

"The last two projects in this category contain funds to develop methods and equipment to accelerate procedures and data reduction chores in the Measurements and Test Lab and provide basic data for the Design Section.

"Projects in Category IV (Chart XXXIX) cover services provided to Bridgeport Research, Production, Marketing, Legal and other miscellaneous activities. These services account for 18% of the Research Budget.

"Category II (Chart XL) accounts for the largest portion of our Research budget, between 60% and 70%. For purposes of this discussion, it has been divided into two major classifications, as shown.

"Under Current Products and New Processes, funds are provided to support ongoing programs for product improvement, cost reduction and application of computer aided design technology. It also includes active commitments to Process Development. Two of these will be highlighted: Robot Receiver Polishing and the high-speed multi-slide stamping and forming project.

"Technical capability to polish Model 742 and Model 760 receivers utilizing an industrial robot has been demonstrated. Polishing of the top and bottom radii has been accomplished. The side panels, however, require additional hardware to properly position the flat side against the polishing wheel. This will require an additional capital investment of \$6,500, with equipment delivery scheduled for September. If successful, the system could be ready for production by the first of the year. Updated economics show a \$70,000/year savings at a 26% R.O.I. Upon completion of this phase of the project, work will start on polishing 1100 and 870 receivers in order to realize an additional savings of over \$100,000 per year.

"Since Remington firearms make use of a large number of stamped and formed parts which we buy from outside vendors, a four-slide project was authorized. Equipment has been ordered and should be delivered, tooled for one high volume part, by February 1981. Savings in excess of \$400,000/year will be developed after our current vendor contract expires in 1985.

"Chart XLI shows our commitments to New Product Development.

"The 7400 project is covered in great detail every month. Two engineers are assigned full time to help get this model into production and to improve the magazine assembly.

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