



# “THE SWEMCO NEWSLETTER”

December 2016

## *The Year in Review*

### **Moorestown Update**

***Rich Szczepkowski***

***President & COO***

It is with great pleasure that I am announcing we are expanding once again! SWEMCO has acquired another 10,000 sq. ft. facility in NJ in order to handle our continued growth. We moved into the new location in the beginning of November. The purpose of the expansion is to support the continued growth of our transportation business. One of our largest customers, Clever Devices, has been expanding their product offerings with the assistance of our Engineering resources. Some of the new products include 24, 32, 37, and 55 inch displays. These products have the potential to grow the clever business with SWEMCO an additional 15% to 30% and the new expansion space will be needed for these products. The new space will also include many of our other box build products thus allowing the main facility to handle all of our board work with more breathing room. In our Ivyland facility we are moving forward with implementing paperless documentation on the factory floor. New computers, barcode scanners and software applications will be implemented to provide greater visibility and shop-floor control. The first step to going paperless was the successful upgrade of our infrastructure by implementing four new super computers. In addition to increased capacity and bandwidth, these computers provided heightened security protection. The next step is rolling out the new computers for the workstations along with the scanners and then the last steps are the upgrade to Passport and the installation of the software to enable us to go paperless. All this will continue through 2017 with a target completion later next year. Thank you for your loyalty and on-going support. Enjoy the Holiday Season!

### **Ivyland Update**

***David P. Vitt***

***EVP & General Manager, Ivyland***

I can't believe we are only weeks away from the end of 2016. It goes without saying that this year really went by fast. During this past year our team accomplished a lot of goals and objectives and continued to grow the business despite a slow economy. Some of our successes include bringing on a few new customers, installing various capital equipment items, renovated some neglected areas in the facility, installed a new VMI system, supported our customers and reduced our inventory. Overall we all did good job in running the facility and meeting our commitments. I would like to thank each and every one of you for your dedication and contribution to our success and to the success of our customers. I wish you and your families the blessings of the Holiday Season and Happy and Healthy New Year!

## Long Term Security

T. Chris Ciesielka

### V.P. Business Development

SWEMCO has signed Long Term Partnership Agreements with customers in the past several months. These agreements provide SWEMCO a stable revenue platform for an extended period of time, often three to five years, and are usually organized around specific programs. For EATON (Los Angeles), SWEMCO has been awarded the IDF, Piaggio and GS 650 programs. For Labinal (Sarasota), we have secured the C-Series, Dornier and Phenom programs. And for Sagem (Irvine) we have secured the Boeing program. From landing gear to power distribution, these various programs are all associated with the Avionics and Aerospace Industries, validating the quality and responsiveness we provide our customers. Although a long term agreement is still in the works, EATON (Bethel) has awarded SWEMCO Phase 1 of their NASA program. That's right, some of our work is going into space - to Mars specifically!

### Wedding Bells

Over Memorial Day Weekend on May 29, 2016 Craig Szczepkowski marries his Sweetheart Amanda. Craig works as a CAM and Amanda started working at SWEMCO as an Expediter.



### The "Once and Future" CEO



Quinn Brickley, son number one of Samantha and Jake Brickley assumes the position of a future leader of the SWEMCO Business. Pictured here with proud grandfather Rich at the waterfront of Charleston, SC on September 12, 2016.

## The SWEMCO Bar-B-Ques!

A semi-annual tradition at SWEMCO is having Memorial Day and Labor Day Bar-B-Ques! The events were hosted by Eddie Berner and his Rockin' Road Grille Tour Bus and associate John Killion. The food, weather and fellowship came together for an enjoyable time at both locations and are one way SWEMCO gets the opportunity to say "Thank you" to everyone for doing a great job!

### The NJ Facility BBQ's



**The PA Facility BBQ's**



## Corporate Capital Investments

A critical element in the success of any business is the attention management places on growing the infrastructure and increasing the core competencies by investing in new technologies and systems. SWEMCO has been approved for over \$1.8 Million Dollars of Capital Investments to our infrastructure and processes. The following are just a portion of the investments being made over the next three to twelve months:

### 1. Upgrade IT Infrastructure

SWEMCO invested a significant amount of money this year on migrating our internal IT infrastructure to a new “Simplivity” platform. The upgrade expands our storage, bandwidth, applications and processing ability for the growth of the business.

### 2. Capital Equipment

Investing in our internal processes and core competencies is critical to maintaining our competitive advantage. To that end SWEMCO acquired additional Selective Solder machines, ERSA Rework Station, AOI units, Compressor, new SMT equipment, additional workstations, assembly equipment and much more. The investment being made in 2016 and 2017 will be over \$1.8 Million Dollars, a record for SWEMCO.

### 3. New Applications

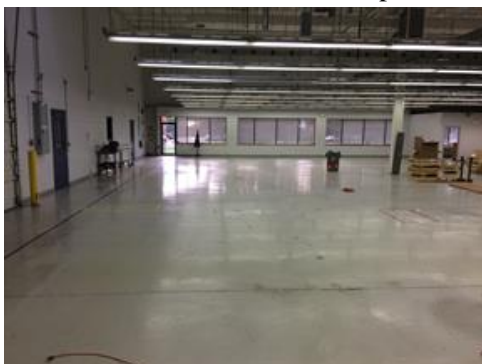
Passport Upgrade: An upgrade everyone will be happy to learn about is an upgrade in our ERP system, Passport, to the latest version. This upgrade will enable better control, efficiency and capability in our shop floor controls.

AEGIS: Improving our efficiency is essential to growing the business and to accomplish this SWEMCO has invested in a totally paperless application called AEGIS. This application will enable both locations to eliminate all paper from the factory floor and place it “in the cloud” so that all sequences and instructions are on-line with the increased control of barcoding product status. At each step in the assembly process the assembly is scanned into the system for tracking and traceability.

Heartland Payroll: Taking the concept of paperless and accessibility further, SWEMCO now provides all payroll and W2 information directly to all associates with on-line access to your paystubs and earnings. Those associates that do not have computer / internet access at home we will be creating a kiosk with a printer on-site.

## State of the Business

Despite the flat economic conditions in 2016 SWEMCO remains a strong viable business. We have brought on more customers this year and have landed multiple multi-million dollar contracts. The business continues to be successful and looks forward to growth in 2017. As a result of being awarded new contracts from TOA and Clever Devices, floor space in the Moorestown facility is becoming scarce. Therefore, SWEMCO has made the decision to expand into a neighboring 10,000 sq. ft. facility located right next door to the Moorestown facility. The purpose of the expansion is to grow the TOA assembly Cell within the Moorestown location and have a dedicated assembly area for the Clever Cell and the JPS Cell. Over the course of the last couple months the Moorestown team has been outfitting the location and migrating the Cells to the new location. This is another example of the growth of the business.



## Odds-n-Ends

### PEST CONTROL

Dave Moffett, SMT Cell Leader single-handedly takes care of Ivyland's pest infestation! Actually, a group of Ivyland employees participated in Fire Extinguisher Training conducted by the local Fire Marshal.



Impressed by the size of the roaches are Fire Marshal "Ed" and John Dovan. Dave Banks and Leo Resinski also participated in the training.

### AVNET OUTING June 23, 2016

An annual tradition is the AVNET Supplier and Customer appreciation day. This year the outing was a huge success with a great day of fun.



### ARE YOU KEEPING YOUR WORKSTATION CLEAN AND ORGANIZED?



Jake Brickley and Craig Szepekowski ensuring team compliance!

### CORRUPTING THE NEXT GEN....

Getting an early education at the OTT's Tavern is Luke as he see's his grandfather cheering on the EAGLES!



## The Tool Cribs are here! The Tool Cribs are here!

After a very short time of planning and justification of only one year and four months, SWEMCO has implemented a true Vendor Managed Inventory system for our production tools and MRO items. SWEMCO first started the initiative by standardizing the tooling and material used between both locations. The list and annual volume was put out for competitive bidding and after productive negotiations the contract for both Tool Cribs was awarded to Techni-Tool/Grainger! The Tool Crib VMI program is truly a win-win for both SWEMCO and Techni-Tool. By working collaboratively in sharing our usage, forecast, costing Techni-Tool was able to provide competitive pricing and systems tailored to SWEMCO's specific needs. Previously, everytime a tool or material was required SWEMCO would have to issue a purchase order, receive the material, get an invoice and pay the expense in handling and stocking. Now our forecasted needs are shared with Techni-Tool, one purchase order is issued similar to the Bucket List, and the material is delivered as needed. The Ivyland location has vending machines that are stocked by Techni-Tool and controlled via Cell Leader access codes. Congratulations go out to Alex Szczepkowski and Joe Laganella from the Moorestown facility and Donna Williams and Honey Fitzgerals from the Ivyland facility for their hard work in creating the consolidated list of materials and working with Techni-Tool.



David P. Vitt, EVP & General Manager of the Ivyland facility congratulating Robert Seeley of Techni-Tool on winning the VMI Tool Crib contract !



The Ivyland Tool Crib

### Safety!!

We had a relatively safe year with no major incidents reported. That is good as it helps to keep our insurance costs at a reasonable rate. Please remember to do regular safety inspections and look for the obvious. Report any concerns to your supervisor immediately. When it comes to safety we all are in charge. Thanks to NJ Safety Committee Members Justin, Marge, Toan and Tim and PA Safety Committee Members: Leo, Honey, Christine and Donna!

### Retirement & 401K!!

The future comes faster as each day passes. Please take advantage of tax deferred savings, a reduction of your taxes due and free company money via the match. See Pauline and Leo in PA and Jackie and Carl in NJ.

## Welcoming the next generation...

Angel Carrion and his daughter LeiAna born, January 12, 2015. This is Angel's first child. Angel is a Process Engineer supporting the Cells. Angel started with SWEMCO in October 2012.



Luke, son of Jake and Samantha Brickley, born 12/4/15. Samantha works in Accounting doing A/P and Jake our Continuous Process Improvement Manager.



Mei Wan's first granddaughter born January 2015. Her name is Katheryn. Mei has worked for SWEMCO since August 2000. She works in production.



Elisio and his newborn son Alexander Ruiz born May 2016, 8 lbs. 5oz. Alexander Ruiz is Elisio and his wife's first child. Elisio works in the Ivyland, PA SMT Cell. Elisio is getting more sleep now...





**...and saying goodbye to the current generation.**

Friends and co-workers came together to say farewell to a great ARROW Salesman and friend, John Nicolucci. John retired this year and was truly one of the best Salesman and friend we have known. Thank you John for the many years of service and dedication you have provided SWEMCO. You will be sorely missed John!



**IN CLOSING....**

SWEMCO wishes everyone a Happy and Safe Holiday Season. We thank all our associates, suppliers and customers for your dedication, service, loyalty and friendship. Enjoy this special time of the year, reach out to those less fortunate and be sure to have a wonderful time with your family and friends this holiday season!!