

GENERALEXPANDED POWDER METAL VENTURE

Research reviewed Remington's entry into commercial powder metal sales and their program to expand their venture.

Remington first began powder metal production in 1953 due to inadequate sources of supply. In 1960, a market survey indicated potential for commercial sales and a commercial venture has been carried out on a small scale basis. 1963 will be the first year of major sales, estimated at \$350,000 and approximately \$53,000 operative earnings. The 1967 goal is \$1,500,000 sales with \$375,000 operative earnings equivalent to 25% of net sales. To meet this growth will require expanding investment from the present \$100,000 to \$380,000 and working capital from \$100,000 to \$450,000 in 1967. The indicated earnings will provide approximately 20% return on invested capital. 83

Approximately six more people will be needed to meet the 1967 goal, two of whom will be hired later this year.

Progress of the business should permit a decision by the end of 1964 whether the established goal appears attainable and the future course of action.

Meeting adjourned 10:15 a.m.

Next meeting - June 18.

*L. D. Cox*  
L. D. COX  
Secretary

LDC:ms