

# TOOLING PRESS RELEASE

This month's Case Study feature is about Mold-Tech, Inc., located in Albertville, Minnesota. Celebrating 30 years in business this year, Mold-Tech's president, Jon Lee, tells the TPR about the teamwork, precision and technology that drives the company's continued success. We hope you enjoy the feature.

**What is your company niche and what does your company do that is notable, unique or different?**

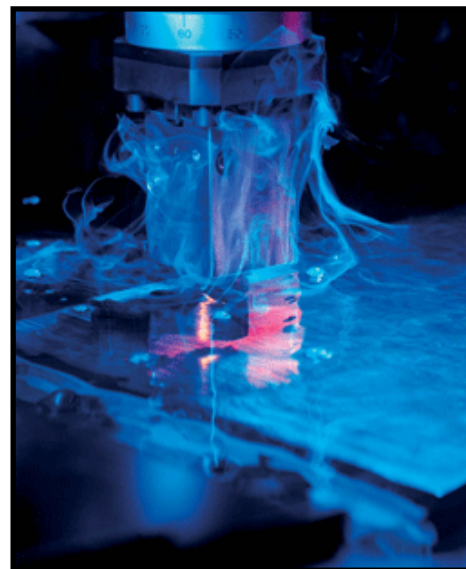
Mold-Tech Inc specializes in designing and building complex, multi-cavity, tight-tolerance injection molds. We are recognized for providing great customer service and engineering support while delivering a superior tool, on time or early. The key to our success is our highly trained and dedicated employees who are constantly looking for new technologies and process improvements to maintain an edge over the competition. Our on time delivery record has averaged 98.4% over the last 5 years. Our customers trust that we will meet the delivery requirements and provide great support for the life of the program. Mold-Tech has been ISO9001 certified since 2000 and puts great effort into an evolving quality system that ensures utilized processes are documented and consistent.



Jon Lee (left), owner and president of Mold-Tech, Inc., stands with Pete Parks, General Manager and co-owner.

**When and how did you get into the industry, what attracted you to it?**

I was introduced to Moldmaking by a high school shop teacher who explained the benefits of the trade and the unique skills that were needed to be successful. I enjoyed the mechanical hands on applications and the ability to utilize technology to build a complete tool versus making piece parts. After 21 years in the business, I can honestly say there has never been a time when it was boring. The technology changes and the global challenges keep it interesting.





# TOOLING PRESS RELEASE

**Relate a notable "best time" for your company.**

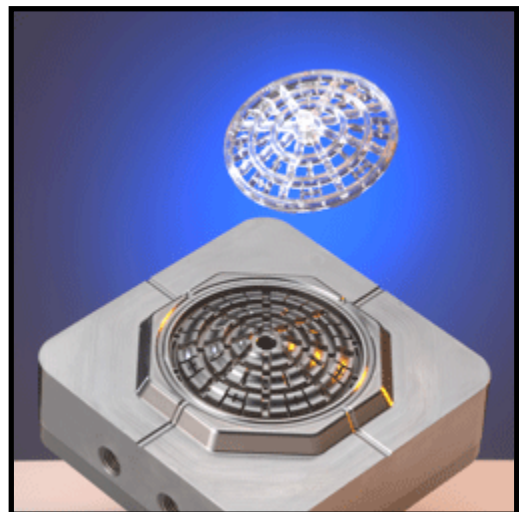
The last five years have been our best since the company was started in 1978. The state of the industry has driven us to work harder and smarter. Implementing lean manufacturing techniques, and utilizing the latest High Speed/Hard milling machines and all of the technology that accompanies them, has allowed us to be successful through the challenges that a global economy presents. We are very optimistic about the future, as long as we can continue to evolve and improve in all aspects of what we do.



**Similarly, relate notable challenges that your company has overcome.**

Like all mold manufacturing companies, we have been faced with ever increasing competition from perceived low cost, offshore competition. We have been successful by implementing some "quick turn" programs on class 101 tooling that allows for delivery in as little as 9 working days. Also, giving great customer support after the initial tool build is an area in which we excel. The ability to educate potential customers on the benefits of domestic tooling and the real costs related to offshore tooling remains a challenge for companies like ours. In an environment where the main focus is the initial purchase price, the big picture gets overlooked and the initial lower cost ends up being substantially more.

From a customer service standpoint, I can share this experience that helps to illustrate my previous point. Recently we were involved in a project in which we were awarded one tool in a multi-tool program; the other tools were sourced overseas for cost reasons. We met our customer's delivery terms and they were very pleased with the overall quality of the market-ready parts. Our overseas competitors did not fulfill their contract. Two months after the initial due date, we are now rebuilding all cavity and core components for one of the offshore tools as it has not been able to produce acceptable parts. In the end, it would have been more cost effective to build the tool



# TOOLING PRESS RELEASE

domestically; acceptable parts would have been produced on time and less costly. This was a case where the initial tool cost alone was the determining factor instead of looking at the big picture.

**When you are working on projects with your customers, what aspects would you like them to better recognize?**

As technologies like hard milling continue to evolve and advance at a rapid pace, our job is to work with our customers to incorporate these capabilities into the product design. This interaction and proper flow of information can have a dramatic reduction on cost and lead time of the mold that is to be designed and built.



**List newly acquired technology, machinery or key personnel (in last year).**

We recently added more hard milling capabilities and are continually putting more effort in research and development in this area. We have seen a big benefit in hard milling strategies that are implemented and utilized properly. We are currently in the testing phase and will be adding more equipment to further take advantage of where this technology is going.

**Has your company recently expanded? Plans to expand or form partnerships / alliances?**

We have been able to increase sales by working smarter and more efficiently, utilizing unattended operations and hard milling. Through a local source, we are now able to offer mold sampling, debugging and inspection services with plans to eventually bring this capability in-house.





# TOOLING PRESS RELEASE

**Are you involved in any industry organizations or educational programs related to the trade?**

Mold-Tech Inc is a member of the American Mold Builders Association (AMBA), the Minnesota Precision Manufacturing Association (MPMA), and the I-94 Chamber of Commerce. In addition, the company works with local tech schools to promote education in mold making.



**What do you think about changes occurring in the industry due to globalization? How has it affected the way you do business?**

Globalization has caused us to seek diversity among our customer base. It has tested our ability to meet our customers' needs through new technology, reduced lead times and costs. As mentioned above, we are constantly working to educate buyers on the real costs and challenges associated with offshore tooling. Cost pressures are not going away, thus we need to continually improve and provide the innovation and value that has allowed us to be successful.

**What will the industry look like in 3 to 5 years?**

I am cautiously optimistic about the future of our industry. That being said, we are facing some very challenging times. There will be further contraction of mold manufacturing companies, some who do not embrace new technology and processes will fade away and others who work smart and continually improve will do well. I believe there will always be a place in this country for a high quality mold making company who can provide value to the customer.





# TOOLING PRESS RELEASE

**Additional Background Information:**

**Number of years in business:** 30 years in June, Established 1978

**Current number of employees:** 28

**Current square footage:** 12,000

**Additional locations:** None

**Website:** [www.mold-techinc.com](http://www.mold-techinc.com)

**Types of tools built and/or run:**

*Mold-Tech Specializes in:*

- Multi-Cavity Production
- Hot Runner
- Auto Unscrewing (Down to 0-80)
- Insert
- In-mold decorating
- Metal Injection
- Micro
- Multi-Shot
- Shuttle
- Silicone

**Industries served:** Mold-Tech's largest markets include medical, packaging, consumer products, electronics and automotive

**Company Contact Information:**

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