

SHOTGUNS - contd.MODEL 1100X AUTOLOADING SHOTGUN
(Introduction 1978)

The spring gas lock system has been computer designed. Components are being detailed.

The X Model Study Group report is attached - Exhibit 1.

Two questions were asked by the Chairman:

- . Why is the shotgun needed before the rifle which is opposite to one year ago?
- . Why phase in slowly?

Marketing stated that initially the Model 742X was to be a short time development but this did not materialize. The competitive pressure on the Model 742 has not increased as expected. Increased competition for the Model 1100 is now evident.

Estimated costs of the new models have changed sales projections. The current volume of guns cannot be sold at 50% higher prices; to try to do so would be commercial suicide.

Marketing was expecting that the new guns would completely replace Models 1100, 870, 742 and 750. This does not appear possible now. Sales volume and prices have been provided for the new guns as additional products.

CENTER FIRE RIFLESMODEL 742X - AUTOLOADING CENTER FIRE
(Introduction 1976)

R & D presented a chart, Exhibit 2, which showed the high percentage of commonality of components in the complete new family of guns. Commonality was defined as manufacturing operations that are common rather than completed components that are common.