

Net Income Declined

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AVM Corp. Reports Increased Sales

Increased first quarter sales but reduced net income as compared to the same period last year have been reported by AVM Corp. with headquarters in Jamestown.

The company recorded sales of \$13,626,000 during the first three months, up 17 percent from \$11,674,000 in the comparable 1983 period.

Sales of fabricated metal products to the automotive industry increased 32 percent, while office and computer furniture products sales increased 47 percent, as a result of the general business recovery.

Locker and lock revenues declined 13

percent, however, as sales of these products to an agency of the U.S. government were affected adversely by competition, causing a first quarter sales volume decrease.

Net income for the first quarter of 1984 was reported as \$140,000 or 9 cents a share. This compares to \$748,000 or 50 cents a share earned during the first three months last year.

The company reported that all its business lines realized lower earnings the first quarter this year. The Automotive Products Division continues to be unprofitable because it has been unable to obtain price increases from automo-

tive customers sufficient to offset increased costs fully.

The office furniture and locker manufacturing facility experienced operating problems and a longer than expected adjustment following the installation of a new paint system in December.

Locker profits declined as a result of lower volume and competitive pricing in the market for units sold to governmental agencies. The company reported that actions are under way to correct operating problems at the furniture and locker manufacturing plant and at the Automotive Products Division.