

March 8, 1956
Schedule

May, 1956	150
June, 1956	500
July, 1956	As required by Sales

The economic evaluation (attached) shows that on the normal year annual volume of 5,000 guns, total operative earnings would be \$110,850 or 31.8 per cent of sales; with a total expenditure of \$13,230 and a total capital requirement of \$115,530, the return on total capital would be 44.6 per cent, with a return on total investment after completion of 48.6 per cent.

In consideration of the recommendation by Sales that this caliber be added to the line, and of the favorable economics, the committee took the following action:

Decision:

The Operations Committee (Arms Division) recommends to Management the introduction of the 308 caliber in the Model 740.

244 Remington

The development of the 244 Remington in this rifle will not take much longer. However, it was pointed out that this caliber depends for acceptance on excellent accuracy, and that some difficulty may be expected in the Model 740 when the rifle becomes hot. As was reported in Minute No. 1, 1956, the method of attachment of the fore-end is being modified to eliminate this difficulty, and it is believed that a 244 should not be introduced until this modification has been made in the gun. It is for this reason that, although the design is expected to be complete by May 1, 1956, the warehouse date is given as December 15, 1956. In accordance with the recent request from Sales that this caliber be introduced, N. F. Larsen will prepare the necessary economics.

General

Design changes referred to above have been completed and released to Production, and will be in effect by December 15, 1956.