

cc: R.A. Williamson
L. Fox
S.M. Alvis
~~M.H. Walker~~
D.E. Geiss
Estimate File #2787

40x B H2
7mm Krag

June 27, 1967

V. G. DeREUS

MODEL 700 CENTER FIRE RIFLE
PROPOSED CHANGES FOR 1968 LINE

Estimated full factory costs and operative earnings for our current design commercial grade guns with improved metal finish are as follows:

	<u>"ADL"</u>	<u>"BDL"</u>
Retail Price	\$134.95	\$154.95
Net Selling	72.78	83.58
Factory Cost	\$ 44.25	\$ 51.20
Selling & Admin.	5.17	5.93
Research	2.26	2.59
Total Cost	\$ 51.68	\$ 59.72
Operative Earnings	\$ 21.10	\$ 23.86
% of Net Selling	29.0%	28.5%

The proposed design changes for 1968 are listed below with the estimated additional factory cost per gun and the estimated plant expenditures required.

	<u>Rear Sight</u> <u>Changes</u>	<u>Damascene Finish</u> <u>Bolt Assembly</u>	<u>Shrouded</u> <u>Bolt Plug</u>	<u>Safety</u> <u>Changes</u>	<u>Stock</u> <u>Changes</u>
<u>Est. Cost/Gun</u>	\$.06	\$.09	\$.16	No Change	\$.12
<u>Expenditures</u>					
Construction (P.I.)	\$ 1,300	\$30,000	---	---	---
Operations	11,700	18,000	\$2,900	\$4,100	\$16,700
Total	\$13,000	\$48,000	\$2,900	\$4,100	\$16,700

F. G. Carlson, Supervisor
Methods & Standards Section

R. F. Kerr
R. F. Kerr

RFK:sm