

DISCONTINUE OR IMPROVE  
MODEL 1100, 20 GAUGE LIGHTWEIGHT SHOTGUN  
PROJECT THIRD YEAR  
ESTIMATED COSTS & ECONOMICS - CASH BASIS

|   | M/870 & 1100<br>REGULAR 20 GA.<br>LINE BEFORE<br>PROJECT | M/870 & 1100<br>20 GA. LW -<br>LINE AFTER<br>PROJECT | PROJECT RESULT   |
|---|--|--|------------------|
| QUANTITY  | 74,540   | 93,850   | 19,310           |
| NET SALES   | \$7,955,950  | \$10,065,630   | \$2,109,680      |
| LESS:   |  |  |                  |
| FACTORY COST  | <u>3,533,560</u>   | <u>4,951,130</u>                                     | <u>1,417,570</u> |
| OPERATIVE EARNINGS                                      | \$4,422,390  | \$5,114,500  | \$ 692,110       |
| NET EARNINGS  | 2,081,180  | 2,406,880  | 325,700 83       |
| <u>INVESTMENT</u>                                       |  |  |                  |
| CAPITAL - THIS PROJECT                                  |  |  | \$ 364,040       |
| WORKING CAPITAL   |  |  | <u>1,242,000</u> |
| TOTAL   |  |  | \$1,606,040      |
| <u>RETURN ON INVESTMENT</u>                             |  |  |                  |
|   |  |  | 20.3%            |
| NET EARNINGS AFTER AMORTIZING (OVER 10 YEARS)           |  |  |                  |
| OPERATIONS CHARGES                                      |  |  | \$ 301,430       |
| TOTAL INVESTMENT INCLUDING CHARGES LESS FEDERAL         |  |  |                  |
| TAX AT 48%  |  |  | \$1,874,250      |
| RETURN ON TOTAL INVESTMENT INCLUDING OPERATIONS CHARGES |  |  | 16.1%            |

JHS:I  
1/15/75