

BUSINESS PROBLEM

Johnson Machine and Production has traditionally gotten most of its business from a nearby foundry, but some of that machining work is now being done overseas and the workload has become sporadic in recent months.

SOLUTION

Johnson Machine and Production was founded in 1983 and operated as a small machining service provider for a local foundry for nearly 20 years. Then the owner got sick and the company closed down. Several years later, Tom Ingerick (with his brother as a silent partner) brought the company back to life, moved it to a larger, more accessible location near Route 15 in Mansfield, PA, and invested in more modern equipment – a new mill, a turret lathe, a Bridgeport, clean room environment, etc.

Ingerick, a trained tool & die maker, along with his son and four other employees, now machine a variety of parts, many for automotive applications, for that same foundry. But things are not as they used to be. Today, the foundry gets some of its machining done in China and elsewhere, so Johnson's business isn't as steady as it used to be.

To fill in the gaps in the production schedule, Johnson Machine turned to MFG.com, looking for small, quick turn-around machining jobs. And they found what they were looking for. New jobs from MFG.com now account for anywhere from

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-Tom Ingerick
Owner, Johnson Machine
and Production

20% to 90% of Johnson's business in any given month, depending on the amount of capacity not utilized by the foundry.

"The main objective was to fill in the schedule in between work for the foundry," Ingerick says, "but we are also developing new customers." He reports that they have gotten additional business from 17 of the 18 new customers so far, after the initial order they secured through MFG.com. "And I expect we will get some more business from the other one as well," he adds.

When he sees that there will be some capacity available, Ingerick searches MFG.com for machining jobs that fit his profile. "We mostly bid on jobs east of the Mississippi," he says, "and preferably not too far away; Pennsylvania, New Jersey, New York." Although they have taken some work from out on the west coast, shipping costs will usually take their bid out of the running. But there's plenty of business to be had in their target

area. Right now, the company has identified 18 invitations to bid that meet their criteria and they are waiting for responses on seven others on which they have already bid.

While the site allows for a relatively long response period on proposals, Johnson generally limits the response time to a couple days. "We are looking for short-term work," he says.

The jobs vary in size from just a few pieces to 6,000 pieces, their largest order to-date. When searching for work, Ingerick can match the jobs bid on to the capacity available. "That's a nice thing about it. There's hundreds of jobs out there and we can look for the ones that most closely meet our needs and capabilities."

One of the benefits of working with MFG.com, in addition to being able to keep the machines running on a short-term basis, is that the site has allowed Johnson Machine to demonstrate their capabilities to a whole market of potential customers. "We are a small, family-owned business that cares about its customers," Ingerick says. "We strive for zero defects and keep our costs in line by

providing prints to parts the first time." That philosophy seems to be paying off for Johnson Machine; "We've gotten more business (after the first MFG.com job) from nearly every customer we worked with through the site. Sometimes it's another quantity of the same part, and sometimes it's a different part."

As to his success rate bidding on jobs of MFG.com, Ingerick says that he has been able to close business on about 80% or more of the jobs he 'really goes after,' meaning the jobs that he has pursued through follow-up calls and some real selling. "Just putting out the proposal can work," he says, "but it works much better when I do the follow-up" to distinguish Johnson Machine from other potential suppliers who might have bid on the same job.

It's a good feeling to know that he can go out to MFG.com at any time and find companies that need Johnson Machine's services and bid on the work. "You have to sell to keep the business alive," he says, "and you need prospects – companies with a need for what we have to offer – to sell to. MFG.com is a great source for those prospects."