

August 7, 2006



AVC Corp. Announces Joint Venture with Seiko Instruments USA, Inc.

Torrance, California-based custom retail packaging company, AVC Corp., is pleased to announce a joint venture with Seiko Instruments USA, Inc. The two companies recently signed a contract to open an assembly plant in Reynosa, Mexico where Seiko's products will be assembled into AVC's blister packages.

Torrance, Calif. (PRWEB) August 7, 2006 -- Custom retail packaging innovator, AVC Corp. (<http://www.avccorp.com>), recently signed a joint venture agreement with Seiko Instruments USA, Inc. AVC will oversee all packaging operations at an assembly plant the two companies have opened in Reynosa, Mexico.

Under the contract, AVC will supply Seiko with machinery, thermoformed plastic components, and printed inserts to produce several blister-style packages for Seiko's line of children's watches that are sold in various retailers such as Target, K-Mart and Wal-Mart. These components will be produced at AVC's Torrance facility and shipped to Mexico for assembly. Also, as part of the agreement, AVC will send their own experienced technicians to the Reynosa plant to train Seiko employees on packaging assembly and sealing technologies.

"This is a wonderful opportunity for both companies," said Michael Baker, General Counsel for AVC. "Seiko will gain valuable packaging knowledge from AVC, a company that has more than 30 years of experience in this area, and in turn, AVC is guaranteed steady production business from Seiko for multiple products. It's really an ideal partnership." Baker added that AVC is seeing this venture as an opportunity to establish a permanent assembly operation in Mexico for many other AVC clients.

The idea to move Seiko's packaging assembly from China to Mexico came about a little more than a year ago during a routine review of Seiko's supply chain management.

Andy Hicks, VP of Operations & Distribution for Seiko Instruments USA, Inc., said the majority of their retail clients demand quicker response in inventory, which can be a challenge when packaging overseas. Hicks said that orders can take up to 120 days to fulfill with packaging production and assembly being done in China. Because many retailers sell the same watch, only with different packaging, this will allow Seiko to inventory watches and place them into specific packaging on a just in time basis.

Production at the Reynosa plant is scheduled to begin at the end of August.

Hicks said that with the Mexico assembly facility in place and all of the packaging components being manufactured in the United States, Seiko can now package the products as the orders come in, thereby meeting each clients' individual needs without having to keep massive amounts of pre-packaged inventory on hand.

"We're not going to put it all together in a package until we know we've got a sale," Hicks said.

Seiko Instruments USA, Inc. is also exploring other opportunities with AVC Corp. (<http://www.avc-corp.com>) as the watch manufacturer is looking to transition into more environmentally sustainable packaging. Hicks said Seiko is looking to AVC, the custom retail packaging company having extensive expertise in this area, for more innovative and cost-saving solutions.

For More Information Contact:

Guy Marom

P (310) 533-5811

F (310) 533-6077

20550 South Denker Avenue

Torrance, Ca. 90501

www.avccorp.com

