

Zinc and Aluminum Die Casting

Executive Summary

The Company is a producer of very high-quality zinc and aluminum die castings. Manufacturing processes include four slide zinc, traditional zinc and high-pressure aluminum die casting. In addition, they provide powder coating, machining and advanced inspection in-house. Other services, such as plating, are readily available locally. The Company is 10 years old and has grown every year in that time. It is fully staffed with highly qualified personnel. The Company is in Suzhou, China and is wholly owned foreign entity (WHOFE). Suzhou is in the industrial heartland of China. The Company has won industry awards for its castings.

Diecasting

The Company operates five (5) multi-slide machines ranging from 5 tons to 8 tons producing miniature zinc castings. Seven (7) hot chamber machines ranging from 50 tons to 300 tons produce traditional zinc castings. Seven (7) cold chamber high pressure die casting machines ranging from 280 tons to 1200 tons produce aluminum castings. Melting is all electric and done at the machines.

Machine Shop and Other Major Equipment

The Company has state-of-the-art capabilities in nearly all areas. These include four (4) five axis CNC machines centers with four (4) more to be installed in 2019, CNC lathe (a second is scheduled for installation in 2019), fully automated powder coating line, three (3) laser tools for machining and deburring and a full range of traditional equipment found in a diecasting plant.

Quality

The Company is heavily committed to Lean Manufacturing and quality. They have a full time Six Sigma Black Belt on staff. There are thirteen (13) engineers on staff, all of whom are trained on and use the eleven (11) flow and solidification program stations. They can produce an average of a new tool every two days. The Company has both ISO and TS certifications.

Marketing and Sales

Sales are generated through customer referrals and recognition received by the Company for producing award winning castings. Many of their customers are leaders in their respective industries. The Company is sole source for 95% of the parts they produce. The Company has grown every year since its inception and been very profitable after the first three years. No single customer is more than 15% of sales. About 80% of customers are located outside of China. The Company maintains Kanban inventories for its customers both in China and in Spain.

Facilities

The Company operates from about 77,500 square feet of modern industrial buildings. The buildings are in a contemporary industrial park in Suzhou. This is a heavily industrialized area with full and ready access to additional services as required. Infrastructure is excellent with enough power availability to support additional equipment. The facility is leased.

Financial

Sales in 2018 were \$US13.5 million with profit of \$US1.2 million and EBITDA of \$1.4 million. Based on committed orders, sales in 2019 are expected to exceed \$17 million.

Additional Information

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