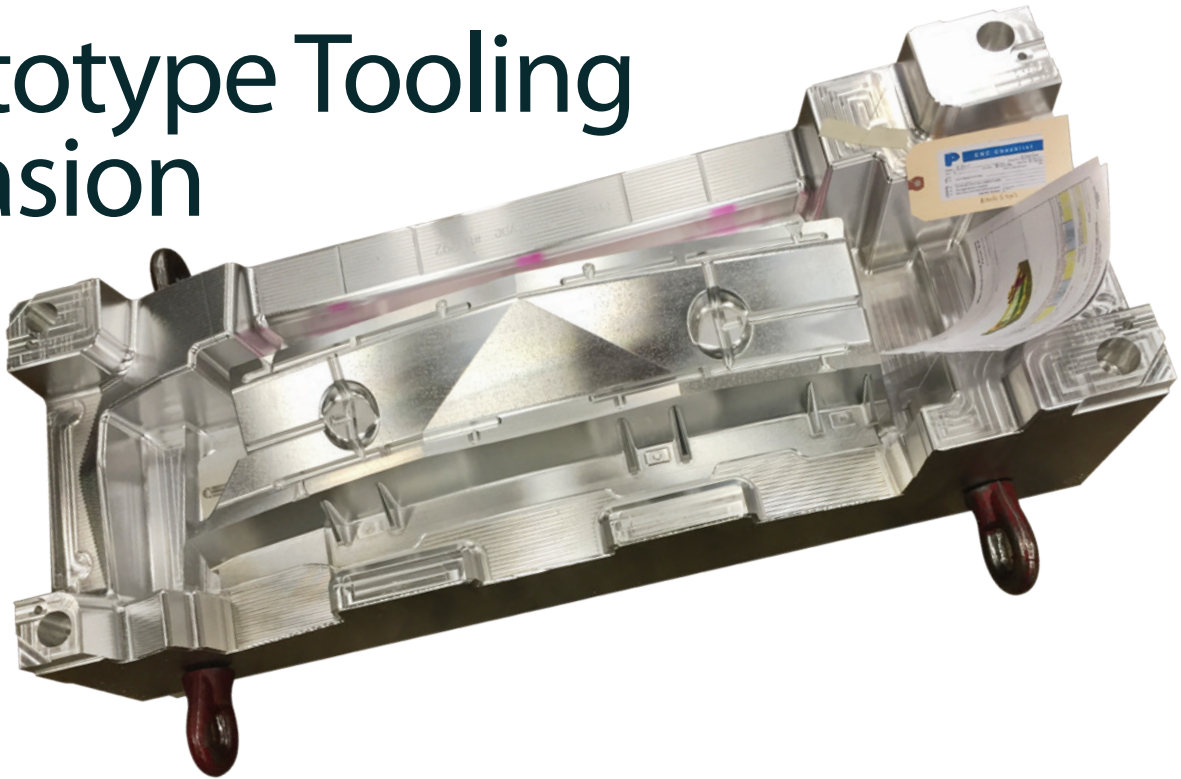


Proper^{tooling}

Prototype Tooling Invasion



When walking through the shop, it is becoming increasingly more evident that we are machining a significant amount of aluminum prototype tooling. This has not always been the case. Usually the prototype and production tooling divisions operated as separate entities, and there was little interface between the two groups. That is changing rapidly, as the two divisions are being blended together, and there is a much higher degree of work sharing between the groups.

This blending of the two groups provides unparalleled opportunities for Proper Group International, offering advantages that were not previously available. They are as follows:

- Supplements our manufacturing workload, and fills gaps in our schedule, when production tool build activity is light. Aids in keeping our workforce busy, while maintaining a consistent work schedule
- Allows us to take on large prototype tooling programs, ranging from small to large tooling. In the past, the prototype division was hamstrung when it came to building larger tooling, due to machine size limitations and capabilities
- As we are highly specialized in the design and manufacture of automotive lighting tooling, it gives us a leg up on our prototype competition, as most prototype shops do not possess our skillset or expertise. Many shy away, reducing the amount of competition vying for the same work
- Many prototype tooling programs evolve, and we are selected to build the production tooling as well. This gives us a distinct advantage, as lessons learned from the prototype build are taken into account, and are applied to the production tooling build, which enable us to avoid the same pitfalls encountered in the prototype phase
- A large portion of the prototype tool build process is geared towards making high quality molded parts, with expectations that the product produced mimics actual production parts. The selling price of the parts is oftentimes more significant than the price of the tooling
- Bolsters the workload in our mold tryout area, whereas previously we were primarily dedicated to trialing new production tooling. More often than not, the number of prototype tool trials, exceeds the number of our production tool trials performed
- Profitability on prototype tooling programs is significantly higher, when compared to production tooling build programs

The blending of the two groups has been a success, and is good for Proper Group International. Look for more of the same type of activity going forward.

Pat Riley