

# Succeeding as a CEM: Big is not Necessarily Better

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The contract assembly business has taken the same beating that many, if not most of the captive assembly facilities have over the past few years. Contract electronics manufacturers have always felt the pressure to build boards and provide final assembly services for rock bottom prices. In today's environment, we have witnessed many of the larger CEMs swallowing the small shops for lunch.

But what keeps some of these little CEMs in business? One of the first things that come to mind is the hands-on philosophy of the owners and senior staff members. Another is the innate ability to respond to a customer's needs due to the smaller size. These are only a few of the items that make RHR Technologies a successful CEM.

Don Bogle founded the company in 1976 when he was laid off from his position as a buyer in the electronics industry. His former employer's loss was the CEM industry's gain. Don gathered a few friends with engineering and manufacturing management backgrounds as the core team at the newly formed venture. Together, they brought a common desire to service the customer with what they wanted built and delivered when it was needed. After all, it's really not much to ask, or is it?

Added to the strengths brought to the company by the core team, was the start of a series of relationships with key suppliers. Board fabricators, component suppliers and others were pressed into service as a *de facto* referral network. What was good for their business was also good for RHR's business. This referral network along with customer referrals has been responsible for the company's continued increase in business over the years.

## ***Manual Assembly Came First***

Over the years RHR has made the transition from a simple manual assembly house to that of a Value Added Supplier by offering a wide range of services. The key to this growth was the way the company does business.

The early years found us doing a lot of hand assembly work with a small number of surface mount components being placed manually on boards. Sometimes the SMT portion of a job was outsourced if the number of components was too large to manually place efficiently. But this caused other problems that we could not accept.

The idea of being able to provide what our customers want when they need it meant that we needed to be in control of the production cycle. Outsourcing the SMT part of an assembly job ended up creating more of a delay than we would accept. The answer was to bring the component placement inside by installing the needed production equipment.

That meant making some serious changes on the production floor. Adding a

complete suite of automated SMT production machines in 2001 augmented the already fully equipped manual assembly stations. With the new equipment came the capability to place components as small as 0402 and 0.10mm fine pitch devices. The recent ISO 9001:2000 certification just confirms that this company is doing a number of things “right.”

It's important to note the things that have stayed the same over the years: the management team's dedication to quality, of being responsive to customer needs and offering a quality service at a cost-effective and affordable price. Only the players have changed with the addition of Don's son to the mix.

### ***Variety of Services***

Today's CEM has to offer many services to its clientele. The company has to supply both turnkey and consignment project services. Production should be flexible enough to build everything from mixed technology boards to cable and wiring harnesses. The CEM must be able to assemble boards all the way through to the end product packaging. And it's important to provide these services for small lot sizes. This may be easy for the large CEMs but RHR makes it happen on a smaller, regional scale.

In-house functional test, board and fine pitch component inspection allow RHR to meet IPC-A-610C quality standards while meeting Ansi S20.20 ESD control levels keeps the boards protected during production and delivery. (That's free delivery within 100 miles of their Cinnaminson New Jersey facility.)

### ***Wide Range of Capabilities***

Okay, so offering a wide range of production abilities is part of the CEM's lifeline. Component insertion, solder paste printing, component placement, wave and reflow soldering; and cleaning are the basics. Managing customer supplied kit inventory, locating and procuring components; evaluating suppliers for price, delivery and service are also part of the production capabilities furnished by RHR. Last, but certainly not least are the wiring harnesses, mechanical assembly and packaging associated with a complete box build.

The in-house quality policy really says it all. The basic goals are to meet the customers' assembly and manufacturing requirements 100 percent of the time, to deliver product on time, every time and to provide immediate response to any and all customer inquiries.

Our Mission in Business is to manufacture products for the electronics industry and to provide cost-effective service with a skilled team of employees dedicated to our customers' needs and committed to excellence.

At RHR these are more than just words. They are embodied in every action that takes place within the confines of the business. One hundred percent customer satisfaction is more than a statement; it's a way of life.

The final decision on which CEM to use is a difficult choice for many OEMs. You need to weigh the pros and cons of being a small fish in a big pond, or being the large fish in a small one. But most important is the relationship and trust afforded your CEM partner. Forget all the hype and rhetoric. Look at the people and their beliefs to find the best match for your needs. You might be surprised what you

find.

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