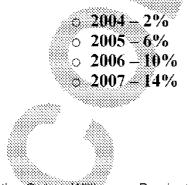
Over/Under Shotgun Product Strategy – 2004

- MCD must budget sufficient resources towards print media exposure to support the Model 332 as the worthy successor of the original Model 32.
- In response to the requests from the trade, the Model 332 will be offered as a "premier" level gun with high gloss wood, polished blue steel and more historically accurate engraving.
- 2003 was a cost reduction year for the Model 332. A focused effort to streamline the production process resulted in a reduction of part and assembly cost to improve margins.
- Marketing will continue the communication/education effort with Manufacturing in regard to quality standards. Quality reviews started in 2002 by the Model 332 Quality Audit Team will be ongoing to ensure that standards are being upheld, especially as the cost reduction effort takes shape.

Over/Under Shotgun Product Strategy - 2005 and Beyond

- Now that the quality standards and cost reduction measures are in place it will be time to expand the O/U line with a high grade gun. This model of 332 will have select grade walnut, high luster blued metal, and engraved sideplates that follow the Model 332 heritage of understated, elegant embellishments. Having a field grade *and* a high grade gun is an important part of legitimizing the O/U line.
- In addition, a target grade Model 332 will be explored for the Sporting Clays shooter. This gun should have a redesigned stock with straighter comb, a more pronounced sweep to the grip, and a semi-beavertail fore-end. Porting, backboring and lengthened forcing cones will be available as well.
- Now that the current O/U has become more cost-effective, the next best way to validate the Model 332 in the marketplace is to introduce a 16/20 gauge version with a smaller, lightweight frame and low overall weight. Today's upland game hunter demands the option of a small frame O/U, and 20 gauge is the most popular of the small frame O/U shotguns. Remington R&D in Elizabethtown KY has already begun the design process around the 16/20 gauge Model 332. Completion of this design work will take place for a 2005 introduction of this product.
- Market share goals for the Model 332 (% of total domestic units) are:



36

Subject to Protective Order Williams v. Remington