

Arms Minute No. 11, 1957

	October 22, 1957 Schedule	December 6, 1957 Schedule		
			<u>30-06</u>	<u>270</u> <u>280</u>
November	{ 50	100	0	0
December				
January 1958	660	1320	0	0
February 1958	570	540	600	0
March 1958	840	900	0	360

The Ilion Plant reported that they now expect costs on this rifle to be in line with the estimates used in preparing Project AD-725-2 and as a result the economics summarized below should still be valid.

Model 725 Third (Average) Year

	Present M/721 & M/722	Proposed M/721-722 & M/725	Difference
Sales Quantity	20,000	32,200	12,200
Retail Selling Price (Ave)	\$94.62	\$109.90	\$15.28
Net Selling Price (Ave)	51.17	59.43	8.26
Operative Earnings	12.50	14.38	1.88
Operative Earnings as % of Sales	24.4%	24.2%	-
Net Earnings	\$105,215	\$265,095	\$159,880
Total Investment	\$871,000	\$1,057,300	\$186,300
Working Capital	426,100	755,000	328,900
Total Capital	\$1,297,000	\$1,812,300	\$515,300
Less Investment retired & charges to operations	-	111,200	\$ 111,200
Total Investment after completion	\$1,297,000	\$1,701,100	\$ 404,000
Return on Capital		14.6%	31.0%
Return on Investment		15.6%	39.6%