

PROJECT FD-721
BOLT ACTION HIGH POWERED RIFLE
PART II

INTRODUCTION:

Part II of this Project authorizes additional funds to cover the present Project overrun and to allocate funds to complete all phases of placing this gun in Production.

At the present time the Project totaling \$891,373. has been authorized. This Project requests an additional ~~\$110,000.~~
133,627

DESCRIPTION OF WORK:

It is proposed under this Project to complete all phases of work on the five calibers as indicated in Table I attached.

COST OF PROPOSED WORK:

Estimated expenditure and commitment to June 1st, 1947
\$963.476.

Authorized to Date \$897,373.

Total estimated expenditure \$1,^{025,000}~~000,073.~~

The anticipated 1947 expenditure for this Project has not been provided for in the Technical Budget for 1947.

PATENT SITUATION:

All patent information has been forwarded to the Patent Department.

REMARKS:

There are no provisions in this Project for anticipated cost increases. There was a wage increase October 1, 1947 of 4.3% which resulted in an expenditure of approximately \$6,000.00.

The Project anticipated credit for 500 pilot line guns which did not materialize. This credit was for \$4,410.00.

The change to the Sear because of patent infringement to a Sear and a Safety Cam required an expenditure of \$10,000.00.

Assistance to the Plant on production problems which were not anticipated have required an expenditure of \$5,000.00 to date and an additional expenditure of ~~\$2,000.00~~, \$3,000.00 for tool study for R & M.

Three screw machines were purchased and charged to this Project. These machines are used 100% on current arms. These machines represent approximately a \$15,000.00 expenditure. } out

The Project, as previously submitted, did not provide sufficient funds for Tool Design, Tool Design Revisions and Tool Revisions. There is an overexpenditure of approximately \$50,000.00 on this portion of the Project.

Also, there is an anticipated overrun on Product Engineering of \$30,000.00. Pilot operations have an anticipated overrun of \$15,000.00.

In processing the M/721 an unanticipated number of gun design changes were required. From March 1946 to date there have been 360 design changes, some at the request of Processing and Tool Design and some by Design. These changes have largely been responsible for the overruns.

The Processing of the Sear and Safety Cam have required the addition of grinding equipment. This Project includes \$2,000.00 to provide this equipment.

There is an anticipated overexpenditure on Production Aids of \$5,000.00. Production Aids required to place this gun in Production have exceeded the expectation. Some items which should

have been included in the previous Project were omitted, for example, gaging tables.

The economics of this year indicate a change in the net return for the average year from % to %. The attached table has been changed to reflect the expenditures requested in this Project.