

# AVM Sales Up, But Income Down

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Third quarter sales were up but income was down at AVM Corp. compared to the same period a year ago.

Sales during the quarter this year were recorded as \$10,328,000 — 6.6 percent ahead of third quarter 1977 but income from operations dropped to \$437,000 or 25 cents a share compared to 1977 third quarter earnings of \$472,000 or 26 cents a share.

H. J. Ruttenberg, AVM chairman and president, said third quarter operations "reflect the usual fall-off due to vacation shutdowns at our plants and model changeover closings by major automotive

customers. Prospects for fourth quarter earnings are good."

He noted higher sales were realized during the third quarter this year in office furniture, store display fixtures and lock and locker sales and rental revenue but were offset by reduced sales in automotive and election systems products.

Ruttenberg commented, "The automotive division continues to show improvement despite lower sales and reflects benefits from consolidation of manufacturing operations at one plant. Currently, the division expects it will be able in 1979 to replace the loss of sales volume which may result from a major customer's plans to produce its own requirements of vacuum motors."

The financial statement noted that sales for the first nine months this year also were up 6.6 percent — to \$32,006,000 from \$30,032,000 in 1977 and reflecting returns of 90 and 76 cents per common share during the respective periods.

Ruttenberg said office furniture division sales were up 28 percent for the first three

quarters this year, reflecting good acceptance of a re-designed line of desks and files, along with higher sales of laminated wood products. Lock and locker sales and rental revenues were up 14 percent this year while limited sales of roll formed metal products increased 27 percent.

The AVM official said store display fixture sales were up 18 percent the first nine months this year, continuing a recovery that began during the second quarter after several quarters of depressed sales. Sales of fabricated metal products to the automotive industry were down nine percent this year.

Ruttenberg noted that if negotiations under way for sale of certain assets and the business of its Election Systems Division are successful, they should be concluded by the end of the year but no material gain or loss is anticipated. He said trial of certain legal actions arising from a 1975 explosion at LaGuardia Airport and in which AVM's American Locker Co. Inc. subsidiary is one of the defendants is scheduled to begin Nov. 6.