

PEKO Precision Products

A TRUSTED CONTRACT MANUFACTURING PARTNER FOR INDUSTRY LEADERS



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The heart of successful contract manufacturing is building a team that takes the time to thoroughly understand the customers' products. The team of Program Managers, Manufacturing Engineers, Planners, Quality Engineers and other manufacturing and engineering personnel should have good communication between all of them. These team members must be able to communicate the customer needs to manufacturing processes. They should be able to monitor cost, quality, and delivery with the flexibility to adjust for optimization. The team of **PEKO Precision Products** ties all three aspects of cost, quality, and delivery together efficiently for complete customer satisfaction and aligns with the company's goals.

Scott Baxter is PEKO's **Marketing and Business Development Manager**. Like most managers at PEKO, he holds a degree in engineering and applies it to his normal business roles. His mission is to ensure that the company is connecting with customers that are looking for contract manufacturing and product development services for their machinery, equipment, and major mechanical assemblies.

In an interview with Insights Success, Scott Baxter shares the journey of PEKO Precision Products and about its contribution as a contract manufacturing company.

Below are the Highlights of the Interview:

What led to the inception of PEKO Precision?

PEKO began its life as a small tool and die shop in 1966. Three skilled craftsmen took their talents of creating custom tools for local manufacturing companies and turned it into a lucrative endeavor. Once established, the company focused not only on producing custom tools and parts but ventured into more comprehensive solutions for its customer base. By the early 1980's, PEKO was producing test and

assembly equipment for local automotive companies and precision assemblies for imaging companies. Since then, the company has broadened its base of customers to national levels and beyond.

Describe the company and its lucrative contract manufacturing services to its clients.

PEKO provides full-service Contract Manufacturing of Machinery, Equipment and Major Assemblies. The focus of the company is to bring machinery products to market. We begin with the New Product Introduction stage. This includes phases like Design, Prototype, Alpha/Beta build, Pre-Production or Pilot Builds and ultimately full-scale production. Most common production annual volumes for the types of equipment we build for OEMs is in the dozens or hundreds, usually at price ranges from \$10,000 to \$300,000 per unit. Machinery and equipment in our specialty often involves a high level of metal manufactured parts (frames, sheet metal, machined parts, etc.), motion control, sensors, mechanical electrical assembly, and related items. Specialized assembly cells are created for each customer to optimize manufacturing costs and output.

Kindly provide an insight of your company's solid quality program.

The Quality infrastructure is second to none at PEKO. A wide range of customer industries and profiles has helped us craft a strong and reputable Quality Management System. Within the overarching Quality Management System (QMS), each customer has a set of requirements from print tolerances to manufacturing/process specifications to regulatory compliance that need to be addressed. The Quality team translates these from customer to PEKO and integrates directly into our QMS. This puts Quality at the source which profoundly reduces debug and



PEKO PRECISION PRODUCTS, INC IS A CONTRACT MANUFACTURING COMPANY THAT SPECIALIZES IN MANUFACTURING AND DESIGNING EQUIPMENT, MACHINERY AND MAJOR MECHANICAL ASSEMBLIES FOR A ROBUST CUSTOMER BASE SINCE 1966.



other problems at the final assembly stage. After final assembly, a final inspection or Factory Acceptance Test is performed to ensure ultimate Quality leaving the plant.

Does the company provide creative solutions to its clients to help and manage change?

Change management not only requires creative solutions but it also requires deep understanding of the customers’ product and team. Change can come for so many reasons and in so many formats that change management becomes an absolute critical process aspect, otherwise failure will be imminent. Processing and managing change require a combination of standard and custom protocols. We have created a proprietary change management process with ECNs and feedback loops internally. Furthermore, customized change management protocols are also implemented as an amendment to our standard protocols on a customer-to-customer basis. This allows for customers own processes to be integrated with PEKO processes. The outcome here is that the customer can make changes as they please and are accustomed to, while PEKO can integrate into our own system while still honoring customer requires. This leads to high efficacy and customer satisfaction.

As a leading company in the contract manufacturing, what advance technologies are you leveraging to make

your services more productive and approachable?

The biggest advancement is the use of Robotics and embracing Industry 4.0. Without divulging too much information, we have successfully utilized robotics in some instances achieving >300% productivity gains.

Taking into consideration, the current pandemic, and its impact on global economies, how are you driving the company to sustain operations and ensuring safety of your associates and employees at the same time?

As an essential manufacturer, we are taking all precautions recommended by the CDC and local officials. Luckily, our manufacturing processes allow us plenty of socially distant space.

What are your company’s future aspirations? What strategies are you undertaking to achieve those goals?

The company is planning a 10% year-on-year growth curve. PEKO’s strategies includes building on successes in machinery and equipment manufacturing. Improved marketing and sales efforts will attract and onboard machinery OEMs in North America and Europe that seek to find a US based machinery/equipment contract manufacturer. A secondary strategy is to attract lower complexity/higher volume equipment for manufacturing with specialized assembly cells to stay competitive with this segment. 

