

About AVX

Company Information



AVX is a leading international manufacturer and supplier of a vast portfolio of advanced electronic components, including: capacitors, inductors, filters, resistors, couplers, diodes, and circuit protection devices, as well as a broad range of innovative sensor, control, interconnect and antenna solutions. With 29 research, design, manufacturing, and customer support facilities in 16 countries around the world, AVX offers significant competitive advantages, including delivery and production capabilities optimized to suit each individual customer's just-in-time inventory requirements, and global engineering teams experienced in developing new-to-market product solutions especially designed to fulfill customer's unique application requirements.

AVX has successfully served the automotive, industrial, medical, military, consumer electronics, communications, and transportation markets for nearly 50 years. In the automotive sector, AVX actively contributes to the development of new safety, engine control, infotainment, and chassis control technologies. In the medical sector, advanced AVX products provide critical support for a wide range of implantable, life-supporting, treatment, imaging, and diagnostic devices, including pacemakers that regulate patients' heartbeats, cochlear implants that provide audio input for the hearing-impaired, and diagnostic equipment that helps medical professionals identify and cure patients' ailments. In the communications sector, our accomplished research and development (R&D) teams regularly anticipate needs and adapt and innovate products to support the explosive growth of next-generation technologies spanning smartphones and tablets to networks and datacenters.

Backed by decades of in-depth R&D, AVX products also provide critical enabling support for a wide variety of green technologies designed to conserve existing energy resources and create dependable, affordable electronic systems capable of effectively harnessing renewable energy sources, such as wind, solar, and hydroelectric power. High-reliability AVX components are at the forefront of countless products that are helping to ensure that both this generation and generations to come will benefit from cleaner, greener technologies designed to preserve and protect the environment, ranging from clean power generation and conversion systems to hybrid

and electric vehicles in the personal and commercial vehicle and mass transportation markets, including cars, trucks, trams, and trains.

AVX has an abundance of patents, continues to invest heavily in R&D, and submits several new patent applications every year to further expand the company's strong technology base with newly innovated, next-generation product solutions.

AVX is also committed to consistently exceeding customer expectations, and continuously satisfies that goal through the successful implementation of the company's corporate mission and vision statements.

The company is publicly traded on the New York Stock Exchange ([NYSE:AVX](#)).

Mission Statement

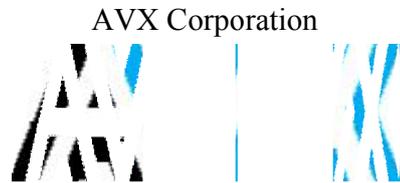
AVX will be recognized as the premier strategic partner for passive components, sensors, antennas, control modules and interconnect solutions in the electronic industry by providing products and technology that meet or exceed customer expectations for quality and reliability in a timely, cost-effective, efficient, and professional manner.

Vision Statement

AVX will continuously build a great organization with focus on continuous improvement and consistently exceeding customer expectations. We will foster a "zero defect" quality culture with the objective of developing, manufacturing, and providing products and services that are trusted and preferred by our customers. We will continuously challenge ourselves to improve the quality management system to prevent quality incidents and eliminate defects through the review of quality objectives and results. AVX will encourage participation, promotion, and responsibility of quality goals among all employees and third parties through standards, education, training, coaching, communication and providing the necessary resources to achieve the objective. We will treat our customers with respect, and will hold ourselves accountable to meet the commitments we make to them. We will accomplish these objectives while complying with relevant laws and regulations as well as internal requirements.

Our history of innovation across an unparalleled portfolio of advanced passive components, sensors, controls, and interconnect solutions will continue to be developed, expanded, and improved upon to continue solving tomorrow's design challenges today.

AVX Corporation



Type	Public
Traded as	NYSE: AVX Russell 2000 Component
Industry	electronics
Founded	1972
Headquarters	Greenville, SC , United States
Key people	John Sarvis (CEO) John Lawing (CTO) Kurt P. Cummings (CFO)
Products	capacitors , electr connectors electronic components Ceramic capacitors varistors , thermistors EMI Filters
Revenue	\$1,312.661 mil fy 2017 ▲ 9.8% ^[1]
Net income	\$125.785 mil fy 2017 ▲23.8% ^[1]
Total assets	\$2,477.413 mil ▲2.8% ^[1]
Number of employees	10,800 (March'17)
Divisions	Passive Components KED Resale AVX Interconnect (a.k.a. Elco)
Website	www.avx.com

AVX Corporation, is an American manufacturer of [electronic components](#) headquartered in [Fountain Inn, South Carolina](#). It is the largest industrial employer in [Horry County, South Carolina](#), with almost 1000 workers in [Myrtle Beach](#) and [Conway](#).^[2] AVX has 9,900 employees

and operates in the United States, [Europe](#) and [Asia](#). AVX is a subsidiary of [Kyocera Electronics Corporation](#).^[3]

2012 sales were \$1.545 billion.^[4] Capital expenditure for the year 2010 was at a five-year low of \$28.888 million 34.6% lower than the year before and sixty percent less than in 2008, earnings per share grew 78.7% even though total sales fell (although revenue grew with each successive quarter since April 2009)^[1]



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Products

AVX has three business units. Passive Components includes electrical components for [automotive braking](#), [cell phones](#), [copiers](#), [hearing aids](#), and [locomotives](#). KED Resale sells Kyocera products including [ceramic](#) and [tantalum capacitors](#). [Connectors](#) are used in the [automotive](#) and [medical](#) industries.^[5]

Major customers of AVX include [Motorola](#), [Nokia](#) and [Robert Bosch GmbH](#).

Asia accounts for 45 percent of AVX sales.^[3]

History

AVX began in 1972 making ceramic capacitors as a subsidiary of Aerovox Corporation, a company founded in 1922 as Radiola Wireless Corporation, which made radios. In June 1973, AVX became the parent company when assets of Aerovox were sold. That same year, Marshall D. Butler, who played a major role in the company's growth, became chairman and [CEO](#).

Butler cofounded Alloys Unlimited Inc. in 1957, which was sold to London-based [Plessey Co.](#) in 1970; Butler stayed for several years as president of the Plessey subsidiary. With his experience in the [semiconductor](#) field, Butler decided AVX should emphasize multilayer ceramic capacitors (MLCCs), used in the rapidly expanding [integrated circuit](#) field. Butler sold two other divisions and started a five-year plan. The company's \$20 million investment and careful analysis of the market resulted in 1979 sales of \$95 million and dominance of the market; the goal, based on 30 percent annual growth, had been \$83 million.

AVX added operations in Europe, but moving into Japan proved more difficult because of Japan's protected home market. The company's license would not let it sell in Japan, but Kyocera Corporation could sell its products in the United States. Kyocera CEO Kazuo Inamori agreed with Butler that the situation needed to be changed, and Kyocera ended the unfair provision. In 1979 AVX started a Japanese subsidiary.

During the 1980s, growth continued, with 1984 sales reaching \$234 million. But that year, it became clear that [computer](#) manufacturers had bought more capacitors than needed, and a slowdown began in the industry. AVX continued to grow through new product research and buying other companies. By the end of the decade sales reached \$450 million.

In the late 1980s, the European operations of AVX represented one-fourth of sales. AVX wanted to manufacture parts for Kyocera, which had only 2 percent of its sales in Europe and hoped to increase that before the [European Community](#) made that more difficult. Inamori wanted to buy AVX rather than partner with the company. After a \$267 million [stock](#) purchase, AVX has operated as part of Kyocera Corp. since January 18, 1990.

Butler retired as CEO in 1993 but remained on the [board of directors](#). Benedict P. Rosen, an employee since the company's start, became the new CEO. By 1995, sales reached almost \$1 billion after significant growth for [personal computers](#) and cell phones. At the same time, the automotive, [home appliance](#) and medical industries needed electronic components, and advanced electronic systems needed capacitors as well. AVX also sold Kyocera products worldwide and helped the company start operations in Mexico and [Indonesia](#). Kyocera helped AVX start manufacturing connectors.

In 1995, Kyocera sold one-fourth of AVX for \$557 million, which more than returned the company's investment in AVX, even though Kyocera still owned three-fourths of the company. AVX used the money to enter the connector business and increase its manufacturing of ceramic and tantalum capacitors.

The boom in the capacitor industry once again proved temporary, after customers bought more products than they needed. But in 1998, personal computers and cell phones contributed to more growth, as did newer electronics in cars. At the same time, material prices went up, and an [Asian currency crisis](#) added to AVX's troubles. Layoffs resulted, but by 2000 the company was doing well again, adding operations in [El Salvador](#) and the [Czech Republic](#) (Lanškroun).

By the end of fiscal 2001, AVX had 26 plants in 12 countries, 21,000 employees, and sales of \$2.6 billion. But a [recession](#) put an end to the good times, and revenues dropped to \$1.25 billion; employee numbers totalled 12,500. Production moved to the Czech Republic in the late 90's and China from 2005 onwards.

The industry situation appeared to improve by 2004, though AVX still lost money.^{[6][7]}

In April 2009 the company decided to close a number of its smaller worldwide factories including its flagship manufacturing plant in [Paignton, UK](#) following the credit crunch in an effort to reduce costs and remain financially viable for shareholders.

On December 3, 2009, AVX announced it would move corporate headquarters to [Greenville, South Carolina](#), with about 150 jobs leaving the Myrtle Beach area. The company planned no change to manufacturing in Conway and Myrtle Beach.^[8]

In 2011, AVX announced plans to tear down the original Myrtle Beach plant built in 1949 and updated in 1985, with manufacturing operations continuing at a nearby location on the same land.^[9] The demolition took place in 2015.^[10]

Litigation

In 2007, Myrtle Beach property owners near the AVX plant filed suit, claiming [trichloroethylene](#) (TCE) used at the plant until the 1980s has polluted their neighborhood and lowered property values. Another lawsuit claimed the pollution had stopped a [condominium](#) development in the area. A consultant for one of the land owners, Horry Land Co., discovered the pollution in 2006 while doing environmental testing prior to development of a portion of the land. In 2009, AVX claimed [Myrtle Beach Air Force Base](#) caused at least part of the pollution, and the company added the [air force](#) to one of several lawsuits. A geologist for AVX claims the pollution could be cleaned up in five years and Horry Land is not entitled to compensation, while the consultant for Horry Land claims there is no way to tell how long cleanup will take, since AVX has been trying to clean up its own pollution for 28 years.^[11]

On February 22, 2010, federal judge Terry Wooten ruled that evidence in the Horry Land suit showed the plaintiffs were entitled to a trial.^[11] On February 23, 2011, the trial began in [Florence, South Carolina](#).^[12] In May 2011, Wooten ruled that AVX caused the pollution, and county property records show that AVX purchased 21.5 acres of contaminated land for \$4.6 million.^{[13][14]}

AVX appealed Wooten's 2011 decision on whether the air force should help with the cost of cleanup. [S.C. DHEC](#) stated in a March 13, 2012 letter that pollution in some areas came from AVX, but in one area another source was responsible. AVX argues that the government's expert, who said groundwater from the base flowed away from the polluted areas, was not qualified to testify about groundwater. The findings could influence an upcoming [class-action lawsuit](#) by property owners.^{[15][16]}

On Oct. 25, 2012, [The Sun News](#) reported that a panel of federal appeals court judges had indicated that they would not overturn a lower court's ruling, thereby granting the electronics components manufacturer a new trial on its groundwater contamination case. AVX claimed that U.S. District Court Judge Terry Wooten made a legal error in its 2011 trial by allowing an unqualified expert witness to testify.^[17]

On July 22, 2013, a jury was selected for the second of three lawsuits regarding pollution on land owned by JDS Development of Myrtle Beach LLC, which asked for damages and lost income from condominiums that were never built. AVX counters that the [economic downturn](#) caused the failure of the Southern Pines project, and blames the air force for part of the pollution. The suit was filed in 2008 and the trial was scheduled for 2012, but insufficient jurors led to a delay.^[18] The jury awarded \$500,000 in actual damages and \$250,000 in punitive damages to JDS, but

AVX wanted that amount reduced to no more than \$397,500, claiming JDS did not provide "expert testimony" to support its views, or evidence Southern Pines would have been a success.^[19]

On October 8, 2014, it was announced that AVX agreed to pay \$1.2 million to the owners of 42 properties with TCE contamination. Property owners still needed to approve the settlement, which attorney Gene Connell called "reasonable." The agreement would mean the dismissal of a class-action suit filed nearly seven years earlier.^[14]

Documents filed August 5, 2015 show that property owners could sue AVX after a majority of the S.C. Supreme Court reversed a decision by Circuit Court Judge Benjamin Culbertson to dismiss their case. The ruling allows the determination of whether the facts of the case will result in a "stigma damages" policy.^[10]