

BUSINESS MEETING - contd.PRODUCTION PERFORMANCE

Performance versus #1 Forecast Production Schedule - Exhibit 16.

Expected performance for remainder of 1975 - Exhibit 17.

Inventory levels versus goal levels - Exhibit 18.

Specific problem areas, including excess cost items and corrective programs - all Model 3200:

Modification costs and reasons - Exhibit 19.

Total modification costs - Exhibit 20.

Total cost projection figures comparison to the estimate made in June, 1974 - Exhibit 21.

Explanation of change in estimate from June, 1974 to March, 1975 - Exhibit 22.

Cost Reduction - Exhibit 23.

Quality - Exhibits 24 and 25.

Production was requested to make a cost-earnings projection for 1976 for the basic Model 3200 guns that are now being manufactured.

Regarding Exhibit 25, "Fails to fire" is the major functional problem. Four out of seven were justified and those were two "Pre-play", one "Off-center blow" and one "Fails to cock".

Major machine or process development programs designed to improve our position with estimated dates of completion - Exhibit 26.

In discussion it was emphasized that the shotgun Barrel manufacturing processes described must obtain a finished I.D. Results to date indicate that we cannot ream the I.D. from these processes.

Also being considered as a development program is an equipment monitoring and production reporting system. This is important with the incentive pay system at Ilion.