

VEXOS
Local Service. Global Capabilities.



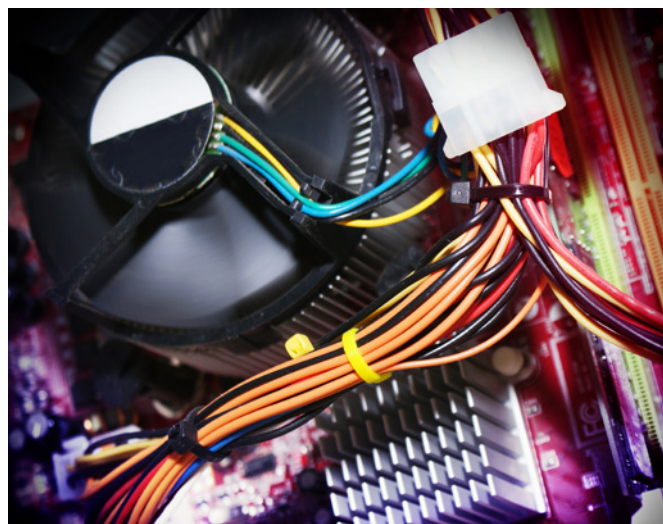
EXCELLENCE
in the Electronics Industry



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Written by Pauline Müller

In a recent interview, VEXOS executives shared insights on how the company navigates the dynamic challenges of the electronics industry. ►►



► International competitor

The VEXOS story of excellence began in 2014 when EPM Global Services of Markham, Ontario and STACI Corporation of LaGrange, Ohio were merged by the parent company, Centre Lane Partners, LLC to create VEXOS. Each company brought over 25 years experience to the newly formed organization, providing the foundation for the successful electronics manufacturing services (EMS) and custom material solutions (CMS) provider VEXOS is today. In addition to the impressive range of sophisticated EMS and CMS services, VEXOS also delivers comprehensive engineering solutions and advanced supply chain services.

With the strategic acquisition of ControlTek in 2023, VEXOS has a manufacturing location on each coast in the U.S., one in Canada, and two in Asia with sites in Vietnam and China, and has recently added a site in Mexico, making the company a growing international player. The newly announced Mexican facility—a 42,000-square-foot property—will open its doors in June this year and is slated to offer all the services and capabilities of the other VEXOS facilities.

Expansion and certification

The Vancouver, Washington facility has substantially increased the collective skill set of VEXOS. “The combination of VEXOS Vancouver’s many strengths, its West Coast location, and its presence in the Aerospace and Defense markets unlocks fresh opportunities,” says Cyril Fernandes, Senior Vice President, Global Business Development, of the addition. “This strategic acquisition is a noteworthy milestone in our progression, expanding our capabilities and catering more effectively to the varied requirements of our customers seeking manufacturing solutions spanning coast-to-coast. Vancouver has added to the suite of capabilities that we have in VEXOS, which drives business to us,” states Fernandes.

In addition to certifications such as ISO13485:2016, ISO9001:2015, and IATF16949:2016 at various locations, the company is in the process of achieving new certifications, including AS9100D:2016 for its Markham site, to better serve the aerospace and defense markets. ►►



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► Proactive supply chain management

Supply chain management is another critical area for VEXOS. Renowned for its seamless integration with customers' supply chain networks and specifications, VEXOS excels in acting as a robust extension of its partners' operations.

Despite ongoing challenges, market demand for VEXOS products remains robust. The high inventory levels resulting from hedging strategies during the supply chain crisis have led to softening demand. "Before COVID, when interest rates were low, inventory carrying costs were minimal. However, with interest rates rising, customers are hesitating to reorder product due to the increasing carrying costs of their existing inventory surplus," adds Fernandes.

However, this situation presents opportunities for VEXOS to offer complementary value-added services such as Design for Excellence (DFx) analytics, Strategic Supply Chain Programs, and higher-level integration services. "We have good strategies to tackle the challenges of freeing up working capital, space, and resources," notes Sean Neill, General Manager, VEXOS Vancouver.

"We proactively manage supply chain challenges, but it's always evolving," says Neill, identifying Taiwan's recent earthquake as an example of how natural disasters still affect the company's supply chain, potentially impacting operations. VEXOS partners with customers to understand their unique challenges, and through strategic supply chain management and planning, and clear and timely communication, reduces risk of disruption.


"These services help customers optimize their operations and reduce costs. We have seen, not only in Vancouver but across all sites, an increase in new business opportunities with new customers, which offsets what we have seen with some of our existing customer base, all of which are achieved by our superior value add offerings," states Neill.

Technological advancements

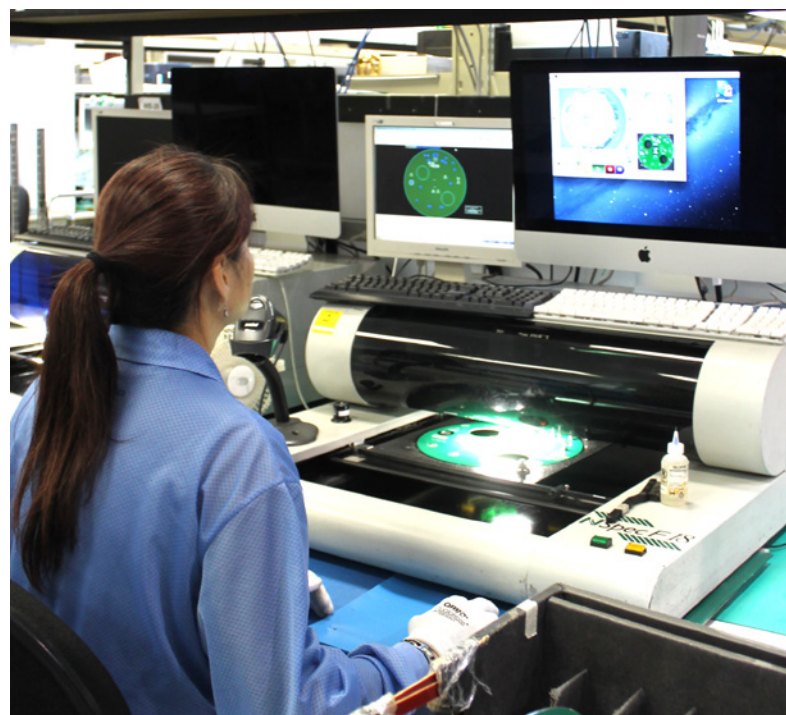
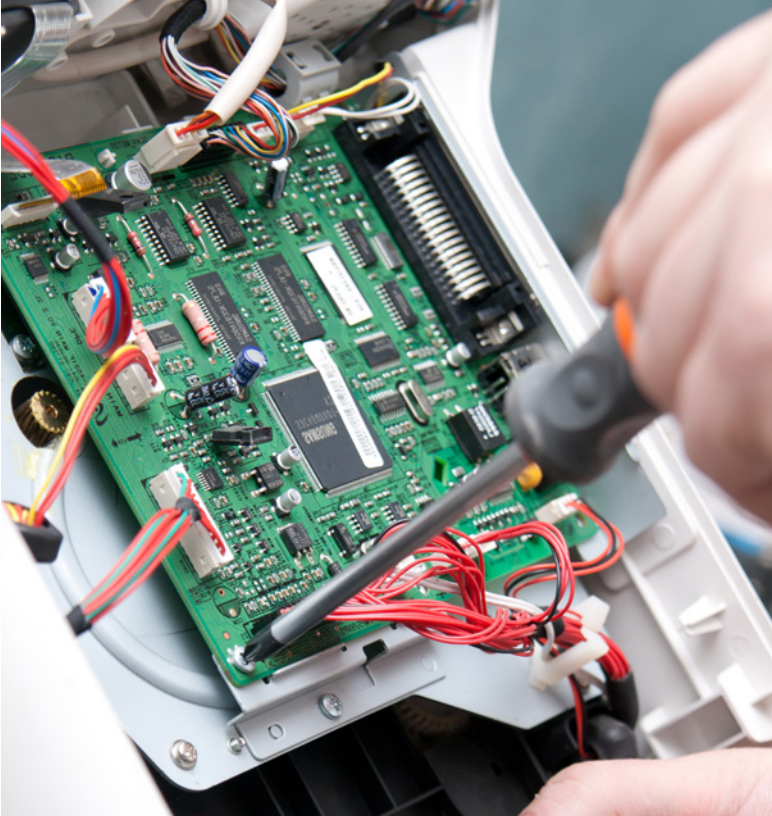
VEXOS continues to invest in cutting-edge technology to enhance its production capabilities. The integration of the Vancouver team has added valuable capabilities, particularly in test development. One notable upgrade is the acquisition of a 3D X-ray system from Yxlon, which provides detailed imaging for inspecting bottom-terminated components. "We're excited about the complementary nature of our jet printing capability and the 3D X-ray system," shares Neill. This advanced technology allows VEXOS to make real-time adjustments and improvements, ensuring high-quality production and effective defect reduction.

One of the recent notable advancements of VEXOS is the introduction of the C.U.T.E. (Customer Universal Test Equipment) system. "VEXOS C.U.T.E. is our proprietary universal test system that moves beyond inspection to provide fast, reliable, economical testing of part functionality. Our offering gets customers a very high level of test coverage at a much lower price," says Neill. This system provides customers with an economical yet highly effective solution for verifying the functionality of their product, further solidifying VEXOS' reputation for quality and innovation.



 Sean Neill
General Manager, Vancouver,
Washington





Addressing labor market challenges

A healthy bottom line is not just about business, however, and VEXOS is a company that genuinely values and appreciates its people. “Employees are a very important part of what we do. We want our people to know that they are a part of something bigger and that they’re valued,” says Neill.

The labor market presents significant challenges, particularly in the Pacific Northwest. Entry-level production labor remains difficult to source and retain, though once employees integrate into the company culture, retention rates improve significantly. A focus on creating a welcoming and engaging work environment, training, and internal growth has resulted in low turnover and long-term employee retention. “New staff become part of our culture and our organization. [Investing in them] just really pays off,” says Neill.

Future outlook

Looking ahead, VEXOS is poised to capitalize on opportunities in growing markets such as aerospace and defense, clean energy technologies, medical devices, and other key industrial sectors. With strategic investments and a focus on innovation, VEXOS aims to strengthen its position in the electronics industry and continue delivering high-value services to its customers.

VEXOS’ ability to adapt to changing conditions, invest in cutting-edge technology, and expand its capabilities firmly establish it as a leader in the industry. With a strong focus on employee engagement, proactive supply chain management, and strategic market opportunities, VEXOS is well-equipped to navigate the challenges and opportunities of the future. ■



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