

the space and facility trade-offs between the new and existing lines don't appear to be significant within the magnitude of our study.

2. Initial estimates indicate that these guns will be in the high-priced line with consequently low initial volume.
3. Although we would like not to install the facilities as a job-shop operation, the economics may dictate otherwise and we'll be looking at both the production line and job-shop alternatives.
4. We've already proven pretty conclusively the economics of the new gun family are extremely sensitive to the assumptions made regarding the erosion-effect of the new line on the existing line and Marketing is zeroing in on this.
5. And lastly--Treasurer's feels, at least at this stage, that if this goes forward as a project, we may present the economics for authorization based on the comparison of total gun business with and without the new line rather than isolating the "X" family of guns. Even if we use this approach though, this committee will be examining the "X"-family as an entity.

Well, that's about where we stand. As I said before, we're progressing and we'll have some answers before too long.