



‘To Get Orders, Sell’

The North American PCB industry has been devastated. It didn't have to happen.

Dan Beaulieu

Viasystems-Richmond is closed; Multek-Austin is closed; Tyco has closed three plants: White City, Fremont, and Stockton; speculation has Sanmina contemplating shutdowns; and numerous others have closed facilities, too. We have just witnessed the devastation of the American printed

circuit board industry. And guess what? We were not devastated by offshore competitors, we were taken apart by neither the U.S. government nor the EPA. No, our industry was debilitated – at the cost of millions of feet of production space lost – by the very people who just months ago were praised as great innovators and visionaries: the owners. Indeed, a few actions by a few money-grubbing owners have left a trail of victims – our industry, their companies, and, worst of all, the employees, the very people who made them rich.

All this talk of consolidation and efficiency boiled down to a single issue: money. A few guys became rich, milked the companies they bought, then shut them down; all part of the downside when bankers, financiers, and outside investors run a manufacturing industry. One shop I know of, bought last year, is about to go out of business. A friend remarked, “Well, that’s not too bad; they got their money out of it.” I was shocked. Who got the money – the corporate bosses? The real workers are losing their jobs! Some companies have closed so quickly, I can’t help but surmise that these were not surprise shutdowns but rather premeditated executions. Major divisions aren’t just closed six weeks into a slowdown unless that is what was planned all

along. The economy became a handy excuse. Somewhere, someone is laughing all the way to the bank.

I guess what really irks me is that while these companies dropped, they did so without trying to implement true sales and marketing plans. Some went to their graves swearing that they did not need sales and marketing, that technology, size, and industry presence was all they needed. Take PC FAB: Outside of this column are few articles about strategy, marketing, sales tactics – the business end of running a PCB company. But there are all sorts of articles on plating, soldermask, drilling, and environmental issues. These are important, granted, but none of them will save a board shop and none will bring customers to the door. Those who run their companies in a “build it and they will come” fashion, take heed – again – it doesn’t work. To get orders, you must “sell.” You must have a strategy, a strategic plan, and a marketing plan, and you must have sales staff in front of customers selling your products and services. And those who sell facilities to the suits that eventually close them to increase stockholder value or make a few bucks ... shame on you. You are selling out our American production facilities and capabilities to the highest bidder and by default are letting them die. Companies

that were built with sweat and tears over many years on the back of domestic workers are being eradicated with the stroke of a pen. IPC should think twice before continuing to cater to these large company owners that are taking apart the very industry that has been its meat-and-potatoes for the past 40 years. I can only hope that it has heard the message and will now start focusing on the small- and medium-sized board shops. It is the owners of these shops who are the true visionaries and the backbone of the PCB industry.

Large-volume production is dead in this country, killed by its own hand. For the rest, the news is good. Our country’s industry going forward will be primarily characterized by prototype, pre-production, and small-volume production (up to 5,000 pieces). Large and mega-volume production jobs will go offshore. The key now is to concentrate on your niche. Do this, and do it well, and you will have a long and prosperous future in the U.S.

PC FAB

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