

January 21, 2003 Ilion Meeting (7:30 a.m.)

Future Meetings

Feb. 27 Ilion (Note change from what was originally discussed)
Apr. 9 E-Town (Note change from what was originally discussed)
May 14 Mayfield

Jun 11 Ilion (Can we change this to the 18th?)

Future Important Dates

Feb. 13-16, 2003 S.H.O.T. Show (Orlando, FL)
April 25-27, 2003 Nov. 1-3, 2003 (Tentative) Sales Meeting (Greensboro, NC)

STATE OF THE BUSINESS REVIEW

Jay Bunting to provide current business environment

ILION BASED SHOTGUN PRODUCTS

2002 New Shotgun Product

- Model 332
 - 1. Action: Ilion to advise of status re: Production Situation and Engineering support. Steve P. to report on progress to redesign rib post spacing and propose a timeline to correct the 332. In addition, Steve will lay out a matrix for all shotguns that addresses this issue.
 - Ilion to report on "fail to connect" malfunctions that are appearing in shooting test and proposed fix.
 - 3. Ilion to also propose a way to stop double-building Model 332s to improve efficiency. The goal for 2003 is to produce 2500 guns, which roughly equals 10 guns per day, or twice the current rate. Steve P. to report on discussions with Paul Cahan resputting a stop to 332 assemblers being pulled off and sent to other areas of the plant.

2003 New Shotgun Products Review

Review of new shotgun product for upcoming year
 CBJECTIVE Planning for new product at Trade Shows
 Action: Review SHOT Show sample status.

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Ilion Engineering Topics - Shotguns

 Common Fire Control/ISS Modifications to meet CA DQJ Test Standards OBJECTIVE: Competitive Advantage

Action: Ilion/Etown to provide status update on getting approval from California DOJ.

New Product Process Proposal

OBJECTIVE: Increase effectiveness and improve communications between sites.

Action: Steve P to review a new product implementation concept for group discussion.

BOS Procedural Changes

OBJECTIVE: Pilot program for improved planning and execution for Law Enforcement

Action: Schoppman to review the proposal and timeline for implementation.

20 gauge FR CL

OBJECTIVE: New 20 gauge slug gun offerings

Action: Ilion to report on any Engineering or implementation issues around making 20 gauge fully rifled barrels. Customers are clamoring for this offering. Are all previous issues surrounding accuracy solved?

Ilion Quality - Shotguns

European Proof House Barrel Rejects

OBJECTIVE: CIP Compliance

Action: Ilion to report on measurement and process study to address recent rejects

Shotgun POI

OBJECTIVE: Conformance to SAAMI spec

Action: Ilion to report on testing of new barrel contour/new rib to bring shotgun POI into SAAMI spec.

Model 1100 Competition Master

OBJECTIVE: Establish higher performance criteria for this gun than standard Model 1100

Action: Ilion to report on status of using the "scaled down" 11-87 Super Mag test plan deviation to sample the guns for functionality in accordance with malfunction specification from Schoppman.

ILION BASED RIFLE PRODUCTS

2002 New Rifle Product

©Program Files\TCDI\CrackerLoaderREM\REMEmail\rawblob\20060109135731A00029268.docConfidential Page 2 Model 7500 2-Shot N.D. Autoloading Rifle

OBJECTIVE: New Product

Action: Plant to report on product status. (T&P, Production, Filer notating

difference between 7400)

7600 Police Patrol Rifle .308 Win NPP-2002-16
 Action: Plant to report on T&P/Production Status

2003 New Rifle Products Review

Model 673 Guide Gun NPP-2003-05

OBJECTIVE: New product

Action: DAT Complete. Plant to report on T&P status.

Action: Status of Owner's Manual (Supplement)

Action: Special notation on rib attachment (i.e. Do Not Remove! Rib has been

attached in a manner intended to optimize accuracy.)

Action: Review action to test a riveted stock.

Model 700 Titanium Magnum NPP-2003-03

OBJECTIVE: New product

Action: Mroz to advise of status.

Model 7600 Police .223 Rem NPP-2003-04

OBJECTIVE: New product

Action: Diaz to provide update on design/fest status Action: Marketing still needs solid cost estimate.

Model 700 Light Varmint Rifle NPP-2004-02

OBJECTIVE: New Product

Action: Ilion to advise of status of project.

Action: E-town to provide status on RIM process.

Model 700 Police LTR 6.8mm Rem SPC NPP-2003-40
 OBJECTIVE: New Product/ammunition development
 Action: Ilion/E-Town/Custom Shop to update on status.

Ilion Engineering Topics - Rifles

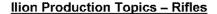
Ballistic Imaging/Fingerprinting Review
 Action: Perniciaro to provide overview of concepts for team.

Model 700 Titanium R3 Pad

Action: Marketing has approved sample. Need status to phase in on all Model 700 Titanium skus. Plant to provide implementation strategy.

 New Stock Tool for Model Seven OBJECTIVE: Manufacturing Necessity Action: E-Town/Trull to advise of design status.

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Review of Proposed Rifle specials **OBJECTIVE: Production Review**

Action: Review current listing of planned and proposed rifle specials

- Bass Pro 500 ea. 700 ADL SYN W Bass Pro Supplied Scope
- Canada 500min, 7600 Weathermaster, 30-06
- Acusport 500 ea. 700 LSS (Color Royal Jacaranda) .270 Win, .30-06 Need sample stocks right away.
- o Sports South 250 ea 700 ADL Syn .25-06, ADL SYN YTH 7mm-08
- o Lew Horton 500 ea., all .308 Win. 700P Black w/green web H.S. Stock NPP-2003-44 700P 24" bbl NPP-2003-45 700P 24" fltd. Bbl NPP-2003-46 700P 26" fltd. Bbl NPP-2003-47.
- Stranded/Obsolete Parts

Action: Plant to review/present list of stranded or obsolete components based on past customer specials and discontinued product for review.

Review of Confirmed 2003 Rifle Specials **OBJECTIVE: Sales Opportunities**

Action: Review path forward for the following:

 NPP-2003-25 Model 572 Friends of NRA Action: Are we planning for these in the production? Is Engineering working with Baron's to coordinate shipments of receivers? Engineering please confirm understanding that trigger bow will be engraved 1 of 1000, 2

of 1000, etc. NPP-2003-37 Model 700 VS .17 Rem

Action: Confirm production is on track.

2003 SHOT Show Specials - Rifles

OBJECTIVE: Sales growth.

Model 700 ADL SYN Camo NPP-2003-36

Action: Mroz to confirm that structures/routers are in place

Action: Mroz to demonstrate how bases/rings will be packed in the box.

Model Seven LSS Thumbhole NPP-2003-33

Action: Mroz to confirm structures/routers are in place

R&D TOPICS

E-Town Topics - Ilion Based

New Gas Autoloading Shotgun OBJECTIVE: New Product for 2004

Action: Diaz to report on development progress

- 1. Progress on gun functioning
- 2. Progress towards being ready for DAT

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EtronX ASICS Progress

OBJECTIVE: Product Enhancement Action: Review any new developments

 Model 700, Model Seven MIM Firing Pin Head & Snaked Firing Pin Spring OBJECTIVE: Cost Savings (MIM) & Quality Improvement (Spring) Action: Reassigned to R&D. Diaz to provide update on status.

Mayfield Based Product CA DOJ Compliance

OBJECTIVE: Product Enhancement

Action: Report on 597 & 710 CA DOJ compliance efforts

