

be had in the section titled "Core Strategy – Law Enforcement Firearms" page 114. Exclusives with wholesalers and chain accounts in the personal defense segment will also be part of this plan.

- In an attempt to increase the appeal of the synthetic pump action shotgun line, a design effort will be initiated to add insert-molded or overmolded rubber on synthetic stocks and fore-ends. The Winchester SX2 for 2002 had a rubber "Duratouch" coating that appears to be selling well, and the Beretta Xtrema features rubber "grip pads" on the stock and fore-end. A cost-effective change that incorporates a similar feature will be pursued.
- Following on the introduction of 2003's R₃ recoil pad technology for synthetic stock guns, a version for wood guns is underway. Provided that the cost of a wood version of the R₃ makes them feasible, they can eventually be introduced on O/U, Premier, Wingmaster and target guns and marketed as a performance improvement. *Target cost for a high performance recoil pad is \$5. It's estimated that this will command at least a \$10 premium per gun.*

Market Category Summary

BREAK ACTION SHOTGUNS – OVER/UNDER

The domestic break action shotgun market is actually two markets; the over/under shotgun market and the single shot shotgun market. For purposes of clarity, the two markets will be analyzed separately.

The over/under (O/U) market is estimated to be 110-120M units annually with a retail sales value of \$80-90MM.

O/U volumes and market share as averaged domestically for the last three years are:

<u>BRAND</u>	<u>UNITS (M)</u>
Remington	.5
Browning/USRAC	40
Ruger	12
Beretta	35
Other	<u>28</u>
TOTAL	115