

OC 4-15-81

Exhibit 10

QUALITY REASSESSMENT - MARKETING COMMENTS

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As has been alluded to, we did get a real education concerning numerous aspects of the study. Many of us probably had preconceived notions about nicks and dings, spacer fits, and other visual quality defects. Our focus group participants noted only the most obvious of visual defects.

Gediman concluded:

Given the overall clarity and consistency of the results, it could reasonably be concluded that Remington is under no market-based pressure to upgrade quality standards on the elements studied. That is, assuming that the standards have been fairly consistent for some time, and knowing that Remington's reputation for quality has been consistently favorable for some time, there seems no need to increase manufacturing costs on factors that don't matter.

I might add that Gediman is quick to point out that a decision not to change our current quality standards is much less risky than a decision to lower these same standards. The consideration of lowering quality standards was not within the scope of this study.

In ranking the sample guns, the group participants focused on three key issues:

- o Appearance of the wood (figure, color and grain).
- o Operation of action (smoothness, no binding).
- o General feel, fit and balance.

As far as the first issue is concerned, mother nature takes care of the figure and grain of wood. However, we can enhance the color and can provide the wood finishes that best present the wood characteristics to the customer. This is perhaps a lesson well learned with the current Stock finish on our Model 700 Classic. Our future products, such as the Bolt Action Carbine, will utilize a high luster finish to optimize the wood presentation to the customer.



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