J. R. Ayers R. J. Chesebrough J. P. Linde E. M. Douglass C. B./Workman Est. File #3724

January 16, 1978

R. L. HALL

M/700 Product Line Revisions For 1978 Introduction - Economics

Marketing has indicated that the M/700 Classic Stock Finish originally submitted for approval is unacceptable. Process Engineering has developed a revised long stock finishing process to provide a more acceptable finish. This new process represents a significant additional cost equivalent to \$2.08 per unit on a full cost basis.

In view of this development, the original economics have been revised to reflect this additional cost.

Please see the attached original economics, sub-divisions #3 and #5, and the revised economics, sub-divisions #3 and #5, reflecting the additional costs.

U. E. Fletcher

G. E. Fletcher, Superintendent INDUSTRIAL ENGINEERING SECTION

by: R. W. Farrington, Jr.

RWFjr/mc Att.

> REMINGTON ARMS CO. RECEIVED

> > JAN 1 7 1978

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