

MODEL 744 AUTOLOADING CENTER FIRE RIFLE
MODEL 766 SLIDE ACTION CENTER FIRE RIFLE - contd.

The basis for the economics is the sales forecast shown as Exhibit 7.

Attached to the agenda for the February meeting were the high spot estimates of the product costs for the proposed Model 744 and 766 based on the 30-06 caliber. After review, Marketing indicated that the proposed Model 744 autoloading and Model 766 slide action rifle would warrant an increased selling price of \$5.00. The attached Exhibit 8 for the Model 744 and Exhibit 9 for the Model 766 has been revised to indicate this proposed change in selling price.

The estimated cash or project results were also attached to the agenda. The calculations have been revised (Exhibit 10) based on the increased selling prices. The project development costs of \$206,500 and operations charges of \$1,108,500 are amortized over a five (5) year period. This is on the basis that the rifles will then be replaced.

Committee Action:

While Committee approval could not be given until the economics were revised, Treasury, R & D and Production should however proceed to develop a draft of a project. A review is to be made at the March Operations Committee Meeting. If approved, the project should be presented at the May 8, 1970 Board of Directors Meeting.

ELECTRIC TOURNAMENT TRAP

It was reported that the major machined castings for the prototype Electric Tournament Trap have not been delivered. As a result, R & D has obtained the casting pattern and one casting for local machining. The initial vendor has a second casting which will also be brought to Ilion for machining if the delivery date of the finished part is not satisfactory.