

SHOTGUNS - contd.Mahogany Stocks & Fore Ends - 20 Gauge - contd.

Production indicated that for the 1500 requirement, sufficient planks should be available in the importer's warehouse. A schedule can be established based on the vendor's ability to make delivery.

Committee Action

Ilion is to immediately purchase sufficient mahogany planks to produce approximately 1500 Stocks and Fore Ends. Shotguns are to be assembled at the earliest possible date.

28-410 Gauge Conversion

Marketing made an initial contact with Simmons on the possibility of a joint effort to produce Model 1100 conversions in the 28 and 410 gauges. It was recommended by Marketing that the advertising and sale of conversion shotguns remain exclusively with Simmons. Under this program, Remington would not be involved in marketing and servicing of these shotguns.

General Management should be requested to give approval in principle to a program of R & D working with Simmons on the conversion design with the objective of improved gun performance. A second part would be the furnishing of components. This might include processing at Ilion special 28 and 410 gauge Barrels. Simmons has indicated that the annual volume would be 1000 shotguns. The pricing of components furnished would result in a profit for Remington.

Through the Legal Department, a protective security agreement would have to be developed after which R & D could work out the details with Simmons.

R & D is of the opinion that the proposed program would be more beneficial than the developing of exclusive Remington conversions. Under a separate program, the limited sales volume would be split between Simmons and Remington. Economic justification of a separate Remington program is questionable.