUME	500
NET INCREASE IN SALES VOLUME	250
NET SALES	\$ 41,180
FACTORY COST	\$ 27,550
OPERATIVE EARNINGS	\$ 13,630
LESS 5.6% & 52.8%	\$ 7,560
NET EARNINGS	\$ 6,070
INVESTMENT:	
CONSTRUCTION	\$ 67,200
WORKING CAPITAL	\$ 22,680
RETURN ON TOTAL EXPENDITURES	1.5%
RETURN ON INVESTMENT	6.8%
PROJECT COSTS	
DEVELOPMENT	\$ 2,600
CAPITAL	\$ 67,200
OPERATIONS	\$101,220
TOTAL	\$171,000