RIM FIRE RIFLES - contd.

MODEL 541S RIM FIRE CLIP MAGAZINE CUSTOM SPORTER RIFLE (Introduction 1972)

R & D displayed a plastic that has been developed that would resemble rosewood for use in the Fore End Tip and Butt Plate for the proposed Model 541S sporter rifle.

Committee Action:

Since consideration of the sporter rifle has been deferred reporting on this item will be dropped. It is proposed to review the economics at the October 1970 Operations Committee Meeting.

MOHAWK 550 AND MODEL 514 RIM FIRE RIFLES

The Operations Committee requested at the April meeting a review of the effect of discontinuing production of the Model 550 autoloading and the Model 514 Bolt Action rim fire rifles in 1971.

Attached as Exhibit 3 is the basis for the calculations used to determine the effect of the discontinuance of the Model 550 and 514 rim fire rifles. Also shown is the product status for these rifles.

Exhibit 4 covers the machinery status and Exhibit 5 the space and plant rearrangement review. The estimated savings in the rearrangement are reductions in anticipated expenditures to provide improved operating conditions. To discontinue only the Model 550 would not result in the savings indicated for both models.

Exhibit 6 is a summary of plant costs and earnings comparison of the current firearms line less the Model 550. The improvement in factory cost and net earnings results from additional sales of the Models 552 and Nylon 66 rifles in which the net earnings are greater than the Model 550.