



Rayovac Announces Remington Integration Plans and Global Reorganization

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MADISON, Wis., Jan. 13 /PRNewswire-FirstCall/ -- Rayovac Corporation (NYSE: ROV) today announced details of its plan to integrate Remington Products, LLC which it acquired in September 2003. The plan, which entails the closing of several Remington facilities and the integration of all functional departments, will be implemented between March and December of this year. Remington's worldwide operations will be absorbed into Rayovac's existing North American and European business units, leveraging the existing global organization and infrastructure. The integration will take place in a series of phases outlined below.

(Logo: <http://www.newscom.com/cgi-bin/pmh/20020716/ROVLOGO>)

"We are applying the same proven techniques and principles that we used in our very successful VARTA integration to that of Remington. By combining the many strengths of our two companies, we are creating a new world-class organization positioned to successfully compete in the global products marketplace and take advantage of a wide-range of growth opportunities," said Rayovac Chairman and CEO David Jones.

Rayovac and Remington sales management, field sales operations and marketing will be merged into a single North American sales and marketing organization combining the expertise and talent of both organizations. The new structure will be launched in mid-February immediately following Rayovac's global sales meeting.

Remington's finance, information systems, customer service and other administrative functions will be transferred to the existing counterpart organizations at Rayovac's North American headquarters located in Madison, WI. The transition is scheduled for the end of March concurrent with the migration of all Remington business transactions into Rayovac's SAP system.

The Rayovac and Remington research and product development functions will be merged into a single organization based at Rayovac's corporate research facility in Madison, WI. In addition, Rayovac will create a new global product innovation group within the R&D function, charged with incubating and developing product innovations across all of the Company's product categories. This group will utilize dedicated market research resources as well as the latest computerized product design technologies to continue the flow of new products to market.

Beginning this spring, all Remington's distribution facilities in North America will be integrated into Rayovac's distribution facilities and infrastructure. Packaging and distribution activities at Remington's third-party-operated facility in Atlanta, GA will be transitioned to Rayovac's facilities in Dixon, IL and LaVergne, TN. In Canada, the Remington distribution center will be closed and all activity transferred to the Rayovac facility in Mississauga, Ontario Canada.

Most Remington manufacturing activities conducted at the facility will be transferred to Rayovac's manufacturing plant in Portage, WI. Operations in Bridgeport, CT will be phased out beginning this fall, with the plant closing by calendar year-end.

As a result of these actions, approximately 96 hourly manufacturing and 121 administrative employees will be laid off. Rayovac expects to provide severance packages to all employees not offered continuing employment, as well as outplacement services. Layoffs will begin at the end of March.

"Decisions that affect people's lives are always difficult," Jones said. "In fairness to our employees, whose contributions we appreciate, we are making this announcement as early as possible. We intend to provide assistance to out-placed employees to help make the transition to new employment," Jones said.

Lester Lee, formerly President, Remington North America has been appointed President of Rayovac's combined North American business unit headquartered in Madison, WI. Approximately 100 new professional and administrative positions will be created in Madison to be filled either by transfers of Remington employees or new hires. Approximately 30 new manufacturing positions will be added to the Portage, WI manufacturing facility.

Planning for the integration of Rayovac and Remington international operations is continuing and is expected to be complete by the end of the first quarter. Details will be provided at a later date. Also, the 65 remaining Remington U.S. Service Centers will be closed by the end of February, completing an initiative begun by Remington several years ago. A total of 311 full-time, part-time and seasonal employees will be laid off.

In conjunction with these initiatives and to support its global expansion and diversification strategy, Rayovac will relocate its corporate headquarters to Atlanta, GA in the spring of 2004. Executive management, corporate finance, and selected other corporate administrative functions will be relocated. Twenty-five positions will move to Atlanta, GA. The growing size and maturity of the regional business unit structure as well as the desire to headquarter in a more central geographic location closer to the Company's key global customers and regional headquarter locations were key drivers behind this decision.

"We intend to continue to grow our business and leverage our global presence both by expanding market share of our family of products and by adding more leading brands to our fine stable of world-class offerings," Jones continued. "This move to Atlanta improves our access to all global customers and moves us closer to our global markets."

Rayovac currently expects annualized savings from the integration initiatives to total approximately \$30-35 million and to require one-time cash payments, primarily in 2004, of a comparable amount. Included in these amounts are \$8-10 million of projected Rayovac restructuring and related charges that will impact reported earnings in 2004.

Rayovac Corporation is a global consumer products company with a diverse portfolio of world-class brands, including Rayovac, VARTA and Remington. The Company holds many leading market positions including: the world's leader in hearing aid batteries; the top selling rechargeable

battery brand in North America and Europe; and the number one selling brand of men's and women's foil electric razors in North America. Rayovac markets its products in more than 100 countries and trades on the New York Stock Exchange under the ROV symbol.

Certain matters discussed in this news release, with the exception of historical matters, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to a number of risks, uncertainties and other factors that could cause results to differ materially from those anticipated as of the date of this release. Actual results may differ materially from these statements as a result of (1) changes in external competitive market factors, such as introduction of new product features or technological developments, development of new competitors or competitive brands or competitive promotional activity or spending, (2) changes in consumer demand for the various types of products offered by Rayovac or Remington, (3) changes in the general economic conditions where we do business, such as stock market prices, interest rates, currency exchange rates, inflation and raw material costs, (4) our ability to successfully implement manufacturing, distribution and other cost efficiencies and (5) various other factors, including those discussed herein and those set forth in Rayovac's Annual Report on Form 10-K.

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