

CENTER FIRE RIFLES (CONT'D.)MODEL 600 BOLT ACTION CARBINE - CALIBER 6MM REMINGTON

Research reviewed the economics shown in Table 3 of marketing the Model 600 in caliber 6mm Remington. Sales estimates selling 2,000 a year, 750 of which would be added volume. The economics indicate 44 per cent return on the total capital required which is confined to new working capital to support the added volume. The profit margin of 11.5% of net selling would be slightly less than the 12.8% for the caliber 308 in production. An additional operation to lead the barrel is anticipated for the 6mm Remington.

The accuracy of the rifle has not yet been determined. Presumably, it will be equivalent to the 6mm Remington in the Model 700 whose specification is 2 1/4 inches extreme spread for a 5 shot group at 100 yards.

Committee Action

The committee approved adding the caliber 6mm Remington to the Model 600 subject to satisfactory accuracy, and recommends General Management approve it for release to Production.

MODEL 700 - HIGH GRADE BOLT ACTION RIFLE

Sales and Research proposed at the December meeting to test market a Model 700 High Grade in the \$275 to \$325 price class in 1964 preparatory to full scale marketing in 1965. The rifle would be a high quality, limited production rifle appealing to a limited market. It might be considered for a special arm for the 150th anniversary.

The Committee reviewed the status of this proposal. A prototype sample was shown to General Management in December, but did not meet the high quality standard expected in grade of wood, wood finish, and checkering. R & D is to prepare a new prototype for General Management's approval.

Additional economics covering full scale marketing of 1,000 per year beginning in 1965 as well as test marketing 250 in 1964 were available at the meeting but not reviewed. They are attached as Table 3 for reference and indicate satisfactory economics based on a selling price of \$275 and a special discount of 15% and 10%. The economics would be further improved at a retail price of \$325 as indicated in the footnote.

The decision to proceed hinges on Research preparing a prototype meeting the quality asked by General Management. Research stated that for reasons of economy they would prefer producing 25 or 30 rifles when they prepare the new prototype. The Chairman indicated it is Research's decision to make if they wish to risk preparing this many rifles before approval of the prototype.

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