

4/13/05

Rebuild GFM #9  
Estimated Labor Variance

Number of production days Mach #9 down if we rebuild the machine	120	days	
Number of Saturdays machine working to make production schedules	24	Saturdays	
Number of Sundays machine working to make production schedules	12	Sundays	
Labor variance on Saturdays	(24x1.5x\$16.50x1.25x24x66.6%)	= \$	11,868
Labor variance on Sundays	(24x2.0x\$16.50x1.25x12x75%)	= \$	8,910
Labor variance for running (1) machine instead of (2) machines during weekdays	(24hrs/day x50%x \$16.50x1.54x120 days)	= \$	36,590
<u>Total Labor Variance:</u>			<u>\$ 57,369</u>

Cell: G17  
Comment: vallabhacp:  
includes avg 7% NB  
level 4  
 $\$15.43 \times (1.07) = \$16.50$

Cell: F21  
Comment: vallabhacp:  
GFM #11 run by (1) operator, and only (50%) of volume.  
  
315 x 50%

Cell: G21  
Comment: vallabhacp:  
includes avg 7% NB  
level 4  
 $\$15.43 \times (1.07) = \$16.50$

Cell: H21  
Comment: vallabhacp:  
Std doubled.  
Increased by 0.03070/pc.

SHEET A

REMINGTON ARMS COMPANY, INC.  
CAPITAL APPROPRIATION REQUEST

Date:  
Title:  
  
Site:  
Category:

<b>Justification:</b>
<b>Current:</b> R & D has re-designed and tested an externally adjustable X-Mark Pro Fire Control. The current XMP design does not allow the consumer to adjust the trigger pull themselves. Four years ago, Savage introduced the AccuTrigger which offers the customer this feature. Following Savage, Sako, Browning, Winchester, Thompson Center and Smith & Wesson now all offer an adjustable trigger. It is critical the Remington develop an externally adjustable X-Mark Pro to protect our Market Share.
<b>Proposed:</b>  This re-designed XMP will require a new trigger and rear spacer from PMPD, as well as additional processing. The design also introduces a secondary trigger pull screw and spring. The secondary screw and spring are easily accessible and will allow the customer to easily adjust his trigger pull weight.
<b>Benefits are highlighted below:</b> 1. The new design allows the trigger pull to be adjusted at final pack without the need to remove the stock from the rifle. 2. The introduction of an externally adjustable trigger pull matches our competition's offerings and preserves market share. 3. Minor changes to the processing and assembly of the new X-Mark Pro fire control will allow us to offer a non adjustable version of the X-Mark Pro fire control.

### X-Mark Pro Trigger - Externally Adjustable

R &amp; D

X

\$ 337,805

0000	0001	0010	0011	0100	0101	0110	0111
1000	1001	1010	1011	1100	1101	1110	1111

2006	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553
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[illegible]

\$ (4,011)
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(0.01)

\$ 303,655

**\$ 34,150**

\$ 337,805

[illegible]

Submitted By:

Approvals:

C. J. Lane Jr.

R. K. ol

S. Perniciaro

Craig Becker

Date	R. Skinner	Date
Date	J. Pugliese	Date
Date	J. Gross	Date

Sheet B  
Remington Arms Company, Inc.  
Capital Appropriation Request  
Support Detail  
Exhibit III

X-Mark Pro Trigger - Externally Adjustable

<b>Capital Costs</b>	
Tooling, Gauges, Dies, Molds	\$ 241,292
Buildings	\$ -
Equipment & Machinery	\$ 60,163
Computer Software	
Computer Hardware	\$ 2,200

Contingency

Total Capital Cost \$ 303,655

<b>Charges to Operations</b>	
Tooling, Gauges, Dies, Molds	\$ 8,500
Ammo	\$ 7,650
Guns	\$ 13,000
Trial & Pilot	\$ -
Dismantle & Rearrange	\$ -
Travel	\$ 5,000

Total Operations Cost \$ 34,150

Total Authorization Requested \$ 337,805

Sheet C  
Remington Arms Company, Inc.  
Capital Appropriation Request  
Calculation of Annualized Savings  
Exhibit IV

X-Mark Pro Trigger - Externally Adjustable

* Do Not Fill in Shaded Areas		
Calculation of Annualized Savings		
Cost Basis	Present	Proposed
Sales Information, if applicable		
Sales Volume		
Net Sales Price		
Sales Dollars	\$ -	\$ -
Material (Seater rounds)		
Direct Labor	\$ -	\$ -
Variable Overhead (Maintenance)		
Product Scrap		
Fixed Costs (Including asset write-offs)		
Book Depreciation	-	4,011
Interest Expense		23,713
Total	-	32,724
Annualized Savings, Net Savings, Earnings or (Loss) (Int not Included)		\$ (4,011)
Project Expenditures:		
Capital		\$ 303,655
Total Related Operations		34,150
Total		\$ 337,805
Return on Investment Capital		(0.01)
Payback		-



**\*\*Do Not Fill In Shaded Areas**

Check One
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[illegible]

[illegible]

15 15 15 15 15 15

				C		0			
Total				241222	70.00	-	241292		
Computer Software				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
				C			0		
Total				C	-	-	0		
Computer Hardware				C			0		
(2) PC's for Dvorak		0	0	2200			2200	x	
		2	1,100	C			0		
				C			0		
				C			0		
Total				2200	-	-	2200		



Sheet E  
Remington Arms Co., Inc.  
Firearms Division  
Ops Summarization (Supplement to Exhibit III)

\*\*Do Not Fill In Shaded Areas

						Check One		
Quantity	Per Unit Cost	Cost	Shipping	Installation	Total Cost	Eng Estimate	Vendor Quote	Vendor Name
Molds, Gauges, Dies, Tooling								
Alter existing rivet fixtures	0	0	1,000		1,000	x		
			-		-			
	0	0	-		-			
Step Drill	24		400.00		400.00	x		
Step Drill	24		400.00		400.00	x		
Piloted C Bore	24		500.00		500.00	x		
Taps	24		600.00		600.00	x		
Chatillon Scales	100	6	600.00		600.00	x		
Benches / Tables			5,000.00		5,000.00	x		
			-		-			
			-		-			
			-		-			
Total			8,500		8,500			
Ammo	25,500	0.30	7,650		7,650			
			-		-			
Total			7,650		7,650			
Guns			-		-			
M/700	38	180	13,000		13,000			
	-	-	-		-			
Total			13,000		13,000			
Total D&R			-		-			
Total T&P			-		-			
Total Travel		-	5,000.00		5,000.00			



Cell: C27  
Comment: vallabhacp:  
For EET (Eng'g Evaluation Test) +  
DAT (Design Acceptance Test).

Cell: D27  
Comment: vallabhacp:  
P?N: 20040 per Bob Joy

Cell: D32  
Comment: vallabhacp:  
cost of SKU #25561

Cell: D33  
Comment: vallabhacp:  
cost of SKU #29891