

TELESCOPES AND MOUNTS

A project was prepared covering the manufacture of three fixed power telescopes and mounts at Ilion. As requested prior to submission to Management, a review of the various aspects of entering the scope and mount field was made by Marketing.

There are some thirty-five (35) manufacturers or marketers. Of these, five sell about half of the total sales. Most manufacturers or marketers of imports sell direct to the dealer. Remington's preferred method of distribution is through the wholesaler to the dealer.

Product offerings in most lines are extensive, ranging from fixed to variable power, built-in range finders, various types of reticles (post, crosshair and dots) and a wide variety of bases. Remington's initial proposal is limited to three fixed scopes and bases. The new offerings and customer demand appears to be for the added features of the variable scope and other specialties. 83

The opinion was that to launch Remington into this field, advertising would have to at least match competition. This expenditure as calculated for the project would have to be increased with a resulting reduction in indicated return.

There are reports that the combination rifle and scope offerings being made by Savage Arms and Marlin have not been attractive to dealers. It is believed Winchester is dropping consideration of a combination offering.

As a result of the discussion, it was recommended that Remington should re-examine the possibility of acquiring one of the major manufacturers.

Committee Action

Representatives from Marketing and R & D are to make a new field market survey. The objective is to arrive at a mutual agreement on the course to be taken by Remington.