

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

Production reported the following production to warehouse figures:

Model 870	410 gauge field grade	653
	28 gauge field grade	1340
	Matched Pairs	453
Model 1100	410 gauge field grade	767
	28 gauge field grade	596
	Matched Pairs	149

Tooling is being designed to add the cut in the Model 1100 Receiver, 28 and 410 gauge, for the hardened insert. An initial quantity of formed Receiver Inserts has been received. Some equipment to adhesive fasten and stake the insert will be required. Production should start in August. The factory cost to add the hardened insert is \$ .57 per gun.

Pilot operations are continuing on the Model 1100, 20 gauge components. The schedule is to pilot assemble regular grade guns in September. Tooling for the 20 gauge magnum is being designed.

The project forecast a 34,400 annual volume for the lightweight guns. The forecast for 1971 is 44,000 and in 1973 with the addition of the Model 870, 20 gauge lightweight, the volume increases to 95,000. To continue using N/C machines would require two additional for 1971 and seven more for 1973. The economics (Exhibit 1) indicate that from an investment and operating cost standpoint, the most economical approach for this high volume is to set up a line of standard machines to produce the excess requirements for Model 870, 12, 16 and 20 gauge; Mohawk-48 and small gauge Receivers. This can be done within the scope of the Phase III and AD 1100-870 projects. Production advised the Operations Committee that this is the planned program. When the new Receiver line is set up, this will make available the four Milwaukee-Matic N/C machines for the manufacture of the proposed Over and Under Shotgun components or other new models.