

Law Enforcement Pump Action Shotguns:

The market for law enforcement pump action shotguns is following the same trend as the economy price market, the customer is buying on price. Remington historically dominated this market, but has been steadily losing share in recent years because of intensified competition from Mossberg and to a lesser extent USRAC.

Mossberg has gained acceptance and share by providing additional features at a lower price with the Model 500. They have also been quick to respond to market trends. As a result, many deem the quality of the Model 500 adequate even though it is not as good as the Model 870. To further reinforced this perception, the Model 500 has passed the U.S. government's MILSPEC 3443E while the Model 870 has not. The Mossberg 500 sells for approximately \$100 less than an equivalent Model 870 Police offering.

USRAC's Model 1300 Defender is priced similarly to the Mossberg 500, \$100 under the Model 870 Police. However, USRAC is not positioned well in this market and share is small. The Model 1300 currently does not present significant competition in the law enforcement market.

■ Product Strategy - 1998

Economy Priced Pump Action Shotguns:

M/870 Express

This market is value / price sensitive. The Model 870 Express line is hampered by the lack of features such as camouflage and 12 gauge 3½" capability. Remington will introduce two camouflaged products to the current Model 870 Express line, as well as, a family 12 gauge 3½" Express offerings.

The new camouflaged products will be targeted at the turkey hunting market and will feature camouflaged stock and fore-end only. They are:

- *Express 12 Gauge Synthetic Turkey Camo: This gun will be the same as the standard Express Turkey gun with 21" vent rib barrel, except it will*