

**ELECTRONIC  
SYSTEMS INC.**  
LEGENDARY SERVICE

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

WWW.ELECTRONICSI.COM • SPRING 2022

*“ESI consistently responds expediently to our frequent change requests and accurately implements the necessary changes. Their manufacturing processes have continually evolved to stay up with the latest technicities to provide us with reliable and cost-effective assemblies.”*

—Sr. Engineer, Industrial Controls Company

## A HUGE THANK YOU



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

At the end of 2020, we thought we would slide our way out of the pandemic, but we didn't. The year 2021 was very disruptive, not just because of a continuing health crisis but because of severe supply chain troubles

and worker shortages.

Despite this, Electronic Systems Incorporated (ESI) had a very successful year. I want to say a huge “THANK YOU” to everyone involved in our business model; our suppliers, our employees, and most of all, our customers. The key to our success was everyone who touched our business.

I am sure there were businesses, in different markets and industries, that shut down this past year. Everyone had struggles. We did, too. But we overcame them—not on our own but because we work with a great team of suppliers, we have staff that operates more like a family than a list of workers identified by their number, and we have a very loyal customer base.

At ESI, we still have our core workforce, and we are building every day on that core. Our current workforce is above the pre-COVID level and growing.

In every issue of our newsletter, you'll see the anniversaries of people who have worked for 10, 20 and even 30 years at ESI. We've created a culture that rewards and values our employees, helping see themselves as part of

something bigger. See also NEVER A DULL MOMENT on page 4 for a peek into our culture as a company.

Despite all the challenges and disruptions of 2021, ESI experienced a record year. Again, THANK YOU!

### What's ahead for ESI?

In 2022, ESI still faces many of the same challenges and disruptions as the previous year. So, what will we do to continue the success we experienced in 2021? My answer is, “We'll do more of the same.”

We'll ask our business partners—our suppliers, our employees and our customers—to continue stepping up and working our way through this. Together, we will overcome.

Quite honestly, the future looks very good—because of the pandemic and because of our partners' dedication to working with a known, trusted supplier that proved they could do it in 2021.

How will we overcome market forces for which we have no previous playbook? It's certainly an eye-opening experience, but like we did in 2020 and 2021, we'll learn lessons, and we'll continue to apply what we learn to make us a better business overall.

With everyone working together, there is no reason 2022 can't be a record year as well.

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# GOAL: AUTO-WAREHOUSING

Dave Holmes came to work for Electronic Systems, Inc. (ESI) as our warehouse manager last year. Dave's wealth of experience in inventory management includes 14 years working as warehouse manager for one of the nation's top electronics manufacturers, in Austin, Texas.

Dave and his wife Jodi are both Midwesterners and 7-8 years ago made it a primary goal to move back toward family. In the process, Dave discovered ESI. "This company has a family atmosphere where everyone says hello," he states. There's a camaraderie—a feeling of wanting to go to work and get the job done for the customer."

As warehouse manager for ESI, Dave and his staff not only manages raw materials and components coming in the door of our manufacturing facilities but oversees the picking of parts for our manufacturing floors and the shipping of completed products to our customers.

Managing inventories during COVID has meant filling the warehouse with parts in anticipation possible shortages. "We have an ample amount of inventory for our

customers" he states. "My goal is 98-99% inventory accuracy."

In the future, Dave hopes to use his background in automation to support ESI's Lean Business Plan. "In my previous workplace, we introduced Mobil Industrial Robots (MIR) to deliver materials to the point of use," says Dave. "Another thing I'd like to work on is going paperless."

Having lived and worked in the Sioux Falls area for almost a year, Dave is still excited to be a part of this circuit board assembly business. "I wanted to come back to the Midwest and find a company with a heart," he states, noting that everyone from the president of the company to those working on the manufacturing floor were so approachable. "When I got the opportunity to talk with Gary (Larson) and others in the company, I was pleased with what they had to say."

Dave and his wife Jodi live on a seven-acre plot of land. Their 34-year-old downs syndrome daughter Trista lives with them. Their son Keith and daughter-in-law Logan live nearby with their four



**Dave Holmes in one of the ESI warehouse locations he manages.**

children, and the Holmes are thrilled with being so close. "I just went sledding with my beautiful grandkids the other day," says Dave, who is also a passionate Sioux Falls Stampede fan.

## UPGRADING TECHNOLOGY

**By Chris Bullert, Associate Manufacturing Engineer and Brett Dessel, Facilities and Equipment Maintenance Manager**



**Chris Bullert**



**Brett Dessel**

In our ongoing effort to continuously improve performance by adopting the latest and greatest technology, Electronic Systems, Inc. (ESI) has installed a new screen printer. It was installed last October and a second machine is scheduled for installation by the end of February.

These machines print solder on a circuit board. Components are placed on that solder, which becomes molten when the

circuit board is run through a convection reflow oven. This adheres the components to the board.

These new printers—all Ekra Serio 4000's—will replace previous generations of Ekra screen printers. The new printers feature touch screen versus keyboard control. They upgrade printer software to Windows 10, and they will provide even better print accuracy.

We'll now have multiple manufacturing lines with the same screen printer, which means there will be less learning curve for the operator, and more flexibility between production lines.

The purchase and installation of these printers is part of an ongoing effort to adopt the latest and greatest technology.



**ESI's Rosemary Marshall operates the new screen printer.**

It's what you can expect from a company which promises Legendary Service.

# LEAN MANUFACTURING

## Strategy is Everyone's Job

By Kevin Haala, Lean Manufacturing Specialist



Kevin Haala

One year ago, we announced our Lean business plan—a tool for increasing the efficiency and effectiveness of our manufacturing system and addressing our customers' needs.

For the past year,

we've tracked this plan which was implemented to generate continuous improvement and to assure ESI's customers that we're always thinking of how we can do things better.

We have a core team that meets monthly to review progress towards the goals of this business plan, and we have a steering group that meets once a quarter with the operations team and ESI's President Gary Larson.

For 2022, we've rolled out a strategic alignment model in the form of the pyramid—see the graphic accompanying this article. It starts at the top with Vision/Values and proceeds to the bottom of the pyramid with what we call Enablers: improved quality, customer service, safety, employee engagement and training. Enablers are a daily expectation, necessary to support a culture of continuous improvement.

One thing we'll continue to do in 2022 is to push the idea that Strategy is Everyone's Job. We'll teach the basics of Lean Manufacturing to all employees, and to the core team we'll teach Advanced Problem Solving.

Our strategic pyramid ensures that employees at every level within the organization—from the operators on the floor to the president of the company—are making choices in alignment with Strategy and Execution of Lean activity.



# REACHING MILESTONES

## 15 YEARS

Will Essem ..... January 19

Brenda Dykstra ..... January 29

Lee DeLange ..... March 31

## 2021 Q3 & Q4 QUALITY EXCELLENCE AWARD WINNERS

- |                         |                        |
|-------------------------|------------------------|
| <b>Dave Anderson</b>    | <b>Samrawit Yosief</b> |
| <b>Rick Dressen</b>     | <b>Ryan Duerksen</b>   |
| <b>Hadi Ghannam</b>     | <b>Tekalign Abdisa</b> |
| <b>Vladimir Gylmari</b> | <b>Martha Kebede</b>   |
| <b>Ladi Yang</b>        | <b>Momina Hussen</b>   |
| <b>Alu Acho</b>         | <b>Selamawit Bokru</b> |
| <b>Brinch Bwanya</b>    |                        |

# SERVING HOMELESS

This past November, 25 ESI employees signed up to work at the Banquet, a food ministry in Sioux Falls that provides morning and evening meals to homeless and under-employed people. Our volunteers helped prepare and serve these meals. Between preparation and serving, we picked up trash in a five-block radius of downtown.

ESI employees prepared and served Banquet meals in two groups: Group 1—Nila, Tsega, Joe, Rayne, Darla, Jamie, Rose, Jenny, Kenna, Roni, Bounthavy, Doug, and Shane. Group 2—Rayne, Randi, Darla, Gary, Doug, Jamie, Mary, Connie, Genet, Logan, and Ana.



Group 1 – ESI volunteers.



Together, ESI volunteers prepared and served meals to guests of the Banquet.

## Q4 2021 PREFERRED SUPPLIERS:

- |                      |                            |
|----------------------|----------------------------|
| <b>Bisco</b>         | <b>BOH</b>                 |
| <b>DigiKey</b>       | <b>Sisson Printing</b>     |
| <b>Future</b>        | <b>Atscott Mfg Company</b> |
| <b>Master</b>        | <b>Engel Diversified</b>   |
| <b>Sager</b>         | <b>Kurt Mfg</b>            |
| <b>TTI</b>           | <b>Active Sales</b>        |
| <b>Test Equity</b>   | <b>Sunshine PCB</b>        |
| <b>Watertown Box</b> | <b>Donnelly</b>            |



**ELECTRONIC  
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An ISO 9001:2015 and  
ISO 13485:2016 Firm

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## YOU CAN FIND US AT...

**SMTA Upper Midwest Expo**  
June 9, 2022  
Location TBD

**Design2Part**  
June 21 & 22, 2022  
Minneapolis Convention Center

**MD&M**  
November 2-3, 2022  
Minneapolis Convention Center



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# NEVER A DULL MOMENT

By Jamie Vonderheide, Production Manager



**Jamie  
Vonderheide**

Stop by the manufacturing floor at ESI, and you'll find us hard at work on our customer's orders. Behind the scenes, our ESI Social Committee is hard at work, too.

We recently completed a contest for the cover design of our ESI Heritage Cookbook. Rich Harwig won the contest. Over 30 people contributed multiple recipes to the book which was subsequently published and quickly sold out!

We also held a contest in which employees guessed some fun but little-known facts about their co-workers.

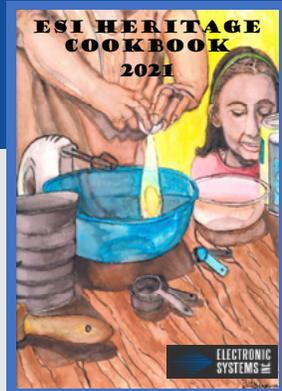
Last summer, we brought in several food trucks to offer ESI employees a chance to try new cuisine, and we invited employees of neighboring companies to join us. These trucks include Redders, The Lunchbox, Burke's Barbecue and Chubby's Food

Truck. (This last truck got "really good" reviews.)

Over the Christmas holiday, we challenged our employees to donate Toys for Tots, through the Sioux Falls Jaycees. We also had over 70 of our employees sign up and exchange gifts through our Secret Santa program.

Our ESI Social Committee has functioned now for the past 12 months. In coming weeks, we'll refresh the community members and work on plans for 2022 which may include packing food for hungry families domestically and globally through Kids Against Hunger.

The point of all we do as the ESI Social Committee is reenforcing our culture, providing a little fun, and giving our employees something to look forward to. There's never a dull moment and always some celebration, treat, or service opportunity in the works!



**ESI employee Rich Harwig won our cookbook cover design contest with this image.**



**ESI employees order a noon meal at The Lunch Box food truck.**