

CAPACITY EXPANSION PROGRAMS

SPACE REQUIREMENTS

In order to provide the space required to meet the 1976 Sales Forecast, and allow for process improvements and new firearms introductions, the previously proposed moves from the main plant to the third and fourth floors of Building 52 must be completed by mid-1976. Also an additional 30,000 sq.ft. of manufacturing area will be required for 1977. Due to a current 52 week delivery time on structural steel, the design of this additional manufacturing area will have to begin immediately in order to accomplish mid-1977 occupancy. The following is recommended:

- o Since there is no suitable location on the plant for future GFM Barrel forging machines and supporting equipment, a 10,000 sq.ft. single-story structure should be constructed east of Building 76 and designed to connect with Building 60.
- o Expansion room for Barrel manufacturing should be accomplished by constructing an Administration Building (approximately 10,000 sq.ft.) at the northeast corner of Building 52.
- o An addition of 10,000 sq.ft. of single-story manufacturing area with multi-story capability should be constructed on the west end of Building 60.
- o The Brown Mfg. Company property (approximately 2-3 acres) north of Clark St. is available. The buildings on this property are structurally sound and with some renovation could be used as an unheated storage facility. Otherwise, these buildings could be demolished and the property utilized as much needed parking space. Also, in the event a full waste water treatment plant is required, this property would be a likely site. Possible renting and/or purchase of this property is being investigated.

In addition to the 30,000 sq.ft. of new manufacturing facilities proposed for 1977, further construction will be required to meet sales forecasts for 1979.

EXPENDITURES (Does not include Brown Mfg. Co. property)

See Exhibit 4.