

- **Model 870 Wingmaster** - The Wingmaster will see some cosmetic improvements in 2003. The original fine line roll marking on the receiver will return, along with some "sculpted engraving" options featuring tasteful and understated artwork. Another improvement opportunity on the stock and fore-end is a return to the "Fleur de Lis" checkering pattern of yesteryear. The advent of laser checkering now makes this technically and financially possible.

Pricing Considerations - Due to the competitive pressure mentioned above, the only price increase in pump action for 2003 is for the "improved" Wingmaster at +1.0%.

Product Deletions - A 2003 product deletion list is included in Appendix A.

Pump Action Shotgun Product Strategy – 2004 and Beyond

- Long term, the path for the 870 Express will include a continuing cost reduction effort that harnesses modern materials science and design. By accumulating significant cost savings, Remington can make concrete steps towards the goal of squeezing Mossberg out of the dominant share position for pump action shotguns. ***This strategy does not include any planned price increases for the 870 Express for at least 2 years.*** Growth in margin must come from cost savings.
- Another priority will be to expand the 870 law enforcement products to maximize volumes in this segment of pump guns. 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 has 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.
- Both the Express and Wingmaster will incorporate changes that improve Remington's shotgun point of impact when using SAAMI sight picture.
- New recoil pad technology will be explored to reduce felt recoil. Provided that the cost of these new recoil pads makes them feasible, they can eventually be introduced on waterfowl, turkey 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.***

Pricing Considerations – 2004 and Beyond

| Model | 2004 % Increase | 2005 % Increase |
|----------------------|------------------------|------------------------|
| Model 870 Wingmaster | +1.5% | +0.5% |
| Model 870 Express/SP | N/C | +1.0% |