

BUSINESS PROBLEM

Starting up a new business? You're going to need customers.

SOLUTION

Cody Papenfus is a very experienced machinist, having worked as such for years at a number of companies, in a variety of industries. But he always felt that he wanted to have his own shop. To achieve that goal, he invested in a building and land, and leased a CNC mill and a turning center and started making parts after hours. His first customers were secured by quoting on jobs through the MFG.com online marketplace. "I noticed MFG.com's ads in a couple trade magazines and I was really taken by the slogan in those ads: 'The challenge should be doing the work, not finding the work,'" he says. "That really described what I wanted for my business, so I went right to MFG.com when I was ready to get started on my own."

Papenfus has since left his 'day job' as a machinist working for someone else and is immersed full-time in the operations of Preliminary Machine. While this transition only occurred a few months ago, his business is already booming. "I'm getting ready to start hiring," he says.

"I went out (to MFG.com) and found work right away," he says. "About 80% of my business has come from the MFG.com marketplace." The rest is local business, sold the old-fashioned way, through individual sales calls.

Preliminary Machine benefits from the ability to

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*-Cody Papenfus
Owner, Preliminary Machine*

set-up pre-defined searches. "We have searches set-up for stainless, titanium, aluminum, large runs and prototypes. Once the search is pre-set, we can get right to the jobs of most interest quickly, and start preparing quotes. We go after all kinds of jobs," he says. "Prototypes (small quantities), production (large quantities), depending on what we need at the time." Papenfus is on the site every day, looking for new opportunities. "We recently did a job for a motorcycle shop that needed a couple of custom bushings," he says, "and we also did a high volume job for another customer – thousands of parts, with a 2 day turnaround. It all depends on what's out there and the machine capacity we have at the time."

Papenfus quotes a lot of jobs, and gets a good share of those he quotes, although he would like to improve his 'hit rate' a bit more. He relies on member profiles to determine which jobs he will quote, and prefers to quote after he has talked to the buyer. "I have to make sure it's a customer we want to work with, and that we both understand the requirements and expectations," he says. He also studies jobs that went to another vendor to

see how his quote compared to the winning quote and to learn more about the market and the buyers and make future quotes more likely to be successful.

ABOUT PRELIMINARY MACHINE

Based in St. Charles, MN, Preliminary Machine is a milling and turning contract manufacturer that specializes in stainless, titanium and other hard-to-work metals as well as more common materials. Preliminary serves all industries and production quantities from one-of-a-kind to long runs. High quality and exemplary customer service are the hallmarks of Preliminary Machine.

Preliminary Machine's location in rural Minnesota, and the fact that he owns the building and land, add up to low overhead that allows the company to be very competitive. "We get a lot of work from both the east coast and the west coast," he says, "and from parts of the south. I'm guessing their costs would be higher from local shops in those areas so these companies are happy to find another source that can deliver quality work at a better price."

BENEFITS

- Rich source of potential work
- Convenient saved searches help zero in on high probability requests
- Feedback helps refine the quoting process for higher success level