TABLE 2

ATMCO PROCESS VERSUS PROPOSED MODEL 1100 FINISH

Almco

Outside appearance
Improved functioning - internal finish and burring
Model 870 - Magazine Tube appearance
Capacity to improve finish on Nylon 66 Receiver Cover

Intangible

Sales appeal
Reduced customer complaints due to improved functioning
Reduced plant gun repairs and testing costs

Potential

Reduced hand polish costs
Improved flow of components by eliminating choke points
Reduction in media costs over estimate
Possible sale of used small media back to Almco
Reduced repair costs for finish mars
Reduced maintenance of equipment - fewer moving parts which
should reduce Production down time

Tangible

If the Almoo program is not accepted, the vendor will use experimental work as a basis to offer to competitors.

Remington probably will be forced to the Almco or increased hand polishing costs in order to remain competitive.