

It's a Package Deal

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Staff Writer

At the entrance of AVC Corp., silver letters read, "Leading the Way in Environmental Packaging."

Guy Marom takes these words to heart.



The Torrance company's co-owner and executive vice president, Marom took AVC green about five years ago, and is pushing for the packaging industry to do the same.

What started as a small North Hollywood media duplication and packaging company for the infomercial and entertainment industries has grown into a "one-stop shop" for big brands such as Kodak and retailers such as Wal-Mart.

Co-owner Moshe Begim founded AVC in 1990, and Marom joined two years later. In 1998, they purchased the assets of Torrance-based packaging firm Servall Packaging and moved AVC to the South Bay.

And AVC's emphasis has become increasingly green.

Marom made his first eco-friendly packaging almost by happenstance, for an interactive book by education company LeapFrog.

With rigid plastic that needed a razor blade to slice through, the original package "was not friendly," Marom said. "It had sharp edges, kids can't open it, you can't open it."

The alternative Marom designed, and later patented, was a reusable retail package - a book-like casing made from paper and recycled plastic that was easy to open and more likely to end up on the shelf than in the trash bin.

The LeapFrog package was more functional and gave the product more visibility, he said. And for Marom, the production price "was almost the same."

Since then, Marom said it just made sense to be environmentally conscientious.

Fittingly located adjacent to a large recycling facility, AVC offers its clients the entire packaging process from graphic design to direct-to-customer shipping. All its domestic products are made in Torrance, though it also has partnerships and joint ventures for manufacturing in Indiana, China and Mexico.

Having a comprehensive operation allows for faster and less expensive production, Marom said. He added that clients have a better understanding of what they're getting when it's all done in one place.

Marom's years in the industry have given him an insight into what his customers want. Yet, what customers want sometimes can be at odds with what is most environmentally friendly, he said.

In addition, making functional, yet eye-catching, packaging for today's consumer challenges Marom to think of new ways to be green.

"When I was growing up, everything was in boxes," Marom said, contrasting that with today's trend of clear packaging.

For instance, the food industry can use PLA, a clear biodegradable, corn-based packaging. But PLA warps at temperatures over 115 degrees Fahrenheit - not a problem for refrigerated food, but unsuitable for retail products without temperature-controlled transport.

Even when Marom develops greener concepts, he said, retailers might be hesitant to make the switch.

"It's the idea of, why fix it if it's not broken - if it's selling? I'm just the manufacturer; I can only suggest things."

But Marom believes 2008 might be the year eco-packaging is given the green light by the industry.

"I think this year is going to be a very interesting year for us," he said.

Marom is keeping a close eye on Wal-Mart, which will begin next month to evaluate its products based on environmental sustainability.

"When Wal-Mart dictates it, smaller stores will take it," he said of environmental packaging.

Still, Marom says big retailers going green is just part of the equation. If Marom gets his eco-packaging into stores, each with that iconic triangle of green arrows signifying its recyclability, buyers must also do their part.

Only 10.6 percent of plastic packaging was recycled in 2006, compared with 59 percent of paper packaging, according to the Environmental Protection Agency.

Most of AVC's packaging products contain anywhere from 20 to 90 percent recycled material, said Michael Baker, the company's general counsel.

"Expect a lot of people to switch to green (packaging). ...The timing is definitely."
- **Guy Marom**, AVC Corp. co-owner and executive vice president



Sean Hiller/Staff Photographer

Guy Marom, executive president at AVC Corp., shows some examples of the Torrance company's green packaging solutions. Because the company's products use less plastic packaging, it's easier to recycle them. Marom says that if a retailer like Wal-Mart starts mandating green packaging, the rest of the world will follow.

Marom added that his company has also reduced overall use of plastics in its manufacturing by 60 to 90 percent, depending on the package. He says consumers and manufacturers alike must recognize reusable plastic packaging as the most sustainable solution.

Like the reusable canvas grocery bag, reusable retail packages are "the next step," Marom said. "Expect a lot of people to switch to green (packaging). The timing is definitely here."



AVC Corp. worker Diego Carmona prepares environmentally friendly packaging for a client's product in Torrance, where the company employs 150 people. AVC's slogan is "Leading the Way in Environmental Packaging," and company officials think 2008 is the year manufacturers and retailers will mandate packaging that is easy to recycle.

BUSINESS WATCH



NAME: AVC Corp.

LOCATION: Torrance

EMPLOYEES: 150 in Torrance

PRODUCTS: Plastic and paper packaging for retail products, from nail polish to iPod accessories, and media duplication.

FOUNDED: 1990

EXECUTIVES: 2

ANNUAL REVENUE: About \$20 million in 2007, with projected increase of at least 20 percent in 2008.

INFORMATION: www.avccorp.com