

Job Shop ThermoFormer making Custom Components for OEMs in the Medical, Aerospace and Food Service Industries



Keith Giacchino - CEO

CEOCFO: *Mr. Giacchino, would you tell us about Plastics Design & Manufacturing?*

Mr. Giacchino: We are a custom thermo former; a job shop Thermoformer. We make custom components for OEMs primarily for the medical industry, aerospace industry and the food service industry.

CEOCFO: *What is thermoforming?*

Mr. Giacchino: Thermoforming, basically, is a process in which we take a thick gauge flat sheet and form it over a tool, either over a male tool or into a female cavity. Either we vacuum it down to that cavity or over that tool or you can pressurize it and push it into that cavity or over that tool, which delineates between vacuum forming and pressure forming. That particular process lends itself well for large thick gauge parts where volumes are low to medium. Generally speaking, the volumes are in the hundreds to thousands per year as opposed to injection molding, which might be tens of thousands and even millions of parts per year.

CEOCFO: *Your site show you have state-of-the-art custom manufacturing solutions-the most complete plastics manufacturing complex in the western region. What can you do that maybe others cannot?*

Mr. Giacchino: Others being people that have the same markets that we do with this process, they have to have certain types of advancements because of the requirements by their customers; such as certifications that require that you have a certain level of record-keeping and process control. From our standpoint, the things that we do are not necessarily unique. They are unique in our industry however. Many of our parts are trimmed by 5-Axis CNC equipment. Controls on equipment are digital and they are infrared so you are sensing temperatures and things more than just thermocouples. Just the process is much tighter and your tolerances are tighter, the way you hold and tool things are tighter. That is what we do. We are not making Frisbees; we are making high-tech close tolerance parts.

CEOCFO: *Are there many advances in the industry?*

Mr. Giacchino: There are advances from the equipment manufacturers. It creates controls and bells and whistles. Ultimately, it is just trying to get tighter and tighter control on what we are doing. The equipment and the basic process does not change but the controls on the process parameters get tighter.

CEOCFO: *What do your people lend to the process?*

Mr. Giacchino: It is a hands-on process. In our case, sheets are loaded and unloaded manually. Whether it is a thermo forming equipment or whether it is a piece of CNC trimming equipment, all that stuff is touched by hand. If the part is painted, it is touched by hand. It is a hands-on industry regardless of the technology involved. They play a huge role not only the manufacturing but also, the quality and the efficiency of how well things flow in the plant to control the outcome.

CEOCFO: *What do you look for in your employees? Is it hard to find staff?*

Mr. Giacchino: It is harder and harder every day. People would rather not work and the work ethic is not the same as it used to be. It is hard to find people with good work ethic and are responsible for what they are doing. When you do find one you, hold onto them.

CEOCFO: *When you are first talking to someone, can you sense if they are right or are people just not showing up for the jobs?*

Mr. Giacchino: It is amazing. People do not even show up for the interviews. All they really need to do is fill out the application and that satisfies their need and qualifications to get unemployment. They will not take a job if it is ten or

twelve an hour because they can earn more sitting at home. That is apparently, where those people back east want to drive the country.

CEOCFO: *Is Plastics Design & Manufacturing well known in the industry?*

Mr. Giacchino: We are well known; we are a 40-year-old company so we have a great reputation. Engineers know us from many Fortune 500 companies. We do word-of-mouth. We do advertise but a lot of it is just being in the industry and making parts for these kinds of companies. People and engineers leave and go to other companies. They know what the kind of service they got from us and they call us from their new home and say, "Hey we got some stuff here that we would like you to look at and help us". Much of it has to do with reputation but we do have people that go out and knock on doors. However, that is a hard road.

CEOCFO: *Are there industries where you would like to have a greater presence?*

Mr. Giacchino: I like our industries. The industries we are in are fluid, growing and stable. I do not see any need to go into other industries that might be new and evolving. You have to find those, they are variations on the same thing but at any event, industries such as medical, aerospace, transportation, food service, are all growing and will forever grow.

CEOCFO: *Do you find Made in America is important for your customers?*

Mr. Giacchino: We find that more and more when they get dissatisfied with products overseas because the only reason they buy overseas is for price. They do not go to China for quality or for delivery. They go to China for price. When the quality and delivery gets hit hard enough to where it negates the prices benefit, then they move. We see many companies much more so today than we did even three to five years ago. The trend is coming back to the United States as opposed to going away.

"Thermoforming, basically, is a process in which we take a thick gauge flat sheet and form it over a tool, either over a male tool or into a female cavity... Generally speaking, the volumes are in the hundreds to thousands per year as opposed to injection molding, which might be tens of thousands and even millions of parts per year." - Keith Giacchino

CEOCFO: *For people who say you cannot manufacture successfully in the US, tell us how you are you able to do so?*

Mr. Giacchino: If they say you cannot, then they do not know what they are talking about because you can, obviously. Manufacturing in the US makes it harder due to the employment issue but as far as being able to compete, I think we compete very well otherwise we would not be shipping 30% to a third of our product overseas to Europe, China, Mexico and Canada and everywhere else.

CEOCFO: *If we speak a year from now, what might be different?*

Mr. Giacchino: We are looking at different processes to expand our capabilities and engage in line thermoforming for packaging and things like that. That is our primary focus now. Growth and customer service is always there. As far as different things that we are doing, we are looking to expand our process capabilities.

CEOCFO: *Are there types of projects you prefer?*

Mr. Giacchino: No

CEOCFO: *Do your customers come to you knowing what they need and how to get it done or do you help them figure out some of the subtleties?*

Mr. Giacchino: It depends on the customer. If it is a large Fortune 500, they pretty much know what they want. They tend not know all the details about the process, so that is when we educate them on the process to fine-tune their desires to the process capabilities.

CEOCFO: *Why choose Plastics Design & Manufacturing?*

Mr. Giacchino: Choose us for our capabilities, reputation and customer service. We do it once and do it right! We are a vertically integrated company, kind of a one-stop-shop. We do not have a lot of outside forces or restrictions on us so we control everything from concept to cradle to grave, so to speak. That is what sets us apart, the ability to be one-stop-shop, come in and get any kind of engineering help you might need from preproduction, first articles, production parts and go from there.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

Plastics Design & Manufacturing, Inc. For more information visit: www.plasticsdesign-mfg.com