

SHOTGUNS - contd.MODEL 3200 SHOTGUN - contd.

Field representative guns are being updated to include the latest revisions as they are returned to the plant.

A production sample Model 3200 skeet grade gun was presented to the committee for review. Trap guns will be produced in February and special trap guns in March.

The N/C engraving machine for 1 of 1000 trap guns is installed. Trial and pilot operation on Model 870 "All American" shotgun components has started.

Excess cost above realizable value was \$3208 per gun in December and approximately \$650 per gun in January. Cost effort is directed toward improving labor effectiveness and high cost processes or operations.

In discussing the excess costs, it was reported that 44 guns were produced in December, 247 in January and the expected 700 to 800 in February. The biggest difficulty at this point is learning how to operate effectively with a job shop production setup.

R & D reported that all checkering patterns are being produced at Ilion. The 1 of 1000 checkering should be ready by May 1. The first trial for engraving of the 1 of 1000 gun will start March 5.

A sample frame was shown with an engraved scroll pattern around the dog. This pattern was accepted and will be used on target guns.

Marketing reported that 13,000 guns have been sold. All of the 1 of 1000 guns have been sold. Production was requested to produce all of the guns possible with the installed capacity. This was especially directed to the additional guns that could be produced by working 6 days a week.

Production was requested to review capacity for short term expansion to 20,000 guns per year as a means to satisfy high new product demand. A suggested constraint is that added facilities be convertible to other models if the demand slackens within a few years.