BARBER - PRESALE R 0108376

xc: H.K. Boyle J.C. Hutton G.E. Fletcher <u>J.P. Linde</u> P.G. Johnson L.B. Bosquet G.D. Campbell J.H. Sweeney E.A. Burdick

Est. #4183

September 9, 1980

R.D. Polley

Interchangeable Mold Inserts for IP-100, 7mm ER Stock Assembly

As the barrel contour of the XP-100, 7mm ER is different from the barrel contour of the .221 XP-100, the 7mm ER stock assemblies must be annealed, machined on a Milwaukee-Matic Eb Machine, and deburred. Evaluation of a proposal to eliminate these operations by providing interchangeable inserts for the XP-100 stock, fore-end tip, and fore-end tip spacer molds indicates that while a \$1.71 per unit savings in the cost of XP-100, 7mm ER stock assemblies would result, the proposed expenditure of \$38,500 (operations) cannot be justified due to the low volume for this caliber (1,390 units in 1981). After amortizing these operations changes, negative net savings and return on total capital required result.

> Industrial Engineering Section R.W. Farrington, Jr., Supervisor

R.W. Farring too p.

By: T.R. Andrews

TRA/kc Attached

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