

REMINGTON ARMS COMPANY, INC.

GENERAL INFORMATION

PROJECT NO. AD XP-700-3 - ILION WORKS

INTRODUCTION

The Board of Directors authorized a construction appropriation of \$180,300 on March 2, 1962 (total expenditures of \$671,700 including research and operations charges) to complete the development of the models and procure tooling and equipment necessary for production of the Model XP-100 Pistol; also, the Model 600 Center Fire Rifle in the .222 Remington, .308 and 30-30 calibers.

The work completed to date includes the introduction of the XP-100 Pistol in the .221 Fireball Caliber which was announced to the trade on March 1, 1963.

The Model 600 Bolt Action Carbine rifle has been developed to pilot operations for Caliber .308, and designs completed for the Calibers 30-30 and .222. Because of the added cost for design changes to accommodate the 30-30 rimmed case cartridges, the Sales Department has recommended that the caliber specifications for the rifle be changed, substituting the current .35 Remington caliber for the 30-30 Winchester. It is also proposed that the Remington developed "custom checkering" be added as an additional feature for the rifle stock.

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INTRODUCTION (Continued)

Based on forecast third-year sales, as shown below, the proposed selling prices and estimated operative earnings are:

	<u>Proposed</u>		
	<u>XP-100</u>	<u>M/600</u>	<u>Combined</u>
	<u>Pistol</u>	<u>C.F. Rifle</u>	<u>Average</u>
Sales quantity			
Retail selling Price	\$	\$	\$
Net selling price	\$	\$	\$
Operative earnings	\$	\$	\$
% of net selling price	%	%	%

DESCRIPTION OF PROPOSED WORK

It is proposed to complete the development of these models in Center Fire Rifle for Calibers .308, .222 Remington Magnum and .35 Remington and procure tooling and equipment for production volume of for the first year () and for the third year.

REMARKS

Changes in design and scope of work since Part II was authorized results in increased expenditures as indicated below:

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REMARKS (Continued)

	<u>Increase (Decrease)</u> <u>from Part II</u>
	<u>Amount</u> <u>Per Cent</u>
<u>Construction</u>	\$ (7,900)

<u>Research</u>	\$ 38,200
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Revisions to accommodate the larger
.35 Remington Caliber involve the
barrel, stock, and sighting rib.

The XP-100 Pistol is also being
provided with a luggage type
carrying case.

<u>Operations</u>	\$ 29,700
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Subdivision 5 indicates an estimated increase in net earnings of
\$ in the third year of operation, resulting from this project,
equivalent to a net return of % on investment.

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PATENT STATUS

Consideration of the designs for both the pistol and rifle indicates that no patent infringement will be involved.

A design patent application is being prepared to cover the appearance of the pistol. A search has indicated that the fire control mechanism of the pistol and the rib mounting scheme for both contain some novelty. Patent applications will be filed to cover both these inventions.

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