

REMINGTON ARMS COMPANY, INC. Product Team Meeting Minutes

September 15, 2004 8:00 am EST

Future Meetings

November 17th - Ilion
December 15th - Ilion

Future Important Dates

October 14th-16th Writers Seminar-Orangeburg, SC
November 6th-8th Sales Meeting-Greensboro, NC

Business Review

Jay Bunting to provide overview of current business environment
2005-New Products shipped in 1st quarter is critical to the business.
Competitive Environment-CFR is in pretty good shape, shotgun business challenged by OPP items on the low end.

ILION BASED SHOTGUN PRODUCTS

New Shotgun Product

Model 332-Skinner, Orf

OBJECTIVE: Establish a legitimate presence in the O/U market

Production Status:

- Guns per day All orders covered with excess inventory, 900 guns by year end at 10 per day, 800 per year at 8 per day, 5 per day is 600 guns at year end
- Gun not selling well at retail; competitive products that are proven versus the 332. Building critical mass with a breadth of offerings is going to be critical.
- Must reduce daily rate to avoid building excess inventory.
- Shooting Open-Update
 - Top Lever Template
 - Grinding Lugs
 - Communicating with Arms Service-Any New Repairs?

Orders on the books covered. Will build some inventory at 10 per day; close to 400 each at year end. 2005 daily rate currently would mean 6-7 guns per day. If cut back, getting back to 10 guns per day could take 6-7 months.

Action: Check Williams sell through. (Fink/McCanna)

Look at improving efficiencies and cost. (Orf)

Planning requested assistance relating to schedules through out 2005.

(Trull/Fink)

Plant can scale back to 8 guns per day without impacting people. Will implement in Q4.

M332 Sporting DL-D.Diaz

Need 10K rounds shot through 3 guns to assess durability of design. Need to look at frame treatment. R. Murphy to work with B. Orf on improving design. Must have design complete and finalized by June 1, 2005 for a 2006 Spring Gun introduction.

- Current Status
 - 3200 style barrel hanger-Designed barrel hanger set, .040" convergence. Plans to braze 3-5 barrel sets week of 7.21. Barrels will be crowned but not tubed and shot for POI.
 - Side Panels-Update