

PROPOSED MODEL 870 "ALL AMERICAN" 12 GAUGE TRAP SHOTGUN

ESTIMATED COSTS AND ECONOMICS

(BASED ON CARRYING CASE USED FOR THE SMALL GAUGE MATCHED PAIRS)

FULL FACTORY COST

	MODEL 870 "ALL AMERICAN"
VOLUME	1800
RETAIL PRICE	\$550.00
RETAIL SELLING	\$294.11
FACTORY COST	\$133.20
SELLING, ADMIN. & RESEARCH	\$ 38.82
TOTAL COST	\$172.02
OPERATIVE EARNINGS	\$122.09
% OF NET SELLING	41.5%

CASH RESULTS

VOLUME (ADDED BUSINESS)	1800
NET SELLING	\$529,400
FACTORY COST	\$221,670
OPERATIVE EARNINGS	\$307,730
LESS 5.0% & 48%	\$155,710
NET EARNINGS	\$152,020

INVESTMENT

CONSTRUCTION THIS PROJECT	\$ 30,500
CONSTRUCTION A & D PROJECTS	
TI-116-2 & 117-2	\$134,000
WORKING CAPITAL	\$262,000
TOTAL	\$426,500

RETURN ON INVESTMENT	35.6%
RETURN ON TOTAL EXPENDITURES	23.9%

PROJECT EXPENDITURES

	R&D TI-116 & TI-117	PE & C	TOTAL
DEVELOPMENT	\$ 148,800	\$ 2,000	\$150,800
CONSTRUCTION	\$ 134,000	\$ 30,500	\$164,500
OPERATIONS	\$ 96,200	\$ 56,000	\$152,200
	\$ 379,000	\$ 88,500	\$467,500

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