

XSG PLANNING COMMITTEE - Contd.

"The market introduction and investment plans are highly interdependent. Thus there are a very large number of possible cases. Our efforts to date have focused on the evaluation of possible cases considering separately the optimum investment approach, market introduction approach, and production start-up approach. We have concluded that the investment cases will be controlling, and therefore a subcommittee of Capeletti, Linde and Swartz are analyzing the flexibility of our lines so that we can define the logical increments of changeover capacity for the new models. This is important in view of a preferred market introduction strategy. We have concluded that a receiver transfer machine strategy should be developed independently of the XSG program as additional receiver capacity is needed. The XSG implementation, with common receiver design, will likely afford sufficient capacity to justify a transfer machine with a good return. 83

"We are aiming for a detailed report to the Operations Committee in March."

The meeting adjourned at 2:15 PM. The next meeting will be held February 11, 1981 at 10:00 AM in Bridgeport.

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