Opportunities

- Re-establishment in European market through a concerted focus on improving product quality (Model 7400)
- Expansion of French market opportunities through introduction of standard line item with 2-shot non-detachable magazine
- Niche market opportunities in domestic market
- Entry and acceptance in the Law Enforcement markets

Threats

- Legislative pressures to eliminate or vastly restrict sale of pump and autoloading centerfire rifles to the public
- Continued pressure from competitors further eroding market share
- Growing popularity of lower price point bolt-action rifles acting as substitute product (Model 7600)
- Environmental conditions such as Chronic Wasting Disease threatening game populations

Product Strategy 2003 – Centerfire Repeating Rifles

Developing a meaningful strategy for the Remington centerfire repeating rifle product family is difficult at best. Current product offerings are well into the declining stages of the product life cycle. The overall market for pump and autoloading rifles is flat or slightly declining domestically. The world market size for these products is less than 150M units annually. Both of these factors present challenges in developing a new product family, requiring a product design that utilizes many of the same components from a parallel development effort such as the G.A.S. (Gas Autoloading Shotgun) project. Such an effort would have to be carefully evaluated closer to the launch of the G.A.S project in order to determine the feasibility of this concept.

Therefore, the near term strategy for Remington's centerfire repeating rifle business will be to maximize the opportunity for sales of the Model 7400 and Model 7600 through focused efforts to target product toward niche opportunities. Also in 2003, Remington will place a focused effort from an advertising perspective to aid in sparking consumer interest and create some momentum to "pull" demand through the retail sector. There has been no

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