

To: Dale Danner
From: Scott Franz

5/25/00

RE: Monthly Status Report

- **CAD Activities**

SolidWorks/SmarTeam:

See Harold Davidson's status report for specific information on SmarTeam integration and conversion of projects over to SolidWorks. SolidWorks 2000 CD's have been received. Need to coordinate this upgrade with SmarTeam since the PDM database will need to be converted to work with this new release. Rick Darbyshire of Microsolid Solutions will help with this process. Harold has completed a SmarTeam review session for all users. He will follow this up with periodic sessions focused on more specific skills as needs dictate.

- **Test Lab Activities**

The Capital project for a new bullet trap will be forwarded to Corporate within the next few days. This is to replace the trap that was damaged during the .300 Ultra Mag. project. Air sampling test #2 in the pistol range was completed on May 10th. The official report received on 5/24 showed that all four operators monitored during this test were significantly under allowable threshold levels for lead exposure. This confirms that temporary changes made to the range for this test did make a considerable difference. We now need to concentrate on making these changes permanent. This will require the building of a wall in the range along with allowing a greater volume of air to enter the range. Model 710 DAT(Phase 1) testing is nearly complete. All that is left is Solvent and Dry Cycle testing. Additional Test Lab activities will be included in Phillips status report.

- **Model 710 Engineering Tests**

The three Engineering Evaluation tests aimed at characterizing the performance of the 710 fire control under extreme conditions are complete and reports have been issued. No deficiencies were discovered as a result of this testing.

- **Direct Conversion Steel Shot Project**

1. Wheelabrator is now interested in pursuing the steel shot application. This decision was made at a meeting in Daytona Beach on May 17th attended by their Sales and Marketing people. Maurie McCally from Wheelabrator will visit E-town the week of June 5th to discuss a path forward. Samples of Winchester Xpert shot and Remington current steel shot were sent to Wheelabrator on 5/24.
2. Visited Metaltec on May 2nd to discuss the merits of producing steel shot using the abrasive shot manufacturing process (cast). Reviewed their manufacturing operation while there. They are a company of approximately

35 people and are the smallest of the four primary manufacturers of abrasive steel shot used in the shot peening industry. They do have capacity to supply Remington and are interested in this project. They are currently running annealing experiments to determine if current abrasive steel shot can be annealed to meet Remington hardness specifications. They are also sending us 50-100 lbs. of two different shot sizes so that we can run annealing experiments in parallel at higher temperatures than what Metaltec can achieve. Jim Urbon accompanied me on this trip and is heading up the Remington annealing effort.

3. Attended a meeting with Frohn representatives at Lonoke on May 11th. This is a German company that also produces steel shot using a proprietary cold working process. Lonoke has been working with Frohn since the SHOT show and are currently evaluating their high grade shot as a direct replacement for our existing shot. Initial samples appear to meet all Remington specifications and the quoted price is cheaper. E-town will assist in the evaluation of this shot by running choke strain measurements. Frohn has also proposed a lower quality shot for evaluation. This shot is not round and contains many flats but if acceptable from a performance and marketing perspective would be a significant cost reduction, on the order of \$.20 - \$.25 per pound. E-town will assist in the evaluation of this lower quality shot. Primary emphasis will be placed on patterning and choke strain performance. Frohn is currently planning a US production facility in the vicinity of Atlanta, GA..