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February 28th, 1947

MODEL 721-722
Progress Report - FD-721
R & M Meeting 3/4/47

Financial Status

1.	Authorized			$ 897,373
2.	Expended & Committed	2/16/47		913,814 - 102%
3.	Spent	2/16/47		820,077 - 91.5%
4.	Balance Available	2/16/47	(over)	(15,441)- 2%
5.	Funds Unexpended	2/16/47		77,296 - 8.5%
6.	Total Cost Estimate - R & M	1/13/47		944,900
7.	Total Cost Estimate-Technical	2/14/47		954,400

Based on the latest estimate, we must predict a 6% over-run on this Project, or $57,000. Of this amount, $13,000 will be expended on Redesign and Engineering of the Safety mechanism to avoid patent infringement. There is a $3,000 increase over the previous estimate as tooling was estimated at $1,000 and the latest estimate indicates the cost will be $4,000. The balance, or $44,000, is caused by difficulty in setting up the process in satisfactory production operation. This increase of $6,400 over the previous estimated over-run is in Tool Design, Tool Design Revisions, and Tooling Revisions, as these amounts are exceeding the revised estimates. The over-run is in development and pilot operations.

The estimated product cost has been changed as follows:

	5/27/46	9/17/46	2/26/47
Material	$ 4.57	$ 5.28	$ 4.89
Standard Labor	2.97	3.07	3.21
Total	$ 7.54	$ 8.35	$ 8.10

In order to establish uniformity, the calculation of the Product Cost Estimates is calculated at Remington's factory cost and not on the basis of vendor cost. Based on the vendor cost, material is $6.01 (at quoted price).

The increase in direct labor is largely due to the work required for certain additional machining operations on the Bolt Handle which the vendor was unable to furnish within specifications as originally quoted. We have been unable to procure the Front Sight as a precision casting complete; therefore are using the M/141 Front Sight. The Sear has now been redesigned to consist of two parts, namely, the Sear and Safety Cam, which increases labor cost by $.04 per gun.

Physical Status -

Design is considered 99% complete pending the final testing of the new Sear and Safety mechanism and the completion of the pilot assembly of guns.

Specifications are considered 84% complete pending testing of pilot guns. A preliminary gun from Pilot operations is being given a 500 round test. It is anticipated 30-06 pilot guns will go into test the second week of March.

Product Engineering is considered 96% complete. Receiver Process has been turned over to the Plant complete and other processes are being completed as rapidly as possible. The force of this unit has been reduced and only wind-up operations remain.

Tool Design is considered 88% complete and it is anticipated that all Tool Design work will be completed during the month of March.

Pilot Operations are considered 92% complete. It is planned to have approximately 50 guns completed on the 30-06 caliber the first week of March. 1,000 Sears and Safety Cams are being made to take care of the first three months assembly schedule. We are expediting stampings from the vendor and the equipment which will be required to complete the parts when they are received at the plant.

Raw Material - Appreciable quantities of both wood and steel are available for production.

Purchased Components - Procurement has just been cleared on the new Sear and Safety Cams. The following is the status on purchased parts for M/721-722.

DER STATUS	TOTAL	ORDERS COMPLETE	1,000 OR MORE	1,000 OR LESS	NONE
Screw Machine Orders	17	16	1		
Stamping Orders	21	5	9	6 Open Sight Assembly (256) 300 Magnum Extractors(52) M/722 Magazines (250) M/721 Trigger Gd.(237) Trigger (537) Also 706 at Receiving	1 M/722 Trigger Guard (Scheduled wk 3-17)
Springs	8	5	1	1 M/722 Mag. Spg. (560)	1 M/722 Main Spring (From wk 2-24-47)
Powdered Metal	1 47		1		

Machinery - The Barnes Six Spindle Barrel Drill and the Barnes Six Spindle Barrel Reamer are scheduled for March shipment. In addition, there are two drill grinders on order for the Tool Room due in March and a drum sander for the wood shop due in March. Present Plant facilities and temporary set ups will be satisfactory until equipment is received.

Schedule - Difficulty in Brazing and Browning has delayed final assembly of the first fifty guns in February. We expect these guns will be available during the week of March 3rd. The objective production schedule remains at 4150 guns by July 1, 1947.