

## **SPECIAL PRODUCT OPPORTUNITIES - SHOTGUNS**

### ***Model 710 Slug Shotgun***

As a low cost centerfire platform, the Model 710 rifle has few equals. Equipped with a detachable box magazine, a 3x9 scope and a suggested retail price of \$425, the Model 710 rifle has quickly gained a reputation as an accurate rifle and an outstanding value. If the design can be converted for a high performance slug round, then there will be nothing like it in the marketplace.

Remington's ammunition group is in the conceptual stages of developing a high performance slug round called the NXS, or New Experimental Slug. 28 gauge is the largest gauge that means the fewest design changes to the existing Model 710. This would therefore be a collaborative effort between Firearms and Ammunition that has attractive profit potential.

The North American Hunting Club reports that there are 13 states that have slug-only laws for hunting big game. Within those states there are an estimated 2 million slug hunters. A price point slug gun featuring a new high performance slug round, relatively high magazine capacity, inherent Model 710 accuracy and a pre-mounted scope will offer more to the public than anything currently available from the competition. The performance advantages of the Model 710 as a slug platform are:

- Inherently strong three-lug lockup
- Button rifled barrel for maximum accuracy
- Assuming a 28 gauge slug, then 4 round capacity is possible
- A bore-sighted scope is standard
- Familiar Model 710 rifle design

Pricing strategy for the new slug gun is as follows:

<b>Model</b>	<b>MSP</b>	<b>NSP</b>	<b>1<sup>st</sup> Year Volume</b>	<b>Margin</b>
<b>710 Slug Gun, 28 gauge</b>	<b>\$349</b>	<b>\$300</b>	<b>15000</b>	<b>51%</b>

***First year SGM would be over \$1.7MM.***