

From a competitive perspective, both Browning and Winchester are likely at full capacity with strong demand levels for the Winchester Short Magnum (WSM) calibers. Both are likely to initiate price increases for 2003. Browning, Winchester and Ruger have all taken substantial price increases over the past two years in relation to Remington. It is the belief of this writer that there is a price parity issue between Remington Model 700's and Winchester Model 70's in the premium centerfire bolt-action category. On average, Winchester Model 70's are priced at a \$30 premium to the Model 700. Entry level Model 700 ADL Synthetics are priced on a net basis approximately \$10 below the push-feed Winchester Model 70 Black Shadow. Remington must make up some of this price disparity in 2003. Price increases by category are as follows:

Model	2003 % Increase
Model 700 ADL	+2.5%
Model 700 ADL SYN	+2.5%
Model 700 Regular	+3.0%
Model 700 Stainless	+3.5%
Model 700 Titanium	+2.5%
Model 700 EtronX	NC
Model 700 Long Range	+3.0%

Product Deletions – See Appendix A for a comprehensive listing of product deletions.

Product Strategy 2004 & Beyond – Model 700

The Model 700, while continuing to serve as the industry standard for modern day bolt-action centerfire rifles, is a product in the mature stage of its product life cycle. Focus within the category in the near future will be a proactive approach geared toward maintaining volumes at peak levels at attractive margins. This is accomplished primarily through incremental improvements to the product line to keep it fresh in the eyes of the consumer. Some suggested concepts are as follows:

- **Model 700 BDL Synthetic Stock** – The current Model 700 BDL Synthetic stock is dated in styling and aesthetics. A common complaint of Model 700 Synthetic stocks is that it feels “hollow” and “cheap”. Wall thickness on the Model 700 Synthetic stock is relatively thin in the butt section and is currently stuffed with foam to help absorb some of the “hollow” sound encountered when the stock is tapped on. Consideration should be given to both increasing the wall thickness and to a change in material. The Model 597 rimfire and the Model 710 bolt-action centerfire both sport very solid feeling and sounding stocks which are substantially cheaper to produce than the current Model 700 Synthetic stock.