

**Your
Strategic Partner
in Production.**

MultiSource
M A N U F A C T U R I N G L L C

**Multiple Divisions.
ONE COMPANY.**

MEDICAL ♦ AEROSPACE ♦ DEFENSE ♦ FOOD ♦ SEMICONDUCTOR ♦ COMMERCIAL

W W W . M U L T I S O U R C E M F G . C O M

Single-Source Supplier

MultiSource Manufacturing LLC is a customer-focused contract shop that specializes in a broad range of manufacturing capabilities, from engineering to complex machining to plastic fabrication to assembly. To customers, it's a one-stop shop for all outsourcing needs.

MultiSource was founded in 1998 with the vision of acquiring, improving and growing successful machine shops—job shops with some of the best talent and equipment in the industry. Over time, MultiSource has expanded into equipment build and has acquired its own product line of automation equipment for the food industry. MultiSource has grown to seven operating divisions and more than 200 employees.

Each division is independent, yet connected, so it can offer the personal service of a small company and the breadth of production capabilities of a large company. All operating divisions adhere to the same world-class quality system, and use the same MRP system, to allow for ease in moving work from division to division as schedules and/or capability requirements demand.

With multiple facilities and multiple capabilities, MultiSource is able to deliver exactly what customers need, serving as a single-source supplier for all manufacturing requirements, catering to a wide array of industries. For customers, it's like having seven unique and capable suppliers under one umbrella, but as only one entity on their approved supplier list.

One Company.

- ✦ Multiple shifts allow flexibility in work scheduling
- ✦ Quick turn and prototype projects running 24/7
- ✦ Flexibility to move work from division to division to save time
- ✦ One quality manual, one quality system for all divisions



First-Rate Quality System

MultiSource is widely-recognized for its commitment to, and achievement of, a very high level of quality. Each division utilizes the same quality manual and system, which is electronic and paperless, and always accessible to all divisions, to uphold the company's outstanding track record. There are corporate and divisional operating procedures, with divisional work instructions—all to ensure each project runs smoothly.

Customers consistently give MultiSource high marks for its quality system. In recent years, the company has earned multiple awards for quality, service and overall performance. Three of the operating divisions are ISO certified, and the others use the same system without the outside certification.

ISO 9001:2008 • ISO 13485:2003 • AS9100B

Continuous Improvement

Continuous improvement is the norm rather than the exception at MultiSource. Each year, the company makes substantial investments in capital equipment and employee training, bringing the latest technology and skills to each project. Using lean principles, Kanban systems, and other supplier-managed inventory methods, MultiSource consistently provides high-quality products with shorter lead times, at competitive prices.

Complete Project and Program Management

There's a big difference between filling an order and managing a program. Although MultiSource is an effective bidder on even the most competitive opportunities for parts, the company excels at project and program management. MultiSource has experience with many methods of doing things and can offer suggestions on how to lower costs, improve processes and enhance quality.

For example, when a local customer acquired a company in Kentucky that builds mixing equipment for the pharmaceutical industry, it asked MultiSource to take over the manufacturing. MultiSource agreed, reverse-engineered some components, and now manufactures the entire product in Minnesota.

Each piece of mixing equipment is shipped directly to the customer's customers, saving a significant amount of time and overhead expenses.

Exceeding Customer Expectations

Customer service isn't just a philosophy at MultiSource. It's a promise. Our goal is to never say "no" to a customer ... to turn the seemingly impossible situation into a "yes" that satisfies the requirements.

With multiple facilities and capabilities, MultiSource has the ability to be extremely flexible and react quickly to customer demands. Whether it's changing a part's design, reducing costs, enhancing quality or shortening lead times, MultiSource will do its very best to make it happen.

MultiSource is both an operating and acquisition company, fulfilling customer



needs with existing services, and making strategic acquisitions to fill needs identified by its customer base and market demands.

The overall promise is that the company takes care of both its employees and its customers ... neither group succeeds without the other.

Opportunity and Growth via Selective Acquisition

When MultiSource acquires a business, it follows very selective criteria. The goal is to add value for existing MultiSource customers, for customers of the acquired business and for new customers. We work with the business owner to identify where synergies exist, and identify how MultiSource can augment their offerings by expanding capacity and capabilities, increasing expertise, and investing in equipment, marketing and technology. The end result has consistently been the ability to better-serve customers of both entities.

MultiSource's first acquisition in 1999 – Shop Parts – was an 11,000 square-foot shop. Since then, Shop Parts has nearly tripled in size while continuing to grow its existing customer base and adding new customers.

That same success has been repeated through subsequent acquisitions, with Forpak being a recent example. Forpak specializes in manufacturing equipment that counts and stacks food before it is packaged. Forpak was founded 17 years prior to its acquisition in 2006 by an entrepreneur with excellent engineering ideas but not a marketing background. After acquiring Forpak and learning more about the business and opportunities, MultiSource invested in marketing the products via industry magazines and trade shows. To date, Forpak has nearly doubled in size and has begun shipping products to some of the largest food processors worldwide.

“When we acquire a company, we’re not looking for an immediate return on our investment,” said Gary Hadley, President and CEO. “We’re in it for the long haul. At the start, we closely analyze each of our acquired businesses – with its unique operating system and culture – and develop a strategy to incorporate it smoothly into the MultiSource family of businesses.”

“Each of the businesses we acquire has already been successful at satisfying the needs of their customers over the years, or they would not be attractive to us” said Mike Schuffenhauer, Chief Operating Officer. “But at a certain point, customers will limit the volume of work

they give to a smaller shop that typically doesn’t use consistent processes or invest in continuous improvement and capital equipment. We offer the financial resources, business acumen, and operating systems required to grow a broad customer base and expand upon the services offered to existing customers, as well as new customers.”



Forpak’s “Grouper” Model GS



Multiple Capabilities.

- ✦ Concurrent engineering services
- ✦ Project management services
- ✦ Precision machining services: CNC milling, CNC turning, CNC Swiss, EDM, grinding, gundrilling, broaching, welding
- ✦ Plastic fabrication: welding, bending, forming, testing
- ✦ Assembly: electrical, mechanical
- ✦ Sheet metal components
- ✦ OEM equipment build/assembly: electrical, plumbing, systems qualifications
- ✦ Food equipment design and build
- ✦ Tool and die design and build
- ✦ Plating, painting, heat treating
- ✦ Fulfillment services: JIT, Kanban, replacement parts inventory, cellular manufacturing, lean concepts
- ✦ Multiple materials: stainless steel, titanium, magnesium, aluminum, brass, exotic metals, a wide variety of plastics
- ✦ Laser marking, laser welding
- ✦ Clean room capabilities

Industry Profile

The vast majority of the owners of MultiSource are full-time employees, ensuring that if you're not dealing directly with an owner, you're certainly working with someone who regularly works directly with one of the owners—assuring that your contact is vested in delivering the best possible service to you. With the ownership of the company so involved with the day-to-day operation, you can be sure that your needs will be met ... today and into the future.

Meet the Corporate Leadership Team

Gary Hadley: President and CEO
ghadley@multisourcemfg.com

Mike Schuffenhauer: Chief Operating Officer
mschuffenhauer@multisourcemfg.com

Larry Mueller: Controller/HR Manager
lmueller@multisourcemfg.com

Sheila Saelens: Corporate Quality Director
ssaelens@multisourcemfg.com

Contact us about your project.

WE'RE READY FOR YOU.

"On behalf of ATMI/Levtech, I want to congratulate MultiSource for the excellent first half of 2010. Your results of zero SCARs and 100 percent delivery on 694 shipments is truly outstanding. You certainly are one of our top suppliers."

Ross Dunbar - Global Supply Manager, ATMI Packaging

"MultiSource was able to step in when another supplier slipped, and was able to respond immediately and positively to take on seven additional complex part numbers for a very important large program. Their fast response, and ability to share the work among multiple operating divisions to meet our program requirements was very fortunate for us."

Material Program Manager - Fortune 100 Aerospace and Defense Company

MultiSource Manufacturing LLC

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MultiSource
MANUFACTURING LLC



From left to right - Sheila Saelens, Corporate Quality Director; Larry Mueller, Controller; Gary Hadley, President and CEO; Mike Schuffenhauer, Chief Operating Officer

Multiple Facilities.

- ✦ **SHOP PARTS DIVISION**
(Minnetonka, Minn.) Established in 1972; acquired January 1999
Key Contacts: Boyd Sorenson and Mike Aspelin
952.933.5510
- ✦ **DOUGLAS MANUFACTURING DIVISION**
(Burnsville, Minn.) Established in 1978; acquired June 2000
Includes Peterson Machining Acquisition Completed June 2010
Key Contacts: Dan Larson and Rob Peterson
952.882.6211
- ✦ **TRU MACHINE DIVISION**
(Minneapolis, Minn.) Established in 1968; acquired May 2001
Includes Northland Precision Acquisition Completed July 2007
Key Contacts: Rob Redden, Phill Mitchum and Lyle Foss
763.784.5515
- ✦ **VICTORY TOOL DIVISION**
(Anoka, Minn.) Established in 1987; acquired in October 2005
Key Contacts: Fred Simonson and Sheldon Halberg
763.323.8877
- ✦ **FORPAK DIVISION**
(Burnsville, Minn.) Established in 1989; acquired May 2006
Key Contacts: Pat Goche and Dave Brownson
952.882.6211
- ✦ **CMG MACHINING DIVISION**
(Lafayette, Colo.) Established in 1994; acquired in April 2007
Key Contact: Jeff Smith
720.890.7353
- ✦ **MULTISOURCE AEROSPACE LLC**
(Blaine, Minn.) Established in 1968; acquired June 2008
Key Contacts: Greg Hofstede and Tony Hofstede
763.785.1400