

Sparton Corporation and RiverOne Team to Drive Supply Chain Excellence

INTERACTIVE™ Allows Innovator in Manufacturing and Design to Manage Multiple Business Models with a Single Platform

Irvine, Calif. – July 26, 2005 – RiverOne, a supplier of next-generation supply chain management software and services for electronics companies, today announced that Sparton Corporation (NYSE: SPA), a leading electronics design and manufacturing services provider, will deploy its INTERACTIVE solution to drive shared business processes with customers and suppliers. Sparton, one of the longest continually-listed manufacturers on the New York Stock exchange, has distinguished itself over the decades through its ability to evolve business models, products, and service offerings to meet the needs of changing market conditions.

“Sparton’s success and longevity is largely due to our keen eye to competitive trends and our ability continuously to reinvent ourselves,” said David W. Hockenbrocht, Sparton CEO. “By leveraging industry shifts from the outset, we have always been a step ahead of the competition and moving to the next level. RiverOne’s unique approach to controlling supply chain relationships in complex, outsourced environments, meshes with our vision and will support us regardless of how our business model continues to evolve.”

“We believe INTERACTIVE will deliver enormous business benefits to Sparton’s operation,” said Chris Smith, president and CEO of RiverOne. “Not only will Sparton be able to share data with suppliers and customers, it will also be able to define and drive shared business processes—which are unique for each partners and customer—in real time. The company will have the flexibility to rapidly create new business models with the knowledge that its customer and partner relationships can move in tandem.”

INTERACTIVE at Sparton

Founded in 1900, Sparton is both a thriving OEM and EMS company. It has manufactured and marketed products under its own name, including its famous Sparton brand radios, and provided ODM services including the sonobuoys it manufactures for the US military. More recently, the company has entered the EMS market with outsourced design and manufacturing capabilities based primarily in the USA. A key to its longevity is Sparton’s willingness to embrace change and to adapt to changing market dynamics. Sparton has developed its own collaborative supply chain control solutions, but with the continued growth of data and transactions across increasingly complex models, Sparton needed additional capabilities. With INTERACTIVE, Sparton will be able to effectively manage several diverse supply chain operations with a single control system.

Sparton will deploy the complete INTERACTIVE hosted solution across an international, multi-tiered supply and manufacturing value chain that includes design, manufacturing, and component suppliers as well as distribution partners. INTERACTIVE will enhance the capabilities of existing ERP systems at Sparton, replace others, and provide advanced on-line collaborative tools and programs for Sparton’s key partners.

Sparton expects significant benefits from the deployment, including scalability to support future growth—such as a recently-opened plant in Vietnam—readily-available system upgrades, and reliable supplier performance metrics. In addition, because INTERACTIVE will be deployed as a hosted solution, Sparton’s IT department will be free to concentrate on core competencies, rather than building and maintaining

business control software.

About RiverOne

RiverOne is the fastest growing provider of supply chain management solutions to the electronics industry. The company's customers include OEMs, EMS companies, and component suppliers who account for more than 25% of global outsourced manufacturing. The company's INTERACTIVE software solution enables business processes across the "inter-enterprise" delivering integrated execution, planning, and metrics through a single business application for structured collaboration 'outside the four walls.' Only RiverOne fosters supply chain intimacy by enabling organizations to define and drive their supply chain operations partner-by-partner, and program-by-program. RiverOne's professional services team and business consulting partners help customers redesign business processes to take full advantage of the power and flexibility of INTERACTIVE solutions. RiverOne serves a global market, including Acer, Flextronics and Solectron. Founded in 1999, RiverOne has received industry recognition for its consistent growth and product innovation, and is headquartered in Irvine, California.

Sparton Safe Harbor and Fair Disclosure Statement

Safe Harbor statement under the Private Securities Litigation Reform Act of 1995: To the extent any statements made in this release contain information that is not historical, these statements are essentially forward-looking and are subject to risks and uncertainties, including the difficulty of predicting future results, the regulatory environment, fluctuations in operating results and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission (SEC). The matters discussed in this press release may also involve risks and uncertainties concerning Sparton's services described in Sparton's filings with the SEC. In particular, see the risk factors described in the Company's most recent Form 10K and Form 10Q. Sparton assumes no obligation to update the forward-looking information contained in this press release.

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