

CENTER FIRE RIFLES - contd.MODEL 700 BOLT ACTION CENTER FIRE RIFLE - IMPROVEMENTS - contd.

Cost estimates for completing the N/C checkering machines were updated May 7 by Du Pont. If these estimates are valid, the project could be completed within authorization.

Opinion - A Part II Project will be required. Du Pont is taking part of the development expense as part of their research studies.

The cost penalty for hand checkering remains about \$50,000 a month. Du Pont is aware of this cost.

RIM FIRE RIFLESMODEL 540XR AND 540XRJR POSITION RIFLESMODEL 40XC NATIONAL MATCH RIFLEMODEL 40XR POSITION RIFLE

(Introduction 1974)

Production reported tool revisions have been made to move the grip forward on the Model 540XR Stock. Pilot assembly will be completed in July. Production to warehouse probably will not start until August.

It is expected that trial and pilot operations will be completed on the Model 40XR-XC Stocks in June. Pilot assembly will be completed and production to warehouse started in July.

MATERIALS SUPPLYWOOD

Production reported that use of alternate woods has been reviewed with Marketing and a formalized program for short and long term solutions to the walnut shortage is being developed - Exhibit 2.