

FIREARMSSHOTGUNSMODEL 1100 AUTOLOADING SHOTGUNCosts

Production reviewed the first quarter costs of the Model 1100 which are shown in Table 1 attached. The average cost for the year to date essentially meets the third year Project goal, while the latest monthly cost, March, is about \$1.20 less than the third year Project goal. Only labor is significantly over goal and this is offset by the excellent warranty repair experience. Labor is expected to continue to improve.

Mahogany Stocks - 20 Gauge

Sales reported no trade reaction has been reported on the mahogany wood. There have not been any wood failures to date on the five guns being tested at Lordship.

MODEL 870 RIOT GRADE SHOTGUN

Sales indicated in response to the request to consider bidding direct on Riot gun contracts to counter direct bidding by competition (Ithaca) that they will do this if, in Sales' opinion, our wholesaler is unlikely to successfully bid against competition.

CENTER FIRE RIFLES AND PISTOLSMODEL 760 - CALIBER 223 (5.56mm) REMINGTON

This caliber has been approved for invoiced shipment and jobber orders are being filled. Approximately 400 rifles are in the warehouse and Production does not expect any problem meeting the shipping schedule. This item is complete and will be dropped.

MODEL 600 CARBINE

Production reviewed the first quarter costs shown in Table 2 attached. These indicate the cost for the year to date is \$1.16 over the first year Project goal while those for the latest month, March, are only \$.09 over goal. The Plant does not expect any problem producing for less than the first year Project cost.

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