

# PIONEER *X*PRESS

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## THERMOTECH CELEBRATES ITS 60TH ANNIVERSARY

Thermotech will be celebrating its 60th year in business in July with a special event for its employees.

Thermotech's history speaks volumes about its fortitude. In 1947, Booker Company was started by Bob Booker, and was later joined by Vic Wallestad. Juno Tool was formed in 1949, which is also the year Thermotech was incorporated. Mr. Booker and Mr. Wallestad formed Booker & Wallestad in 1952. In 1957, Thermoset Molding was set up as a Division of Booker & Wallestad. Public issue to combine all departments in 1960 resulted in the initial name of Thermotech, Inc.

Over the years, Thermotech had acquired companies, sold companies, relocated plants, and been owned by several businesses. Though numerous dealings took place, Thermotech remained strong. Its Hopkins location and its two Mexico locations combine for an employment total of well over 600. The customer base has grown to over 100 delivering product globally.

As a result of its growth, Thermotech now provides plastic custom injection molding services to the automotive, medical, electronics, appliance, and small engine markets, as well as others. Its

manufacturing capabilities include thermoplastic and thermoset molding, insert molding, two-shot molding, bobbins and gears, as well as automated and manual assembly. The Company is also rightfully proud of its ISO/TS 16949:2002 quality certification.

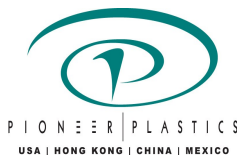


As of December 2007, Thermotech has merged with Pioneer Plastics, Inc., headquartered in Eagan, Minnesota. In 2008, the Midwest Minority

Supplier Development Council, Inc. declared Thermotech as a bona fide minority business enterprise.

Consequently the merger has helped both Thermotech and Pioneer Plastics complement their respective services in offering business critical solutions to customers worldwide.

In addition to Pioneer Plastics' Eagan facility, they own Group Tool Inc. located in both Lexington and Normal, Illinois, as well as a Client Services Center in Wilsonville, Oregon. Outside the US, they operate Distribution Centers in Ireland, Hungary and Singapore; a Regional Office and a Plant Management Center, both in Kowloon, Hong Kong; and a manufacturing plant in Shenzhen, China.



## PIONEER PLASTICS AND ITS DIVISIONS NAMED TO US'S TOP 500 BUSINESS LIST



In recognition of the economic power of privately-held businesses, DiversityBusiness.com, the nation's leading business-to-business Internet site, recently named Pioneer Plastics, Inc. and its divisions as one of the top businesses in the United States.

This is the 9th annual listing of the US's top 500 businesses by DiversityBusiness.com. Companies

listed on the Top Business Lists represent the Nation's top multicultural earners and challenge the long-held notion that a privately-held business is small or insignificant. Winners are sought after by major corporations wishing to increase spending with small businesses.

The winning companies were

honored at a special awards ceremony at DiversityBusiness.com's "9th Annual Multicultural Business Conference" on April 29-May 1, 2009, at the Disney's Contemporary Resort in Orlando, Florida.

For more information, please visit:  
[www.diversitybusiness.com](http://www.diversitybusiness.com).

## A LETTER FROM MINOU HUSSAIN

*“Today, Thermotech stands among the top 50 thermoplastic injection molders in America and ranks among the Top 500 Minority owned US Companies. Moreover, our future prospects have never looked brighter from where we are today.”*

As we celebrate our 60th year, I am reminded of Thermotech’s rich history and culture of innovation. Thermotech’s past is as unique as its dedicated employees. A company started by two entrepreneurs in a garage in 1949 evolved from a small company of a few to a multinational manufacturer in the injection molding world. Like most successful companies, Thermotech has outlived its founders and their vision since it was first conceived, but it has not outgrown its entrepreneurial spirit or creativity to change with the times.

As I first walked through Thermotech’s Hopkins plant, I was reminded of a quote from Henry David Thoreau “We must walk consciously only part way toward our goal, and then leap in the dark to our

success.” My decision to be a part of the Thermotech family was unequivocal and easy and my faith in its talented people gave me the confidence to leap where there was doubt. I truly believe that no other company could compete with Thermotech as long as we maintained our rigorous attention to detail and our customers’ needs. Today, I see a company that has yet to reach its full potential, but rest assured, our success is within reach.

In an ever changing global marketplace and turbulent economy we continue to dominate with our services and value. We must remind ourselves that such economic swings are cyclical in nature and nothing should deter us from our goals to manufacture the best product to our valued customers. As our

customers continue to praise our strong work ethic and diligence, we must maintain our relentless effort to deliver quality and value at every level. Today, Thermotech stands among the top 50 thermoplastic injection molders in America and ranks among the Top 500 Minority owned US Companies. Moreover, our future prospects have never looked brighter from where we are today.

I would like to convey my heartfelt gratitude and congratulate every employee, customer and vendor for making Thermotech’s 60th anniversary possible.

Thanking you,



Chairman & CEO

## CUSTOMER SERVICE IS #1

It’s nice to know we’re able to help our customers. Here are some of the comments we’ve received.

- On an order where we were able to supply more than earlier requested — *You are my hero!*

- On a job that was done two days earlier than promised — *Excellent!*

- On work done by Customer Service — *A big congratulations. The customer liked the job so much she asked to express her thanks to*

*both Customer Service and their bosses.*



## GEAR WEBINAR A SUCCESS

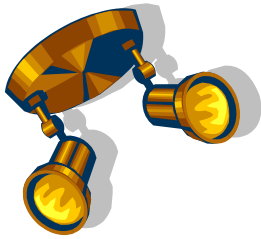
On April 9th, Thermotech held a Webinar on Design Essentials for Plastic Gear Performance in association with *Machine Design*, *Medical Design*, and *Motion System Design* magazines. The panel of speakers included Robert Repas, Associate Editor of *Machine Design*, Alex Kapelevich, Thermotech’s Gear Design Engineer Consultant, and Tom McNamara, Thermotech’s Research, Development & Engineering Director.



The Webinar presented a unique approach to plastic gear development including:

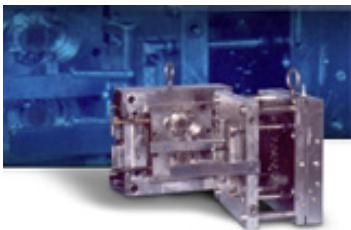
- Critical gear design principles
- Performance requirements to determine optimal materials selection
- Overview of tooling optimization technique
- Metrology methods for plastic gears, and
- A live question/answer session with presenters

The Webinar had over 350 registrants, and since the event, received 260 hits to the Webinar site.



## SPOTLIGHT: TRANSFER TOOLING MADE EASY

In these challenging economic times, Thermotech remains financially strong. However, many of our competitors are going out of business, or cannot retain the necessary resources to meet their customers' needs. This results in molds being relocated. For the first time in our 60-year history, more of our new business is coming from transferred molds than from new molds that we build.



Moving tools from one supplier to another can be stressful, with concerns about disruption to the customer's supply. At Thermotech, we have the systems and experience to insure a quick, smooth transition. We follow a clearly defined process for qualifying transfer molds. Our transfer team works with customers to address tool quality and compatibility issues early, minimizing potential problems down the line. In addition, a dedicated project manager is assigned to each transfer program. The project manager's role is to lead the team that qualifies the molds and brings them into quality production.

The process during and after the transfer includes having a customer representative at Thermotech when the mold and equipment arrive to inspect their condition and discuss any changes required, or Thermotech photographs the items delivered and proceeds as necessary. If available, inspection results from product supplied

by the customer are reviewed, and terms of the approval process are defined. Inspection results on Thermotech manufactured product are reviewed with the customer, as well as any mold function problems. Thermotech makes daily or weekly communication with the customer to keep them apprised of progress being made.

An additional benefit to having Thermotech as part of your transfer tool program is its three manufacturing sites, plus our association with Pioneer Plastics, Inc. and Group Tool Inc. This gives us the resources to meet the customer's critical timeline. The gap from last part before transfer to first part from Thermotech is often within one week, and we have complete on site 24/7 tooling capabilities to improve, repair, and modify tooling to get them up and running quickly. Once running, our Polymer Lab verifies the product so customers are assured that the resin has been processed properly.

In the last 12 months, Thermotech has received 14 multimold transfer programs.

### Keys to a Successful Transfer

- Advanced planning/ minimize surprises
- Scheduled frequent communication
- Dedicated project team (both companies)
- There will be surprises! Be flexible and react quickly
- Take it in steps. First, resume production. Improve efficiency later.

### Transfer Tooling Cases:

#### Case One

Thermotech was contacted by a current automotive customer in April 2008 to quote a group of products that were currently being molded at one of our competitors. We quoted 12 part numbers with the understanding that there were many more parts, but the 12 were considered the baseline. Our customer was concerned about the stability of two of their current suppliers. Discussions went back and forth for several months.

In early February 2009, Thermotech was awarded the program. We assigned a project team consisting of a project manager, advanced quality engineer, quality engineer, and manufacturing engineer to the project and began evaluating tools and parts. We received 15 part numbers with insert molded terminals.

In mid-April, the customer shipped the tools directly to our plant in Queretaro. Many of the components were missing sub-component prints and details. Thermotech engineering services created drawings and other documents to help define and manage the transfer process. We also managed their inventory of sub-components, packaging, resins, finished good parts, and distributed to the customer or using plant. Conference calls were scheduled with the customer on a twice a week basis to update them on our progress. Production included OEM and service parts. Within three weeks we were completing PPAP's and shipping products to the customer's demand.

On May 29<sup>th</sup> we received another RFQ for an additional 30 more transfer tools.

*Winning doesn't always mean being first; winning means you're doing better than you've done before.*

*- Bonnie Blair*

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# TRANSFER TOOLING MADE EASY (CONT.)

### Case Two

The customer had four tools and complex automation. Due to an imminent plant closing, the transfer schedule had to be expedited without proper safety stock in place. The plan was to have 12 weeks of stock. The molder went out of business with only three weeks of stock. In response to this schedule change, Thermotech sent two manufacturing/automation engineers to the molder within 24 hours after receiving the customer's call. The initial visit allowed Thermotech to obtain detailed information on the molds, processes, automation equipment, and open issues. One week later, Thermotech sent two automation technicians to oversee the disassembly of the complex automation equipment. This equipment was

completely functional within six working days after arriving in the Hopkins facility, which included replacing broken components. Weekly conference calls were established between Thermotech and the customer teams. One component required production parts with initial PPAP at the customer facility in less than three weeks. This component utilized the automation equipment for insert loading. Thermotech made tooling improvements to eliminate quality issues (flash) on the part, reducing the need to trim and lower the part cost.

### Case Three

Five tools were received from an automotive customer and all were sampled within three business days. The biggest challenges were the very poor tool conditions, the extremely tight tolerances, and the number of critical dimensions required. The previous molder was

trimming every component in several areas resulting in high labor content. Thermotech recommended and initiated improvements to every mold, resulting in the elimination of flash and reduced labor costs. In addition, due to the high volume of components requiring annealing, Thermotech invested in a large capacity annealing oven. A customized work center was created resulting in a well organized process flow between molding, product validation, annealing, warehousing and shipping. The customer recently completed a VDA6 audit with a final score of 95% = "A" rating.

*If you're concerned with your current supplier, contact Thermotech and we can assist you with your transfer tooling needs.*

# TRADESHOWS WHERE WE'RE SEEN

Pioneer Plastics and Thermotech have been showing their capabilities at trade shows. We've already exhibited at...



Exhibitor: Thermotech  
Charlotte, North Carolina  
March 11-12



Exhibitor: Thermotech  
El Paso, Texas  
March 17-19



Exhibitor: Pioneer Plastics  
Las Vegas, Nevada  
March 23-29



Exhibitor: Thermotech  
Nashville, Tennessee  
September 30-October 1

**Upcoming tradeshow include....**



Exhibitor: Thermotech  
Indianapolis, Indiana  
September 15-27