

Following this, there were some failures to feed with two shells in the magazine, and ultimately the carrier froze in "mid-position." The cause or nature of this difficulty is not known, and the gun is being returned to Ilion.

Among the characteristics commented on by Sales representatives during the firing reported above are the following:

1. Flame at the breech. This is recognized to occur occasionally, and no cure is known. It is not considered serious.
2. Black deposit on the outside of barrel. Due to the gas release, this condition will occur after extensive firing if the gun is not cleaned, but it is reported to have no functional significance.
3. Barrel marking. It was asked whether the barrels could be clearly identified for ease of replacement in the field, but it was reported by J. B. Maupin that this would be quite expensive and is not practical. It was felt that the Sportsman-58 barrels would be easily identifiable by the holes drilled in the barrel for gas release.

The Plant presented a current review of the production costs and economics. This showed an increase of 55 cents in the estimated factory cost of the Sportsman-58ADL over the estimate of November 11, 1955. This would indicate that the present factory cost of various models is as follows:

Sportsman-48	\$37.05
Sportsman-58ADL	\$38.65
Sportsman-58A	\$37.47

It was pointed out, however, that in using these figures for comparative purposes two factors must be considered. First, in the cost calculations for the Sportsman-58, amortization of vendor tooling has been excluded. Second, the estimates for the Sportsman-48 have been based on the same annual volume as the Sportsman-58 rather than on the annual volume which Sales have said they would forecast if we were to continue with the Sportsman-48 without introducing the Sportsman-58. In order to establish prices which will give the return predicted in the project, a new project calculation will be made promptly based on this lesser volume of the Sportsman-48. The committee believes that the prices for the Sportsman-58A and Sportsman-58ADL should be established at levels which will yield a return at least as high as that shown in the project.