302 hips

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H. K. PAULKNER BRIDGEPORT

INTRODUCTION OF MODEL 40X-B IN 1964 OR 1965

A decision of the Operations Committee is required whether to introduce the Model 40X-B in 1964 or 1965.

If the model is to be introduced in January 1964, there will be approximately \$1030 scrap. This covers excess on 8 parts. In addition, there will be a repair cost of approximately \$250 to convert 480 Receivers to the 40x-B design. The total cost will be approximately \$1280.

Shipments in recent years are as follows:

	1960	1961	1962	1963 (Aug.)
Commercial	376	322	460	131
Military	1786	5000	79	0
Total	2162	5322	539	131

The policy in Planning has been to have sufficient major components in process so that prompt delivery could be made if a government order was received. Hormal commercial sales for the target rifle average 300-400 guns per year. There are, therefore, sufficient Receivers in process to take sare of 1964 sales requirements.

The Model \$0X-B was designed so that it would be competitive with the revised Minchester gun which is now on the market. Also, it will be remembered that the last government bid for target rifles specified a gun which the Model 40X-B would meet. It is probable that the government would no longer be interested in the Model 40X.

Samples of the Model 40X-B light and heavy Earrel guns will be available just review at the Soptember Operations Committee Meeting. In addition to action on the introduction date, a decision should be made whether or not to replace the Model 40X guns now held as samples at the Springfield of Armory with the 40X-B. If this is done, all future government orders would have to be with the revised model.

D. E. MILLER WORKS MANAGER . .