

Table 3

ESTIMATED FACTORY COSTS AND COMPARISON - PRESENT MODEL 40XB
 VERSUS GUN WITH NEW STOCK DESIGN (BASED ON NOVEMBER 1964
 THROUGH OCTOBER 1965 WEIGHTED AVERAGE - 359 RIFLES)

	<u>Present M/40XB</u>	<u>Proposed With New Stock</u>
Retail Price	\$ 154.95	\$ 154.95
Net Selling	\$ 97.48	\$ 97.48
Standard Material	\$ 13.29	\$ 15.51
Standard Labor	\$ 12.25	\$ 12.65
Factory Cost	\$ 73.68	\$ 78.56
Sell. - Admin. - Research	\$ 13.65	\$ 13.65
Full Book Cost	\$ 87.33	\$ 92.21
Oper. Earnings	\$ 10.15	\$ 5.27
% of Net Selling	10.4%	5.4%
<u>Expenditures</u>		
Capital		\$ 15,300
Operations		\$ 50,700
Total		\$ 66,000