

CENTER FIRE RIFLES - contd.MODEL 744-764 CENTER FIRE RIFLES - contd.

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than the normal 12-year basis. This approach was taken on the value of new machinery as the special Remington machines were depreciated on a basis of five (5) years.

2. Approximately 2500 square feet of additional operating space will be required which reduces storage space in Bldg. 50-3.

3. Proposed new models are designed to accommodate magnum calibers, current Model 742 calibers and possibly other magnum or smaller calibers in the future. The general specifications are covered as Exhibit 5. The basic function and endurance of the Model 742 and 760 center fire rifles to handle the present calibers cannot be improved without a re-design of the major functioning parts such as proposed for these rifles.

4. Sales of the Model 742 in 1969 were approximately eighty-five hundred (8500) less than 1969 (Exhibit 2). This is believed to be largely the effect of introduction of the Browning autoloading rifle. Further, it is believed by Marketing that unless Remington retains leadership in the center fire autoloading field, sales of the Remington rifle will continue to decline and once the market is lost, it will be difficult to regain.

Based on the scope of the work involved, Production prepared a list of the pertinent items involved for a 1971 introduction of the Model 744 autoloading rifle (Exhibit 6). Upon completion of the review by the Committee, the opinion was that there was too much risk to plan for a 1971 announcement regardless of how desirable it would be to have the new rifle. Any significant losses in production resulting from changeovers or delays in developing a new model would materially affect Remington's profit in 1971.