

Jay

-----Original Message-----

From: Diaz, Danny Sent: Thursday, October 25, 2001 4:03 PM

Bunting, Jay

Subject: Important Issues

Jay:

Attached is a first cut at the 2002 product plan assuming a \$250m reduction in Firearms P&L. The remainder of the reductions come from reduction in operation expenses (firearms share is 61%), reduction in firearms travel to 2001 outlook, cutting all firearms training and reduced spending on firearms related programs in Dale Danner's technology group. << File: 2002 Firearms Development Budget Rev 2 10-24-01 xis >>>

With regards to reorganization of firearms projects I will make Mike Keeney lead engineer on both the bolt action rimfire and New Gas autoloading gun. In addition, twill give Will James program management responsibility for both programs. Vince Norton will be assigned to the rimfire project and Brent Jarboe will assigned to the New Gas Autoloading Gun. How is Mike going to do both jobs you ask? Well the initial phase of the New Gas Autoloader will be primarily dissection of all current gas autoloading firearms. Mike can direct this activity without being intimately involved. Also, I will have Will taking care of all the program tasks, scheduling, finances, reparting, etc., thus freeing Mike to concentrate on the nuts and bolts gun design.

Brad Howard will finish the NAS, Jim Ronkainen will work on the 790 fire control, Randy Murphy will take the 710 Wood Stock and Guide Gun. This leaves with the EtronX and Aluminum receiver programs uncovered. With the right person as Ed's replacement san easily cover these programs. If I got someone experienced for Ed I might change some of these assignments.

Given, that Mike or for that matter any engineer would rather own the bolt action rimfire from the start and that I have delayed the EtronX hunting to next year, we can transfer Ed at your discretion.

Will be much easier to explain everything over the phone than in a e-mail, but wanted to get back to you with some indication of the path I was on

Call me when you can.

DDD

