

MODEL 700 HIGH GRADE BOLT ACTION RIFLEECONOMICS OF TEST MARKETING MODEL 700 HIGH GRADE RIFLE IN  
THE WESTERN REGION TO ESTABLISH MARKET SIZE AND ACCEPTABILITYRifle Specifications:

- Oil finished, hand fitted
- French walnut stock
- Hand checked
- Engine turned bolt
- Barrel hand lapped and bedded

Choices Of: -  
With or without floor plate  
With or without sights  
20,22, or 24 inch barrel

*Insert for  
799  
6,999  
1,111*

ECONOMICS BASED ON TWO ALTERNATIVE SELLING PRICES AND REGULAR (25% and 17½%)  
AND SPECIAL (15% and 10%) DISCOUNT TERMS

	MODEL 700 HIGH GRADE WITHOUT SIGHTS				MODEL 700 BDL
	Regular Discount 25% & 17½%	Special Discount 15% & 10%	Regular Discount 25% & 17½%	Special Discount 15% & 10%	Regular Discount 25% & 17½%
Estimated Annual Volume	250	250	250	250	8000
Retail Selling Price	\$ 259.95	\$ 259.95	\$ 274.95	\$ 274.95	\$ 144.95
Net Selling Price	\$ 140.04	\$ 173.09	\$ 148.20	\$ 183.10	\$ 78.10
<u>FULL COST DATA</u>					
Unit Factory Cost	\$ 132.77	\$ 132.77	\$ 132.77	\$ 132.77	\$ 55.90
Unit Selling, Administrative and Research Cost	38.90	23.36	20.00	24.72	10.54
Unit Cost of Goods	\$ 151.67	\$ 156.13	\$ 152.77	\$ 157.49	\$ 66.44
Unit Operative Earnings % of Net Selling	(\$ 11.63) (8.3%)	\$ 16.96 9.8%	(\$ 4.57) (3.1%)	\$ 25.61 14%	\$ 11.66 15%
<u>CASH COST DATA</u>					
Unit Factory Cost	\$ 105.07	\$ 105.07	\$ 105.07	\$ 105.07	\$ 38.96
Unit Operative Earnings	34.97	68.02	43.13	78.03	39.14
Total Operative Earnings	\$ 8,750	\$ 17,000	\$ 10,800	\$ 19,500	\$313,000
Total Net Earnings	\$ 3,750	\$ 7,300	\$ 4,650	\$ 8,400	\$135,000
<u>INVESTMENT</u>					
Permanent Investment	\$ --	\$ --	\$ --	\$ --	\$ --
Working Capital	\$ 22,300	\$ 22,300	\$ 22,300	\$ 22,300	\$ --
Total Capital Required	\$ 22,300	\$ 22,300	\$ 22,300	\$ 22,300	\$ --
% Return on Total Capital Required	17%	33%	21%	38%	--
Other Project Costs:	0	0	0	0	--

NOTE: Costs would be slightly lower for estimated, unrestricted annual sales of 1000. Therefore, profit margins (% of Net Selling) would be slightly higher and Total Net Earnings somewhat more than four times greater than shown.