

Strategic Business Objectives

Today's business environment requires our company to pursue emerging markets with a clear competitive advantage. To be successful, we must focus not only on satisfying customer needs better and quicker than our competition, but we must strive to exceed customers' expectations. To accomplish these objectives, the firearms business will pursue the following seven key business strategies.

- Strive for delivered cost leadership.
- Deliver quality products that represent outstanding value.
- Improve and expand positions in value-added and differentiated firearms products.
- Aggressively pursue and grow business in law enforcement and military markets.
- Expand our global market positions on an opportunistic basis.
- Become the industry leader in firearms technology, both product and manufacturing based competence's.
- Improve working capital efficiency.

Continuous annual improvement in sales, earnings and market share are the results of successful business strategies. *Tactically, our strategies will be pursued by:*

- Providing customers with account specific products and services.
- Responding to new product trends before they are well established volume generators.
- Significantly shortening the development and manufacturing lead times of new or differentiated products.
- Using integrated marketing communications to exploit synergy's between firearms and ammunition in a way that provides competitive advantage.