

# AVON BROACH & PRODUCTION Co.

Specialists in  
**BROACHING TOOLS, PRODUCTION BROACHING, AND WIRE EDM**  
***ISO 9001:2000 Registered***

## Attachment 1:

November 10, 2008

- Avon Broach & Production Company Information:
  - Founded in 1950 at the current location.
  - 30,000 square foot facility
  - Currently employing 20 people
  - Serving the automotive, truck, heavy equipment, aerospace, and defense industries
  - Sales revenue slowly increased from 2004 to 2007. Currently expecting a reduction in 2008 and 2009.
- Re-investment to date ..
  - Re-fitted the entire shop and office with high efficiency lighting replacing high pressure sodium and mercury vapor light. Realizing a 40% energy use savings, 30% brighter, whiter light. Improved employee moral and improved appearance when hosting customer visits.
  - Painting: In-process of painting the entire shop work area using current employee labor during slow periods..
  - Equipment purchased
    - Large “pot” style broach machine which increases dimensional capacity.
    - Vertical style broach machine which will be automated to improve work flow and reduce processing cost.
    - Large horizontal “helical” style broach machine which increases dimensional capacity.
  - Equipment on wish list..
    - “Blind” style broach machine. Avon does not currently have this capability.
    - Various additional inspection and quality equipment.
    - Round tool sharpener
  - Employee Training: Beginning in March 2008, all of Avon’s employees have participated in training programs hosted by the Michigan Manufacturing Technology Center.
    - Avon completed MMTC’s LEAN program training in June 2008. Training involved a total of (100) hours of instruction for myself, Avon’s management staff, and all shop personnel.
    - MMTC’s Market Diversification training is in-progress. Expected completion by mid-December. This training has helped identify resources which are expanding our ability to more effectively market Avon’s products and services.
- Avon’s collaborative, “Michigan Coast to Cost Tool & Die” Collaborative has sixteen member companies. Five companies have 15 year abatements, five have 10 years, two have 8 years, and currently four companies have 5 years. Those at five years will be requesting extensions.
- The annual tax savings for Avon is near \$40,000.00 Lost revenue to Rochester Hills is approximately \$4,000.00