

**ELECTRONIC  
SYSTEMS INC.**

**LEGENDARY SERVICE**  
INTEGRITY, RESPONSIVENESS, & FLEXIBILITY

WWW.ELECTRONICSI.COM • SPRING 2021

*“We expect our CMs to offer competitive prices and high quality, but the trait I have come to appreciate the most is ESI’s agility. I really appreciated your rapid response to many unexpected orders at the end of the year, it was a remarkable outcome.”*

— VP of Operations,  
Industrial Controls Company

## PERSEVERANCE

By Gary Larson, President, [glarson@electroniccsi.com](mailto:glarson@electroniccsi.com)



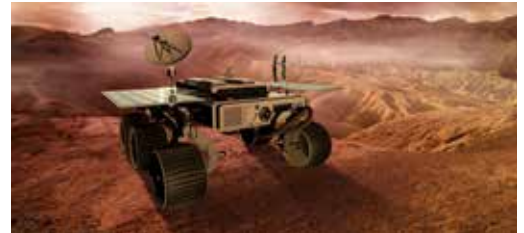
NASA TV livestreamed the landing of the Mars Rover Perseverance on the surface of the red planet. The rover lifted off from the Kennedy Space Center on July 30, 2020. In about seven months at a speed over 12,000 miles

per hour, the spacecraft covered almost 300 million miles to the red planet and touched down in a crater measuring less than 30 miles wide. I’d say Perseverance is an apt name for the Martian mission.

Perseverance is what I think of when I recall 2020 and the pandemic that continues to disrupt our supply chain as demand returns. When they could have given up and gone home, our employees put their heads down, pushed forward and persevered. For that I am very grateful.

I have quarterly plant meetings with our people. We talk about what they are doing and what they’ve done. Recent meetings focused on their exceptional performance and the good year Electronic Systems, Inc. (ESI) has experienced despite COVID-19.

We never shut down, and our employees went the extra mile to build the products our essential customers needed during



the pandemic. They did it at a level of service above and beyond our customers’ expectations. As Roger Staubach, the great Dallas Cowboys quarterback famously put it, “There are no traffic jams on the extra mile.”

People talk about legendary things. Go to a restaurant, and if they give you exceptional service, what will you do? You’ll tell people about that restaurant and take your friends there the next time you go.

That word, legendary, drives our business model. I say Legendary Service 100 times a day if I say it once. At the end of all plant meetings, I remind our employees: “Everybody at ESI has the same job: providing Legendary Service to our customers. We just perform different tasks to accomplish that.”

Circling back to space travel, we elected John F. Kennedy President of the United States in 1960. Following his inauguration, he visited the NASA campus. On the tour, he came across a janitor who acknowledged the president and the president acknowledged him. “What are you doing today,” asked Kennedy. The janitor replied, “I’m helping put a man on the moon.”

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At ESI, we're not putting a man on the moon, but we encourage every one of our employees to have the same attitude as that NASA janitor. Delivering Legendary Service to our customers requires commitment from everyone on our ESI team.

You see, at ESI, we're not just a supplier. We're involved in a joint business venture with each of our customers. We succeed when they succeed. We've done it for the past 40 years.

*EDITOR'S NOTE: Read Shawnee Pick's story on BOM Insight, the software ESI used last year to find alternate sources of components when suppliers shut down. When ESI continued to manufacture and ship in 2020, despite the pandemic, we received much positive feedback and many, many "thank you's" from our customers. Read one of them on the front of this newsletter. ◆*

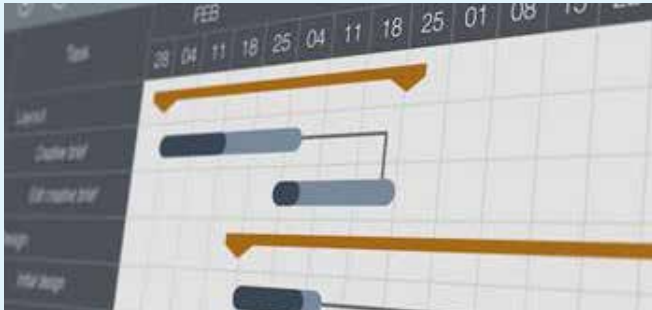
## PLAN TRACKS LEAN PROJECTS



### By Kevin Haala, Lean Manufacturing Specialist

As part of its Lean initiative, ESI maintains a Lean Business Plan — a tool for increasing the efficiency and effectiveness of our manufacturing system and addressing our customers' needs.

This tool was created for use in the strategic planning process, to identify Lean projects and priorities and track their progress. Customized to fit ESI's needs, it lays out all of our Lean projects on one spreadsheet that reminds us how each relates to our company and corporate goals.



Each project on the business plan is specifically selected and defined to tie in with our goals. Each project is prioritized so we are working on improvements that give us the biggest bang for the buck and ensures we don't spread our resources so thin.

The ESI Lean Business Plan keeps us focused on projects within categories like:

- Improved Quality
- Customer Service
- Safety
- Employee Engagement
- Training
- 5S

So, what does the Lean Business Plan mean to our customers? It is a path to receiving the Legendary Service we always talk about. It results in continuous improvement, assuring our customers that we're always thinking of how we can do things better.

Lean Manufacturing is a journey. It doesn't change overnight. But the Lean Business Plan is the way ESI sustains that journey. ◆

## EMPLOYEES GET ACTIVE



Team ESI hosted a Holiday Food Drive and donated over 200 pounds of food to Feeding South Dakota.

### By Jamie Vonderhiede, Production Manager

In September 2020, we started a social committee at ESI to keep the company culture positive and to boost team morale during the pandemic. We kicked off the committee with some fun games like baby picture week. We encouraged ESI employees to bring photos of themselves as infants or as toddlers to work. We posted these photos without names, and everyone tried to decide who was who. That was a hoot!

Other things we've done: We raised over \$8,500 for the United Way, and over Christmas, we held the Holiday Food

Drive, raising over 200 pounds of food for Feeding South Dakota. Lastly, earlier in the year, we participated in a toy drive for local charities.

The best is yet to come. We're putting together an ESI Heritage Cookbook with everyone's favorite recipes. We'll also play various games as winter turns to spring and serve meals together at the local non-profit centers.

It's all about taking an active part in making our community better — both the culture on the ESI manufacturing floor and the community around us. ◆



# ESI OFFERS SOLUTIONS

By Shawnee Pick, Business Development Manager



Before the pandemic hit last year, ESI had already purchased and installed BOM Insight by Supplyframe, a Bill of Materials (BOM) software. Using Part Intelligence, the software helped our company



quote and identify manufacturers of equivalent components. It also helped us give our customers options in situations where components from an approved manufacturer were at the end of their life cycle and not recommended for new designs.

In addition to identifying equivalents, we also use this software to determine alternate sources of components, which could reduce costs or improve delivery times for our customers. Many component suppliers experienced disruption to their business when COVID-19 hit, making it difficult to satisfy the market demands. The BOM Insights tool helped us maneuver disruptions and satisfy our demand because of the ability to identify equivalents, alternate sources, lead times, available stock, and so forth.

ESI customers appreciated the “insight” we could provide to the availability and the efficacy of components used in manufacturing their products. We received positive feedback from several customers and others told us they were looking into buying this software, too!

The Part Intelligence we offered aligns with our Legendary Service goals. We want to approach our customers with solutions — not problems. Instead of hearing us say, “We can’t get that part right now” we want to be able to say “Here are your options. Which one do you want us to pursue?”

We view our customers as extensions of our business, which means we always keep their best interests in mind. Software like BOM Insight helps close the gap between the customer and ESI. ◆

# REACHING MILESTONES

## 20 YEARS

- Maria White .....Feb. 5
- Dave Dahle .....Feb. 10
- Doreen Butenshoen.....Mar. 5

## 25 YEARS

- Colleen Adler.....Jan. 22
- Kristi Ritter.....Mar. 18



## 30 YEARS

- Lois Poppenga.....Feb. 4

“ESI was smaller back then, but today I do things similar to what I did when I began working here back in 1991,” says 30-year veteran Lois Poppenga. This includes a great deal of soldering and mechanical assembly.

A versatile and valuable member of our team, Lois has worked in other areas, too. “A few years ago, I worked over in Building 2 testing customer audio systems to make sure they met high-level specifications,” she states.

Lois says she stays with ESI because everyone is friendly, and management is easy to get along with. “I like the atmosphere,” she says.

Every day, Lois brings to ESI her passion for close attention to detail. She also brings her willingness to relate to others. “I’ve made some good friends here,” she states.

Lois and her husband Regie, a paint contractor, love to go camping, particularly to Lake Vermillion. The couple has two grown children. The youngest lives in Sioux Falls and the oldest lives in Yankton. The Poppenga’s also have three grandchildren.

“Our oldest grandson started working here [at ESI] a couple months ago,” she adds. ◆

## Q4 2020 PREFERRED SUPPLIERS:

A2 Global Electronics  
 Avnet Electronics Marketing  
 Bisco Industries  
 Digi Key Corp.  
 Future Electronics Corp.  
 Heilind Electronics  
 Mouser Electronics  
 Newark in One  
 Quist Electronics  
 Sager Electronics  
 TTI, Inc.  
 Hisco

Watertown Box Corp.  
 BOH Electronics, Inc.  
 Newava Technology  
 American Solutions for Business  
 General Label, Inc.  
 Atscott Mfg. Co., Inc.  
 Minntronix, Inc.  
 Engel Diversified Industries, Inc.  
 Harvey Vogel Mfg. Co.  
 Kurt Mfg. Co.  
 Active Sales Associates, Inc.  
 Donnelly Custom Mfg. Co.



# ELECTRONIC SYSTEMS INC.

## LEGENDARY SERVICE

An ISO 9001:2015 and ISO 13485:2016 Firm

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## YOU CAN FIND US AT...

SMTA Upper Midwest  
June 24, 2021

DoubleTree by Hilton Minneapolis-Park Place

MD&M Minneapolis  
Nov. 3-4, 2021

Minneapolis Convention Center



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# LEGENDARY SERVICE INSIDE AND OUT

Brian Carstensen, ESI Manufacturing Manager



“Simply stating, he makes sure products move through our factory floor on time for our customers,” says Gary Larson, describing Brian Carstensen’s work. ESI’s president adds, “If our manufacturing teams were an orchestra, Brian would be their conductor.”

Brian describes himself as a supervisor of supervisors. “I try to be visible on the floor at all times to help our teams operate effectively,” he states. He also interacts with the company’s sales, planning and materials departments to resolve time or scheduling crunches.

Brian grew up in Granite Falls, MN about two hours from ESI. He graduated from

South Dakota State University with a degree in Manufacturing Engineering and Technology. “Since leaving SDSU, manufacturing is all I’ve ever done,” says the Minnesota native.

He’s been employed by various companies and worked with a variety of manufacturing processes including fiberglass, steel, sheet metal and electronics. In 2018, he joined ESI as the Manufacturing Manager, and he’s currently working toward an MBA in business administration at the University of South Dakota.

Brian is passionate about ESI’s commitment to provide Legendary Service. For him, this means delivering that service to ESI’s internal customers, too. As a manager, he strives for clear and consistent

communication between teams and departments. “We continue to look for ways to help the person next to us be more successful,” he states.

This emphasis on internal success is critical to the success of ESI’s external customers. “It means we hold ourselves to a high standard so we can provide them (our external customers) with a product that meets or exceeds their delivery expectations and functions exactly as they expect it — from the first part to every part after that.”

*EDITOR’S NOTE: Brian and his family live in Dell Rapids, SD. He and his wife Jessica are raising three boys, ages 9, 7 and 2. The boys enjoy fishing, and whenever they can, the whole family vacations at a secluded cabin in Minnesota’s north woods. ◆*



## COMMUNITY PARTNERS

At last year’s Supplier Appreciation Day, ESI introduced a new honor — the Cost Savings Award. The winner of the Cost Savings Award is determined by a percentage of savings basis, to level the playing field between larger and smaller suppliers. Our 2020 winner was A2 Global Electronics + Solutions.

In recognition of this new award, A2 Global Electronics & ESI together made a donation to the St. Francis House, a transitional shelter for the homeless. Pictured with the award check is, left to right, Colin Sabby, ESI’s Materials Manager; Mark Spanke, A2’s Strategic Account Manager; and Gary Larson, ESI’s President. ◆