



Our objective for the custom shop firearms business is to increase market share to 35% over the next three years. This will be accomplished by significantly increasing and modernizing our marketing efforts of custom shop products. Specialty law enforcement and black powder products will also be important to this growth.

■ Remington Segment Performance

Over the last seven years, sales of custom guns have averaged approximately 2400 units per year.

Our worldwide performance for this category follows:

	1995 <u>Actual</u>	1996 <u>Actual</u>	1997 <u>Rev. 1F</u>	1997 <u>P.O.</u>
Unit Sales	2317	1911	1614	1896
Sales Dollars (\$MM)	1.9	1.7	1.4	1.4
Standard Margin (\$MM)	0.6	0.6	0.2	0.1
Standard Margin % Sales	29.9	35.6	17.5	4.6

The principal issues facing our custom shop business are:

- Poor product and customer service
- The absence of integrated marketing
- The lack of core strategy