

Thoughts on SMTAI and Its Implications for EMS

Written by Susan Mucha

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2012 brought changes to both the industry and the trade shows.

One of my many trips in October was the SMTA International show in Orlando. Personally, I thought attendance was down a little from previous shows. I'm not a fan of holding business events at Disney World, and based on the traffic difference from last year's show in Dallas, I suspect I'm not alone. That said, the overall quality of the show was as good as ever, and programming is continuing to evolve in interesting ways.

The Women's Leadership Connection session continues to grow. This time we had a focused session with everyone briefly sharing their experiences in what has been predominantly a male industry. It is a truly multigenerational group and we all learn from each other. I used to joke that one thing I loved about this industry was there was never a line for the ladies room at trade shows, but I'm actually glad that this is changing.

The Contract Manufacturing Symposium I co-organize with Mike Buetow looked at some interesting topics, including offshoring, nearshoring and reshoring, and using technology to better automate program management. These are all areas where I'm seeing a lot of discussion within the industry.

On the topic of reshoring, Alexander Zeitler of BTW, Inc., discussed the Reshoring Initiative's Total Cost of Ownership Estimator tool. While the tool was originally created for the machine tool industry, it is also relevant for electronics manufacturing projects. It can be found at reshorenw.org.

Curtis Campbell of SigmaTron International discussed onshore and offshore benefits and disadvantages from the perspective of a contract manufacturer with locations in Asia and North America. One area highlighted was cost advantages of manufacturing in China for product sold in China. The logistics simplicity of nearshoring in Mexico was also discussed.

Rick Herndon of Firstronic, LLC, discussed his company's efforts to automate the program management function through a combination of an internally-developed system known as ProManage and Plex Online, a standard Software as a Service (SaaS) ERP package. A key point was that regional EMS companies are expected to offer the same range of services as their larger counterparts, but must do it with significantly less overhead. Automating program management tasks helps force multiply (leverage) smaller teams, plus provides better visibility into critical project activities among team members. The session also included a panel discussion that looked at a range of industry issues. One of the most interesting points that came out of that discussion was related to workforce availability. Virtually every EMS executive in the room agreed that there was no shortage of qualified technical personnel in the US and that their companies had very few issues in finding and hiring the personnel they needed. The general consensus was that CEOs who called for larger H1-B visa quotas were doing so

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because they couldn't find people who wanted to work for the compensation they were willing to offer, rather than because of actual shortages of technical personnel willing to work for reasonable compensation.

The exhibit floor included a demonstration line organized by Bob Willis. SMTA offered free lunches adjacent to the line, and representatives from companies participating in the line gave technical presentations throughout the day. The truly efficient had an opportunity to lunch and learn before visiting the rest of the show floor. This informal setting was a nice addition to the show/conference format and gave attendees evaluating specific manufacturing technologies the ability to listen to experts and view machines in operation.

The biggest show "buzz" was created when it was announced that IPC would be relocating its semiannual technical committee meetings to SMTAI next year. I see this as a huge positive, because having two major manufacturing-related conferences and exhibitions within weeks of each other is challenging to exhibitors and attendees alike. Yes, most shows pull attendance from the region in which they are held, so many attendees go to one or the other, but IPC and SMTA also pull attendance from companies that support both events. Now, exhibitors can look forward to a combined event, and I think that will benefit both organizations in the long run. Back in the early '90s, an SMTA/IPC collaboration on the West Coast created an outstanding conference program and a great show. I suspect SMTAI 2013 in Dallas will rival that old Surface Mount International event, and I look forward to seeing it. And, hopefully in 2014 they'll figure out that, for business travelers, Rosemont is better than Disney World.

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