REMINGTON ARMS COMPANY, INC.

GENERAL INFORMATION

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

PRESENT FACILITIES AND TO WHAT EXTENT THEY ARE INADEQUATE

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 (formerly XP-700); also, the Model 600 (formerly XC-13) Center Fire Rifle in the .222 Remington, .308 and 30-30 calibers.

The new handgun was introduced March 1, 1963 featuring the new .221 Remington "Fireball" cartridge. 1 The Model 600 rifle is now in pilot operations for the .308 Caliber, and 2 design is completed for Calibers 30-30 and .222 Remington. It is scheduled for announcement on January 1, 1964.

Because of the added cost for design changes to handle the Caliber 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.

3

See Page 1-a

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 6155 X P100 / total
6000 XP100 Pistol — 15000 Model 600 CF Rifles
for the first year [illegible] and for the third year.

This Part III is a request for $ (9,500) reduction to cover the underrun of this project.

REMARKS

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

	Increase (Decrease) from Part II Amount	Per Cent
Construction	$ (9,500)	(5.3)
New equipment ~~expenditures~~ underrun due to [illegible] machines on hand. [illegible]		
Research	$ 12,100	13.1
Additional expenditures required due to the revisions to accommodate the larger dia. .35 Remington ~~Caliber~~. ~~Also, different sights and pilot of XP-100 nylon molds increased expenditures~~. additional work on sights and molds for nylon parts		
Operations	$ 17,600	4.4
~~Tooling for the revised sights and stock former, and the [illegible] alterations (which reduced construction expenditures) increased [illegible].~~		

Operations Chge increased due to tooling for revised sights and stock former and additional equip. alterations (which reduced construction [illegible]

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.

PRESENT FACILITIES AND TO WHAT EXTENT THEY ARE INADEQUATE

Part II of this ~~project~~ was authorized ~~on~~ March 2, 1962 in amount of $180,300 for construction ~~and~~ total expenditures of $671,700 including research and operation charges. This was to complete the development and procurement of tooling and equipment necessary for the production of the XP-100 ~~an~~ hand gun and a companion Model ~~600~~ (formerly M/) Bolt Action Carbine ~~rifle.~~ The new handgun was introduced March 1, 1963 and featuring the new .221 Remington "Fireball" cartridge. The Model 600 rifle is now in pilot operations for the .308 caliber, and design completed for Calibers 30-30 and .222 Remington. It is scheduled for announcement on January 1, 1964.

Because of the added cost for design changes to handle the Caliber 30-30 rimmed case cartrdiges 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.

DESCRIPTION OF PROPOSED WORK

It is proposed to complete the development of the Model 600 Center Fire Rifle in the .35 Remington Caliber and the procurement of tooling and equipment for production. Tooling and equipment is being provided for production of 6155 XP-100 Handguns for the first year and 5000 XP-100 and 15,000 Model 600 Center Fire Rifles for the third year.

This Part III is a request for ($9,500) reduction to cover the construction underrun on this project.

REMARKS

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

	Increase (Decrease) from Part II	
	Amount	Per Cent
Construction	$ (9,500)	(5.3)
New equipment expenditures underrun due to utilization of machines on hand.		
Research	$ 12,100	13.1
Additional expenditures required due to the revision to accommodate the larger diameter .35 Remington cartridge and additional work on sights and molds for nylon parts.		
Operations	$ 17,600	4.4
Operations charges increased due to tooling for revised sights and stock former and additional equipment alterations (which reduced construction expenditures).		

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.

REMINGTON ARMS COMPANY, INC.

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

SUMMARY OF ESTIMATED EXPENDITURES

	Total
Construction Project	
Direct manufacturing facilities	
Equipment	$ 170,800
Other	
Product development	$ 104,400
Tooling	326,500
Other	86,200
Provision for advancing wages and material prices and allowance for unforeseen items	4,000
Total	$ 521,100
Total expenditure	$ 691,900

ACCOUNTING DISTRIBUTION OF EXPENDITURES

	Expenditures This Project	Adjusting Entries	Final Net Results in Accounts
Construction Project			
Permanent investment	$ 170,800	--	$ 170,800
Other			
Research (Supporting)	$ 104,400		$ 104,400
Operations	416,700		416,700
Total	$ 521,100		$ 521,100
Total	$ 691,900		$ 691,900

(Subdivision 2)

REMINGTON ARMS COMPANY, INC.

GENERAL INFORMATION

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

PRESENT FACILITIES AND TO WHAT EXTENT THEY ARE INADEQUATE

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 models and to procure tooling and equipment for production of the Model XP-100 Pistol (formerly XP-700) and the Model 600 Center Fire Rifle (formerly XC-13).

The new handgun was introduced March 1, 1963 featuring the new .221 Remington "Fireball" cartridge. Introduction of the XP-100 handgun is in response to the increased demand for handguns and consumer preferences for high power and velocity in handguns (.357 Magnum, 44 Magnum and 22 Remington Jet).

Features of the XP-100 include:

1. Unique design.
2. Long range high velocity performance without sight adjustment.
3. Bolt action for accuracy and strength.
4. Reduced muzzle jump and recoil reduction.
5. Stock for right or left hand shooters.
6. Grip flared for added stabilization.
7. Grip checkering and inlays.
8. Ribbed barrel.

The Model 600 Center Fire Rifle has been designed for lighter weight carbine type design including such features as:

1. Shorter length for easier handling.
2. Ribbed barrel for improved sighting and appearance.
3. Custom checkering.
4. Heavier caliber than present guns of similar type.
5. Attractive retail price.

The Model 600 Rifle is now in pilot operations for the .308 Caliber, and design is completed for Calibers 30-30 Winchester and .222 Remington. It is scheduled for announcement on January 1, 1964.

Because of the added product cost [illegible] for the Caliber 30-30 Winchester version of the rifle, the Sales Department has recommended that the .35 Remington Caliber be substituted for the 30-30 Winchester Caliber.

DESCRIPTION OF PROPOSED WORK

It is proposed to complete the development of the Model 600 Center Fire Rifle in the .35 Remington and tooling and equipment is being provided for production of 6155 XP-100 Pistols for the first year and 5000 XP-100 Pistols and 15,000 Model 600 Center Fire Rifles for the third year.

This Part III is a request for $ (9,500) reduction to cover the construction under run on this project.

REMARKS

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

Increase (Decrease)

It is proposed to complete the development of ~~the~~ Model 600 Center Fire Rifle in the 35 Remington Caliber and the procurement of tooling and equipment for production. Tooling and equipment is being provided for production of 6155 XP100 Handguns for the first year and 5000 XP-100 and 15000 Model 600 Center Fire Rifles for the third year.

This Part III is a request for ($ 9500) reduction to cover the construction underrun on this project.

REMINGTON ARMS COMPANY, INC.
ESTIMATED EARNINGS AND RETURN ON INVESTMENT
PROJECT NO. AD XP700-3 ILION WORKS
INCREASED MANUFACTURING FACILITIES FOR PRODUCT A
CATEGORY: EXPANDED FACILITIES - ESTABLISHED PRODUCT
(~~Dollars and Units in Thousands (if appropriate~~)

	Third Year of Operation		
	Present Operation	Results From this Project	Operation After This Project
RETURN ON INVESTMENT			
Position A	5.3 %	34.1 %	6.1 %
Position B			6.1 %
Return on total capital required including research and development and other operations charges	5.3 %	19.1 %	6.0 %

SUMMARY COMPARISON OF RESULTS FROM THIS PROJECT - FIRST AND THIRD YEARS OF OPERATION

	First Year	Third Year
Quantity	6,155	20,000
Sales	$ 334,570	$1,079,800
Operative earnings	130,310	498,490
Net earnings	58,800	224,970
Investment		
Project expenditures	$ 155,000	$ 170,800
Allocated investment		
Working capital	165,000	488,000
Total	$ 370,000	$ 658,800
Net return on investment	18.4 %	34.1 %
Return on total capital required including research and development and other operations charges	7.5 %	19.1 %

(Subdivision 5)

XP-100 PISTOL
M/600 RIFLE } PART III

REMINGTON ARMS COMPANY, INC.

ESTIMATED EARNINGS AND RETURN ON INVESTMENT

PROJECT NO. ADXP-700-3 ILION WORKS

INCREASED MANUFACTURING FACILITIES FOR PRODUCT A

CATEGORY: EXPANDED FACILITIES - ESTABLISHED PRODUCT

~~(Dollars and Units in Thousands (if appropriate)~~

	Third Year of Operation		
	Present Operation	Results From this Project	Operation After This Project
QUANTITY	341,115	20,000	361,115
SALES	$17,985,150	$ 1,079,800	$19,064,950
Less: Mill cost	12,935,780	581,310	13,617,090
Selling expense / Administrative expense	1,708,600	—	1,708,600
Technical activities expense	593,500	—	593,500
	$15,237,880	$ 581,310	$15,819,190
OPERATIVE EARNINGS	2,747,270	498,490	3,245,760
Less: All other expense; All other 6 %; Federal tax 52 %	1,507,700	273,570	1,781,270
NET EARNINGS	$1,239,570	$ 224,920	$1,464,490
INVESTMENT			
Project expenditures	$ —	$ 170,800	$ 170,800
Manufacturing and service facilities (Allocated)	11,991,000	—	11,991,000
Working capital	11,429,000	488,000	11,917,000
Position A: Total capital required including facilities to be retired	$23,420,000	$ 658,800	$24,078,800
~~Expenditures chargeable to depreciation (Deduct)~~			
Facilities to be retired (Deduct)			—
Position B: Total investment after completion of this project			$24,078,800

(Subdivision 5)

FORM 1A, Page 1

R2503244

INCREASED MANUFACTURING FACILITIES FOR
MODEL XP-100 PISTOL AND MODEL 600 RIFLE

RESEARCH AND DEVELOPMENT PROJECT CHARGES AND START-UP COSTS CHARGEABLE TO OPERATIONS INCURRED PRIOR TO THE FIRST YEAR OF OPERATION AMOUNT TO $576,000. GIVING EFFECT TO AMORTIZATION OF SUCH CHARGES AGAINST EARNINGS DURING THE FIRST AND SECOND YEARS OF OPERATION, EARNINGS AND RETURN ON INVESTMENT ARE AS FOLLOWS:

YEAR	OPERATIVE EARNINGS	AMORTIZATION OF OPER. CHGS INCURRED PRIOR TO 1ST YEAR	ADJUSTED OPERATIVE EARNINGS	NET EARNINGS	NET RETURN ON INVESTMENT
	$	$	$	$	
1963	130,310	130,310	—	—	—
* 1964	488,000	445,690	42,310	19,090	7.9%
1965	498,490	—	498,490	224,940	34.1%

* 1965 VOLUMES (5000 XP 100's / 15,000 600's) ASSUMED FOR SECOND YEAR

R. KERR 3-15-63

REMINGTON ARMS COMPANY, INC.

GENERAL INFORMATION

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

PRESENT FACILITIES AND TO WHAT EXTENT THEY ARE INADEQUATE

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 to procure tooling and equipment ~~necessary~~ for production of the Model XP-100 Pistol (formerly XP-700) ~~also the~~ of the Model 600 Center Fire Rifle (formerly XC-13), ~~Center Fire Rifle in the .222 Remington, .308 and 30-30 Calibers.~~

The new handgun was introduced March 1, 1963 featuring the new .221 Remington "Fireball" cartridge. Introduction of the XP-100 handgun is in response to the increased demand for hand guns and ~~line with the national growth of~~ pistol and ammunition sales, ~~and consumer~~ consumer preferences for high power and velocity in handguns (.357 Magnum, 44 Magnum and 22 Remington Jet).

Features ~~include:~~ of the XP100 include

1. Unique design.
2. Long range high velocity performance without sight adjustment.
3. Bolt action for accuracy and strength.
4. Reduced muzzle jump and recoil reduction.
5. Stock for right or left hand shooters.
6. Grip flared for added stabilization.
7. Grip checkering and inlays.
8. Ribbed barrel.

The Model 600 Center Fire Rifle has been designed for lighter weight ~~in~~ carbine type ~~rifle~~ design including such features as:

1. Shorter length for easier handling.
2. Ribbed barrel for improved sighting and appearance.
3. Custom checkering.
4. Heavier caliber than present guns of similar type.
5. ~~Lower retail price.~~
5. attractive retail price

PRESENT FACILITIES AND TO WHAT EXTENT THEY ARE INADEQUATE (Continued)

The Model 600 Rifle is now in pilot operations for the .308 Caliber, and design is completed for Calibers 30-30 winchester and .222 Remington. It is scheduled for announcement on January 1, 1964.

Because of the added product cost for ~~design changes to handle~~ the Caliber 30-30 winchester version of the rifle, ~~[illegible] cartridges~~ the Sales Department has recommended that the 35 Rem Caliber substituted for the 30-30 Winchester ~~caliber specifications for the rifle be changed, substituting the current .35~~ Remington Caliber ~~for the 30-30 Winchester~~.

~~The Research & Development Department initiated work in 1960 to design these models under the authorized Research Budget.~~

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~~ the Model 600 center fire and the 35 Remington ... Tooling + Equip is being procured the procurement of ~~procure~~ tooling and equipment for production ~~volume of~~ 6155 XP-100 Pistol for production of for the first year and 5000 XP-100 Pistol and 15,000 Model 600 Center Fire Rifle for the third year.

This Part III is a request for $ (0,500) reduction to cover the construction underrun of this project.

(Subdivision 3)
Page 1-a

CONFIDENTIAL-SUBJECT TO PROTECTIVE ORDER
KINZER V. REMINGTON

R2503247

PRESENT FACILITIES AND TO WHAT EXTENT THEY ARE INADEQUATE (Continued)

(1) ~~The Sales Department recommended the~~ Introduction of the XP-100 ~~Pistol~~ handgun ~~due to~~ is in line with the national growth of pistol and ammunition sales, and consumer preferences for high power and velocity in handguns (.367 Magnum, 44 Magnum and 22 Remington Jet).

Features include:

1. Unique design.
2. Long range high velocity performance without sight adjustment.
3. Bolt action for accuracy and strength.
4. Reduced muzzle jump and recoil reduction.
5. Stock for right or left hand shooters.
6. Grip flared for added stabilization.
7. Grip checkering and inlays.
8. Ribbed barrel.

(2) The Model 600 Center Fire Rifle has been designed for lighter weight in carbine type rifle including such features as:

1. Shorter length for easier handling.
2. Ribbed barrel for improved sighting and appearance.
3. Custom checkering.
4. Heavier caliber than present guns of similar type.
5. Lower retail price.

(3) The Research and Development Department initiated work in 1960 to design these models under the authorized Research Budget.

~~The Sales Department recommen~~[illegible] introduction of the XP-100 handguns due to the national growth of ~~pistol~~ and ammunition sales, and consumer preferences for high power and velocity in handguns (.367 Magnum, 44 Magnum and 22 Remington Jet).

Features include:

1. Unique design.
2. Long range high velocity performance without sight adjustment.
3. Bolt action for accuracy and strength.
4. Reduced muzzle jump and recoil reduction.
5. Stock for right or left hand shooters.
6. Grip flared for added stabilization.
7. Grip checkering and inlays.
8. Ribbed barrel.

The Model 600 Center Fire Rifle has been designed for lighter weight in carbine type rifle including such features as:

1. Shorter length for easier handling.
2. Ribbed barrel for improved sighting and appearance.
3. Custom checkering.
4. Heavier caliber than present guns of similar type.
5. Lower retail price.

The Research and Development Department initiated work in 1960 to design these models under the authorized Research Budget.

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
(Formerly XP-100) (XC-15)
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.~~

INTRODUCTION (Continued)

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

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

See Separate Exp'l Approp of this Budg

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.

This Part III is a request for $(9500) reduction to cover the underrun of this project.

REMARKS

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

REMARKS (Continued)

	Increase (Decrease) from Part II	
	Amount	Per Cent
Construction	(9500) $ ~~(7,900)~~	(5.3)

Less equipment expenditures incurred due to providing equipment on hand after alterations.

Research	12100 $ ~~30,200~~	13.1

Revisions to accommodate the larger

.35 Remington Caliber involve the

barrel, stock, and sighting rib.

Also changes in scope of work, Front + Rear sights revised, Trigger & guide of works for the XP-100 Pistol & inclusion of the luggage type carrying case

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

Operations	17600 $ ~~20,200~~	4.4

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.

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.

3/18/63
[illegible initials]

cc: Hall
[illegible]. Phillips (2)
V. G. DeReus
L. L. Cox
File

Remington Arms Company, Inc.

DETAIL ESTIMATE OF EXPENDITURES

Project No. AO XP700-3 - Ilion Works

	Authorized $	Expended to 3/8/63 $	Requested this Part II	Vendor's tooling	Total allocated $ Part
Development	87800	92490	16600		104400
Investigation	11000	6966	(4000)		7000
Design	31500	34100	5900		37400
Model making	24800	37877	14100		[illegible]
Design testing	17000	5767	(5700)		[illegible]
~~Models for test~~ [illegible]	—	[illegible]	[illegible]		[illegible]
Development - power mold	1500	[illegible]	[illegible]		4200
Development - custom checker	2400	[illegible]	(1500)		500
Eng. Folders, C of C, Etc.	5500	2000	—		5500
Product Engineering	23800	14684	(3600)		[illegible]
Process Eng. & Trial Run	22500	14457	(4500)		18000
Pilot Lot Testing	1300	[illegible]	1000		2300
Expediting	—				
Tooling	258700	197422	32500		292400
Design	34400	30666	4100		[illegible]
Fixtures & Gages	118000	138860	39700		157700
Molds	8840	[illegible]	(7000)		[illegible]
Perishable tools	2200	[illegible]	—		2200
Tool revisions	45700	37964	5000		50600
Special Machines					
Construction					
Tooling					
Operations					
Remington Machines	37000	41575	10480		47600
Construction	22500	22500	6000		28500
Tooling	5700	4070	(1500)		4100
Operations	7400	14912	5700		15500
Std. Machines & equipment	145000	[illegible]	(13000)		142000
Production Aids	20000	[illegible]	(5500)		14700
Construction					
Operations	20000	17683	(5500)		14700
Pilot Operations	18700	[illegible]	17400		[illegible]
Machine alterations	5000	13751	[illegible]		15800
Pilot lot mfg.	11200	[illegible]	[illegible]		13900
Machine rearrangement	—	4354	4400		4400
Component Obsolescence	5000	1474	100		[illegible]
Provision for Advancing Wages and Material Costs	38700		(34700)		4000
GRAND TOTAL	[illegible]	[illegible]	[illegible]		691900

Contingency

CONFIDENTIAL-SUBJECT TO PROTECTIVE ORDER
KINZER V. REMINGTON

R2503254

11 x 16½ — 13 columns with description column

Remington Arms Company, Inc.

Project No. AA 47.. - 3 - Ilion Works

Summary of Estimated Expenditures

3/18/63 [illegible]

~~Construction Project~~	
~~Direct Manufacturing Facilities~~	
Equipment	$ 17,3[illegible]
Provision for advancing wages and material prices and allowance for unforeseen items	4,1[illegible]
Other	
~~Product Development~~	$ 10,14[illegible]
Tooling	[illegible]
Other	[illegible]
Provision for advancing wages and material prices and allowance for unforeseen items	4[illegible]
	$5[illegible]
Total Expenditures	$67,9[illegible]

Accounting Distribution of Expenditures

	Expenditures this project	Adjusting entries	Final Net Results in Accounts
Construction Project			
Permanent investment	$17,[illegible]	$	$17,[illegible]
Other			
Supporting research	10,4[illegible]		10,4[illegible]
Operations	41,4[illegible]		[illegible]
	$67,[illegible]	$	$[illegible]

ADXP700 XP100 [illegible] w/600 Page 1

Part III

	Auth.	Exp'd 7/28/63	Increase (Decrease)	Indicated Cost			
Construction							
Remington Machines $	22500	28500	6000	28500			
Standard Machines	155300	141300	(13000)	142300			
Contg	2500	—	(2500)	—			
$	180300	169800	(9500)	170800	(9500)	(5.3)	%
Research							
Investigation $	11000	6966		7000			
Design	31500	34100		37400			
Model Making	24800	37877		38900			
Design Testing	17000	5768		6300			
[illegible]	—	4221		5000			
Devel. - PM	1500	3805		4300			
— Custom Checkering	2000	531		500			
Eng. [illegible]	5000	3200		5000			
Contg	4500			—			
$	97300	96474		104400	12100	131	%

	Auth			Indicated Cost				
Operations								
Proc. Eng. + Trial Run	22500		(4500)	18000				
Pilot Lot Testing	1300		1000	2300				
Design - (Tools)	35400		4100	39500				
Fixtures + Gages	118700		32700 ✓	150900				
Molds	88400		(9300)	79100				
Perishable Tools	2300		—	2300				
Tool Renewals	45600		5000	50600				
Tooling - Rem. Machines	5600		(1500)	4100				
Operation - Rem. Machine	9100		5900	15000				
Perd. aid	20200		(5500)	14700				
Machine alterations	5000		10800 ✓	15800				
Pilot Lot Manufacture	11800		2100	13900				
Machine Replacement	—		4400 ✓	4400				
Component Obsolescence	2000		100	2100				
Contg.	31700		(37700)	4000 Rec				
	399100		17600	416700 ✓	17600	4.4	%	
Total	$ 671700 ✓			691900 ✓				

3/18/63
[illegible]

Remington Arms Company, Inc.
Project No. AA-X87.00-3 - Ilion Works
Summary of Estimated Expenditures

~~Construction Project~~	
~~Direct Manufacturing Facilities~~	
Equipment	$ 1708.00
Provision for advancing wages and material prices and allowance for unforeseen items	—
	$1708.00
Other	
Product Development	$ 1044.00
Tooling	3265.00
Other	862.00
Provision for advancing wages and material prices and allowance for unforeseen items	40.00
	$5211.00
Total Expenditures	$6919.00

Accounting Distribution of Expenditures

	Expenditures this project	Adjusting entries	Final Net Results in Accounts
Construction Project			
Permanent investment	$1708.00	$ —	$1708.00
Other			
Supporting research	1044.00	—	1044.00
Operations	4167.00	—	4167.00
	$6919.00	$ —	$6919.00

3/18/63
JAC

cc: Hall
Phillips (2)
W. C. DeRaus
L. D. Cox
File

Remington Arms Company, Inc.

DETAIL ESTIMATE OF EXPENDITURES

Project No. ADXP700-3 - Ilion Works

	Authorized $	Expended to 3/18/63 $	Requested this Part II $	Vendor's tooling	Total Indicated Cost $	Contingency
Development	87800	96474	16600		104400	
Investigation	11000	6966	(4000)		7000	
Design	31500	34100	5900		37400	
Model making	24800	37877	14100		38900	
Design testing	12000	5762	(5700)		6300	
Models for test / Tryout Helix - Taylor Zeller	—	3231	5000		5000	
Development - powder metal	1500	3805	2800		4300	
Development-custom checker	2000	531	(1500)		500	
Eng. Folders, C of C, Stds	5000	3700	—		5000	
Product Engineering	23800	14684	(3500)		20300	
Process Eng. & Trial Run	22500	14451	(4500)		18000	
Pilot Lot Testing	1300	233	1000		2300	
Expediting	—					
Tooling	289900	194433	32500		322400	
Design	35400	35686	4100		39500	
Fixtures & Gages	118200	131360	32700		150900	
Molds	88400	79125	(9300)		79100	
Perishable tools	2300	2300	—		2300	
Tool revisions	45600	39962	5000		50600	
Special Machines						
Construction						
Tooling						
Operations						
Remington Machines	37200	47515	10400		47600	
Construction	22500	28500	6000		28500	
Tooling	5600	4097	(1500)		4100	
Operations	9100	14918	5900		15000	
Std Machines & equipment	155300	141789	(13000)		142300	
Production Aids	20200	17683	(5500)		14700	
Construction						
Operations	20200	17683	(5500)		14700	
Pilot Operations	18800	32272	17400		36200	
Machine alterations	5000	15784	10800		15800	
Pilot lot mfg.	11800	10860	2100		13900	
Machine rearrangement	—	4254	4400		4400	
Component Obsolescence	2000	1274	100		2100	
Provision for Advancing Wages and Material Costs	38700		(34700)		4000	
GRAND TOTAL	671700	637347	$ 20200		$ 691900	

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KINZER V. REMINGTON

R2503259

1st Model 600 Re estimate 3/15/63

	Expended 3/1/63	308 to complete		222 Calibre	.25 Caliber			
Process Eng	14500	1600		500	2000			18600
Pilot Lot Testing	250	1000		500	500			2300
Tool Revisions	40000	5000		600	5000			50600
Tool Design	35700	200		600	2000			39500
Fixt & Gages	135400	500	+1000 Per Dolan 3/18/63 [illegible]	1000	8000		Checking	1000 145900
Pilot oper	10900	1000		500	1500			13900
Comp Obs	1300	200		0	600			2100
Production Aids	12700	2000						14700
Standard machines	141300	1000						142300
Cuty						4000		4000
	391100	~~11900~~ 12900		3700	20600	9000		438300
							445900 OK	

ADX P900 Part III
3/18/63

J G McGuire
3/15/63

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R2503260

AD XP 700 XP100 [illegible] 600

Part III

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	Actual	Est'd 7/25/63		Indicated Cost	
Construction					
Remington machines	27500			78500	
Fairfield machines	[illegible]			143900	
Contg.	2500			—	
	$ 180500			174400	(7900)
Research					
Investigation	$ 11000	6750		7000	
Design	31500	34103		44000	
Model Making	24800	27877		46000	
Design Testing	1700	[illegible]		17000	
Tooling [illegible]	—	[illegible]		6000	
Steel - [illegible]	1500	[illegible]		5000	
" - Custom Making	2000	[illegible]		[illegible]	
Eng. [illegible]	5000	[illegible]		5000	
Contg.	4500			5000	
	$ 72200	91474	35000	130500	35000

Increase in design & model making due to change in caliber, design problems in 30-30 cal. pilot production of [illegible] development of powder metal parts.

8000
1900
1990
176
1900

R2503261

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	Smith		[illegible] Cost	
Operations				
Proc. Dev. & Tool [illegible]	22500		18000	
Pilot Lot Testing	1300		2500	
Design - (Tools)	35400		22000	
Fixtures & Gages	118200		145000	
Molds	87400		20000	
Perishable Tools	2300		1300	
Tool Rework	45600		55000	
Tooling - New Machines	5600		4100	
Operation - New Machines	9100		15700	
[illegible]	70000		17000	
[illegible]	5000		15500	
[illegible]	11500		14000	
[illegible]	—		5000	
[illegible]	2000		2000	
[illegible]	21700		15000	
	399100		415[illegible]	297[illegible]
Total	\$571700		731700	