

• Redesigned 11-87 Super Magnum: The overall quality problems with the 11-87 Super Magnum have had negative repercussions with respect to sales, to the point of affecting the perception of the 3", or "regular" 11-87. Orders for 11-87 Super Magnums in 2000 were over 21,000 units. Since that time, continuous functional and quality problems have eroded that order position to just above 5,000 units spread over a total of 8 versions in 2003. The engineering evaluation of the gun's basic design is that it is only marginally up to the task of handling 2 <sup>3</sup>/<sub>4</sub>" to 3 <sup>1</sup>/<sub>2</sub>" 12 gauge shells interchangeably as originally specified. This evaluation further states that the flaws are in the basic design and the requirement to shoot 2 <sup>3</sup>/<sub>4</sub>" to 3 <sup>1</sup>/<sub>2</sub>" 12 gauge shells is stretching the design limits of the current gun.

The assignment therefore for Ilion Engineering in 2003-2004 is to start over and redesign the gun to achieve the originally specified functionality and reliability. Exiting the 3  $\frac{1}{2}$ " autoloader category would leave Remington with nothing to fill the void and would give share directly to the competition. This is clearly an unacceptable alternative.

**Pricing Considerations -** Due to the competitive pressure mentioned above, there are no planned price increases for the **autologing** shotgun line in 2004.

**Product Deletions** – A comprehensive list of product deletions is included in Appendix A.

## <u>Autoloading Shotgun Product Strategy – 2005 and Beyond</u>

Looking past 2004, the long term development strategy for autoloading shotguns is:

- Centennial Anniversary: 2005 marks Remington's 100 year anniversary in the autoloading shotgun market. It was 1905 when Remington introduced the Model 11 in 12 gauge. Since that time, there have been 4 other major models of Remington autoloader, with the Model 1100 and Model 11-87 still in the line. To commemorate this historic event, all Remington autoloading shotguns will be roll marked with a commemorative mark on the receiver to provide a once in a lifetime opportunity to the world to own one of these guns. In addition, a limited number of Model 1100 5-gauge sets (12, 16, 20, 28, .410) will be offered with the roll mark already mentioned, high quality "Centennial" embellishments on the receiver and B grade wood. This limited set will command a premium price in the MSP range of \$3500. Artwork and marketing plans are already underway with Remington's Licensing department.
- 2. Model 2100, New Gas Autoloader: Also in this "Centennial Year" Remington will introduce a new gas-operated autoloading shotgun with features and benefits

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