

MILWAUKEE ELECTRONICS NEWS

Q3 2024

About Milwaukee Electronics

Milwaukee Electronics designs and manufactures custom circuit board assemblies for the medical, transportation, military, logistics and a variety of other industries.

The Company operates over 180,000 square feet of manufacturing in Portland, Oregon; Milwaukee, Wisconsin; and Tecate, Mexico. In addition to EMS and product design and engineering services, it offers quick-turn prototyping and on-demand assembly through its Screaming Circuits business unit.

Executive Changes Announced



Mukesh Dulani

Veeco Instruments and Borg Warner A/FS in a variety of executive, staff and engineering positions.

“Mukesh brings nearly three decades of experience in executive and manufactur-

ing operations leadership. He has a track record of integrating Lean manufacturing philosophy into manufacturing operations to drive improvements in quality and throughput. He is the right person to lead our continuing journey towards operational excellence,” said Jered Stoehr, Milwaukee Electronics’ CEO.

Mukesh Dulani joins Milwaukee Electronics as President on Oct. 7. He was previously associated with DW Fritz Automation, LLC as President. He was earlier associated with Solarworld Americas, Inc.,

ing operations leadership. He has a track record of integrating Lean manufacturing philosophy into manufacturing operations to drive improvements in quality and throughput. He is the right person to lead our continuing journey towards operational excellence,” said Jered Stoehr, Milwaukee Electronics’ CEO.

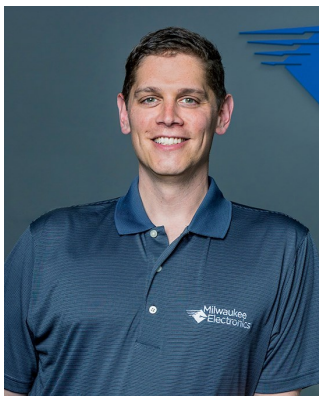
Mukesh replaces Rick McClain who has transitioned to the CFO role.

“Rick has been making the transition to CFO over the last 18 months, helping us focus on improving our financial metrics particularly in the area of inventory turns, as material constraints ease. In addition to his 29 years

(Continued on page 2)

Raising the Bar in Operations and Execution

This year our team has been focusing on improving execution in all our operations. We are implementing Lean manufacturing principles,



Jered Stoehr

better integrating our manufacturing execution system and equipment with our ERP system and improving critical processes such as new product introduction.

On the sales front, we’ve grown business in medical, industrial and defense projects,

plus added clients with mission critical products related to defense and security, and increased our industrial/agricultural client base. Our percentage of box build business is increasing and we are focused on optimizing program, test and pack strategies in these operations.

In terms of Human Resources, we’ve expanded training options to include self-paced IPC level training access across our operations and expanded our internal training on a variety of topics.

Operationally, we are showing substantial improvements that include reducing inventory levels, improving throughput and better utilizing our capacity. We still have room for improvement and focused plans to get there.

In short, our team is utilizing the tools we’ve invested in and adapting our processes to execute more efficiently. We still have improvements to make but our continuous improvement process is showing results.

We are also pleased to announce changes at the top of our organization. Mukesh Dulani will be joining Milwaukee Electronics as President in October. Rick McClain, our current President, will become CFO, a role he has been transitioning into over the last year and a half. Our manufacturing/operations, supply chain and sales team will report to Mukesh. Rick and our other teams will continue to report to me. Mukesh will spend the month of October traveling around our operations to devel-

(Continued on page 2)

Raising the Bar

(Continued from page 1)

op a thorough understanding of our people, processes and business models. In November, he'll fully integrate into his role as President and begin meetings with customers to better understand what

changes and solutions they'd like to see. We feel this type of approach is the best way to ensure our continuous improvement focus incorporates the best practices our team has developed that work. This process also provides time for Mukesh to connect with and align to our culture and our peo-

ple – who are our most valuable resource. Please join me in welcoming Mukesh to our organization.

Jered Stoehr
CEO

Executive Changes

(Continued from page 1)

with the company, he has a strong financial management background and is well suited for this key leadership role," added Jered.

Organizationally, manufacturing, operations, associated sales teams and supply chain functions will report to Mukesh. All other functions report to Jered. Mukesh will spend his first month travelling among facilities assessing current capabilities and processes, while meeting team members and aligning with Milwaukee Electronics' unique company culture. He'll

assume his full set of responsibilities in November and begin meeting with customers to more thoroughly understand the ways that Milwaukee Electronics can better serve their needs.

"I believe good leaders take time to observe and listen before making operational decisions. I also believe the voice of the customer needs drive everything we do. I'm excited about Milwaukee Electronics' capabilities and business model and looking forward to the opportunity to lead its manufacturing divisions into the next phase of its operational excellence jour-

ney.

Mukesh received a Bachelor of Science degree in mechanical engineering from Jiwaji University in Gwalior, India. He received a Master of Science degree in industrial engineering from Louisiana Tech University. He is a Certified Six Sigma Green Belt and holds a certificate in Project Management from Cadence Management. He is a member of the American Society of Quality (ASQ) and Alpha Pi Mu, the industrial engineering honor society.

Screaming Circuits, DeGrave at Multiple Conferences

Gary DeGrave, Milwaukee Electronics' Corporate Materials Director, is scheduled to present at **PCB West** and the **NW Design & Manufacturing Expo (NEDME)** in October. In addition to exhibiting at these conferences, Screaming Circuits will also exhibit at **SMTAI 2024**.

The PCB West Conference takes place from Oct. 8-11 with a trade show exhibition on Oct. 9. Gary will be presenting at a **Lunch and Learn** session on Oct. 10, sponsored by Sunstone Circuits and Screaming Circuits. His presentation focuses on **Design for Supply Chain (DFSC)**.

Screaming Circuits will be exhibiting at PCB West in Booth 609 on Oct. 9. The event is located at the Santa Clara Convention Center.



For more information visit:

www.pcbwest.com.

At NEDME, Gary will be giving a presentation on **BOM Recommendations for Supply Chain Success**, at 10 am on Oct. 30. Screaming Circuits will also be exhibiting. The one-day conference is located at the Wingspan Event & Conference Center in Hillsboro, OR.

For more information:

www.nedme.com.

Screaming Circuits will also be exhibiting in Booth 2304 at SMTAI 2024 Oct. 22-24 at the Rosemont Convention Center, in Rosemont, Illinois.

For more information visit:

www.smtai.org.

Material Update: Time to Put Preventative Measures in Place

By Gary DeGrave, Corporate Materials Director

Now we are beyond the mid-way point of 2024; the USA Presidential campaign for 2025 is well under way and the UK has called a general election with Labour being the majority winners. UK service and production sectors have grown by 0.8% and 0.6% respectively during Jan-March, although construction output fell slightly by 0.6%, according to ONS data. The EU also showed growth in the first part of the year as inflation dipped again – with 2024 predicting 1% total GDP growth in the EU.

Meanwhile in Asia-Pacific, China has seen a surge in industrial output by 0.4% month-on-month for June, mainly stemming from the EV market. Inflation in the United States is still high, and not yet cooling as it is globally. The U.S. is still pursuing China-focused tariffs which ultimately, could further negatively impact the economy and the strength of the dollar, which is already under pressure from high interest rates.

The global chip shortage that started in 2020 and now seems a distant past nightmare to many, but it could be about to repeat – now is the time to put preventa-

tive measures in place and ensure a robust supply chain with your manufacturing partners. Securing capacity, sharing forecast visibility into 2025 and committing to stable designs is a priority which must be done now. Warning statements are already being made by the likes of NXP and these must be listened to.

To mitigate potential risk in the future and ensure a continuous supply of materials, Milwaukee Electronics is encouraging customers to take the following proactive steps:

- Engage in long-term planning
 - Placing longer-term orders for Q4 2024, and even into mid-to-end 2025 will help to secure your supply pipeline. This is particularly important for stable and repeat products that are critical to your operations.
- Leverage order management flexibility
 - Utilize the current flexibility offered by manufacturers to place orders with longer lead times. This flexibility may not be available once the market rebounds so taking advantage

now is recommended.

- Expand supply chain coverage
 - Where possible, expand your supply chain coverage for commonly used products to mitigate risks. This will help you avoid potential shortages and ensure continuity of supply.
- Develop a supply chain risk mitigation strategy
 - Work with us to develop and implement a strategy to mitigate supply chain risks. This could include diversifying your supplier base further and planning for potential disruptions.

Capacity and Lead-time issues

Following damage to Murata's Anamizu plant (manufacturing chip inductors and common choke coils) production has now resumed since May 13th 2024.

Lead-times in electronics are generally stable, but this is not forecast to remain, and order coverage is critical for 2024, and at least Q1 and Q2 2025.

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