

PROCESS IMPROVEMENTS AND OPPORTUNITIES FOR COST REDUCTION

TEXT B  
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EXHIBIT 5

- 225 Items actively followed - Cost Improvement Committee
- a. Cover every department and model in the plant.
  - b. M/3200 gets additional coverage by a separate committee - M/3200 Cost Improvement Committee.

EXHIBIT 6

• M/3200 Process Improvement Committee

1. Meets twice a month.
2. Identifies specific areas of potential savings and refers these items to the Cost Improvement Committee for implementation. Currently there are 14 separate items under consideration by this committee.
3. Members from all departments -  
P E & C, Production, R & D, M & S, Accounting and Purchasing

• Expand use of

1. Multi-station machines and N/C machines - Basically for the same purpose - Reduce labor content of the job by obtaining multiple operations from a single loading.
2. Wood Press Form Process - Reduce high labor content in sanding and finishing operations.

• Forged Trigger Plates

Installation of a used automatic die forging machine and allied furnace, trim presses and two special machines will produce the family of trigger plates for Models 1100, 870, 742, 760, 552 and 572. This will eliminate a purchased die casting and increase our control of quality.

Projected	( Return on investment	31.8%
	( Return on total capital	21 %

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