

BUSINESS PROBLEM

When a successful machine tool company's regular customers start shifting some of their work to offshore suppliers, it's a warning flag – it's time to find additional customers and new sources of work.

SOLUTION

Terry Hesler started Hesler Machine Tool in 1985 and has built a successful machining operation serving defense, construction, industrial equipment and other markets. As with most such businesses, Hesler established good working relationships with a number of regular customers who would place business with the company over and over. About two years ago, Hesler began to see that some of that repeat work was no longer coming their way – the customers were sending orders to China and other low-cost areas.

At about that time, a representative from the MFG.com online marketplace called. "He usually just hangs up on calls like that," says daughter Michelle Hesler, who runs the office. "I don't know what the rep said or maybe it was just good timing, but he decided to give it a try." That initial skepticism melted away when the very first job awarded to Hesler on the MFG.com online marketplace more than paid back the cost to join.

Michelle checks e-mail alerts and goes to the site to check RFQs daily but only quotes when they need work. "We look at all kinds of work," she says, "not just a specific industry or material. We are more interested in larger quantities where we can spread set-up costs to get a lower unit cost but we'll quote small quantity orders as well, if it looks

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*-Michelle Hesler
Hesler Machine Tool*

like something we can do economically." She checks the buyer's information as well: "We don't want to deal with a middleman, just the actual buyer." Their ideal job is not too complicated and doesn't require a lot of engineering. "We can do the engineering and the complex parts, but we're more competitive on the more straightforward work that is already well defined."

Hesler hasn't been quoting many jobs lately because they have been busy making hangers for conduit to be installed on a bridge over Mobile Bay. "We have \$1.6 million in stainless in the shop right now," Hesler says. "Fortunately, it's customer-supplied so it's not our money tied up but there's a lot of work to do on this contract, and we got it through MFG.com." That one job is months of work and is nearing completion. It has been a good piece of business for the company and the customer is happy so Hesler hopes to get more work from the same buyer on a future project. Nevertheless, as that project winds down, Hesler will start quoting more work on MFG.com in anticipation of some available capacity.

When asked about MFG.com's customer service,



Hesler says "I've never had to call them. The site is well-designed and easy to use." She adds: "They call me." To make sure we are happy and have no problems. "They're always very pleasant and anxious to help."

BENEFITS

- Good source of business opportunities in specific specialty areas
- Easy-to-use site with good customer support
- Additional Internet search exposure through MFG.com profile

ABOUT HESLER MACHINE TOOL

Established in 1985, family-owned and operated Hesler Machine Tool, located in Dayton, OH, completes milling, turning, lathe work, drilling and related operations for multiple industries on many materials. Approved for Department of Defense work, Hesler's 5 employees also product construction (concrete) industry fixtures and accessories, industrial machine conveyor systems, and miscellaneous machined parts.