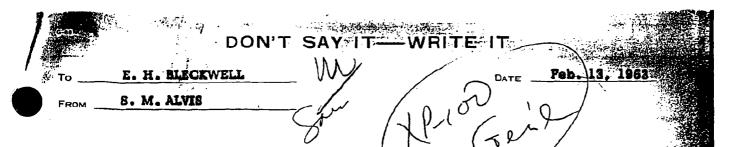
BARBER - PRESALE R 0102105



Since Dr. Calhoun is away and probably decision must be made quickly regarding. selling price for the pistol, thought best to pass on this suggestion.

It seems that both Sales and Wayne Leek are a little bit concerned about this gun being priced too high. I personally feel a little more agreeable to the philosophy related by Mr. Stoessel. At the same time why not consider the possibility of using the same pricing technique as done with cameras. This would pose proceeding with shipping the XP-100 in the luggage type carrying case as planned, and we would show the selling price of the pistol and extra for the case. Usually the customer makes the decision to purchase on basis of the advertised price without case, and then the dealer proceeds to sell the case as an extra. In fact, we do exactly the same thing on extra for automobiles.

Here, we are providing the customer with a luggage type specialty and it happens to be one that is of the type being promoted quite extensively now in the accessory field. Most of them sell at prices ranging from \$12 to \$18. In order to consider this I have arranged to have Dean Cox obtain a figure as to that part of our total factory cost represented by this case, and amounts to \$4.00 approx. Incidentally, this figure is significant in having inflated our total factory cost above the original \$55 objective figure that we were using before the case was even considered.

8MA:T

cc: D. E. Miller W.E. Leek - File

THERE IS A SAFE WAY; DO IT THAT WAY