

Ajax *Innovator*

News & Events From Ajax Metal Forming Solutions

2018 Issue #1



The amazing new Salvagnini L3 Laser at Ajax will burn through quarter-inch stainless at a high rate. More on Page 3.

Manager's Message

From Kent Djubek, Ajax President

Converging Ideas

My years in manufacturing have taught me some very strict rules. Some I learned the hard way.

Others came much easier. My mentors, instructors, trainers, and managers passed along knowledge and wise counsel that, fortunately, I paid attention to.

Adherence to the most important rules of manufacturing have paid off for our company over and over.

For instance, Ajax has devoted extraordinary time and resources towards workforce development. Because the rule is: we're in the people business.

Sure, we're a manufacturing company that's loaded with machines. But it's really all about our people and the value they produce for our customers.

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The Convergence of Capital, Technology and Know-how

Since being acquired by Heartland Equity Partners last year, Ajax Metal Forming began implementing a very forward-thinking strategic plan. This plan is focused on meeting customer requirements through the convergence of capital, technology, and know-how. It's grounded on what we believe:

#1: There's no such thing as business as usual. There's always something significant looming on the manufacturing horizon. Some news is good, such as game changing technologies that fit hand-in-glove with what our customers are looking for. Some not so good, like material price increases. How, and how quickly, Ajax responds to change will determine our trajectory and our ability to serve our business relationships.

#2: Thinking is as important as doing. Our growth has required that we invent more solutions than in the past, be more willing to manage risk, and find new ways to translate ideas into customer value. A great example of this is the innovative way we've managed our workcells and RIEs, discussed on Page 2 of this newsletter.



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#3: The "Ajax way of doing business" must be kept elastic in the face of constant change. We can't allow the manufacturing whirlwind to drive us away from the customer focus and collegial atmosphere that have made us a successful company.

Leading edge metal forming machinery, technology, and workforce skills are converging at Ajax in a good way. Our partnership with Heartland provides Ajax with access to capital for the productive new methods and machines our customers love. Our strong operating team, vibrant culture, and deep know-how will leverage those assets to deliver customer delight and keep our company on the forefront of this critically important convergence.

Side Notes

Minneapolis Design-2-Part Show

Visit Ajax Sales Engineer Dan McGee and Vice President of Sales Don Wellman at the Upper Midwest Design-2-Part Show, June 6 & 7, 2018 at the Minneapolis Convention Center. Check our blog for more 2018 event dates and locations: metalfformingblog.com.



Range of Capabilities Update

Ajax has extended our range of capabilities thanks to an influx of new machinery and technologies.

By summer 2018, Ajax will offer progressive stamping from four to 220 tons and a bed length of up to 49 x 72 inches.

Our servo press bay is ideal for high-volume runs.

Also, our laser cutting capabilities will be extended up to 1/4" stainless with the acquisition of a new Salvagnini L3. Plus, our new LOEWER deburring machine can clear parts quickly and consistently.

Our new Logistics Center is in full swing, enabling Ajax to provide expediting services for a greater range of parts shipments.

Competency Overview

The primary competences at Ajax include:

- Heat exchanger plates
- Metal stamping
- Progressive stamping
- Deep draw stamping
- Sheet metal fabrication
- Laser cutting

For more capabilities information, please contact the Ajax sales engineering team at 763-277-7760.

Workcells Boost Efficiency, Cut Waste

Since the publication of "The Machine That Changed the World" by James Womack, Daniel Jones, and Daniel Roos in 1991, companies have sought to improve on the workcell idea. Also known as the kaizen process, workcell benefits are undeniable: minimal waste, reduced production bottlenecks, and — best of all — lowest possible cost of production. (Check our Fall '16 issue on Ajaxmfs.com for more workcell info.)

The first beneficiaries of workcells were automakers. Their huge production runs of similar, internally planned products yielded immediate rewards. But companies like Ajax face different challenges. Ajax produces products specified by our customers. That means Ajax's workcell development must be responsive to customer requirements.



Workcells like this servo bay reduce waste, speed output, lower costs, and maintain consistent part quality.

Using RIEs To Implement Workcells

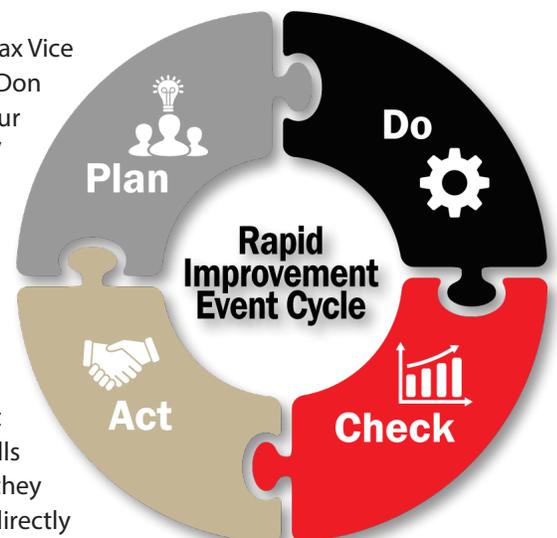
RIEs (Rapid Improvement Events) isolate key departmental managers and tasks them with improving a single business process in a short amount of time. The event is not considered complete until the process improvement actually takes place.

RIEs require quite a bit of advance planning to be successful. Most of the prep work involves gathering decision-making data so that the process does not stall. Top management must also make sure the RIE team feels free to make important decisions. Some of these decisions may require significant changes within the organization. That can cause disruption.

"RIEs aren't necessarily easy," said Ajax Vice President of Sales and Marketing Don Wellman. "It's all about making our processes better for our customers."

"We place emphasis on the *rapid* part of RIEs," Don continued. "Corporate speed makes a big difference when working with world-class OEMs. We need to move as fast as they do."

Don said Ajax plans on doing at least three RIEs this year. "Workcells are a priority with our RIEs, since they yield so many benefits that directly improve customer service and value".



The RIE workflow can improve processes quickly. An event is not complete until the improvement occurs

Colleague Profile

Amelia Schultz

Account Manager,

Secondary Operations & Expediting

"Committed and genuinely interested in her customers' shipments." "Sunny disposition." "Great communication skills."

These are just a few phrases people use to describe Ajax Account Manager Amelia Schultz. In her role, Amelia evaluates current work and purchase orders, then follows up with secondary operations to make sure production stays on track on a daily basis.

"Blink And You'll Miss Her"

This role requires that Amelia coordinate with the Ajax plant manager, other account managers, and department leads to ensure customers' expedited delivery deadlines can be met. That's why she's always on the move.



Ajax Account Manager Amelia Schultz is high energy and always on the move, expediting shipments for several of the company's largest customers.

"Blink and you'll miss her," said Ajax President Kent Djubek. "In order to keep up with a dynamic company like ours an expeditor needs to stay on the move. Just try to keep up with her on a daily basis and she would put you to shame. She is a great asset to the company."

Understanding customers' requests to expedite often means improving on original expectations. In doing so, every phase of the game needs to happen according to, and ahead of, schedule.

Amelia shoulders that responsibility well. She works with several of Ajax's largest customers to manage inventory and periodic shipments, whether they are Kanban, supplier-organized, or by supplied forecast. Not an easy job, but she uses her positive disposition to help get things done. "I like to have fun at work while making things happen," Amelia said.

Amelia has a BA in business and is a Dale Carnegie graduate.

The Cutting Edge: New L3 Laser At Ajax

Ajax will take delivery of another new Salvagnini L3 laser in the fall of 2018.

"Ajax has employed laser cutting for more than a decade with great success," said Ajax Vice President Don Wellman. "There's just so many advantages over other metal cutting methods. We're sold on the technology."

How it Works

Laser cutting works by directing a high-powered, computer-driven light beam onto sheets of material. The thin cut lines vaporise, leaving very fine edges.

Here are just a few of the L3 advantages Don referred to:

Precision - Laser cutting rays are thin and super accurate. Complex parts are produced with almost no waste, keeping costs as low as possible.

Non-contact - Since the laser head doesn't physically touch the material, there's no handling marks.

Low Power Consumption - Lasers require about 10kW of power to operate while other methods require 50kW and up. Yet another way the L3 can help keep customer costs as low as possible.

Very Safe - Laser cutting has proven to be a far safer method than other metal cutting processes. The cutting beam is sealed in a tight enclosure with no chance of operator contact.

Wide Range of Materials - Stainless steel, aluminum, brass, copper and many other metals are no problem for the L3. It can create intricate shapes — even with tough materials — that would be impossible through traditional methods.

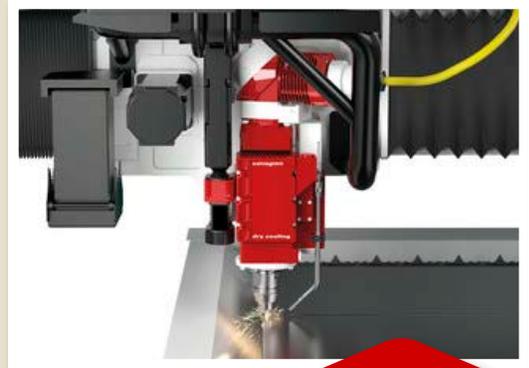
Speed - The L3 is fast, producing parts in a comparably short period of time, which, again, helps to keep customer costs as low as possible.

Finishing - The L3's edge quality is amazing. Laser-cut parts can easily be deburred using the Ajax LOEWER deburring machine.

Smart - The L3's computer can detect anomalies in the material, then remodulate parameters to resume cutting with no work stoppage.

For more information about laser cutting capabilities at Ajax, please contact our sales engineering team at 763-277-7760.

Remember to visit metalfformingblog.com this fall for a video of our new Salvagnini L3 in action!



The L3 can detect anomalies then remodulate parameters to resume cutting with no work stoppage.

Laser-cut parts are quickly and efficiently deburred with the new LOEWER deburring machine at Ajax. It can deburr and round edges in a single pass.



A Heartland Equity Company Profile: Cass Precision Machining

From rockets to recreational vehicles, Cass Precision Machining produces and delivers metal parts to world-class OEMs across the globe. Specializing in high-quality machined parts that require adherence to tight specifications, Cass provides fast prototyping, high-volume production, and custom-tooled solutions that meet demanding deadlines.

Cass manufactures complete parts using a range of technologies featuring single and multiple-spindle automatic screw machines, state-of-the-art CNC turning and milling machines, Swiss machines with live multi-axis tooling and CNC cylindrical centerless and infeed grinding machines. Many Cass customers require something as simple as a fastener. Other Cass customers specify highly complex parts that require multiple machining operations, heat treating, plating, finishing, and other advanced manufacturing processes.



Dave Schuh, Business Development Manager at Cass Precision Machining

Dave Schuh, Business Development Manager at Cass, has spent the last 30 years in manufacturing management and knows how successful business relationships work. "Cost is rarely the best reason to select a manufacturing partner," Dave said. "Nothing will cause your parts supply chain to suffer more than selecting suppliers solely on price. We've seen this over and over."

Dave said matching your parts requirements with the right technical expertise and production equipment is a good starting point for any manufacturing relationship. He also recommends checking to see how long customers have been with a parts provider. "We've had customers that have partnered with us for over a half century," Dave said. "These relationships are earned every day of every

week. That's our best testimonial."

Cass Precision Manufacturing became a Heartland Equity Partners company in 2015. Visit Heartland on the web at heartland.fund. Visit Cass on the web at cassprecision.com.



A pallet of precision-machined steel parts at Cass ready for shipping.

Manager's Message (cont.)

Here's another manufacturing rule I really like: continue to improve or get left behind. And boy, is that ever true today.



Ajax CEO Kent Djubek

Technical innovation is racing ahead at an astounding pace. Every week it seems, a new idea emerges. We're nearly breathless trying to keep up.

But keep up we shall. Because like most manufacturers, we're in a very competitive space where you go big or go away. We're going big.

Our latest acquisition makes that point: a second Salvagnini L3 laser. Wow, what a machine. Jaw-dropping specs. This investment will enable Ajax to efficiently produce amazing parts at a rate that would have been beyond our grasp just a few years back.

These types of commitments enable us to hold on to those long-term customer relationships we value so much while picking up new ones who appreciate where Ajax is heading.

In his excellent book "Traction - Get a Grip on Your Business", author Gino Wickman describes several key organizational components that have always made a ton of sense to me.

Wickman says even the greatest leader can't build a great company without placing the right people in the right roles. Ajax is the company it is today because we've done exactly that. Read about Amelia Schultz on Page 3 of this issue for an example of that truth.

Wickman also recommends establishing a process, a way of doing things that is unique to your company. We've done that as well, I believe. From our Skills Matrix to our new logistics facility (2017 Issue #2), we've explored every avenue to add value to our customer relationships.

Perhaps now you can see why we themed this issue "convergence". There's just so much going on, from new manufacturing technologies to new human resources methods to new financial strategies. Business managers in my role need to understand **all** of it. Then, forge a unified business direction that works now and in the future.

Ajax is fortunate to have a financial sponsor in Heartland Equity Partners who understands where we're heading and are willing to help us get there. We'll have the technology, the people, and the financial resources we need to continue our 70-plus-year history of success.

See you at the convergence!