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TARD 1988 NOV DEC

EXHIBIT B

TRIGGER ASSEMBLY REPLACEMENT PROGRAM

FINANCIAL IMPACT

A Reserve is being established in 1987 to accommodate the financial impact of this program on 1987 performance, and will encompass the following estimated expenses:

NOTIFICATION

Mailing ( <del>20M @ \$2</del> ) <sup>2.5M @ 2</sup>	SM
Telephone (6 lines for <del>1 year</del> <sup>2 year</sup> @ \$20M/YR)	2.5M
<del>Telephone Switching</del> <sup>10 DAYS 5 PEOPLE</sup>	2.1M
Telephone Operators (2,000 Hours/Line @ \$8)	1M
Long-Distance Calls	3M
Advertising Campaign	
TOTAL NOTIFICATION	10M

SHIPPING

Freight ( <del>15M</del> <sup>200</sup> Guns 2 ways @ \$5)	2
Packing Material ( <del>10M @ \$1.25</del> )	3
TOTAL SHIPPING	2.3M

REPAIRS IN THE FIELD

Replacement Parts ( <del>19</del> <sup>200</sup> @ \$9)	4.5M
Warranty Repairs ( <del>12.5</del> @ \$22)	2.2M
Field Repairs ( <del>3.7</del> @ \$50)	1M
Reconditioning (8.7 @ \$10)	6M
Factory Repairs ( <del>3</del> @ \$30)	
<del>Customer Units to Obtain Records (50 man weeks)</del>	
TOTAL REPAIR	33.5

INHOUSE COSTS

<del>Sorting Connectors</del>	
Reconditioning ( <del>18M @ \$9</del> )	2
Engineering, Supervision	9
Management Consultant & Office Help	1
Programming/Systems Support	2
Rearrangement	
TOTAL INHOUSE COSTS	14

TOTAL COSTS

14

ALTERNATIVES

59.8

At the present time, we see none.