

PROPOSED AUTOLOADER - 22 LR CLIP MAGAZINE
(MODEL 514)

ESTIMATED PROJECT COSTS AND ECONOMICS

FULL FACTORY COSTS

	BEFORE LINE MODEL 514 <u>SINGLE SHOT</u>	AFTER LINE AUTOLOADER 22 LR CLIP <u>MAGAZINE</u>
VOLUME	(5000)	30,000
RETAIL SELLING PRICE	\$26.95	*\$39.95
NET SELLING	\$14.95	\$22.12
FACTORY COST	\$13.52	\$18.72
SELLING & ADMIN. RESEARCH	\$ 1.63	\$ 2.41
TOTAL COST	\$15.15	\$21.13
OPER. EARNINGS	(\$.20)	\$.99
% NET SELLING	(1.3%)	4.5%

* Same discount as Model 514 and 580

CASH OR PROJECT RESULT

ESTIMATED ANNUAL SALES VOL.	30,000
NET INCREASE IN SALES VOL.	25,000
NET SALES	\$588,850
FACTORY COST	\$407,130
OPERATIVE EARNINGS	\$181,720
LESS 5.6% & 52.8%	\$100,750
NET EARNINGS	\$ 80,970
INVESTMENT	
CONSTRUCTION	\$240,700
WORKING CAPITAL	\$364,800
RETURN ON TOTAL EXPENDITURE	10.0%
RETURN ON INVESTMENT	13.4%
PROJECT COSTS - R & D PROJECT	
DEVELOPMENT	\$ 66,000
CAPITAL	\$240,700
OPERATIONS	<u>\$176,700</u>
TOTAL	\$483,400