

MANUFACTURING SUCCESS in the U.S.

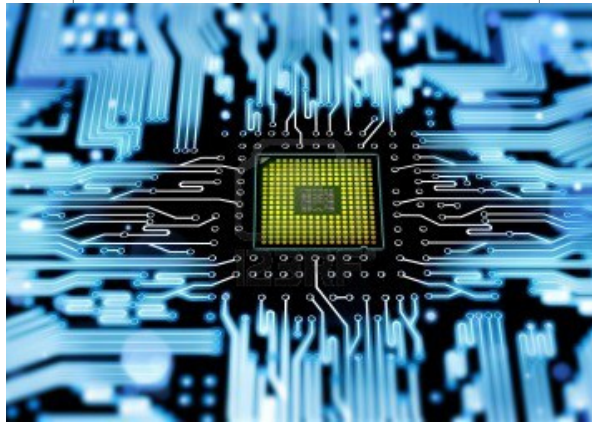


The U.S. is still experiencing a volatile economic climate, but occasionally some bright spots appear. A recent report from the Federal Reserve,

for instance, noted that the manufacturing of business equipment rose 2.5 percent in February, representing a 6.6 percent increase over this time last year. A number of sectors within the business equipment manufacturing industry also saw growth, including industrial equipment, which rose 2.2 percent.

Such hopeful news is certainly a great motivator for someone like John Nucatola, President of Advanced Manufacturing Service, Inc. (AMS). His company helps original equipment manufacturers (OEMs) that find it more cost effective or efficient to have components or products made by AMS rather than doing the actual fabricating themselves. Nucatola's customers prefer to outsource to a local company like his, instead of going overseas, too. Nucatola said, "What we're looking for are OEMs that are local and want to produce their products in the United States – somebody we can help out with the manufacturing of their products." Some examples of the help Nucatola's company provides sophisticated electronic circuitry and mechanical assemblies, such as those used in consumer electronics, video surveillance and electronic medical products. AMS provides each OEM with finished components, parts or whole products that the OEM can then add to the equipment it manufactures, which it in turn sells to its own customers.

Nucatola's business has been experiencing its share of changes. One of the most significant changes is surface mount manufacturing. This process for creating electronic circuits – by mounting components directly onto the printed circuit boards rather than fitting them into holes in the boards – has some distinct advantages, "We're seeing more and more products being designed in surface mount. Surface mount has smaller types of components. That allows the products to



be more complicated and it also allows the products to be smaller than in the past."

Outsourcing production to India, China and Mexico is another trend that is making less of an impact on Nucatola's business these days. He says there is some evidence that more manufacturers seem to want to keep the creation of their products in the U.S. "That's why they're using companies like mine to manufacture their products in the United States – to keep it local. You're seeing more and more companies try to do the manufacturing here versus sending it overseas." Factors like time delay in receiving completed products and communications issues that can slow the manufacturing process down are great

incentives to keep manufacturing in the US.

Globally, the attitude shift toward a greener way of thinking about manufacturing has also led to changes in the way Nucatola does business. The European Union's passage of the Directive on the restriction of the use of six hazardous substances in electrical and electronic equipment (RoHS) has added specific compliance issues to the fabrication of some of Nucatola's customers' products. AMS has been dealing with RoHS compliance for the last six years and he says that more companies are jumping on the band wagon because end users do want RoHS-compliant products.

So, when all is said and done, how does Nucatola juggle all of these changes -- including the changing economy -- to keep his clients coming back again and again? The answer is simple: he provides great customer service. Whether it is giving clients a quick status update on their products or helping them with design changes, Nucatola makes himself available. This kind of personalized customer service is exactly what helps AMS continue to thrive, even during these tough times.

Advanced Manufacturing Service, Inc.
100 13th Avenue - Suite 2
Ronkonkoma, NY 11779



www.advancedmfgservice.com