

**Fire Control
Business Contract**
Rev 0.1

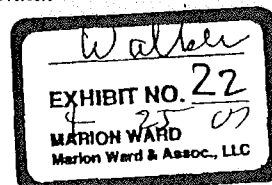
Program Manager
Leo F. Schneider

January 27, 1995



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1. PRODUCT CHARTER

The new fire control is a form and fit replacement to the existing fire controls on all Model 700 and Model 7 Centerfire Rifles. The function of the fire control has been modified such that all capability for adjustment after the fire control leaves the factory will be removed. In addition, the new fire control is designed to force engagement between the sear and trigger, and not allow placement of the fire control in "safe" unless the trigger/sear are fully engaged.

1.1. Overview

The fire control is designed such that it's replacement, in new production or as a retrofit to factory serviced guns, will not be obvious to the customer. The goal is to provide a fire control the "feels" the same to our customers yet provides additional safeguards against inadvertent or negligent discharges. The only difference that the customer may observe is that the fire control may not go on safe if the trigger and the sear are not engaged, and that he may not move the trigger while the safety is in the "safe" position. Instructions will be provided with the fire control that will allow the customer to understand these new functions.

1.2. Target Market Segment

All Remington Model 700 and Model 7 customers.

1.3. Distribution Channels

All new production guns and any guns returned for factory service.

1.4. Business Objective

The purpose of the redesign of the fire control is to reduce the number of parts required, lower our cost, and to add design characteristics that enhance the safety attributes of our firearms.

1.5. Competitive Rationale

If all design characteristics of this fire control are achieved, Remington will be the only major manufacture of firearms to offer this type of safety and functional features. This, however, is not considered a highly marketable feature and therefore will not be included in marketing campaigns (is the above true?).

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2. MARKET ANALYSIS

- 2.1. Segment / Sizing**
Not applicable
- 2.2. Market Share**
Not applicable
- 2.3. Distribution Channels**
Not applicable
- 2.4. Competitive Environment**
Not applicable.
- 2.5. Pricing Trends**
Not applicable

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3. FINANCIAL ANALYSIS

In this section the rubber meets the road. Is this project worth doing? What are the minimum forecasts to insure profitability and does our pricing structure support these expected profits.

3.1. Target Forecast

It is estimated that, based on current sales forecast, that approximately 240,000 fire controls per year will be required.

3.2. Target Costs / Pricing

The target cost to Remington is in the \$6.00 to \$8.00 range in the quantities above.

3.3. Profit / Loss

Not applicable.

4. DEVELOPMENT PLAN

4.1. Program Schedule

See attached figure.

4.2. Resources

Maximum resources are being brought to bear to ensure the timely development and transition to production of this new fire control.

4.3. Technology Risks

The Fire control incorporates industry standard manufacturing technologies, materials and tolerances. Any vender that produces small assemblies should be able to manufacture and assemble the fire control. Therefore the technology risk is considered low.

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5. MARKETING / SALES PLAN
Not applicable

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6. MANUFACTURING PROCESS PLAN

6.1. Manufacturing Facility

The new fire control will be subcontracted to as many as two firms that will provide completed assemblies to the factory in Illion, NY. The firms will be determined based on proposals submitted by interested manufacturing firms.

6.2. Manufacturing Line / Area

Not applicable.

6.3. Process Plan

Not applicable.

6.4. Production Ramp-up Schedule

Production and ramp up schedule is to be negotiated with the primary subcontractors. The schedule will provide lot size and shipping requirements that meet or exceed production requirements at the Illion plant for Model 700 and Model 7 centerfire rifles.

6.5. Source Selection Plan

Proposals from interested firms will be evaluated based on capability, cost, quality and risk. Initial proposals will allow Remington to screen firms and choose three that best meet the selection criteria. Remington will then ask these companies for a best and final proposal. One, or possibly two company's will be selected to produce the fire control. Final cost and schedule will be negotiated prior to issuing a purchase order.

7. QUALITY ASSURANCE PLAN

7.1. Critical Components

The fire control is considered a critical component. Waivers or deviations from specified processes, materials, design, or dimensions will be addressed on a case by case basis. In no case will any waiver or deviation be approved that changes the designed function or fit of the fire control.

7.2. First Pass Yield Requirements

Our goal is to receive only high quality fire controls. We expect that 100% of all received fire controls will be acceptable to Remington.

7.3. Quality Problem Resolution Process

Remington will require a warranty from the manufacturer against manufacturing, material, and other latent defects. Fire controls will be screened as they are received to ensure quality. Any defective assemblies will be returned to the manufacture for correction of the deficiencies.

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8. PROCUREMENT PLAN

8.1. Long Lead Parts

Not applicable (see schedule)

8.2. Build vs. Buy Parts

Not applicable.

8.3. Common Components

Some components of the Fire Control are common with the current production Fire Controls. Since the new Fire Control is provided as a complete assembly this will not be a factor in any procurement strategy.

8.4. Purchasing Schedule

A purchase order will be processed for a one year quantity of production. Delivery schedule will be negotiated with the manufacture to ensure there are sufficient fire controls on hand to meet production schedules of the Model 700 and Model 7s, plus those needed to replace any guns receiving factory service

8.5. Technology Risks

See Section 4.3 above.

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9. SERVICE PLAN

9.1. Warranty and Extended Service Plan

The same warranty that applies to the basic gun will apply to the fire control.

9.2. Field Replaceable Units (FRUs)

Not applicable

9.3. Parts Forecast

Fire controls that require servicing will be simply removed and replaced. The maintenance required on this fire control will be no more than the existing fire control which will necessitate 1% of units required for manufacturing being on hand as replacements for failed fire controls on current production (this is a swing—need a better number, if any). Approximately 20,000 guns per year go through armed service for repair, in addition another 20,000 per year are repaired at other warranty stations. Since we will replace all fire controls with the new design during warranty service, an additional 40,000 fire controls per year will be required. The number required will be updated yearly based on the number of guns with old Fire Controls being repaired.

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APPENDIX A: PROGRAM TEAM MEMBERS

Director, Product Development
Program Manager, Design and Development
Program Manager, Outsource
Senior Engineer, Design
Engineers

Danny D. Diaz
Ed Ford
Leo F. Schneider
Fred Martin
???

APPENDIX B: TECHNICAL SPECIFICATIONS

Need a little help here, how about Danny's Matrix formalized a little

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