



Interview with Steve Nadeau, South American Sales Manager at Juki Corporation

Juki Corporation's experience as the market leader in industrial sewing machines was the stepping-stone for the entry into the printed circuit board assembly market in 1987. Since then, Juki has delivered more than 22,000 automated assembly systems worldwide with a manufacturing capacity to ship over 350 assembly machines per month. This extraordinary achievement makes Juki one of the world's leading providers of automated assembly products and systems. In addition to its core technologies, Juki's Electronic Assembly and Test Systems Division develops and manufactures advanced electronic systems and computer software for data entry, mail processing and other electronic equipment.



With the purchase of Zevatech's assets in November 1999, Juki Automation Systems now brings Juki's reputation for top quality and reliable service to the North and South American and European electronics assembly markets. Juki recognizes the challenges of the new century and is prepared to respond to the globalization of electronics manufacturing. With a sophisticated knowledge base, advanced technologies and a high commitment to its customers, Juki is poised for continued growth in the 21st century.

Q. Steve, we understand that you were recently promoted and are now responsible for sales in all of South America. Tell us a bit about your new role at Juki.

A. My new position gives me the opportunity to help support our large installed customer base in South America and to help develop new business opportunities for Juki. South America is a growing market and it is important that we continue to provide a high level of customer service and products that meet the current and future needs of the market.

Q. How would you describe the current economic situation in South America?

A. During the first quarter of 2009, the market was still fairly cautious with their spending. Since then, things have been improving at a pretty aggressive rate. The stock market in Brazil is up over 80 percent since January 2009 and there are a number of government incentives, which have created many business opportunities. The outlook for South America is very positive.

Q. Being that you are now a tenured employee, with more than 22 years at Juki, how would you say Juki's products have changed over the last 20 years?

A. The first model that Juki introduced in 1987 was a small, entry-level placement machine and we shipped about 50 machines that year. I was hired at that time as the Product Manager for the US. Juki then continued to release new models every couple years and, in 1993, pioneered the first modular placement machine in the industry. In 2001, the market changed and the industry was looking for a more flexible solution. The experience Juki had with developing modular platforms put us in a good position in the market. To date, we have now shipped more than 22,000 machines and our current platforms allow us to provide a wide range of solutions with the lowest cost of ownership in the industry.

Q. The FX-3 has an IPC speed of 60K Chips per Hour (CPH). Do you find that the FX-3 is attractive to larger EMS companies that are looking to maximize their resources in South America?

A. The FX-3 is one of our latest flexible platforms and incorporates technologies that Juki has pioneered for fast changeover, production planning, and line optimization. The modular capabilities allow for easy and low-cost expansion as customer requirements change. The FX-3 is a very good fit for the South American market and we have had a great deal of success with customers looking for a high-quality, reliable platform.

Q. Juki's JX-100 is your low cost platform. Is there a market for this machine in South America?

A. The JX-100 is a great solution for a wide range of applications. It can be operated in a cell or as an inline machine. The JX-100 incorporates some of the attributes typically found only in more expensive machines. There are still many low- to medium-volume applications in South America. The JX-100 is a good fit for those and the price of the machine allows for a very quick ROI.

Q. How does Juki define "Lowest Cost of Ownership"?

A. Customers often look only at the initial cost of the machine and placement rates when deciding on a supplier. There are many other factors that make up the true cost of ownership. Our cost of ownership model is based on both direct and indirect costs. Direct costs are things like spare parts, nozzles, consumables, etc. We are the only company to offer a three-year parts warranty with no exclusion list. Customers will not have to pay for parts for the first three years of ownership. After that, the average cost is less than \$500 a year. Indirect costs include things like set-up, changeover and up-time. Juki has some of the most advanced software tools in the industry for managing set-up and changeover, as well as an average MTBF of over 2200 hours. Our market studies have shown that Juki has the lowest cost of ownership in the industry.

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