

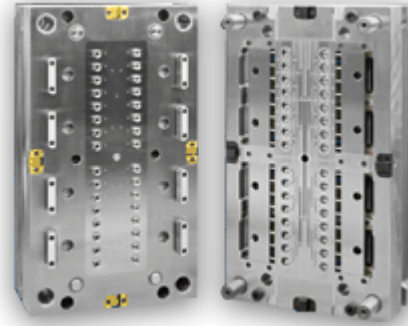


## TOOLING PROGRESS REPORT

### Electroform Company: Thriving on Challenging Times

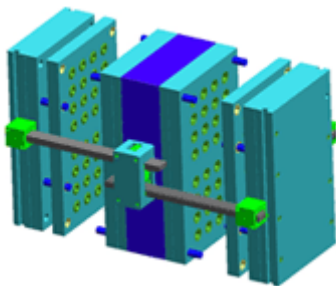
Rockford, IL-based Electroform Company first opened its doors in 1988, providing EDM services to the aeronautics, mold making and fastener industries. Owner Wade Clark, who was 22 at the time, was a moldmaker by trade, having apprenticed at a local shop.

Electroform had performed two years of straight EDM work for customers when Clark realized that the aeronautics industry was waning. His company had been doing some small projects for custom molders in that industry, so he took the opportunity to get into designing and building molds in 1990. From 1990-93, Electroform continued to offer EDM services, and in fact the company has retained some of its original customers from that time. However, today the company's focus is 100% on designing and building some of the most complicated molds.



### **Diversity – and overall superior quality and service – is key to his company's continued success.**

Electroform served primarily the automotive and consumer products, electronics and medical industries at first. Today, high cavitation, multicavity, hot runner tooling, stack molds, and multi-shot and insert molds are a specialty and most of the molds produced are for medical, automotive and caps and closure products as a whole.



Clark maintains that diversity – and overall superior quality and service – is key to his company's continued success.

"Back when I first started my moldmaking business, many of my peers were preaching specialization," he explains. "I didn't believe in that. I believed in diversification and built my company on that philosophy. We can find a balance for all of our customers, a process that allows us to be flexible. Whether my customers need a one-cavity mold or a 128-cavity mold, they can count on getting a consistent product time after time.

"We have also instituted an in-house training program for our people to help maintain that consistency," he continues, "and they receive additional training through programs offered by the Rockford division of the National Tooling & Machining Association (NTMA)."

Contrary to typical measures of success employed by most business owners, Clark doesn't count money earned as one of them.

"My measure of success is producing a product that makes my customer's project successful," he says.

"Electroform builds a consistent tool time after time," states Clark, "even if that means giving up financial gain. If you take care of your people and you deliver a consistent product and you run a good business with good business sense, you will make money."



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### Using the Advantages of Challenging Times

Roman lyric poet and satirist Horace (65 BC – 8 BC) once said, "Adversity has the effect of eliciting talents, which in prosperous circumstances would have lain dormant." Talking to Clark, one would say he subscribes to the same philosophies because he sees opportunity in challenging times.

"I believe the challenging times of today have offered many opportunities," he says. "Try to build a successful mold making company when the market is booming and hiring good people is nearly impossible. I'm growing my company with some of the most talented people around today; and I'd rather do that now, when I have the opportunity to find top talent to do it with.

### A Dynamic Industry is a Welcome Challenge

"To build a quality company, it takes a lot of time," he continues. "You have to step back once in a while and readjust your business plan as the economy changes and the industry changes."

Clark confesses he is driven by change. A dynamic industry is a welcome challenge, he says, and he'd have it no other way. "I love my job and there's nothing else I'd rather be doing," he states. "It's exciting because of all the new technology. A large percentage of our profits will be invested in R&D to develop new processing and multi-shot technologies. It's a reflection of our company's commitment for the future."

The company has already invested over \$2 million in new machinery and their automation in the last few years, and he says more is in store. But Clark will be quick to assert that while all the new machinery and technology is advantageous, if you don't have the process, planning and procedures in place, it won't guarantee success.

"Automation is important," he says. "We are probably one of the more automated companies in the U.S., and we can automate almost anything. But it's only a percentage of the equation."

When asked further about overseas competition and whether Electroform is outsourcing to help it compete, Clark says no, the company doesn't need to go overseas right now, and it's certainly not in any immediate plans. Rather, the company is finding other ways to compete.

"We've had some customers go overseas and they were unable to duplicate the level of service Electroform can provide," he says. The customers came back.

"By our going overseas the customer will have the same expectations from our company as they have today," Clark explains. "We can't afford to lose that reputation. When a customer receives a tool from us, we know exactly what they received. We developed a system that allows us to perform at a certain level, and by subcontracting out work we jeopardize our high standards."





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### Meeting Customers' Expectations

"One of the strong points about our company is that customers get what they expect," Clark says. "When they visit our facility, we like them to see their work in process in order to demonstrate the quality that goes into each and every component."

He explains that six or seven years ago, the sophisticated molds Electroform builds would take 12-16 weeks. Today, because of processes in place and advancements in technology, the company can turn those same molds out in about two to six weeks.

"We don't hesitate to run a tool through our shop in two weeks while maintaining quality and consistency," Clark adds, obviously proud of what his team can accomplish.

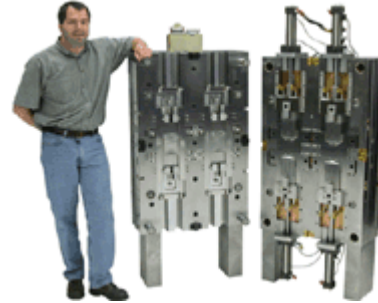
In fact, Clark's employees are cross-trained but each does specialized work rather than operating more traditionally.

"The moldmaker has become more of a project manager today," Clark says. "Ninety percent of our employees can build a complete mold by themselves and understand every aspect of the mold build. They must understand it; it's a requirement of working here."

Electroform customers turn to Clark and his team for part design and development assistance, especially in the multi-shot process, which is a favorite specialty of the company.

"Multi-shot molds are very challenging and rewarding," Clark comments. His shop offers both Pro-E and UniGraphics design technology. Prototyping and sampling are done in-house as well.

Asked how his employees, most of who have been with him for at least eight years, have adapted to the changes in operations, Clark says, "They have to understand that we must adapt to change. They must be attuned to the costs and time involved in building a tool."



Electroform is known for its showroom environment.

"It's all part of our management style and commitment to perfection," he explains. Our employees spend a lot of time in this atmosphere, and I feel, as their employer, that it's my duty to give them the finest, safest working environment possible."

All the effort and meticulous attention to the perfection of their work has paid off, in Clark's eyes. "Our sales have increased substantially in the last four years and I expect a 50% increase in the next year," he states. "We've been planning for large increases in sales by investing in employee training, increasing our workforce and also additional equipment over the last three years.

"One of the things our customers have found to be an advantage is that they have realized considerable savings in the high cavitation tooling we build, and that's because of our lean manufacturing processes," he continues. "They can save between 15-25% on their high cavitation and multi-shot tooling and that keeps the tooling in the U.S. [as opposed to sending it overseas]."

Clark says expansion plans are in the works for the current facility and also for new locations elsewhere in the U.S., but the plans are preliminary enough that he won't disclose any details. For more information about Electroform Company, visit its website at [www.injectionmoldmaking.com](http://www.injectionmoldmaking.com), or call 815-633-1113.