

Product Strategy 2003 – Model Seven

While the Model Seven product category has nowhere near the breadth of the Model 700, the strategies for growth are essentially the same. While less emphasis in the short term will be placed on new materials, the same strategies with respect to manufacturing quality, costs, and line item effectiveness do apply.

Model Seven Regular – No new product introductions are planned for 2003.

Model Seven Stainless – No new product introductions are planned for 2003.

Production/Quality Considerations – The same principles that apply to the Model 700 also apply to the Model Seven. See topic description above.

Pricing Considerations – The same principles that apply to the Model 700 also apply to the Model Seven. See topic description above. Pricing recommendations for the Model Seven in 2003 are as follows:

| Model | 2003 % Increase |
|-----------------------|-----------------|
| Model Seven Regular | +3.0% |
| Model Seven Stainless | +3.5% |

Product Deletions – No Model Seven product deletions are planned for 2003. See Appendix A for a comprehensive listing of product deletions.

Product Strategy 2004 & Beyond – Model Seven

The same product strategy applied to the Model 700 will apply to the Model Seven. The product category will be managed to maintain margins and volume through incremental improvement intended to reduce cost and/or improve the brand's perception in the market. Topics for consideration are:

- Synthetic stock redesign (See Model 700 topic above)
- Reducing weight in the magnum products through the utilization of high strength alloys for barrels

Pricing strategies will follow closely the strategies applied to the Model 700. Price increases will be based on opportunistic potential and/or necessity to maintain profitability.

| Model | 2004 % Increase | 2005 % Increase |
|-----------------------|-----------------|-----------------|
| Model Seven Regular | +2.0% | +1.5% |
| Model Seven Stainless | +1.5% | +1.5% |