

GENERAL (CONT'D.)

The Chairman summarized Remington's policy in the face of increasing competition. Our policy is to improve our quality to give the customer more for his money. This will be accomplished by reducing our costs wherever possible and sharing some of the savings with our customers in the form of better quality.

1965 FIREARMS LINE

Research reviewed the changes mutually developed by Sales, Production and Research for 1965. These are shown in Table 5 attached with supplementing discussion below:

XR Bolt Action Rim Fire Series

Research proposes to develop and introduce the XR 9 (single shot), 10 (clip), and 11 (tubular) to replace the Model 514, the Nylon 10 series, and the Model 510X series. In addition, new rim fire Magnum rifles would be offered as the XR 9 M (single shot), XR 10 M (clip), XR 11 M (tubular). A target rifle could also be offered in this basic design with a different stock and different fire control to replace the Model 513T and 521T. The contemplated design is limited to bolt action rifles and could not be extended to lever, slide, or autoloader.

The design is basically the Model 514 with a longer and stronger receiver and breech capable of handling the rim fire magnum. The design realizes the economies of the Model 514 Kingsbury operations which is the lowest cost Remington design ever achieved. With the higher prices for repeaters (XR-10 and 11) and the low cost Model 514 design, the return on investment is adequate and the operative earnings as percent of net selling is the best recently estimated for a bolt action rim fire line.

Sales questioned several features which are to be resolved for the final design:

- . Provisions to easily remove the bolt.
- . Nylon 66 sights versus the Model 514 sights on the sample.
- . Provisions for scope mounting.
- . Wider trigger.
- . Dressing up the magnum to command a higher price.