

Rio Ammunition

One of the Biggest Ammo Companies in the World

There are dealers who are saying to themselves, "Rio Ammo, I never heard of them." Rio Ammo in 2003 sold 550 million rounds of shotshell ammo in 80 countries. That makes them the biggest single shotshell manufacturer in the world.

They make 100% of all their components, the powder, primers, wads, cases, everything. They are a supplier of shotshell components to several other ammo companies including a few of the biggest names. They are also a major manufacturer of black powder.

Being a 100% in-factory manufacturer of all the components is a major quality control advantage. To some people, powder is power and lead shot is lead shot, and wads are wads. However, when a manufacturer buys outside components from different suppliers they sometimes run short of one component or another and buy from third or fourth suppliers. There are sometimes subtle differences in components that alter the shooting characteristics of one batch of ammo from another.

Rio Ammo is a supplier of shotshell components to other manufacturers, and if you need anything, you might want to give Rio a call. Their prices are very competitive for both shotshells and OEM parts. Two companies they

don't do business with are Wal-Mart and K-Mart. As a retailer you don't have to worry about the Rio name being in Wal-Mart's newspaper ads during hunting season.

AFI's reporter talked to Mr. John Gill of Rio Ammo. Mr. Gill, in the opinion of AFI's reporter, is a good example

of a 21st Century businessman. He's a native Australian, working for a company that's headquartered in Spain but does business worldwide. Mr. Gill was very informed about the American shotshell market. He operates out of Rio Ammo's Houston, Texas office.

Rio Ammo is very competitive on prices. AFI asked Mr. Gill, "Are Rio's prices

good because you manufacture mainly in Spain?" Mr. Gill said, "no." He said that Spain today is a relatively high cost area of production, as is all of Western Europe. Mr. Gill said Rio's advantage is that they have invested heavily in the latest and best manufacturing equipment so even though labor costs with all the European worker benefits is high, Rio's modern machinery makes them every competitive. Mr. Gill said that Rio's overall manufacturing plant is considerably more advanced and modern than several shotshell plants in America.

Rio ammo is competitive on price, but its not cheap



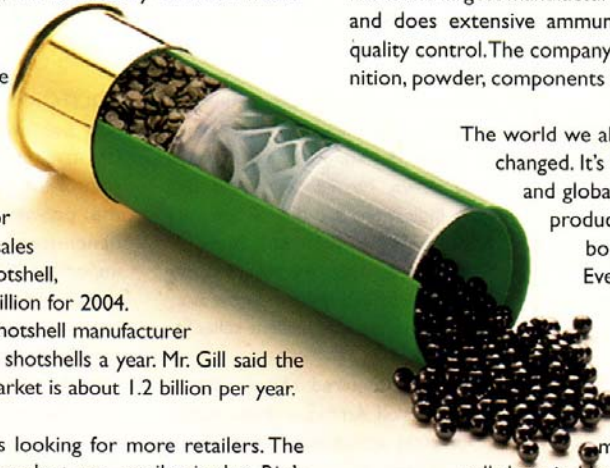
Rio Ammunition's manufacturing facility in Spain

ammo. Rio Ammunition is 106 years old, Rio is the third largest manufacturer of Explosives in the world (Dynamit Nobel is #1), Rio is the only shotshell manufacturer who makes everything in-factory, and the price advantage comes from modern equipment and design.

Rio has only been in the American market for three years and U.S.A. sales are about 70 million shotshell, with a projected 100 million for 2004. The biggest American shotshell manufacturer does about 375 million shotshells a year. Mr. Gill said the total U.S.A. shotshell market is about 1.2 billion per year.

Naturally, Rio Ammo is looking for more retailers. The advantage to the independent gun retailer is that Rio's shotshell line is not footballed all over the place during hunting season. You won't pick up a newspaper and see

the ten cases of shotshells you just purchased advertised to the public for five cents a box below what you paid. Rio is the largest manufacturer of shotshells in the world and does extensive ammunition testing, research and quality control. The company stands in back of its ammunition, powder, components and retailers.



The world we all reside in, has permanently changed. It's now a global manufacturing and global sales. The age of national products sold only within national borders is coming to and end. Eventually, the ultimate winner is the end-user... the consumer, which is each and every one of us.

If you'd like to know more about Rio Ammunition call them in Houston at 713-266-309, email admin@rioammo.com or visit www.rioammo.com.
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