

It is apparent from the information above that the category is challenged from Remington's perspective. **With an exponential decline in unit sales volume on a year to year basis, Remington is faced with some very key impending decisions with respect to the long term future of the product category.** Primary reasons for the decline in sales for the Model 7400/7600 series are:

- *Unfavorable general market conditions for the 7400/7600 category with respect to consumer preferences geared toward bolt-action rifles*
- *Favorable pricing for bolt-action rifles appealing to the traditional repeating rifle customer*
- *Dated design of the Model 7400/7600 is not competitive with today's product offerings (i.e. not capable of handling magnum cartridges)*
- *Poor reputation for quality and reliability, particularly in the Model 7400 series*
- *Lack of capability to accept magnum calibers*

## **Competitive Outlook**

The following section will briefly address competitive offerings in the centerfire repeating rifle category. It is important to note that the "other" category listed earlier in the section is comprised mostly of surplus military rifle imports and assault rifle type configurations. Due to the scope of Remington's business, only sporting rifles will be addressed. The three basic action types (autoloader, pump, and lever) will each be summarized.

### **Autoloading Centerfire Rifles**

#### **Browning**

The Browning BAR is the principle competitor to the Model 7400. The BAR is a gas operated autoloading rifle and is offered in an unbelievable 46 sku's. The BAR is available in varying grades, ranging from the all-purpose synthetic Stalker series, to the high-grade Safari series equipped with high polished blued metal with fancy fine line engraving and fancy walnut. Caliber offerings range from .243 Win to .338 Win Mag. New for 2002, the BAR is also offered in the .300 WSM caliber. All models feature detachable magazine boxes.

#### **Ruger**

Ruger participates in the autoloading centerfire segment primarily with the Mini-14/Mini-30 series of carbine rifles. Based off of the military M-1 carbine style, the Mini-14/Mini-30 series rifles are gas operated with a detachable rotary magazine. Available in wood and synthetic stock configurations and a choice of stainless or blued steel, the Mini-14/Mini-30 series of rifles are chambered for .223 Rem and 7.62x39 cartridges.