

Newly Launched Leadtec

Banks on Success & Expansion

While the current trend is for finishers to leave the industry or take it out of the country, here's one group of enterprising individuals who had the vision and courage to START a new company, catering to high-tech customers. They're doing well. Here's a look at how they started, how they're doing and where they're going.

In these days of formidable regulations concerning water, air, waste disposal and employee safety, it takes plenty of determination and business savvy to launch a new finishing company. That's exactly what Mehdi Shafiee, CEF, Marty Davis, Kevin Johnson and Kent Olson had in June of 1994 when they combined their expertise, ideas and assets to form

Leader Technologies, Inc. (dba Leadtec) in Wilsonville, which is located south of Portland, Oregon. The company provides high-quality plating services to the electronics, medical and aerospace industries.

The four-man management team, which had worked together at other finishing shops in the area, literally put it all on the line



Founders Marty Davis (left) and Mehdi Shafiee, CEF, handle Leadtec's marketing, financial affairs, planning and sales. Shafiee also has responsibility for the shop's chemistry needs.



To conserve chemicals and water, there are no flow rinses. Parts are thoroughly sprayed over a tank. When the rinsewater reaches a certain concentration, it is sent through an evaporator.

in starting their aggressively run, "lean and mean" business. What did they do? They pooled their savings, pensions and life insurance, and took out second mortgages on their homes as well, to open a 5,000 ft² shop in Wilsonville.

Why did they do it? "With your own money, you don't have to answer to anybody but yourself," asserts Marty Davis, who serves as the company's financial secretary. "That helps when you realize you don't have any time to waste. On the twenty-first day we were in this building, we were up and plating."

What's Their Specialty?

What's Leadtec's market niche? "We specialize in engineered coatings that meet the precise requirements of our region's dynamic market of high technology industries," says Shafiee, an AESF Portland Branch member and former officer who is president of the company. The Portland area—now referred to as the "Silicon Forest"—has become a center for a host of medical, dental and electronic equipment manufacturers.

Leadtec's target markets are aerospace, computer, medical/dental equipment and electronics manufac-

turers, and those that are involved with microwaves, optics, integrated circuits, lasers, semiconductors. The telecommunications industry is also high on Leadtec's list.

Gold and other metals that characterize such high-tech clients are the company's front-runners: Gold (and electroless gold), silver, rhodium, palladium, platinum, nickel, copper and electroless nickel, as well as matte acid tin, bright acid tin and tin-lead. Leadtec keeps its operating plan simple; that means no chromium and no cyanides. Finishes are applied on aluminum, aluminum alloys, beryllium, beryllium copper, copper alloys, Invar, Kovar, molybdenum, nickel alloys, steel, stainless steel, titanium and tungsten.

Streamlined Operating Skills Keep Overhead Down

Of course, Leadtec's new shop is clean and well-lighted, with polyvinyl tanks, equipment and ductwork. The emphasis is on simplicity of operation, but that doesn't imply skimping on quality. To do so would run counter to what their high-tech clients

expect. Here are some of Leadtec's shop practices that work:

- There are no flowing rinses, to conserve water and chemical usage. Parts are thoroughly sprayed over a contained tank. The rinsewater is sent to an evaporator when the concentration of metals reaches a certain point.
- Used acids are collected and shipped off-site for disposal.
- Electroless nickel solution (including the drag-out) is collected and sent to a reclaimer for recovery of metal.

So far, Leadtec's game plan is paying off. The company did \$1 million in sales in 1995 and projects sales of \$1.5 million in 1996



Kreg Avila unracks a variety of parts that have been gold-plated for a number of high-tech clients.

How the Team Works

Shafiee and Davis, who have 28 years' combined experience in management and marketing in the surface finishing industry, take care of running the office, handling financial affairs, sales and planning.

Johnson and Olson, who can boast 25 years' combined, concentrated experience in finishing for the electronics industry, are the "hands-on" managers on the shop floor.

There are a total of eight employees (including the four managers) at the shop, which operates from 7 a.m. to 11 p.m., five days a week. While there are specialized duties, there are also a lot of cross-over responsibilities. "We have a good relationship among our team members," says Davis. "Mehdi takes care of all our chemistry, but here, it's everyone's job to be in charge of quality control."

Construction Plans Ahead

When Leadtec was founded, the group started out by looking for 2500 ft². It's a good thing they didn't find

what they were looking for, because Shafiee says the current 5000 ft² facility is bulging at the seams. Leadtec's next move is already planned. The managers broke ground for a 30,000 ft² shop in the same industrial complex in which Leadtec is now located. In addition to building their own facility, the managers plan to build approximately 40,000 ft² of space for tenants at the same site. They hope to move into their new shop by the summer of 1997.

The new, zero discharge facility will feature segregated streams for uncomplicated collection of used

plating and rinse solutions. All incoming water from the local water works will be deionized before it's pumped through the plating lines.

As finishing managers know, money is usually tight for the purchase of new equipment or expansion of a plant, but Leadtec went armed with a good marketing plan when it approached the U.S. Bank of Oregon for financing. "We want to be the leaders in plating technology and maximize our sustainable competitive advantage," says Davis. "That includes an emphasis toward semiconductors and related devices. Eventually, we want to offer a fully automatic leadframe circuit plating division, located in a jobshop environment. I guess our track record so far was good enough for the bank. They believed in us, so we're pushing ahead." **P&SF**

Leader Technologies, Inc. (dba Leadtec)

- Founded to provide high-quality plating services to the electronics, medical and aerospace industries
- Specializes in engineered coatings for high-tech industries
- Strives to be a leader in plating technology
- Operates with strategic marketing plan that emphasizes semiconductors and related devices
- By summer of 1997 will have state-of-the-art facility to enhance growth capabilities
- Will offer a fully automatic leadframe integrated circuit plating division within a jobshop environment

AESF Regional Meeting— Western U.S.

September 14—Northwest

Regional, The Cliff Lodge,
Snowbird, UT. Contact:
Glenn Fassmann (Phone:
801/355-7424), Mike
Robinson (Phone: 801/298-
5900), or Joe Broshinsky
(Phone: 801/364-0201).

October 4-5—Golden West

Regional. Primadonna Casino
Resort, Sateline, NV. Contact
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