

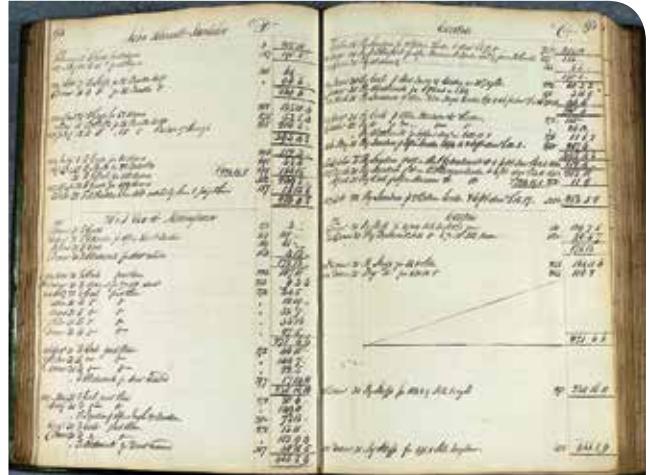
## What is Expected of the Part?

contract review. Similarly, grades that machine well may be less-than-stellar performers for anodizing or other surface finish treatments.

The lowest cost for parts that meet all stated and unstated (but expected) requirements can only be had if there is informed communication between the customer and the producing shop. Yes, we can get you very cheap parts by using cheap materials. Will they be suitable? Well that is another question entirely. Can we produce parts out of materials that will give the customer the lowest possible price per part delivered to them? Again, yes we can, but without further insight, those parts may have been optimized for lowest cost production by machining, but not optimized for the customer's remaining processes nor end use.

The real question to be asked at the time of contract review is: "What is expected of the part in subsequent processing and final end use?" Not, "What is the lowest cost material to make the part?"

If there are no subsequent operations to the part, then optimizing for lowest-cost delivered may be appropriate. But if there is a requirement for further cold work in



assembly or surface finishing, then contract review, to determine the suitability of the proposed material for the application, is critical if the supplier wants to maintain a zero-defects and 100 percent on-time reputation. Design for manufacturing is not just about what happens in our shops. It is also about what happens when your customer gets the parts in his.

## Core Powered Fills Needs for Customers, PMPA and Veterans



Core Powered Inc., founded in 2004, serves tooling needs for companies in the United States, Canada, Europe and around the globe. The company provides long-term manufacturing solutions that reduce complexity, simplify strategies and maximize manufacturing skills for companies with Hydromat, Eubama and Buffoli rotary-transfer machines. The company also specializes in putting coolant feed into rotary-transfer machine tools that do not commonly have that capability, extending tooling life and eliminating chip problems for several customers.

"We specialize in tooling for Hydromats and make or repair anything that holds a part or tool in a conventional Hydromat or Hydromat CNC machine," says Charles Ruecker, president and CEO of Core Powered. "We are

the only company in North America, other than the OEM, where you can get all the tooling to hold the workpiece, hold the cutting tool, load the part, turn the part around and profile the workpiece from a single source. We are the leading aftermarket work-holding supplier for Hydromat rotary transfer machines in North America."

### Business of the Future

Core Powered is set apart by a unique business structure. Mr. Ruecker came from a family tool and die business background, took current conditions and what the future of manufacturing was looking like, and created Core Powered to manage and market the services it offers. The company built unique relationships with exclusively specialized companies to fulfill customer orders. According to

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Mr. Ruecker, each company functions like a department for Core Powered and the company owners act as the department supervisors.

“We break work apart between our company partners the way that most companies would break it apart by departments. One shop that does all of our insert tools, another does our automation and jig grinding and boring for repair. We have a general, high-end CNC machine shop that handles projects that have a lot of machining operations on a block of steel and we have a collet manufacturer that specializes in round and ground,” Mr. Ruecker explains. “The end result has been that the product gets to our customers faster and at a lower cost, with a much higher level of technical support.”

Some of the additional benefits of this unique business structure include a much more passionate and invested business team that customers can access. According to Mr. Ruecker, each company that Core Powered works with as a department is the best at what they do so his customers are getting the best of the best for their orders.

“One of the best examples of how we work was a customer who was holding a small brass part with some cross-drilled holes, and needed collets. Original collets cost \$750 each; from the best domestic manufacturer at the time, the cost was \$500 per collet, and from Core Powered, the collets cost \$380 each,” Mr. Ruecker says. “To accomplish this, the collet was blanked out by one company, it gets shipped to another company for jig boring, it gets shipped back to the original company for OD grinding, splitting and springing, and it finally comes back to the jig-boring company for final jig grinding. We’re shipping several times and still delivering it at a lower cost than if it were made in a single shop.”

Core Powered has established itself as a company of the future, focusing on what it is good at doing. Aside from the business’s unique structure, it also has no brick-and-mortar location and is 100 percent paperless.

“You won’t find a building with a sign on it that says, ‘Core Powered,’” Mr. Ruecker explains. “We can work from anywhere and keep our focus on what we do best. Our structure is the future and we are rewriting how tooling is made.”

### Active PMPA Membership

Core Powered joined PMPA as a technical member in 2006 to grow in the market. A customer invited Mr. Ruecker to attend a Management Update conference in Phoenix

and he discovered a depth of useful business intelligence through the association.

“Since becoming a member, the customer-finding aspect has become a secondary, or even tertiary, motivation for membership. Currently, about a third of our customers are already PMPA members,” Mr. Ruecker says. “I can’t even imagine being in this industry and not being a member of PMPA. What we’ve learned through the organization is paying off big in our business growth. And growth is one of our critical business metrics, essential to ensure long-term success.”

Mr. Ruecker explains that PMPA is designed for active members and stresses that technical members need to be active in the organization as well.

“We sponsor events and I became the PMPA Canadian chair because there is enormous value available from PMPA and that is only found when you’re active,” Mr. Ruecker says. “There is so much to benefit from PMPA here in Canada that I volunteered to fill the vacant role of president and started working on expanding events in Canada and building greater momentum.”

### TPX123

It was through PMPA that Mr. Ruecker learned about the Workshops for Warriors program and was inspired to develop Core Powered’s TPX123 service ([tpx123.com](http://tpx123.com)). TPX123 allows active members to buy and sell spare Hydromat parts and donates 100 percent of the proceeds from using the service to Workshops for Warriors and Wounded Warriors of Canada.



“There are millions of dollars in parts, attachments and accessories for Hydromat Rotary Transfer Machines sitting on the shelves across North America. TPX123 lets users turn those into cash,” Mr. Ruecker says. “It’s a legitimate site where companies can buy and sell parts directly, as an alternative to current conventional methods. All of the profits from site fees are donated to Workshops for Warriors in the U.S. and Wounded Warriors in Canada. It’s our way of filling a need and helping great organizations at the same time.”

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