

to evolve our current products in a way that adds value and performance to the category.

Manually Operated Rimfire Rifle Market Share Goals

<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
10%	12%	14%	14%

■ Remington Segment Performance

Remington's Pump and Bolt Action Rimfire Rifle segment includes 572, 541-T, 541-HB and 581-S. 1996 net sales totaled 9M units accounting for \$2.0MM in revenue. This is a 37% decrease in units and a 40% decrease in revenue from 1995 actuals. Our worldwide performance for this category follows:

	<u>1995</u> <u>Actual</u>	<u>1996</u> <u>Actual</u>	<u>1997</u> <u>Rev. 1F</u>	<u>1997</u> <u>P.O.</u>
Unit Sales	14,371	9,015	4,648	7,111
Sales Dollars (\$MM)	3.3	2.0	1.0	1.6
Standard Margin (\$MM)	1.0	0.6	0.2	0.4
Standard Margin % Sales	30.6	32.1	23.0	22.5

The principal issues facing this product segment are:

- Cost of manufacture.
- Mature product life cycles of core offerings.
- Product features which require improvement.

■ Competitive Analysis

Remington's leading competitors in this market are Marlin, USRAC, Ruger and Savage. Marlin currently dominates this market with over 50% volume share followed by USRAC at 18%. Both Marlin and USRAC offer a variety of bolt action