

EXHIBIT  
2

December 18, 1998

*M/710 Centerfire Bolt Action  
Concept Review 3*

CONFIDENTIAL

Remington Arms Confidential

PLAINTIFF'S  
EXHIBIT

336

ET36264

Confidential - Subject to Protective Order  
Williams v. Remington

# Model 710 - Agenda

- Concept Overview
  - Progress Update
  - Spendout
  - Prototype Review
  - Schedule
  - Manufacturing Estimate Review
  - Recommendation
  - Action Items
- Danny Diaz  
Mike Keeney  
Mike Keeney  
Mike Keeney  
Mike Keeney  
Jim Rabbia  
Mike Keeney  
Danny Diaz

CONFIDENTIAL 83

Remington Arms Confidential

December 18, 1998

ET36265

# M/710 - Concept Overview

## OBJECTIVE

- ✓ COMPETE WITH SAVAGE, MARLIN, WINCHESTER
- ✓ MINIMIZE COST -- CAP. AND PIECE PRICE
- ✓ TECHNICALLY LOW RISK
- ✓ RAPID INTRO TO MARKET

Barrel with Integral Locking Lugs

Tubular Receiver

Synthetic Receiver Insert with M/700 Trigger Assy

Remington Arms Confidential

December 18, 1998

ET36266

Confidential - Subject to Protective Order  
Williams v. Remington

## M/710 Progress Update

- Detailed Drawings of Major Components
- Manufacturing Estimate
- Manuf./R&D Estimate Review 11/17/98
- In House Mold Flow Analysis of Receiver Insert
- Magazine Box Prototype Development
- Build Cosmetic Prototype

Remington Arms Confidential

December 18, 1998

ET36267

Confidential - Subject to Protective Order  
Williams v. Remington

## M/710 Spendout

- \$38,000 estimated spendout as of Sept. 28, 1998
  - ✓ M/700 Receiver Endurance Testing - \$6000
    - Manufacturing Concerns - \$0 spent
  - ✓ Mold Flow Analysis of Rec. Insert - \$7000
    - In House Analysis Program - \$0 spent
  - ✓ Magazine Prototyping - \$20,000
    - Prototype stamping house - \$4000 spent
  - ✓ Cosmetic Prototype - \$5000
    - Stock inletting - \$9767 spent
  
- Total Spendout to Date : **\$13,767**

Remington Arms Confidential

December 18, 1998

ET36268

Confidential - Subject to Protective Order  
Williams v. Remington

December 18, 1998

**M/710 Prototype Review**

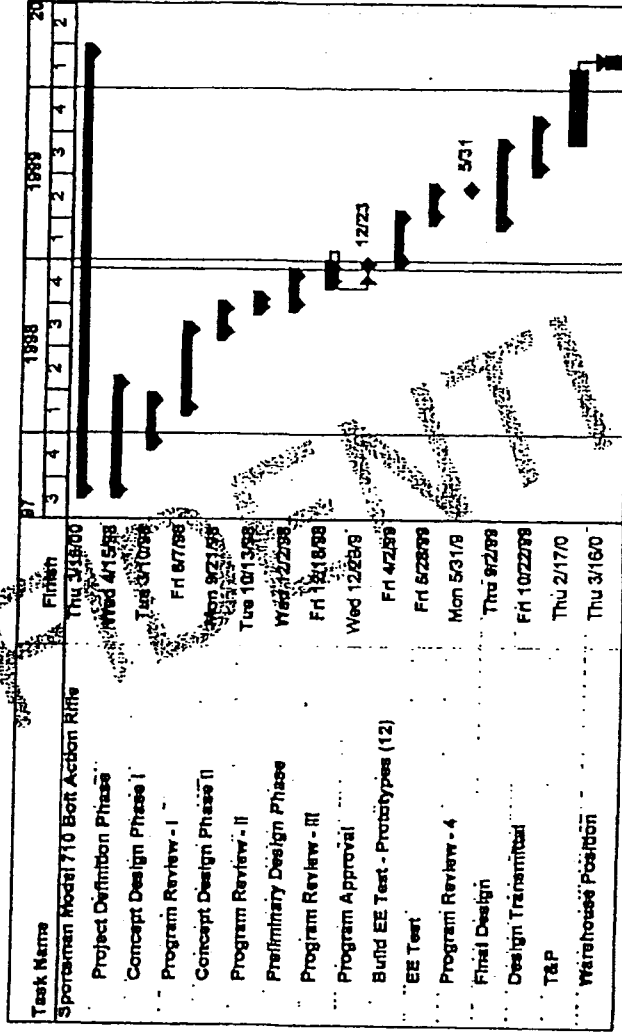
**CONFIDENTIAL**

Remington Arms Confidential

ET36269

Confidential - Subject to Protective Order  
Williams v. Remington

# M/710 Schedule



83

Remington Arms Confidential

December 16, 1988

ET36270

Confidential - Subject to Protective Order  
Williams v. Remington

# M/710 Manufacturing Estimate

- High Spot Estimate Complete
  - ✓ Manufacturing Cost - \$109.47
  - ✓ Manufacturing Capital Required - \$1,984,296
- Initial Print Package
  - ✓ Part design and tolerancing subject to change
  - ✓ All part designs have not been received
  - ✓ All material specifications are not finalized
- Limited Exposure to Prototype Parts and Assemblies
  - ✓ Have not seen a working prototype
  - ✓ Seen very few prototype parts
  - ✓ Significant assumptions with respect to assembly

Remington Arms Confidential

December 18, 1998

ET36271

Confidential - Subject to Protective Order  
Williams v. Remington



# M/710 Manufacturing Concerns & Issues

- Barrel Material and Processing Concurrence
  - ✓ 4140 prehardened materials standard material with heat treatment
- Receiver Insert Manufacturability
  - ✓ Mold Flow Analysis
  - ✓ Part Complexity
- Subsequent Processing
  - ✓ Pressing plastic part into receiver tube
  - ✓ Barrel receiver attachment
- Prototyping Schedule
  - ✓ Barrel prototyping achievable but we need to begin in Jan

Remington Arms Confidential

December 18, 1998

ET36272

Confidential - Subject to Protective Order  
Williams v. Remington

# Proposed Path Forward

- Continued R&D and Manufacturing concurrent refinement, re-design and completion of all prints
- Further refinement of capital
  - ✓ Improved equipment utilization
  - ✓ Firm quotes with further purchasing assistance
  - ✓ Process optimization
- Further cost refinement
  - ✓ Further make vs. buy decisions
  - ✓ Improved process development
  - ✓ Purchased part and raw material price improvement

Remington Arms Confidential

December 18, 1998

ET36273

December 18, 1998

*M/710 Recommendation*

Approve Project

**CONFIDENTIAL** 83

Remington Arms Confidential

ET36274

Confidential - Subject to Protective Order  
Williams v. Remington

# CONFIDENTIAL

## M/710 Action Items

Action Item	Responsible	Date

December 18, 1998

Remington Arms Confidential

ET36275

Confidential - Subject to Protective Order  
Williams v. Remington

M710 Flat Receiver Comparison

M710 Synthetic .30-06 Flat-Panel Receiver Option Estimated Cost

Description	Material	Labor	Overhead	Total
Overall Gun	\$ 44.86	\$ 21.85	\$ 60.53	\$ 127.24
Receiver	\$ 4.87	\$ 1.58	\$ 5.48	\$ 11.93
Barrel	\$ 2.44	\$ 5.61	\$ 19.81	\$ 27.86
Bolt Assy	\$ 11.13	\$ 2.14	\$ 7.16	\$ 20.43
Stock/Fore end	\$ 6.16	\$ -	\$ -	\$ 6.16
Firecontrol	\$ 9.09	\$ 1.59	\$ 3.40	\$ 14.09
Misc	\$ 11.17	\$ 10.93	\$ 24.68	\$ 46.77

M700 ADL Synthetic .30-06 cal. 05 Costing

Description	Part #	Material	Labor	Overhead	Total
Overall Gun	521478	\$ 32.99	\$ 23.28	\$ 67.31	\$ 123.58
Receiver	99304	\$ 2.35	\$ 4.39	\$ 14.29	\$ 21.03
Barrel	26291	\$ 2.05	\$ 2.45	\$ 8.81	\$ 13.30
Bolt Assy	94097	\$ 6.71	\$ 3.19	\$ 8.92	\$ 16.83
Stock	106153	\$ 6.12	\$ 0.51	\$ 1.06	\$ 7.69
Firecontrol	26345	\$ 2.15	\$ 2.80	\$ 6.69	\$ 11.64
Misc		\$ 13.61	\$ 9.94	\$ 27.54	\$ 51.09

Comparison: M700 ADL minus M710

Description	Material	Labor	Overhead	Total
Overall Gun	\$ (11.87)	\$ 1.43	\$ 6.78	\$ (3.66)
Receiver	\$ (2.52)	\$ 2.81	\$ 8.81	\$ 9.10
Barrel	\$ (0.39)	\$ (3.16)	\$ (11.00)	\$ (14.56)
Bolt Assy	\$ (4.42)	\$ 1.05	\$ 1.76	\$ (1.60)
Stock	\$ (0.04)	\$ 0.51	\$ 1.06	\$ 1.53
Firecontrol	\$ (6.94)	\$ 1.31	\$ 3.29	\$ (2.45)
Misc	\$ 2.44	\$ (0.99)	\$ 2.86	\$ 4.32

CONFIDENTIAL

ET36276

M710CO-1.XLS

M710 Synthetic .30-06 Estimated Cost					M700 ADL Synthetic .30-06 cal. 05 Costing				
Description	Material	Labor	Overhead	Total	Description	Material	Labor	Overhead	Total
Overall Gun	\$ 25.50	\$ 22.71	\$ 64.04	\$ 112.25	Overall Gun	\$ 32.90	\$ 23.08	\$ 66.78	\$ 122.76
Receiver	\$ 1.68	\$ 1.60	\$ 5.60	\$ 8.88	Receiver	\$ 2.35	\$ 4.37	\$ 14.36	\$ 21.08
Barrel	\$ 3.35	\$ 5.05	\$ 18.16	\$ 26.56	Barrel	\$ 2.05	\$ 2.34	\$ 8.43	\$ 12.82
Bolt Assy	\$ 6.96	\$ 3.39	\$ 10.19	\$ 20.54	Bolt Assy	\$ 6.71	\$ 3.19	\$ 8.92	\$ 18.82
Stock Assy	\$ 6.72	\$ -	\$ -	\$ 6.72	Stock	\$ 6.12	\$ 0.51	\$ 1.06	\$ 7.69
Firecontrol	\$ 3.45	\$ 2.65	\$ 6.17	\$ 12.26	Firecontrol	\$ 2.15	\$ 2.80	\$ 6.69	\$ 11.64
Misc	\$ 3.35	\$ 10.03	\$ 23.91	\$ 37.29	Misc	\$ 13.52	\$ 9.87	\$ 27.32	\$ 50.71

Comparison: M700 ADL minus M710				
Description	Material	Labor	Overhead	Total
Overall Gun	\$ 7.40	\$ 0.37	\$ 2.74	\$ 10.51
Receiver	\$ 0.67	\$ 2.77	\$ 8.76	\$ 12.20
Barrel	\$ (1.30)	\$ (2.71)	\$ (9.73)	\$ (13.74)
Bolt Assy	\$ (0.25)	\$ (0.20)	\$ (1.27)	\$ (1.72)
Stock	\$ (0.60)	\$ 0.51	\$ 1.06	\$ 0.97
Firecontrol	\$ (1.30)	\$ 0.15	\$ 0.52	\$ (0.62)
Misc	\$ 10.17	\$ (0.16)	\$ 3.41	\$ 13.43

CONFIDENTIAL

M710CO-1.XLS

SPORTSMAN M710  
BOLT ACTION 241095

ID	Task Name	Start	Finish	Precedes	1997	1998	1999	2000	2001
1	Sportsman Model 710 Bolt Action Rifle	8/2/97	7/4/00		1 2 3 4	1 2 3 4	1 2 3 4	1 2 3 4	1 2 3
2	Program Review - III	11/17/98	11/17/98						
3	Manufacturing Review	11/17/98	11/17/98						
4	Re-Run Manufacturing Estimate	11/18/98	12/15/98	3					
5	Marketing Review	12/18/98	12/18/98						
6	Program Approval	12/23/98	12/23/98						
7	Build EE Test - Prototypes (12)	9/2/97	8/23/99						
8	Barrel Assembly	9/2/97	9/2/97						
9	Barrel	9/2/97	9/2/97						
10	Receiver	9/2/97	9/2/97						
11	Receiver Insert	9/2/97	9/2/97						
12	Bolt Assembly	9/2/97	9/2/97						
13	Bolt Head	9/2/97	9/2/97						
14	Procure Components	12/28/98	5/20/99	6					
15	Assemble Prototypes	5/21/99	5/28/99	14					
16	EE Test	6/3/99	7/23/99						
17	Run Test	5/31/99	7/23/99	15					
18	Program Review - 4	7/28/99	7/28/99	17FS+1d					
19	Final Design	5/21/99	12/23/99						
20	Modeling	5/21/99	7/29/99	14					
21	Detailing	7/30/99	8/12/99	20					

Project: Sportsman M710 Bolt Action  
Project Code: 241095  
Date: 1/6/99

Legend:  
 [Solid Bar] Task  
 [Dotted Bar] Progress  
 [Diamond] Milestone  
 [Thick Solid Bar] Summary  
 [Thin Solid Bar] Rolled Up Task  
 [Thin Dotted Bar] Rolled Up Milestone

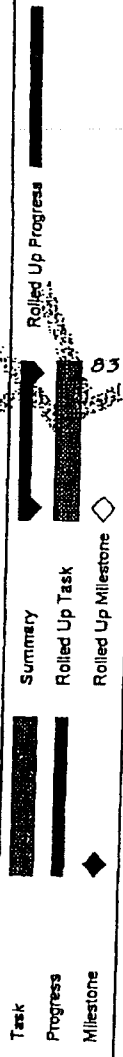
ET36278

SPORTSMAN M710  
BOLT ACTION 241096

ID	Task Name	Start	Finish	Predecessors	1997	1998	1999	2000	2001
22	Build DAT Prototypes (40); Test	8/28/99	9/9/99						
23	Procure Components	8/25/99	8/24/99	20FS-264					
24	Assemble Prototypes	8/27/99	9/2/99						
25	DAT Test	9/10/99	12/3/99						
26	Run Test	9/10/99	12/2/99						
27	Design Transmittal	9/10/99	12/17/99						
28	Finalize Drawings	9/10/99	12/17/99						
29	T&P	12/24/99							
30	Warehouse Position	8/9/00	7/8/00						

CONFIDENTIAL

Project: Sportsman M710 Bolt Action  
Project Code: 241096  
Date: 1/8/99



VERDNTAS1241096241096STL.MPP

ET36279

Confidential - Subject to Protective Order  
Williams v. Remington