

cc: D.E. Miller  
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V.C. DeReus  
Estimate File #2073

Ilion, New York  
January 22, 1960

H. J. HACKMAN

MODEL 725 SAFETY MECHANISM

As per your request, we have estimated what the additional cost would amount to if we were to substitute the above subject Safety Mechanism on the Models 721 and 722 Center Fire rifles, in place of that presently furnished.

The additional Annual Costs based on a Forecast Volume of 10,000 rifles, would be as follows:

	<u>Annual Normal Year Costs</u> <u>based on 10,000 Rifles</u>
Material	\$ 1,350
Labor	2,690
Burden	<u>3,680</u>
Sub Total	\$ 7,720
Plant Overhead	1,735
Inventory Adjustment	<u>95</u>
Total Additional Factory Cost	\$ 9,550
Each	\$ .955

The estimated Expenditure required to make this change for Tooling, Process Engineering, etc., would amount to \$3,100. This amount has not been reflected in the above Product Cost.

R. A. Morris, Supervisor  
Methods & Standards Section

*T. W. Van Horne*  
T. W. Van Horne

TWVH:aa