

# **GPS'S EXPANSION CREATES A 'LARGE GLOBAL FOOTPRINT'**

## BY STEPHANIE SIMS

onzalez Production Systems (GPS) says it is proud to support and promote Hispanic companies in the manufacturing industry. Ron Pearce, vice president of operations, says the company is involved in holding monthly roundtable events with the Michigan Hispanic Chamber of Commerce. "[This] pulls companies in from Hispanic business communities and share[s] information," he says. "Gary Gonzalez, the CEO, drives this initiative. It's group involvement. We bring them together and support them and they support us. Everyone supports each other as part of the Hispanic community."

## PROFILE

Gonzalez Production Systems

www.gonzalez-group.com HQ: Pontiac, Mich. Employees: 200 Products: Welding, closure and assembly systems Ron Pearce: "Everyone supports each other as part of the Hispanic community."

When one of GPS's part-owners, Ric Gonzalez, passed away two years ago, Pearce says, the company started a memorial fund in his honor to support various charities in the Hispanic community. In addition to supporting organizations in its communities, Pearce says, "the Ric Gonzalez memorial fund also provides scholarships in the Hispanic community."

GPS is a leading supplier of closure, welding and assembly systems for the automotive industry. The Gonzalez Design Group was created in 1975, and the GPS division was created in 1998. In addition to design, the ISO 9001 and ISO 14000-certified company performs processing, building and installation of complete assembly systems. Pearce adds GPS recently opened a new facility in Oak Park, Mich.

"We have the capacity, resources and expertise to successfully design, build and install projects," GPS says. "Regardless of the size of the program, from simultaneous engineering to the installation and startup of the system, we have the operations in place to exceed expectations."

In 1999, GPS acquired CLEARR Industries, a full-service tooling company, of which Pearce was the COO.

## **CHANGING MARKETS**

"In the automotive market, tooling is changing rapidly," Pearce says. "It's a mature market, and it's not expanding. The challenge has been to meet our growth projections. We have done this by winning new customers and keeping current customers.

"Within the market, the biggest thing that's challenging is cost," Pearce says. "We are pursuing relationships with emerging market suppliers. We are working with companies in Romania and some in India to set up operations and drive down the overall cost. We're also looking at China and are in the process of launching a manufacturing plant in Mexico." GPS wants to broaden its global footprint and sees production capabilities in other countries as a means of creating or expanding its customer bases there.

GPS also plans to expand into new product markets, such as aerospace, after upgrading its facilities and processes. It is also expanding into other areas of tooling for the automotive industry. "It's obvious with the increased manufacturing flexibility required by our customers to meet their market goals that we need to expand," he says. "We're aggressively pursuing new technologies such as portable laser and optical measuring systems and alternative metal joining methods."

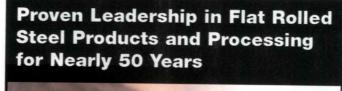
Integrating production systems from all over the world is a challenge for GPS, and Pearce says improving project management is the No. 1 priority. "Managing that supply chain is a challenge," he says. "We are redefining our operating systems to be more project-centric. The processes within the organization are

driven by individual project requirements and allow us more flexibility in the type of work we do, [which is to] specifically design to customers' requirements."

The key to improving its manufacturing processes, Pearce says, is through effective communication and monitoring each process. "Our project quality objectives are reinforced at every critical milestone," he says. "At the completion of key phases or gateways in the process, we're reaffirm quality objectives by reviewing the customer's expectations."

Pearce says he is most proud of the fact that GPS has been able to meet its growth objectives by meeting and exceeding customers' expectations in extremely competitive markets. He explains the company does this "by project management initiatives, which have pushed into new areas of manufacturing. We are expanding sales in where most companies are decreasing sales."

GPS' expertise originated in manufacturing and tooling for the automotive market and expanded into the trucking industry, as well. Pearce hopes GPS will have a "larger global footprint" in several market sectors in a few years. "We'd like to have a more varied customer base by using or expanding into other countries," he says. "For instance, we are putting a plant in Mexico next year. We will use that to open new markets in that area." In



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