

this level for two years. The entry-level centerfire market is somewhat price elastic. If Remington can hold pricing in this category while maintaining healthy margins, the long term competitive position in the category will be better served. It is critical to remain cognizant of the fact that **the Model 710 is positioned as value priced firearm. Annual price increases based on opportunistic beliefs can quickly change this product's position in the market as a price point firearm.**

**Product Strategy 2003 – Model 700**

The strategy for managing the Model 700 brand differs vastly from that of the Model 710. With a relatively fixed level of production capacity and broad product mix spanning nearly the entire spectrum of the market, the key to the future of the Model 700 is to focus strategies on maintaining production levels within the Ilion plant and protecting profit margins. This can be accomplished through:

- Special make up product opportunities allowing customers differentiated product through mixing and matching calibers and cosmetics with existing components.
- Concerted focus on consistency and quality in manufacturing to insure that product entering the market place meets customer expectations and continues to set the standard for bolt-action centerfire rifles.
- Revitalizing the current product line through cosmetic improvements.
- The incorporation of new materials and technologies that provide competitive advantage in the market.
- Efforts in manufacturing to improve efficiencies and reduce costs while maintaining the highest level of quality.
- Improved predictability and accuracy in order fulfillment through line item effectiveness

**Model 700 ADL LS** – Offered as an exclusive to Wal Mart, the Model 700 ADL LS is intended to replace the Model 700 ADL Deluxe in all Wal Mart stores. Featuring a polished blued receiver and barrel with iron sights and a brown laminate stock, the Model 700 ADL LS will be offered in .270 Win and .30-06.

Model	MSP	NSP (Wal Mart)	Volume
Model 700 ADL LS .270 Win	\$419	\$390	6000 units
Model 700 ADL LS .30-06	\$419	\$390	6000 units