

- In addition, low-cost imports from the former Soviet Union and Turkey have made major inroads into the domestic shotgun market. Standardized testing of these products reveals quality and safety levels that are highly questionable. For consumers that only care about price and not about reliability or product integrity these imports clearly have some appeal.

### **Remington Pump Action Shotguns – Opportunities**

- The main opportunities to improve the Model 870 market position are:
  - **Express/Special Purpose:** Cost reduce the 870 Express/SP without sacrificing the quality or functionality that have placed them where they are today. Providing high value to the marketplace and protecting Remington's margins is a vital part of this plan.
  - **Wingmaster:** Improve the aesthetics and handling of the Wingmaster, also while maintaining its reputation as a high quality firearm.
  - Pursue special order opportunities with wholesalers and chain accounts, especially in terms of seasonal specials and hunting combos.

### **Remington Pump Action Shotguns – Threats**

- Mossberg continues to threaten Remington's pump action shotgun business by undercutting Remington's Express line prices, particularly with its low-end Maverick line. In this market segment, cost can matter more than looks or reliability, as evidenced by Mossberg's high sales volumes of a product that is marginal in terms of looks and handling. The same can be said of the ultra-low cost imports such as the Charles Daly pump action shotgun. Also, the Turkish and Russian imports mentioned above threaten Remington pump action shotgun share in the same way.
- The Nova has the potential to gain share if Benelli can improve the fragility of the design and lower its price.

### **Pump Action Shotgun Product Strategy – Overview**

- Because it is already a solid, well-established design, the emphasis for improving the 870 will revolve around cost reduction and cosmetics.
- **Express/Special Purpose:** In the short term, pump action shotgun strategy will be to hold market share while lowering the cost of manufacturing, particularly on Express guns. Recognizing the magnitude of this challenge, the integrity of the Model 870 must be preserved throughout the cost reduction process.
- **Wingmaster:** Improvements to the Wingmaster will be implemented to help rebuild its aesthetic appeal. This will primarily take the form of finer