

**ELECTRONIC  
SYSTEMS INC.**  
LEGENDARY SERVICE

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

WWW.ELECTRONICSI.COM • SPRING 2023

*"ESI is continuously improving their capabilities which allows us to produce reliable products for our customers."*

—Supply Chain Manager,  
Industrial Controls Company



Annika Gunderson surveys construction that will increase ESI's capacity by 50%.  
See page 2 for her story.

## WE'RE NOT LOOKING BACK



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

It feels like we're leaving the COVID pandemic behind. Ripple effects like supply chain challenges still linger, but we appear to be turning a corner—and we're not looking back.

In a previous newsletter, Electronic Services Inc. (ESI) announced plans to expand our Sioux Falls facility in 2023. That expansion is underway and is projected to increase our manufacturing capacity by 50%. We plan to finish the new space by the third quarter.

Customers have asked, "Is that extra capacity spoken for?" My answer is, "No, it is not spoken for." The very reason we are creating this additional space is to help you grow. We grow as you grow, and we're excited to offer the extra space to take on your most pressing projects."

Besides expanding our facility, we've ordered a lot of new equipment including wave solder and selective solder machines, and a new SMT machine. Much of that equipment will be installed and running in the second quarter, so we'll do some re-arranging of our current facilities even before the expansion is completed. We'll talk more about this in our next newsletter.

As we expand, we'll rely on Kevin Haala and our lean teams to incorporate lean

manufacturing principles like moving our prep area to our materials area to eliminate double-handling of parts and make room for the new equipment, and creating lean value streams to make product run through our facility as efficiently as possible.

Along with expanding our facility and bringing in new equipment, we're also hiring more people, both engineers and support people, where we need them. We want everyone to know ESI is a dynamic, high-tech company, and we're putting together all the puzzle pieces we need to grow—including a talented group of employees. Stay tuned!

### The best is yet to come

With all this going on, you might say we're raising the bar and taking our game to the next level. Looking back over the history of ESI, we've upgraded our business model every 7 to 10 years. Once again, that's where we are now with this overall expansion of our business.

I envision exciting times ahead for ESI and our partners! ♦

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## INSIDE

Building Relationships .....	2
Workplace Safety Award .....	2
Reaching Milestones.....	3
Back-to-Back SEA Awards .....	4



# BUILDING CUSTOMER RELATIONSHIPS



Annika Gunderson's goal is to build relationships for ESI. As a senior program manager, that means quoting projects, initiating them, and trouble-shooting problems if they arise. Backing her is a team of people who want to see both Annika and our customers succeed.

"The purchasing team helps work out the material details of each project," she states. The supply chain has been especially challenging and keeping on top of parts and availability is the buyer's job.

"The scheduling and planning team keeps the project up and running," she states. "They plan weeks and even months in advance to keep production going."

Annika also works with engineering and communicates their suggestions and improvements to customers. And her team extends to the production floor, which determines how the project moves through the plant, as well as to shipping and receiving.

"Everyone on my team is incredible," she states.

## Annika's background

A 2008 mechanical engineering graduate of South Dakota State University, Annika worked initially as a design engineer for an industrial manufacturing company, troubleshooting blimps and hydraulic winches. She played a similar role for 10 years with an Iowa firm before returning to Sioux Falls to join ESI last October.

Annika's expertise and experience at troubleshooting still come into play for ESI. "When something is broken, I test and analyze what is wrong and determine where we can apply current management to make it right," she states, adding that her role as program manager still comes down to building strong relationships.

"I'm really excited to see ESI expand its capacity and to watch what comes about," she states.

*Editor's Note: On her off time, Annika enjoys hot air ballooning. She has a pilot's license, is acquainted with local ballooners, and hopes to fly again one day. ♦*

# GOVERNOR'S WORKPLACE SAFETY AWARD TO ESI

Electronic Systems, Inc. (ESI) was recognized for superior performance in workplace safety and health at the Governor's Workplace Safety Awards luncheon on October 5, 2022, at the Sioux Falls Convention Center. At the luncheon, ESI accepted an award for Meritorious Achievement on behalf of its associates.

A safe work environment is about more than just preventing injuries or the spread of disease, it is about making employee well-being a priority. A safe workplace is one where employees feel secure and enjoy a safe space, company values, and a positive co-working environment that encourages respect for everyone.

"This award highlights the emphasis we place on safety at all levels of the organization, and highlights that safety is a core value," stated Brian Carstensen, ESI's manufacturing manager.

Sponsored by the South Dakota Safety Council, the Governor's Workplace Safety Award is given to companies in the State of South Dakota based upon

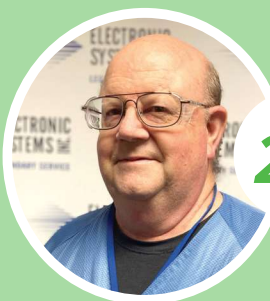
specific criteria for DART rate (Days Away Restricted Transferred), incidence rate, and a comprehensive safety program evaluation scorecard. The scorecard is an important piece of the Governor's Safety Awards Program, but it was also designed to be a helpful guide for those working to strengthen their safety programs. Companies whose incidence rates are better than the industry average for at least three years, and who score between 50 and 74 on a 100-point safety program evaluation scale are recognized for Meritorious Achievement.

The Governor's Safety Awards luncheon was part of the annual South Dakota Safety & Health Conference, coordinated by the South Dakota Safety Council. The conference is the largest gathering of workplace safety and health professionals in the region. The South Dakota Safety Council, founded in 1949, is a non-governmental, not-for-profit organization dedicated to improving the quality of life in South Dakota by preventing unintentional injuries. ♦



Danielle Lammi, employee development specialist with ESI (right) accepts the Governor's Workplace Safety Award 2022 from the South Dakota Safety Council.

# REACHING MILESTONES



## 25 YEARS

Richard Dehoog .....February

Richard grew up in Sioux Falls. He spent 20 years in the U.S. Army before joining ESI in 1998. Six months after he joined, Richard answered an in-house ad for a wave soldier operator, and he's been doing that ever since.

I work to improve the place," he states. "and I like our motto: Done right, On Time" Richard say he gives 110% to his job.

"I also try to make the workplace a fun place to work," he states. 'Everyone has a story and I like to hear their stories.'

Richard also speaks highly of the ESI. "It's been a great company to work for," he adds. "They keep a tight budget, and they are diversified."



## 30 YEARS

Tony Johnson..... August

With ESI for three decades, Tony Johnson develops and maintains testing systems that "exercise" the PCBs we manufacture. "They run our boards through procedures that simulate what they will do in the field," he explains.

Tony has degrees in electronics and computer science, and a diploma as a computer technician. He joined ESI in 1993 and has seen many products from inception to end of life.

"It's easy for me to go out to the production floor and understand what an associate is saying about something not working," says the associate test engineer.

"I am fulfilled just coming to work," he smiles, adding that ESI treats him well, too. "I have the best of both worlds.

*Editor's Note: A licensed ham radio operator, Tony and his wife Chelsea foster six children.*



## 35 YEARS

Debbie Jacobs.....February

Joining ESI in 1988 at 19 years old, Debbie is today what some might call a master builder. She can spot almost any imperfection.

"Back then, everyone started out in the prep area and moved our way up to stuffing," explains the production worker. "After learning the components, we started to solder."

"We didn't have surface mount machines," she recalls, "just pin-through-hole parts in the boards." The industry has come a long way, says Debbie, but her aim is still to make a good quality product.

Why has she stayed so long? "I like the people I work with.

*Editor's Note: In her spare time, Debbie rides her Harley and goes camping with her sister and brother-in-law.*

The total expertise and experience celebrated on this page of our newsletter is 200 years—just fraction of our workforce. Thank you ESI customers for allowing us to put this talent to work for you.

## 10 YEARS

Jim Knight .....October

Kevin Buffington .....January

Donald Allen.....March

Rhonda Glasco.....March

## 15 YEARS

Linda Mohr .....October

## 20 YEARS

Brett Dessel.....October

## 35 YEARS

Sue Lechner..... February

## 2022 Q4 QUALITY EXCELLENCE AWARD WINNERS

Darla Call

Isterlin Omar

## 2022 Q4 PREFERRED SUPPLIERS:

A2 Global  
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Donnelly Custom Manufacturing  
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Heilind

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# ESI WINS BACK-TO-BACK SEA AWARDS

Electronic Systems, Inc. (ESI) is pleased to announce that it has won the Circuits Assembly Service Excellence Award for Highest Overall Customer Rating for EMS companies in the \$20 million to \$100 million revenue range for the second consecutive year.

The Service Excellence Awards (SEA) program is sponsored by Circuits Assembly, the leading trade publication for the electronics assembly industry. Companies that received the highest customer service ratings, as judged by their own customers, received awards during a ceremony at the 2022 Advanced

**“At ESI, our focus is on meeting and exceeding our customer's expectations every day.”**

Manufacturing Expo in Minneapolis, MN.

The Highest Overall Customer Rating is the Top Award, reflecting the highest scores in all categories including Dependability,

Quality, Responsiveness, Technology, Value for Price, Flexibility and Overall Satisfaction. ESI has consistently won several individual categories in recent years, and this is the fifth occurrence of winning the highest overall award.

This award is a confirmation of the commitment and hard work that the associates of ESI have put into ensuring a high level of service throughout our business processes. ESI accepted this on behalf of our associates and the customers that have made this award possible by taking the time to provide this important feedback required for winning this award.

“We are honored to be recognized with the Highest Overall Customer Rating by our customers for the second consecutive year. Our passion for providing Legendary Service is truly exemplified in this award,” said Gary Larson, ESI's president. “We are truly grateful to receive this type of feedback from our customers.”



**Gary Larson, President of ESI and Amy Hoines, Director of Business Logistics**

“At ESI, our focus is on meeting and exceeding our customer's expectations every day,” added Amy Hoines, director of business logistics. “Continuous improvement with a constant emphasis on the customer is how we achieve that.” ◆