

PROPOSED MODEL 870 "ALL AMERICAN" 12 GAUGE TRAP SHOTGUN

ESTIMATED COSTS AND ECONOMICS(BASED ON ESTIMATE TO USE THE PROPOSED
NORTH AMERICAN ROCKWELL CARRYING CASE)FULL FACTORY COSTMODEL 870
"ALL AMERICAN"

VOLUME	1800
RETAIL PRICE	\$550.00
RETAIL SELLING	\$294.11
FACTORY COST	\$129.39
SELLING, ADMIN. & RESEARCH	\$ 38.82
TOTAL COST	\$168.21
OPERATIVE EARNINGS	\$125.90
% OF NET SELLING	42.8%

CASH RESULTS

VOLUME (ADDED BUSINESS)	1800
NET SELLING	\$529,400
FACTORY COST	\$216,150
OPERATIVE EARNINGS	\$313,250
LESS 3.0% & 48%	\$158,500
NET EARNINGS	\$154,750

INVESTMENT

CONSTRUCTION THIS PROJECT	\$ 30,500
CONSTRUCTION R&D PROJECTS	
TI-116-2 & 117-2	\$134,000
WORKING CAPITAL	\$257,700
TOTAL	\$426,500
RETURN ON INVESTMENT	36.7%
RETURN ON TOTAL EXPENDITURES	23.7%

PROJECT EXPENDITURES

	R&D TI-116 & TI-117	P E & C	TOTAL
DEVELOPMENT	\$148,800	\$ 6,600	\$155,400
CONSTRUCTION	\$134,000	\$ 30,500	\$164,500
OPERATIONS	\$ 96,200	\$ 77,900	\$174,100
	\$379,000	\$115,000	\$494,000

VGD:I

EXHIBIT 1