

ECONOMICS FOR MARKETING MODELS 700 AND 600

BARRELED ACTIONS DIRECT TO GUNSMITHS

	<u>700ADL</u>	<u>700BDL</u>	<u>600</u>	<u>TOTAL- CASH</u>
<u>COMPLETE GUN (For Comparison)</u>				
Net Less Tax	\$66.89	\$80.83	\$55.75	
<u>BARRELED ACTIONS</u>				
Net Less Tax	\$61.89	\$75.83	\$50.75	
Estimated Sales Volume	350	150	200	700
Net Increase in Sales	350	150	200	700
<u>FULL COST DATA</u>				
Unit Factory Cost	\$32.98	\$35.58	\$31.60	
Unit Sell. Admin. Research	8.07	9.89	6.62	
Unit Cost of Goods	<u>\$41.05</u>	<u>\$45.47</u>	<u>\$38.22</u>	
Unit Oper. Earnings	\$18.75	\$27.80	\$10.81	
% of Net Selling	31.4%	37.9%	22.0%	
<u>CASH COST DATA</u>				
Sales				\$41,730
Cost of Sales				17,500
Total Oper. Earnings				24,230
Total Net Earnings				11,780
<u>INVESTMENT</u>				
Permanent Investment				-----
Working Capital				14,900
Total Capital Required				<u>\$14,900</u>
% Return on Total Capital				79.1%
Other Project Costs				-----

Revised
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