

**ELECTRONIC  
SYSTEMS INC.**  
LEGENDARY SERVICE

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

WWW.ELECTRONICSI.COM • SUMMER 2023

*“ESI is one of the best suppliers to work with. Customer service is amazing as they’re responsive and knowledgeable.”*

—SR. BUYER  
MEDICAL COMPANY

## IT’S OFFICIAL!



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

Last summer, we announced a 60% expansion of our manufacturing space. On May 11, 2023, we made it official with a groundbreaking ceremony that included officials from

the Sioux Falls Development Foundation, the City of Sioux Falls, and the Greater Sioux Falls Chamber of Commerce.

The upshot of this event is that the planning and permitting process is over and the external addition, which will connect ESI’s No. 1 and No. 2 buildings, is racing towards completion in mid-to-late August.

Meanwhile, we’re making decisions about the internal layout of our added space and capacity, and exactly how we’ll use it. Following the LEAN concept, we expect to organize our people and equipment into highly efficient value streams and work centers that increase our efficiency and make room for our customers’ new projects.

We’ve also begun buying equipment in anticipation of this increased space and capacity. Read the Page 4 story by Larry Jark and Brett Dessel on the wave and select solder machines we’ve already purchased and incorporated into our current manufacturing line. That said, we’ll continue to bring in what we need to enhance those LEAN value streams and work centers.

Did you know that Electrical Systems, Inc., began its manufacturing operations in May of 1980, 43 years ago. For that reason, it is fitting that in May of 2023, we broke ground for another major expansion.

### Why is ESI expanding?

Good Question! Following the pandemic, we find ourselves in a business climate where our customers and potential customers are looking for suppliers with capacity and flexibility to provide more responsive service. A lot of people learned lessons from this recent pandemic, which resulted in major supply chain disruptions. One big lesson is: You better have a supplier who is in it with you—a supplier who has your best interests at heart and one who, once the crisis is over, will help you grow.

That is ESI’s intent. We’re in this for our customers in the hard times and in the good. Once the crisis is over, we’re here as our customers continue to grow and need additional capacity. That’s what our new manufacturing space is all about.

We must still earn our customers business, but more companies than ever before want to partner with a supplier that has the commitment and the capacity to serve them.



Participating in this spring’s groundbreaking ceremony, left to right: Kurt Loudenback for the Sioux Falls Development Foundation, ESI’s Jeff Tornow, Jeff Eckhoff for the City of Sioux Falls, ESI’s Gary Larson, and Scott Lawrence for the Greater Sioux Falls Chamber of Commerce.

## INSIDE

Supplier Update .....	2
Personal Profile .....	3
Reaching Milestones.....	3
Upgrading Technology .....	4

Continued on Page 2

## SUPPLIER UPDATE

# Buying Parts from TTI Seamless



TTI won ESI's Pandemic Partnership Award in 2022. From left to right, ESI President Gary Larson presented the award to TTI's General Manager Tom Kielty with, TTI's Field Sales Representative Josh Heisel and ESI's Director of Business Logistics Amy Hoines looking on.

*By Amy Hoines, ESI Director of Business Logistics and Linda Mohr, ESI Senior Buyer*

*Today we're introducing a new feature: Supplier Update. Our intent is to highlight one supplier in every issue of our newsletter and to cover the positive aspects of ESI's relationship with that supplier.*

TTI is an electronic component distributor with which we have a strong partnership. Returning to their Supply Chain Program, following the pandemic, TTI has had our back.

Every week, TTI receives a forecast that shows parts we buy from them and our demand for those parts. TTI treats our forecast as a PO, acquiring components on our behalf. We can pull those parts early, or if things change, TTI does not hesitate to hold them in inventory for us.

During the market disruption, we had a lot of vendors who said "no"—we need hard POs. TTI never did. Over 90% of our spend with TTI runs through their Supply Chain Program.

During the pandemic, we removed "on time delivery" from our Supplier Score Card calculations. It was difficult—almost impossible—to understand when parts would be available.

In the fourth quarter of 2022, we added "on time delivery" back into our Supplier Score Card. But looking back on eight quarters of purchasing components from TTI, we realized that this measurement did not alter their scorecard. With or without this calculation, they came out on top.

The ease of doing business with a supplier like TTI is very good. Many things are seamless, which makes our jobs much easier.

The way of the world is moving to self-checkout and a transactional type of business. Frankly, we don't want that. We want a relationship—a partnership—with our suppliers, and TTI gives us that.

The relationship we have with TTI and other partner suppliers opens doors to more opportunities. It's easy to pick them as suppliers of choice when we're quoting new business. If pricing is comparable, companies like TTI are likely to get picked.

*Editor's Note: A shout out to TTI's inside sales rep Anna. According to Amy and Linda, Anna is the key to making the relationship between ESI and TTI work and the reflection of what it means to be a partner. ◆*

## SPEAKING FOR TTI

*By Tom Kielty, TTI General Manager*

Our partnership with ESI goes back many years. They're the strongest of any of our customers. We collaborate very well on doing business together. We consistently work with them to help improve our business processes between us.

As they (ESI) get new customers and orders for new parts, they reward us with new business. Once we get that in our supply chain program, it pretty much runs itself.

They're the only customer we have that has a true supplier event every year—in August. It's an opportunity to get recognized, and we take that very seriously.

I've said to Gary (Larson, ESI's president) "You're the only customer that does really value our partnership." ◆



## SUMMER FOOD TRUCK FUN!

It's always exciting when ESI invites a food truck onto our Sioux Falls campus. The trucks allow employees to purchase something unique for lunch. When we meet or exceed production goals, ESI will often treat. Recent food trucks include Lingen Dairy and Marc O's Festival Foods (above). ◆

## IT'S OFFICIAL!

Continued from Page 1

We must still earn our customers business, but more companies than ever before want to partner with a supplier that has the commitment and the capacity to serve them.

ESI stayed open every day during the pandemic, and we intend to be here for years to come. We provide Legendary Service, and this expansion is our response to our customers' needs. ◆

# REACHING MILESTONES



**25 YEARS**

Jeremy Warborg  
25 Years – May 1998



**15 YEARS**

James Hardie  
15 Years – May 2008



**15 YEARS**

Etsegenet Belayneh  
15 Years – May 2008



**10 YEARS**

Gordon Lam  
10 Years – May 2013



**5 YEARS**

Linda Heng  
5 Years – June 2018

## PERSONAL PROFILE Not One Day Taken for Granted

Meet Lisa Greenhoff, Business Logistics Coordinator for ESI. She joined ESI last year in July.

Lisa's main responsibility is to capture purchase price variances and tariff costs and quote them to our customers. "Besides that, I'm pretty much a 'go for anything' girl, so I often assist my coworkers with jobs they have going on," says Lisa. Part of her work involves planning and providing customer production updates.

Born in Minneapolis, Lisa lived a while in Des Moines but has spent most of her adult life in the Sioux Falls area. She currently lives in Brandon, and worked for Raven Ind. before working remotely for HM Cragg (Edina, MN) for 14 years. Both were a wealth of electronic and procurement background.

She confesses that it has been a little scary coming back into the office at ESI with "a brand-new company and brand-new software to learn." The most difficult parts of



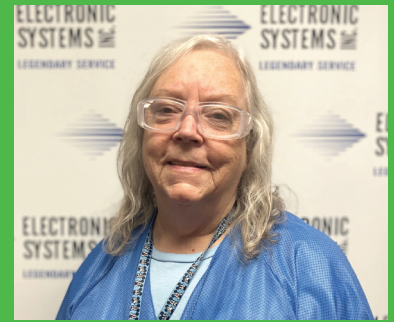
her first year on the job have been learning the software and learning everyone's work style. "But it is good to be with people and get out of the house," she says. "I'm an empty nester now, and it's better to be around people than alone."

Lisa feels she's done the job she was hired to do when she has fulfilled all her obligations for that day, whether on the calendar or pop-up tasks. "I've been able to help the company and my team as a whole," she states. "That's a good day—a day I walk out of the building with a smile on my face."

Coming to ESI was a good move for Lisa. "I'm happy to be here, and I'm very fortunate they hired me." She adds, "I don't take one day for granted, and I'm so glad to be here."

*Editor's Note: Lisa has a seven-year-old granddaughter named Bella who is the light of her life. Lisa also mentioned that she has a very rare Ford Mustang, a 1968 Colorado High Country. ♦*

## 2023 Q1 QUALITY EXCELLENCE AWARD WINNERS



Helen Boone



Lois Poppenga



Bernard Hoisington

## 2023 Q1 PREFERRED SUPPLIERS

- A2 Global Electronics
- Avnet Electronics Marketing
- Bisco Industries
- Digi Key Corporation
- Future Electronics
- Heilind Electronics
- Master Electronics
- Sager Electronics
- TTI
- Test Equity
- Watertown Box
- Sisson Printing
- Mintronix
- Harvey Vogel
- Active Sales
- Sunshine PCB



**ELECTRONIC  
SYSTEMS INC.**

**LEGENDARY SERVICE**

An ISO 9001:2015 and  
ISO 13485:2016 Firm

600 East 50th Street North  
Sioux Falls, SD 57104

www.electroniccsi.com

PRSRT STD  
U.S. Postage  
PAID  
Permit #86  
Marshall, MN  
56258

**YOU CAN FIND US AT...**

**SUPPLIERS, MARK YOUR CALENDARS!**

ESI Supplier Appreciation Day  
August 24, 2023

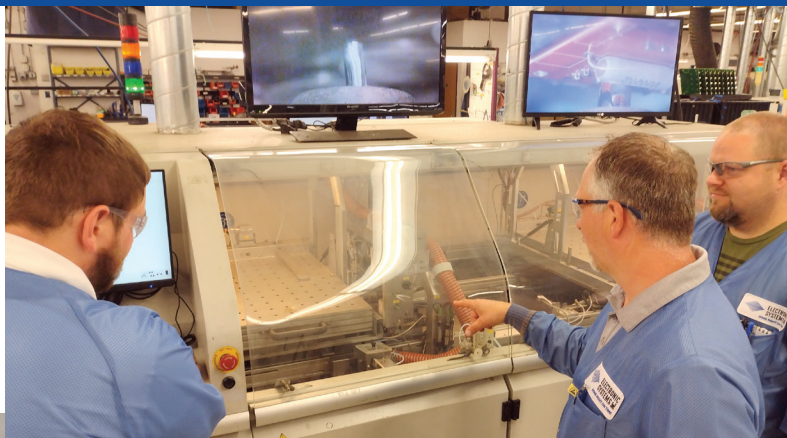
**MD&M**

October 10-11, 2023  
Minneapolis Convention Center  
Minneapolis, MN



FOLLOW US ON FACEBOOK AND LINKEDIN!

## UPGRADING TECHNOLOGY Increasing Our Soldering Capacity



Left to right, Ryan Kropuenske, ESI manufacturing engineer; Larry Jark and Brett Dressel watch the new select machine solder with pinpoint accuracy.

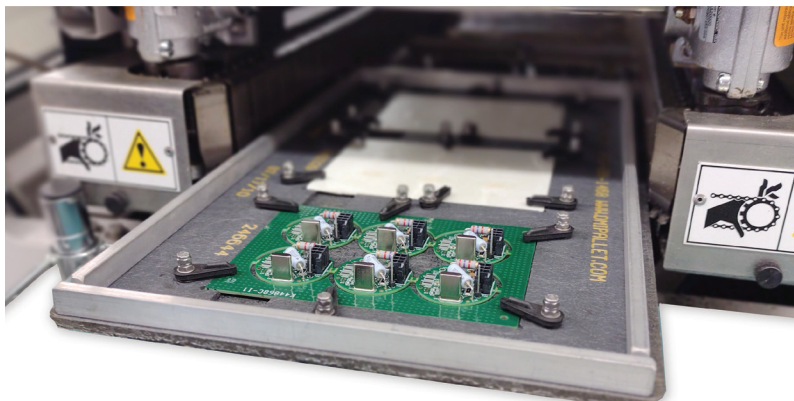
*By Larry Jark, Technical Resources Manager, and Brett Dessel, Facilities and Equipment Maintenance Engineer*

ESI continues to add capacity as our new building takes shape. In March, we purchased and installed two wave soldering machines and an additional select solder machine.

The first equipment purchase was a 2023 Electrovert wave soldering machine to replace an older model. The second was a newer version Electrovert. These machines were installed within three weeks of each other and effectively increased our wave soldering capacity by 50 percent.

The third equipment purchase, also installed in March, was another Ersu Versaflow select soldering machine to complement two similar select soldering machines we already have.

The purchase and installation of the above machines will compliment our new building, currently under construction, and our planned expansion of our manufacturing capacity. As we add new space and new people, we'll significantly increase our throughput. These machines will be a key part of that objective. ◆



Board emerges from a new wave solder machine.