

TEMPORARY LAYOFF NOTICE

(7/16/10)

With the current state of the economy, orders for all of Avery's products continue to fall significantly short of budget. Even with the recent adjustments to our production schedules, our inventories have continued to rise above target levels.

Accordingly, it will be necessary to take additional steps to control our inventory build until sales return to higher levels. In addition to production curtailments already scheduled for July, we will make the following changes to operations for the month of August:

Line #1

- No production the weeks of 8/1/10 and 8/8/10.
- 2-shift / 3 day rotation remainder of month, returning to work Monday 8/16/10.

Independence

- No production the weeks of 8/1/10 and 8/8/10.
- 1-shift / 5 day rotation remainder of month, returning to work Monday 8/16/10.

Line #2

- No production the week of 8/1/10.
- 4-shift / 6 day rotation (exhibit E of contract book) remainder of month, starting Monday August 9th, 7:00am.

Warehouse

- Reduced crewing week of 8/1/10.
 - 1st shift / 6 operators
 - 2nd shift / 5 operators
 - 3rd shift / 2 operators
- Normal crewing working Monday through Friday each week remainder of month, starting Monday August 9th, 7:00am.
- 2 operators per crew working a Tuesday through Saturday schedule each week based on shipping's normal weekend rotation.

Maintenance

- **Reduced crewing week of 8/1/10.**
 - 7am to 7pm (7 day rotation):**
 - **1 mechanic**
 - **1 electrician**
 - **1 storeroom attendant**
 - **1 boiler operator**
 - 7pm to 7am (7 day rotation):**
 - **1 maintenance person (fire watch)**
 - **1 boiler operator**
- **Normal crewing remainder of month, starting Monday August 9th, 7:00am.**

Raw Materials

- **Raw Material Unloaders follow Line #2 schedule.**
- **Glass Mat Unloaders follow Line #2 schedule.**

We will be working diligently over the next few days to communicate with all employees affected by these schedule changes. Employees with questions concerning their individual schedule should contact their department manager. Anyone with questions concerning lay-off and benefits issues should contact Ed Miller for direction/information.

While current market conditions may dictate the need for these temporary reductions, it is critical to our longer term survival that we all remain focused on all on-going efforts to improve the Safety, Quality, and Cost of our current operation at Avery.



Mark Hyde