

ORDER POSITION vs. #2 CALENDAR YEAR FORECAST

BEFORE DISCUSSING THE DETAIL OF HOW OUR ORDER POSITION STANDS TO THE FORECAST OR AS A POSSIBLE CORRELATION TO WHAT WE MAY EXPECT FOR THE YEAR, I'D LIKE TO MAKE A FEW QUALIFYING REMARKS.

CERTAINLY CONDITIONS IN THE MARKET ARE FAR DIFFERENT FROM THOSE OF MARCH 1974. ASIDE FROM THE DIFFERENCE IN CONSUMER ECONOMICS FROM LAST YEAR, OTHER MAJOR FACTORS HAVE COME INTO PLAY THAT HAVE AFFECTED THE WHOLESALERS BUYING PATTERNS. INVENTORY CONTROL THAT IN RECENT YEARS WAS MERELY A TOPIC OF DISCUSSION HAS BECOME A WAY OF LIFE. MATERIAL SHORTAGES AND SPIRILING PRICES COUPLED WITH STRONG DEMAND COMPELLED THE WHOLESALER TO COMMIT HIMSELF AS QUICKLY AS HE COULD IN 1974. TODAY, ALTHOUGH THE DEMAND REMAINS EXCELLENT FOR OUR GUNS, MATERIAL SHORTAGES AND SPIRILING PRICES ARE MEMORIES IN THE MINDS OF OUR CUSTOMERS. THE URGENCY TO PLACE ORDERS IS FAR LESS AND IS REFLECTED IN OUR ORDER POSITION.

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EXHIBIT 9