

John Trull

From: Perniciaro, Stephen
Sent: 12/15/2003 02:01:20 PM
To: Trull, John
CC: Cahan, Paul L.
BCC:
Subject: New Product Money 2004

John,

Presently Ilion has budgeted the following amounts for New Product development in 2004.

This is not the final budget but I do not think it will change much.

| New Product | Capital | Operations |
|-----------------------|-------------|------------|
| M2100 | \$865,000 | \$208,700 |
| M700 New Fire Control | \$1,588,000 | \$68,000 |
| Other New Products | \$525,000 | \$225,000 |

I have attached the 8mm Mauser Capital Appropriation Request (CAR) as an example of a new cartridge introduction.

| | | |
|-------------------------|-----|----------|
| M700 8mm Mauser Classic | \$0 | \$59,100 |
|-------------------------|-----|----------|

The only difference from a normal new cartridge introduction is that the 8mm had a bore new to Remington; it had \$2,100 of additional operations cost for GFM tooling.

Steve P.

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