

The same letter indicated that of the last 400 Model 7400's that were received 50 of them or 12.5% did not reliably function with factory ammunition. These issues must be corrected. One of the key selling points behind the Model 7400 is that the firearm enables the shooter with the ability for rapid follow up shots. The benefit of this feature, of course, is lost when the rifle will not properly cycle ammunition. Each Model 7400 must with absolute certainty, function flawlessly with factory ammunition prior to leaving the Ilion facility.

Pricing Considerations - Due to declining sales and a softening market, no pricing recommendations are recommended for either the Model 7400 line or the Model 7600 line.

Product Deletions - No product deletions are planned for the Model 7400 or Model 7600 for 2003.

Product Strategy 2004 & Beyond – Centerfire Repeating Rifles

As stated earlier, the near term strategy for Remington's centerfire repeating rifle business will be to maximize the opportunity for sales of the Model 7400 and Model 7600 through focused efforts to target product toward niche opportunities. Through this strategy, along with efforts to improve the quality of the Model 7400, the focus will be on stabilizing order positions within the category on an annual basis.

New Centerfire Autoloading Rifle (C.A.R.) – Despite a small market, it would not be unreasonable to assume that with a new product, Remington could secure 30M-50M units in sales volume. After all, Remington does possess a competency in the manufacture of autoloading centerfire rifles.

An evaluation by R&D and Manufacturing needs to be performed to project the resources required for such an effort. In order to keep development costs to a minimum, the C.A.R. could, in theory (but is not mandated to) utilize many of the same components and design concepts generated by the upcoming Model 2100 New Gas Autoloading Shotgun project. General criteria for the C.A.R. are as follows:

- Gas autoloading design utilizing recoil reduction technology.
- Must function ammo ranging from .243 Win to .300 Win Mag., as well as Remington Short Action Ultra Mag cartridges.
- Capability to function .223 Rem. ammunition would be beneficial, but is not a prerequisite.
- Detachable box magazine. 2-shot non-detachable magazine option for International.
- Synthetic and wood versions available.