

autoloading centerfire rifle using state of the art technology, could spark some enthusiasm in the category.

An evaluation by R&D and Manufacturing needs to be performed to project the resources required for such an effort. In order to keep development costs to a minimum, the C.A.R. should utilize many of the same components and design concepts generated by the current G.A.S. (Gas Autoloading Shotgun) project. General criteria for the C.A.R. are as follows:

- Gas autoloading design
- Must function ammo ranging from .243 Win to .300 Win Mag., as well as Remington Short Action Ultra Mag cartridges.
- Capability to function .223 Remington ammunition would be beneficial, but is not a prerequisite.
- Detachable box magazine
- 2-shot non-detachable magazine option for International.
- Utilization of recoil reduction technology.
- Synthetic and wood versions available.

| Model                                     | MSP   | NSP   | Annual Volume |
|---|-------|-------|---------------|
| Centerfire Auto Loading Rifle – S/A & L/A | \$560 | \$511 | 25000 units   |
| Centerfire Auto Loading Rifle – Magnum    | \$580 | \$529 | 10000 units   |

**Pricing Considerations** – Unless opportunity presents itself, rationalization for price increases in the Model 7400/7600 product lines will be difficult to come by. In all practicality, some level of increase will likely prove necessary in order to maintain margins. For forecasting purposes the following price increases per year will be used with the understanding that the percentages may fluctuation up or down in any given year.

#### Centerfire Repeating Rifle Price Increases 2004 & 2005

| Category   | 2004 % + | 2005 % + |
|------------|----------|----------|
| Model 7400 | 1.5%     | 1.5%     |
| Model 7600 | 1.0%     | 1.0%     |