

REMINGTON ARMS COMPANY, INC.

INTERDEPARTMENTAL CORRESPONDENCE

Remington

CR

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TO: J. R. AYERS
FROM: J. C. CALLAHAN
SUBJECT: CENTER FIRE MODERNIZATION

We have previously indicated that based on center fire improvements, we expect 8.0-8.3MM increase in rifle business.

Total Center Fire Sales (in MM)

	<u>With Improvements</u>	<u>Without</u>	<u>Change</u>
1984	N/A	175.9	0
1985	186.9	178.9	8.0
1986	188.0	179.9	8.1
1987	190.0	181.8	8.2
1988	192.0	183.7	8.3

Attached is a line item forecast based on the #1-1984 Rev. Forecast. The impact of different assumptions has been included. They are:

Case 1 - Assumes no change in product line.

Case 2 - Assumes improved appearance of both case and bullet and would account for 20% of the change or about 1.6MM rounds. There would be no component sales based on this assumption.

Case 3 - Assumes accuracy and wash improvements in addition to the appearance improvements listed above. This would account for 30% of the change or 2.4MM rounds. There would be no component sales based on these assumptions.

Case 4 - Assumes improved ballistic coefficient and exterior ballistics in addition to the other improvements mentioned above. This would yield 8.3MM rounds of additional business. It would also yield 6MM bullet sales in 1988.

JCC:daf
Attach.

EXHIBIT D