

REMINGTON ARMS COMPANY, INC.
Product Team Meeting Minutes
Conference Call-877-326-2337 Conference ID 3502880#

July 21, 2004 8:00 am EST

Future Meetings

August 25th - Ilion
September 15th - Ilion
November 17th - Ilion
December 15th - Elizabethtown

Future Important Dates

August 11th-21st Grand American-Vandalia, OH
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
Recently concluded Tackle Show was upbeat. Indicates good Fall selling season.

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-Building 10 per day through end of year. Need to build 40-26" and 3-30" guns, clean on 28" guns.
 - ACTION: Impact from SP10 and cantilever guns competes with OU numbers. B. Skinner to get a list to Trull/Fink Will have to monitor to ramp up OU's
- Shooting Open-Establish a path forward

Placement of the top lever is critical at assembly. Gauging will take place at final assembly. Lugs not always ground evenly on guns that are shooting open.

Template drawing in place for top lever. Should have in place in 30 days. Assemblers have been provided direction on what to look for. -Should be 3-4 degrees right of center. Template to be in place on August 9th for top lever position
Work being done to consistently grind lugs.

Communicating with Arms Service B. Orf working with Tom Nagle regarding 332's returning to Arms Service

M332 Sporting DL-D.Diaz

- Current Status
Barrel and choke tube drawings-Due on 6.21.04
Drawings/Programming for raised side panels-Where are they?
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-looking at making side panels and gluing in place. D. Diaz to investigate and provide design with raised side panels.

M1100 Sporting DL-B. Orf

- Current Status-Make 1100 bbl with 105 ID and choke tubes. 735" with lengthened forcing cones. Goal is to have 10 barrels by September 1st. Boyds should make adjustable comb stock
Stocks
Barrels
Target sights
Glass beaded/shot blasted receiver Samples on the way to J Fink
Nickel Teflon would add lubricity, Body Cote will also be tried and quoted
ACTION: Jeweling bolt-need to investigate bolt cosmetics. Fluting was proposed as an option. B. Orf to look into what is feasible.

2005 Spring Shotguns-Skinner, Mroz, Orf

- Current Status
2005-06 SP-10 Mossy Oak Obsession
2005-07 11-87 SM NWTF-Royalties
2005-08 870 SM Thumbhole
2005-09 870 Exp Jr. NWTF-Royalties
Medallion Adhesive-Update-B. Orf ACTION: S. Pernicaro to investigate adhesive

1187 Sportsman Synthetic Line

- Marketing to explain strategy-Fink
ACTION: 20 gauge fore end may be an issue. B Orf to have provide direction on fore end by 7.23. B. Skinner to summarize potential stranded components and finished inventory.

Ilion Quality – Shotguns

Shotgun POI-Pernicaro, Orf

OBJECTIVE: Conformance to SAAMI spec

ACTION: Ilion Engineering to provide status of this project. Priority of shotguns in which to incorporate these changes first:

1. All 1100 Target, 1100 Classic Field and Synthetic
2. 11-87 Premier and SP/SPS
3. 870 Wingmaster and SPS
4. 870 Express
5. SP-10

Jack Kast has picked up. Trying smaller bead to evaluate POI. Lab time is being consumed for MCS at this point of time. Late July early August at this point for an answer.

- Choke Tube Constriction/Patterning Concerns
Fink to work with Engineering to develop constrictions for choke tubes
Orf to confirm receipt and advise on implementation ACTION: B Orf to update drawings.
Need to add some sort of ID mark on choke tubes. Fink to work with Orf on constrictions.
Matrix emailed to B. Orf on 7.21.04.

ILION BASED GENERAL TOPICS

Embellishments and the Bottega Equipment

- Contract Allows for 3 new designs each year
- No more than 15 per year total
- Marketing will develop different designs to utilize equipment; update current line, conservation groups, customer specials, etc.
- Need Ilion contact to work with Bottega – R.Orf Mike LeMay will be point of contact.
Footprints for embellishment area will be provided to Bottega. Want to optimize process

and maximize potential of equipment and contractual obligations. 12 week lead times on new rolls.

105CTi margin discussion

- Need plan of action to address receiver to carbon fiber shell fit – J. Mead. Arranging trip to CVM with Alpha Cast to discuss dimensional issues and what it would take to make receivers with step per Keeney new design. Powder coat may be an option, Glen Sietsema to provide samples.

ISS Conversion-S. Perniciaro

- Current status of lock and implementation dates.
Action: Haskin to e-mail timeline to Trull/Fink.
Scheduled to start phasing in October, 2004.
Regal will work on 332 next.

R3 Pad on Wood Stocks-B. Orf

- Review status with team based on recent visit.

ILION BASED RIFLE PRODUCTS

2005 Ilion New Rifle Programs

Model 700 Synthetic Stock Redesign Status-J Mroz

- Status Update September 23rd implementation date. Very tight schedule regarding catalog and Writers Seminar. Ilion to advise immediately if schedule changes.
- Can the overmolded version be camouflaged prior to overmolding grip areas?
ACTION: Mead/Mroz Will investigate camo prior to overmolding grip area.

Model 700 XCR –Coatings-G. Sietsema

- Marketing has approved color on trigger guard and components
- Need an update on testing (salt fog, abrasion, endurance)
- Need an update on DAT/T&P to establish material flow process with vendor.
- Barrel assemblies sent out week of 7.19. 300 WSM will be mid-2005. Must have competitive evaluation.

Model 700 New Varmint Line – Mroz

- Status Update 1st article samples due 7.23. If acceptable, August production scheduled.

Model XR-100-Mroz

- Status Update on Gun
- Status Update on Owners Manual
- Gun is on schedule to support Spring Gun Program. Owners Manual due by 7.30.
Cover picture to feature gun only, no background.

Model 700 SPL Fire Control – Perniciaro/Diaz

- Trull to review Marketing observations on 3 sample guns
- What is final outcome on surface finish range? Should be same as current design calls for on print.
- What is path forward on stainless guns? Plating/how to insure surface finish on top of trigger is same as on carbon steel gun.
- Update on testing/timing. – Perniciaro
- One 7491 pulled from warehouse-would not extract and incorrect crown. 10th fired round stuck in chamber. Being returned to S. Perniciaro. 33 guns in OHL being returned to Balio.
- New SPL to have 16 finish; equivalent to current assembly. T&P scheduled for June 2005 and by October 2005 will have 10M in inventory

Ilion Quality Issues – Rifles

Model 700/Seven Trigger Pull Weights-S. Perniciaro

- Perniciaro to review specification change due to SAAMI protocol (pulling parallel to bore)
- Brief update on how new procedure is progressing in manufacturing.
- Trigger pulls set at final assembly will be warehoused in August.

R&D TOPICS

E-Town Development Topics - Ilion

Fluted Firing Pin-Diaz

- Status
- Production Ramp up?
- T&P transmittal complete. Ilion ready to implement.

17 Hornady Mach 2 Project - Diaz

- Status on 504 New Eley and Hornady ammo by the end of the month. 100m Eley and 50m Hornady. Eley ammo on hand, rims are at SAAMI max. Pressure is high, case head failures on 597's. Overall length at SAAMI max.
- E'town will hold ammo back for Mayfield to function test production. Commercial ammo will most likely not be available by October. Thweatt to communicate quantities of ammo they will need.
- When will ammunition for testing arrive?
- When will we have an idea on the M597? SHOT Show Special?

Mayfield Topics

Model 597 22LR New Mag Box – Thweatt/Lance

- Status Box bottom approved by Marketing. Should have 597 boxes by 9/30. 500 1st article pieces by 8/9. T&P to E'town on 8/16. T&P scheduled to end on 8/31. Producing guns first, fix guns at OHL with replacement boxes, then inventory accessory parts. Should start replacing OHL boxes by 9/15. Start going into guns between 9.15 and 9.30. What is current status of accessory orders? Convert current 597 boxes to 504 boxes. Need to get 30-40 boxes to Trull by end of September for Writers Seminar and Sales Meeting.
- Roll in plan
- Available quantities for promotion?

Extractors on 7mm Remington Magnum

Extractors breaking due to dimple not in bolt head for extractor rivets. Spike in breakage, all parts quarantined to access extent of problem. Product made from 7.12 is at issue, percentage not known at this time.

Model 710 Metal Receiver – Diaz/Thweatt

- When will parts be received for test?
- Mayfield should be ramping up and switching in October to make 2005 catalog
- Should start DAT next week. Parts all received. 180 receivers en-route, build 270 and 30-06 first. Warehouse position by 12.15.
- New receiver-\$5.00 increase

Model 504-T LS HB – Diaz/Thweatt

- Design finalized & transmitted?
- Parts on order?
- Structured and costed?
- Planning to produce in November & December? (1000 22LR November 1000 17HMR December) Stocks due in end of July. 22LR and 17HMR testing to be complete by mid September. T&P complete by end of October. Need to look at schedules for January and February. Some in December would be desirable.

Mayfield Production Plan for 2004 – Lance/Trull

- Planning working up Rev. for balance of year.

Mach 2 and 710 in out months. Revised plan for rest of year by 7.23.

Smooth ball bolt handle due in next week. Notify consumer service concerning change.

Wrap around checkering on 504 approved. Quarter sawn stock negotiated. Need date on implementation; start on wrap around ASAP implement quarter sawn by year end.