

MODEL 40XB RIM FIRE "POSITION" TARGET RIFLE
MODEL 40XB CENTER FIRE ARMY NATIONAL MATCH COURSE RIFLE

ESTIMATED COSTS AND ECONOMICS

	<u>FULL FACTORY COST</u>		
	<u>PRESENT</u>	<u>M/40XB RF</u>	<u>M/40XB CF</u>
VOLUME	200	300	200
RETAIL PRICE	\$199.95	\$240.00	\$400.00
NET SELLING	\$116.69	\$140.06	\$235.44
FACTORY COST	\$104.90	\$105.45	\$157.96
SELLING, ADMIN. & RESEARCH	<u>\$ 13.65</u>	<u>\$ 16.39</u>	<u>\$ 27.55</u>
TOTAL COST	\$118.55	\$121.84	\$185.51
OPERATIVE EARNINGS	(\$1.86)	\$ 18.22	\$ 49.93
% OF NET SELLING	(1.6%)	13.0%	21.2%

	<u>CASH RESULTS</u>
VOLUME (ADDED BUSINESS)	300
NET SELLING	\$65,720
FACTORY COST	\$36,340
OPERATIVE EARNINGS	\$29,380
LESS 5.0% & 48%	\$14,870
NET EARNINGS	\$14,510

INVESTMENT

WORKING CAPITAL	\$34,000
RETURN ON INVESTMENT	42.7%
RETURN ON TOTAL EXPENDITURES	
(AMORTIZE R & D AND OPERATION CHARGES	
OVER 5 YEARS)	19.9%

PROJECT EXPENDITURES

OPERATIONS	\$38,350
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