

Engineering expertise

EE Technologies makes push toward world-class manufacturing

BY ROB SABO

A new contract to provide interior lighting products to a large automotive supplier should help EE Technologies of Reno further diversify its business, President Sonny Newman says.

EE Technologies will provide LED lighting in 24 different variations for installation in luxury vehicles.

Several years ago the company headquartered at Double R Boulevard in South Meadows was heavily focused on the gaming industry.

But it began expanding its range of contract manufacturing services, as well as its service levels, to meet a changing economy, says Director of Operations Dave McDonald, who joined the company just over a year ago after stints with Motorola and Dell.

EE Technologies employs 100 at a 63,500-square-foot facility in Reno that houses engineering, sales and marketing, procurement and manufacturing for its medical, military and aviation and energy products. EE Technologies also has a 20,000-square-foot manufacturing facility in Mexico that employs 50. Employment is down from its peak by approximately 75 employees between the two facilities.

"Obviously the economy has touched us, as it has touched everybody," McDonald says. "The positive thing is that we are a little bit ahead of the curve because we have been expanding our markets, really drove the world-class manufacturing and really have been focusing on managing our costs and general cost improvements."

EE Technologies' primary customers are in the automotive industry and gaming industries. It also serves customers in energy and education.



PHOTOS BY ROB SABO
EE Technologies President Sonny Newman, back, and Director of Operations Dave McDonald at the company's South Meadows headquarters.

One example of the company's capabilities is demonstrated in its contract with Pasco Scientific of Roseville, Calif., which provides probes and sensing devices for high schools and colleges. EE Technologies builds more than 100 types of electronic sensors, installs the circuit boards into plastic housings, adds cables, instructions, and batteries and packages the fully assembled product.

After moving from a 15,000-square-foot facility in Sparks almost nine years ago, EE Technologies has focused on growing from a regional-class contract manufacturer to integrating the procedures and processes found in the high-end contract manufacturers, McDonald says.

"It is not just quality. It is cost, it is service, and it is our engineering services that really take us to the next level," McDonald says.

EE Technologies receives the bulk of its work from its reputation and through word of mouth. The company targets customers that

don't necessarily have the volume required to attract large contract manufacturers, such as Flextron and Solectron, but still require the same high levels of service and engineering expertise.

"We have positioned ourselves not necessarily to be a supplier, but to be a manufacturing partner," McDonald says.

Pricing tends to be very aggressive

as competition is extremely fierce among contract manufacturers. Newman says margins have shrunk every year since he's been in business.

To counter that trend, Newman says it's important to have the right help and expertise. In the past it has been hard to find good technical staff in northern Nevada, but with the onset of the recession there is a lot more talented help available.

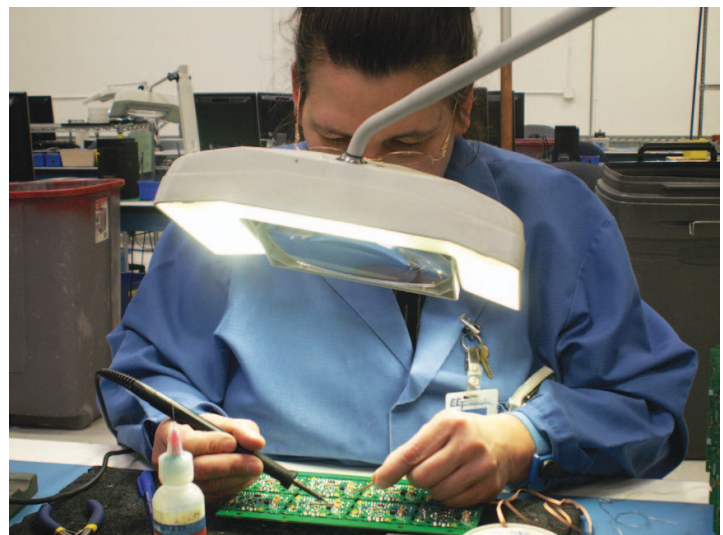
"Margins are thin, so we are quick to react," Newman says. "We will rebuild (our workforce) once we get orders in place."

It also started up the facility in Mexico to compete with Asian manufacturing companies.

"We wanted a more local, low-cost offering," Newman says. "Our Mexico facility typically is not as cheap as China, but a lot of customers don't want to go to China. This gives them an option to save some money compared to the U.S."

The company also has long emphasized green manufacturing and has eliminated lead in 70 percent of its products.

"We are on a completely closed-loop system," McDonald says. "Everything we have here is recaptured, recovered and reclaimed."



A worker at EE Technologies solders parts onto a circuit board.