

Business Objectives, Rifles – In summary, the three year business objectives for rifles are:

- Autoloading Rimfire Rifles – Entrench the Model 597 in the marketplace through a continued focus on quality and value. **Additionally, the objective is to grow the Model 597 business from the current 50M units annually to an aggressive 65M units annually by 2005.** This will be accomplished through a concentrated effort on product innovation and by focusing on the specific needs of customers through special makeup opportunities. Manufacturing will also be challenged to improve profitability on the Model 597 through cost reducing efforts that have a neutral or positive impact on value to the consumer.
- Manual Action Rimfire Rifles – Remington will re-establish itself in the bolt-action rimfire market through the introduction of the Model 504 rifle. The Model 504 will provide Remington with an attractive margin position while filling a current void in the marketplace for a high-quality bolt-action rimfire rifle without a \$1M price tag. The Model 504 must scream value by providing outstanding accuracy, flawless performance and quality workmanship found only in higher priced platforms. **Market share objectives for the Model 504 are 5%-7% share of the total bolt-action rimfire market (7.5M – 10M units annually) by 2005.**
- Bolt Action Centerfire Rifles – Remington will protect and maintain the market share and margin positions enjoyed by the Model 700 series of bolt-action centerfire rifles. This will be accomplished through a continued focus on improving quality and manufacturing throughput while responding in a more timely fashion to the individual needs of the customer. **The Mayfield plant will expand current capacity levels to accommodate a 20% - 25% growth in capacity for the Model 710 in order to expand Remington's presence in the entry-level bolt-action centerfire rifle category.**
- Repeating Centerfire Rifles – The Model 7400/7600 series of repeating rifles have peaked in their product life cycle and are currently in decline. **The present designs do not adequately meet the standards and expectations of the market with respect to reliability (particularly the Model 7400) and application (no magnum capability).** The short term focus will be on preserving sales levels in the category, with a longer-term (3year) focus on **the introduction of a new autoloading centerfire rifle platform** which effectively meets the expectations of the market while providing Remington with annual volumes in the 30M – 50M unit range.
- In-Line Muzzleloading Rifles – Despite an early charge upon the introduction of the Model 700ML, volumes have declined and leveled off in the 7M-9M units per year range. **Opportunities for growth exist for Remington primarily through a low-priced, clam pack muzzleloader based on the Model 710 platform.**