First Edition

VOLUME 4 ISSUE 4

FOURTH QUARTER 2015

Audi Fuel Pump Program Launches in Juarez

Firstronic was selected in June 2014 by Audi AG to produce the fuel pump controller for the next Audi Q5 SUV generation, which will go into production in early 2016. This vehicle will be assembled in Audi’s new assembly plant located in San Jose Chiapa, Mexico.

This project’s Mexican content requirements represented one of the strategic reasons for Firstronic deciding to establish a greenfield facility in Juarez, Mexico in 2014.

Firstronic de Juarez produced the first printed circuit board assembly (PCBA) for Audi in February 2015. Throughout 2015, Audi monitored Firstronic’s progress as part of their green/brown field program for new suppliers for Audi Mexico. There were several audits performed by various Logistics, Quality and Engineering groups from Audi Ingolstadt to certify Firstronic’s production line as well as the materials and quality systems that will support regular production in 2016.

In the third quarter of 2015, Firstronic de Juarez submitted an initial PPAP package in order to get approval for form/fit/function of parts produced with full production intent equipment that was deployed by Firstronic during the previous six months.

Firstronic has obtained the approval from Audi Mexico to focus on the next milestone (Continued on page 3)

Holiday Message

As 2015 comes to a close, we are taking time to reflect on another year of extraordinary accomplishments. Since 2011, we have seen organic growth in our wholly-owned facilities of over 400 percent. In recognition of this accomplishment, Firstronic made the INC 5000 list of fastest growing private companies in America for the first time this year. Employment in our Grand Rapids, MI facility is over 200 employees, and this nearly doubles when the employees of our Mexican facility are included. In addition, when the revenue from our joint ventures (JVs) in China, the Czech Republic and India is included, the revenue of combined operations in 2015 exceeds $100 million as the result of several multi-year projects ramping to volume production.

We are proud to be a job creator in several parts of the world. Our highly efficient business model continues to keep “Made in Michigan” jobs very relevant. We are also a leader in production technology with both our approach to Lean manufacturing and our use of vapor phase reflow soldering technology. Our team continues to meet the challenges associated with our growth in both revenue and facilities. Our suppliers and strategic partners also continue to do a wonderful job supporting our aggressive growth curve. In recognition of these efforts, Firstronic and our JV partners have received numerous customer awards. We’ve also received recognition locally as one of Michigan’s 50 Companies to Watch.

In short, in 2015, we’ve walked our talk demonstrating that we can successfully ramp to volume production around the globe while meeting our customers’ highest standards of quality. We see the successes of 2015 continuing in 2016 as our business model continues to drive extraordinary growth.

I would like to personally wish everyone a Merry Christmas and a healthy and prosperous 2016.

John Sammut, President & CEO
Three key points of focus in Lean manufacturing philosophy are reduction in variation, product transport distance and excess handling. Firstronic’s Juarez, Mexico facility’s test engineering enhancement strategy addresses all three of these areas.

The facility recently increased its test engineering staff to four engineers capable of building, programming and maintaining standardized test platforms.

“Our goal has been to develop a modular test platform that could be configured for all end of line test activities, plus any required programming and packing. Combining these operations in a single workstation minimizes handling and transport, while eliminating the possibility that product could get mislabeled in the packing process. Our bar code system will lock out the operator if the right process flow isn’t followed, which is a further check and balance,” said Steve Fraser, Firstronic’s Vice President of Operations.

The basic test platform is a standard rack and stack configuration with additional modules that are integrated to support customer-required testing. Add-on modules include cameras for optical character recognition (OCR) and bar code scanning, electromechanical actuators with pneumatic logic to test keypad driven devices and even a burn-in oven providing powered test during a temperature cycle range from +85 degrees C to -40 degrees C in less than an hour.

The standardized platform is based on Labview software and the Firstronic test engineering team has created a suite of software that integrates with it. Four platforms are now running in the Juarez facility, one has been deployed in Grand Rapids, MI and another is in Shenzhen, China.

“Our team is actually supporting our global network of facilities. For example, we’ve created identically configured platforms in Juarez and Shenzhen for one automotive electronic shifter product. We are building product for all of North America here and Shenzhen is building product for all of Asia. Our test platforms are identical which makes it easy to compare trends and focus on improvement initiatives,” Steve added.

Standardization also simplifies maintenance and enhances redundancy. Shifts in demand can be accommodated by shifting product among testers. As a result of this ability to balance capacity, fewer testers are required and overall test cost is reduced. Fixture cost is low. Fixtureless test is possible if the board is designed with built-in self-tests capable of supporting (Continued on page 4)

Becky Lutz Joins Firstronic as Account Director

Becky Lutz has joined Firstronic as an Account Director. Previously, she served as Strategic Account Manager for EPIC Technologies. She was earlier associated with Jabil Circuits and PG Design Electronics as a Program Manager.

“As someone who has previously worked with her, I’m exceptionally pleased that Becky has joined Firstronic. Her experience with the growth curve I was earlier leading at EPIC Technologies combined with her experience at a best-in-class Tier One EMS company ensure she has the expertise to raise the bar in our program management activities as we continue to grow. She has an excellent track record of successfully managing large scale multinational manufacturing projects and is expert at supporting NPI and project transfers,” said John Sammut, Firstronic’s CEO and President.

Becky received her Bachelor of Science degree at Ferris State University.
Firstronic Expands Conformal Coating Capability

Firstronic is expanding its conformal coating capability, adding a new line in both Grand Rapids, MI and Juarez, Mexico. The Grand Rapids facility now has four conformal coating lines. Three are running urethane and one is running silicone. The Juarez facility was running silicone on its line and the new line will be running urethane.

Each line includes a PVA automated conformal coat machine/UV cure oven. The conformal coating equipment has been modified to utilize nitrogen, as operation in an inert environment helps maintain raw material in its original state.

The new conformal coating equipment is configured with an atomized spray head and two needle heads. This increases flexibility and throughput. The UV oven enhancement allows products coated with UV materials to be immediately cured. A wide range of coatings are used and the equipment is segregated from other production operations to prevent contamination issues that can arise when silicone-based coatings are used.

One key enhancement has been the addition of line width verification.

“The most common measurement in automated conformal coating is thickness. However, when you are running a variety of products, a good additional quality check is spray line width verification. This helps ensure that coverage remains even and areas that shouldn’t have coverage are excluded as the spray nozzles move in an x-y pattern over the printed circuit board assembly (PCBA),” said Steve Fraser, Firstronic’s Vice President Operations.

“Our automotive customers prefer conformal coating as an in-house capability, rather than a subcontracted operation. We continue to expand our capacity to meet growing business requirements,” Steve said.

Juarez Maquiladora Industry Celebrates 50th Anniversary

On Nov. 24th, The Museum La Rodadora held an “Hecho en Juárez” (Made in Juarez) event. Representatives from more than 35 maquiladoras located in Ciudad Juarez displayed their products to the general public.

The Product Expo was organized by INDEX Ciudad Juarez (Maquiladoras Association) as part of the celebrations highlighting creation of the maquiladora industry in Juarez 50 years ago. Firstronic was part of this effort and had the opportunity to show its product as partner of the TECMA group.

Other participants included Lear, Delphi and Bosch representing the automotive sector; Electrolux, Toro, Siemens and Tatung representing the commercial/industrial sector; and Johnson & Johnson representing the medical sector.

Fuel Pump

(Continued from page 1)

which is to host the formal two-day production (2DP, run at rate) and product audit events during February 2015, as part of the VDA 6.3 requirements before granting full approval to Firstronic de Juarez to initiate formal production in April 2016.
Firstronic salutes SPC Kage Graham who recently deployed to Iraq as a health care specialist. He earlier served four years on active duty in Ft. Benning, GA and received the Army Achievement medal for exceptional service while serving as a health care specialist. He received a Basic Life Support (BLS) certificate from the American Red Cross in November of 2014 and was certified as an Emergency Medical Technician (EMT) in March 2015.

At Firstronic, Kage served as a Production Lead and was recently promoted to Quality Technician. He completed First Line Supervisor training at Grand Rapids Community College and is also certified to J-Std-001 and IPC-A-610.

“We are extremely appreciative of Kage’s service to his country and we definitely will miss him. He has a job waiting when he returns,” said John Sammut, Firstronic’s President and CEO.

Kage still communicates with the team at Firstronic and co-workers are supporting his unit with care packages of items that are in short supply in Iraq such as whey protein and peanut butter.

Firstronic Wins Corporate America Magazine Award

Firstronic was recently named a winner in Corporate America’s Software & Technology Awards 2015 winning the award for Best Contract Electronic Manufacturer - USA and Recognised Leader in Reshoring Solutions - USA.

“We are pleased to receive additional recognition for our achievement in growing our business from a small regional contract manufacturer to a global electronics manufacturer in just a little over three years,” said John Sammut, Firstronic’s President and CEO.

Quality Technician Now Deployed as A Medic in Iraq

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At Firstronic, Kage served as a Production Lead and was recently promoted to Quality Technician. He completed First Line Supervisor training at Grand Rapids Community College and is also certified to J-Std-001 and IPC-A-610.

“The biggest advantage we see is that when our test engineering group is engaged in developing this level of testing they truly understand the product. This leads to more robust design for test (DFT) recommendations and optimizes fault diagnostic programming,” said Steve.