Altek posts best quarter, plans move

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REPUBLICAN-AMERICAN

TORRINGTON

Fortunes can change dramatically in a little more than a year.

Altek Electronics Inc. is coming off the best first-quarter performance in its 38-year history. Between 2000 and 2008, the company's revenue tripled, and 2010 is beginning to look like it might be the company's most successful year ever.

Moreover, the company is preparing to relocate from its original headquarters at 245 East Elm St. into a newer, larger, single-story industrial building at 89 Commercial Boulevard.

The company is scheduled to begin moving to its new 53,000-square-foot home on April 19 and hopes to be fully operational at its new location by April 26.

Altek makes printed circuit board assemblies and control panels used in fuel cells, mammography machines, elevators, commercial printers, equipment used in the garment industry, hazardous material detection equipment, control grips for military equipment and other products.

The company's list of long-term customers reads like a Who's Who of Connecticut business and industry, including Otis Elevator, Gerber Scientific Inc., Pitney Bowes, Hamilton Sundstrand, Lorad Corp., Pratt & Whitney and Ultra Electronics Measurement Systems Inc.

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Rozsa Guerra inspects a circuit board at Altek Electronics in Torrington recently.

"This company is going through a pretty exciting phase right now," said Stephen Altschuler of Torrington, Altek's chairman and founder.

BUSINESS VANISHED

But 15 months ago, things were not quite so rosy. In January 2009, the company was coming off one of the slowest

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WHAT ARE PRINTED CIRCUIT BOARDS?

A printed circuit board is made from an insulating, non-conductive material that has conductive metal tracks, called traces, on it. Integrated circuits and components are soldered to the board, and the traces between terminals connect the various devices and components.

Source: www.lectronics.net

ALTEK: Company overcomes tough times, prospers

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quarters in its history.

"Things were tough for just about everybody in late 2008, and we were no exception," Altschuler said. "About 35 percent of our business just disappeared in the fourth quarter of that year — it just vanished."

As a result, Altek was forced to eliminate about 35 percent of its work force at the beginning of 2009 and ask its remaining 100 or so employees to participate in a shared-work program, in which each employee would work only four out of every five work days.

"That was a pretty difficult period for all of us around here," said Richard M. Razza, a Waterbury resident who is the company's president. "We had to let go of a lot of good people who had been with us a long time, people who had helped the company grow and prosper."

But a company's fortunes can change dramatically in 15 months.

Business began picking up again in the fourth quarter of 2009 and the company carried that momentum forward into the first quarter of 2010.

"Over the past few months we've been able to hire back most of the people we had to let go in the early part of last year and hire some additional staff on top of that," Razza said.

The recent round of hiring has increased the company's work force to about 124 employees.

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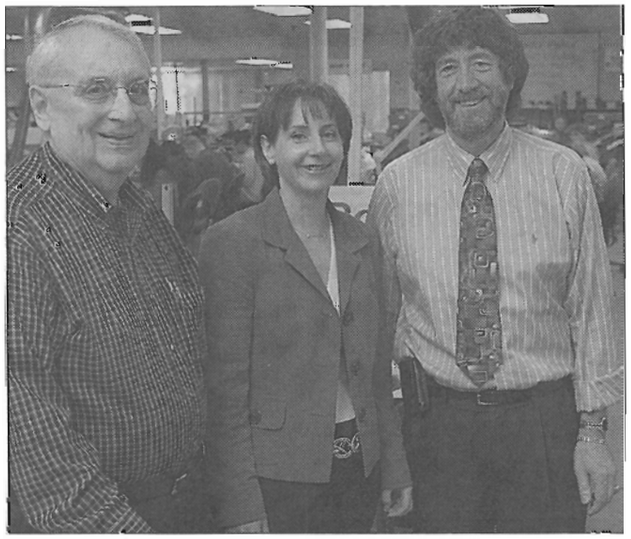
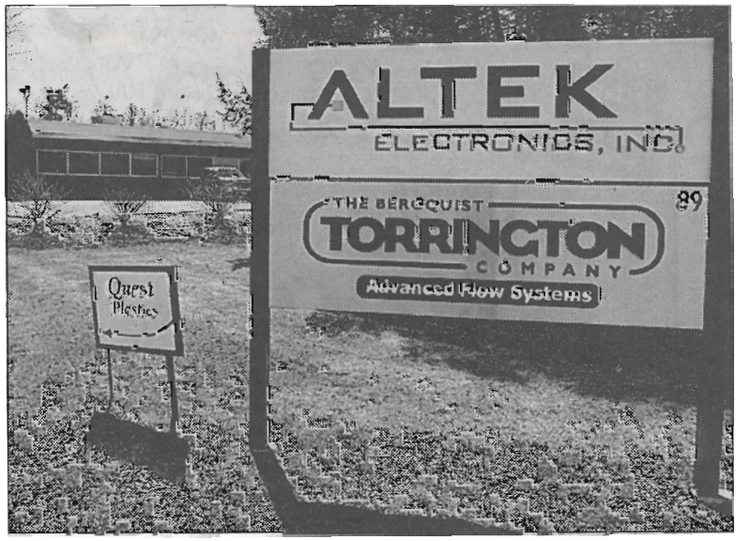
Altek Electronics at 245 East Elm St. will move to this new facility at 89 Commercial Boulevard in Torrington on April 19. Below, from left, company founder Stephen Altschuler, Vice President of Business Development Sabrina Beck and President Richard M. Razza stand on the shop floor. Below right, an exterior shot of the new facility and signage.





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WATERBURY RESIDENT AND PRESIDENT OF ALTEK ELECTRONICS IN TORRINGTON

GETTING LEAN

One factor that has helped Altek turn things around is the decision by management a few years back to embrace the concept of lean manufacturing, a methodology based on the premise that all work is accompanied by waste that inflates costs, lead times and inventory requirements and therefore should be minimized or eliminated.

The company's commitment to lean manufacturing helped it reduce its internal defect rate from 16.7 percent in 2000 to less than 0.5 percent today, according to Razza. An internal defect rate is simply the percentage of manufactured product a company rejects during its own internal inspection process.

That commitment also prompted Altek to earn its ISO 9001:2000 certification, and to insure that its employees were certified to industry soldering standards.

"These initiatives allowed us to attract new customers and set the stage for the success we are experiencing in this strengthening economic market," Altschuler said.

Altschuler, who has an engineering background, and a partner, the late Thomas Helms, founded Altek Electronics and a sister company, Tech Products, in 1972. The two companies were originally founded as separate divisions of the same company, but were split into independent entities in 2004, Altschuler said.

Tech Products, a company that designs and manufactures equipment that tests and inspects can containers for the food and beverage industry, is owned and managed by Altschuler. That company, which has four employees, operates from a small location within the Altek facility on East Elm Street and will move to Commercial Boulevard with its sister company.

Altschuler is also the majority owner of Altek. The company's minority owners include Razza, the former general manager at Allied Signal Corp.; David Altschuler, the company's vice president of administration and materials, and Sabrina Beck, the vice president of business development. Altschuler and Beck are Stephen Altschuler's son and daughter.