## REDACTED PRIVILEGED

Design projects in anticipation of product liability litigation.

ATTORNEY CLIENT—WORK PRODUCT

"Chart XXXVII shows a time line schedule for Category I projects.

"Category III projects (Chart XXXVIII) represent 4% of our 1980 budget but shows the greatest increase of any category to 12% in 1981. Incentives are shown on the right.

The first item provides funds for work that is strictly exploratory in nature, such as the long range study to process the XSG and XPG shotguns.

"Active programs to utilize Laser Technology are under way and include wood carving for "Ducks Unlimited" and a welding application for shotgun action bar assemblies. Estimated savings of \$30,000 per year can be realized if the welding application is successful. For the future, a program is planned to apply lasers to high speed positive cut checkering.

"Deformation processes include items such as the integral ejector on the M1100 and the Rivetless Extractor. Both of these items have been put into production and will generate savings of over \$140,000/year.

"Orbital forming of parts like magazine caps and roll forming of firing pins will be investigated in the near future.

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