

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): DECEMBER 21, 2006

AUDIOVOX CORPORATION
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE
(STATE OR OTHER JURISDICTION
OF INCORPORATION)

0-28839
(COMMISSION FILE NUMBER)

13-1964841
(IRS EMPLOYER
IDENTIFICATION NO.)

180 MARCUS BOULEVARD
HAUPPAUGE, NEW YORK 11788
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES, INCLUDING ZIP CODE)

(631) 231-7750
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

(FORMER NAME OR FORMER ADDRESS, IF CHANGED SINCE LAST REPORT)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On December 21, 2006, Audiovox Corporation ("Audiovox") entered into a definitive agreement (the "Agreement") with Thomson ("Thomson"). Under the Agreement, Audiovox will acquire Thomson's Americas consumer electronics accessory business as well as rights to the RCA brand for consumer electronics accessories. Audiovox anticipates that the transaction will close in early 2007.

As consideration for the transferred assets, Audiovox agreed to pay Thomson \$50 million plus a five (5) year fee related to the RCA brand in connection with consumer electronics accessories. A press release relating to the Agreement is furnished as Exhibit 99.1 attached hereto.

ITEM 9.01(D). EXHIBITS

EXHIBIT N . DESCRIPTION

99.1 Press Release dated December 21, 2006 by Audiovox Corporation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AUDIOVOX CORPORATION

By: /s/ Charles M. Stoehr

Charles M. Stoehr
Senior Vice President and Chief
Financial Officer

Date: December 22, 2006

EXHIBIT INDEX

EXHIBIT N .	DESCRIPTION
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99.1	Press Release dated December 21, 2006 by Audiovox Corporation

CONFIDENTIAL :

PROJECT CRESCENT: FINAL DRAFT
DECEMBER 19, 2006-5:50 PM

AUDIOVOX TO ACQUIRE THOMSON'S CONSUMER ELECTRONICS ACCESSORY
BUSINESS INCLUDING THE RIGHTS TO THE RCA BRAND FOR
CONSUMER ELECTRONICS ACCESSORIES

- - Purchase price is \$50 million, plus a five-year fee related to the RCA brand in the consumer electronics accessories field
- - Proposed acquisition to add over \$150 million in annual sales and should add to 2007 earnings
- - Company to acquire RCA brand for Accessories worldwide

HAUPPAUGE, NY, DECEMBER 21, 2006 - Audiovox Corporation (NASDAQ: VOXX), announced today that it has entered into a definitive agreement with Thomson to acquire its Americas consumer electronics accessory business, which includes approximately 115 employees in locations in the United States, Canada, China (including Hong Kong) and Malaysia. The Company anticipates this transaction will close in early 2007.

As a result of the acquisition, Audiovox will acquire the RCA brand worldwide for accessories. The acquisition also includes the Recoton, Spikemaster, Ambico and Discwasher brands for use on any products and the Jensen, Advent, Acoustic Research and Road Gear brands for accessory products. Audiovox already owns Jensen, Advent, Acoustic Research and Road Gear brands for electronics products as part of prior acquisitions.

Patrick Lavelle, President and CEO of Audiovox stated, "The well respected RCA name further strengthens our brand portfolio in consumer electronics accessories and gives us greater flexibility at the distribution level. We believe the acquisition of this business will enhance both our top and bottom line performance and create powerful marketing synergies for our organization."

Lavelle further stated, "This acquisition supports our growth strategy of acquiring companies in businesses that generally operate at higher margins than electronics. In addition, our primary acquisition targets include companies where we can utilize operating leverage to gain maximum efficiencies. Over the past year, we have worked to streamline our operations while maintaining a cost structure that supports additional sales. This acquisition is synergistic as its product lines move through existing channels where we share many of the same customers and have strong relationships in place today. Post closing, we will still have significant financial resources and will seek to continue to grow organically and through acquisition."

About Audiovox

Audiovox Corporation is a leading international supplier and value added service provider in the consumer electronics industry. The Company conducts its business through subsidiaries and markets mobile and consumer electronics products both domestically and internationally under several of its own brands. It also

functions as an OEM (Original Equipment Manufacturer) supplier to a wide variety of customers, through several distinct distribution channels. For additional information, please visit Audiovox on the Web at <http://www.audiovox.com>.

Safe Harbor Language

Except for historical information contained herein, statements made in this release that would constitute forward-looking statements may involve certain risks and uncertainties. All forward-looking statements made in this release are based on currently available information and the Company assumes no responsibility to update any such forward-looking statements. The following factors, among others, may cause actual results to differ materially from the results suggested in the forward-looking statements. The factors include, but are not limited to, risks that may result from changes in the Company's business operations; our ability to keep pace with technological advances; significant competition in the mobile and consumer electronics businesses; our relationships with key suppliers and customers; quality and consumer acceptance of newly introduced products; market volatility; non-availability of product; excess inventory; price and product competition; new product introductions; the possibility that the review of our prior filings by the SEC may result in changes to our financial statements; and the possibility that stockholders or regulatory authorities may initiate proceedings against Audiovox and/or our

officers and directors as a result of any restatements. Risk factors associated with our business, including some of the facts set forth herein, are detailed in the Company's Form 10-K/A for the fiscal year ended November 30, 2005 and its Form 10-Q for the fiscal second quarter ended August 31, 2006.

Company Contacts

Glenn Wiener

GW Communications for Audiovox

Tel: 212-786-6011 or Email: gwiener@GWCco.com