

# MODEL 710 SPORTSMAN BOLT ACTION RIFLE

Remington Arms Co.

**CONFIDENTIAL**

6/22/99

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# Market Summary

- Remington does not compete effectively in the low cost center fire bolt action market
- The model 700 does not provide an attractive platform to address this problem

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# Product Definition

- **Develop a low cost, high margin rifle that has performance attributes characteristic of a Remington**
- **Preserve working capital**
- **Protect 700 sales volume**

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# Competition

- **Savage and Winchester are the major competition**
  - **Savage Model 111 (wood stock) \$254.00 Landed Price**
  - **Savage Model 110 GPX Combo, \$288.00 Landed Price.**
  - **Winchester Model 70 Ranger, scope combo. Landed price \$284.17, Retail price \$325.00 (Special Make Up Wal Mart only)**

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Shooter - 5.22.06r0008928

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# Positioning

- **Target Market**
    - **Mass Merchants**
    - **Estimated competitive sales of 33m units per year at both Marts**
- Savage 12,000 Wal Mart, 5000 Kmart**  
**Winchester 16,000 Wal Mart**

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# Communication Strategies

- New Technology
- Affordable Performance
- Value
- Remington Branding

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# Packaging & Fulfillment

- **Product packaging**
  - Can packaging cost be reduced?

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# Launch Strategies

- **Launch plan (4 Options)**
  - **Catalog 2000**
  - **Shot Show 2000**
  - **Mid Year 2000**
  - **Catalog 2001**

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# Public Relations

- **Strategy & execution**
  - Introduce at the 2000 Seminar.
  - Must have seminar samples by 10/1/99.
  - Writers Samples due by 11/15/99.

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# Advertising

- **Catalog 2000 Introduction**
  - **Decision Point 9/1/99, photo samples are due.**
  - **Pagination for 2000 catalog does not currently include M710 Sportsman**
  - **Should a dual path be considered at additional expense?**

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# Other Promotion

- **Trade Ads**
  - Creative to begin 9/1/99
  - Complete 10/1/99
- **Consumer Ads**
  - Creative to begin 5/1/99
  - Ads break 8/1/99

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# Pricing

- **Pricing**
  - Project Based on \$259.00 MSP
  - Net to Remington \$209.43
  - Target Margin 45%
- **Volume**
  - Project 40,000 units 1/3 replacement
  - Down side 20,000 units 1/2 replacement

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# Distribution

- **Distribution strategy**
  - Sell the entire trade
  - Sell the Marts only for the first year
- **Differentiate Sales Programs**
  - Eliminate early order incentive
  - Eliminate dating
  - Utilize revolving terms

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# Vertical Markets/Segments

- **Vertical market opportunities**
  - Exploit by cosmetic differentiation
- **Possible Scenario**
  - Synthetic stocked guns for Marts
  - Wood stocked guns for the two step trade

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