

**MODEL 710 SPORTSMAN
BOLT ACTION RIFLE**

Remington Arms Co.

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Market Summary

- Remington does not compete effectively in the low cost center fire bolt action market
- The model 700 does not provide an attractive platform to address this problem

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Product Definition

- **Develop a low cost, high margin rifle that has performance attributes characteristic of a Remington**
- **Preserve working capital**
- **Protect 700 sales volume**

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Competition

- **Savage and Winchester are the major competition**
 - **Savage Model 111 (wood stock) \$254.00 Landed Price**
 - **Savage Model 110 GPX Combo, \$288.00 Landed Price.**
 - **Winchester Model 70 Ranger, scope combo. Landed price \$284.17, Retail price \$325.00 (Special Make Up Wal Mart only)**

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Positioning

- **Target Market**

- **Mass Merchants**

- **Estimated competitive sales of 33m units per year at both Marts**

- Savage 12,000 Wal Mart, 5000 Kmart**
 - Winchester 16,000 Wal Mart**

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Communication Strategies

- New Technology
- Affordable Performance
- Value
- Remington Branding

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Packaging & Fulfillment

- Product packaging
 - Can packaging cost be reduced?

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Launch Strategies

- Launch plan (4 Options)
 - Catalog 2000
 - Shot Show 2000
 - Mid Year 2000
 - Catalog 2001

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Public Relations

- **Strategy & execution**
 - Introduce at the 2000 Seminar.
 - Must have seminar samples by 10/1/99.
 - Writers Samples due by 11/15/99.

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Advertising

- **Catalog 2000 Introduction**

- **Decision Point 9/1/99, photo samples are due.**
- **Pagination for 2000 catalog does not currently include M710 Sportsman**
- **Should a dual path be considered at additional expense?**

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Other Promotion

- **Trade Ads**
 - Creative to begin 9/1/99
 - Complete 10/1/99
- **Consumer Ads**
 - Creative to begin 5/1/99
 - Ads break 8/1/99

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Pricing

- **Pricing**

- Project Based on \$259.00 MSP
- Net to Remington \$209.43
- Target Margin 45%

- **Volume**

- Project 40,000 units 1/3 replacement
- Down side 20,000 units 1/2 replacement

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Distribution

- **Distribution strategy**
 - Sell the entire trade
 - Sell the Marts only for the first year
- **Differentiate Sales Programs**
 - Eliminate early order incentive
 - Eliminate dating
 - Utilize revolving terms

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Vertical Markets/Segments

- **Vertical market opportunities**
 - Exploit by cosmetic differentiation
- **Possible Scenario**
 - Synthetic stocked guns for Marts
 - Wood stocked guns for the two step trade

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Williams v. Remington