

- **Model 700 ADL LS Ultra Mag** – In an effort to continue to improve category growth at Wal Mart, a third version of the Wal Mart exclusive Model 700 ADL LS will be offered in .300 Remington Ultra Magnum in 2004.

| Model | MSP | NSP (Wal Mart) | Volume |
|---------------------------|-------|----------------|------------|
| Model 700 ADL LS .300 RUM | \$449 | \$418 | 4000 units |

- **Model 700 EtronX** – A .30-06 hunting version of the Model 700 EtronX is currently in test at R&D. The new design capitalizes on means to reduce cost on the firearm to appoint where the hunting version of the EtronX will be available at retail for \$800-\$900. Also underway is the ASICS program intended to miniaturize and further reduce cost of the EtronX concept. **The future of the EtronX concept lies in Remington's success or failure to effectively promote the benefits of the concept to the consumer through hands-on demonstrations, product focused advertising, intensified PR and incentive based promotion at the retail level (on both sides of the counter). To date, the EtronX program has been a major product success hindered by a market acceptance failure.**

Production/Quality Control – Focus must be maintained on the part of manufacturing on monitoring and insuring the quality and integrity of the Model 700 brand. Emphasis must be placed on consistency and standardization within manufacturing processes. Focus should also be placed on cost reducing measures which improve margins, but do not detract from the perceived quality of the product.

Pricing Considerations – Pricing will be reviewed annually in order to determine the most effective pricing strategy from year to year. Market dynamics and conditions are constantly changing, making meaningful forecasting models for pricing marginally effective at best. Pricing strategies will likely continue to be driven by necessity and opportunistic events and conditions. 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.

| Model | 2004 % Increase | 2005 % Increase |
|----------------------|-----------------|-----------------|
| Model 700 ADL | +1.0% | +1.0% |
| Model 700 ADL SYN | +1.0% | +1.0% |
| Model 700 Regular | +2.0% | +1.5% |
| Model 700 Stainless | +1.5% | +1.5% |
| Model 700 Titanium | +1.0% | +1.5% |
| Model 700 EtronX | NC | NC |
| Model 700 Long Range | +2.0% | +1.5% |