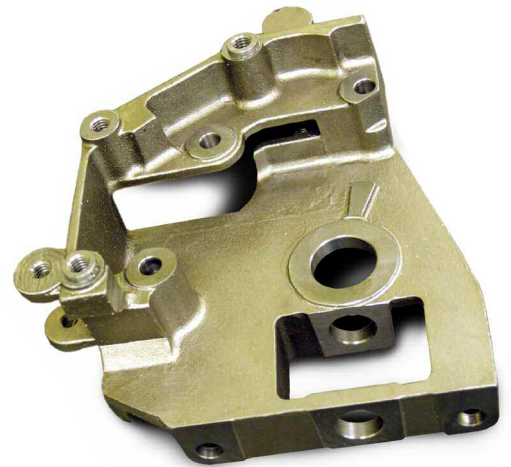




FORWARD THINKING SPELLS OPPORTUNITY FOR ELDORADO TOOL & MANUFACTURING



An off-road vehicle component machined on a Mazak HCN 6000 horizontal machining center in Eldorado's new plant in Kitchener, Ontario.

Left: Peter J. Harry, Managing Director of Eldorado Tool & Manufacturing Company Ltd., stands among his array of Mazak Nexus machines in the company's new plant.

"If you build it, they will come" is a famous line from the classic baseball film "Field of Dreams." It is also the motto of Eldorado Tool & Manufacturing Company's Managing Director Peter J. Harry.

Harry, who came to Canada as a toolmaker from Guyana in 1965 and founded Eldorado in 1974, strongly believes in always having capacity available for new business.

"You must have capacity available at all times because when the phone call comes through, it could be for a goldmine," Harry says. "Yes I'm ready. There's no secret there. I'm always a forward thinker. If you're not growing, you're going backward."

After arriving in Canada, Harry worked for Raytheon and Budd Automotive before opening Eldorado as a one-man operation with a small manual lathe and a small manual milling machine. In 1978, he sold his house and used the money to buy his first CNC machine, the first slant-bed lathe of its kind in Canada, proof of his desire to stay at the leading edge of technology.

"It was the cornerstone of this company," Harry says of his first CNC lathe. "I should have bought 10. Nobody had heard of keeping such close tolerances. People came from far and wide just to see it."

He also had the first coordinate measuring machine (CMM) in his area, in the early 1980s.

Today, Eldorado boasts 80 CNC machines, 70 employees and \$10 million in annual revenue. Eldorado's customers primarily are manufacturers of off-road mining and military equipment, but it also services second-tier automotive suppliers, information technology, postal, aerospace and other high-tech industries. It has made stainless steel pumps for nuclear power plants, carbon fiber circuit boards for Russian calculators, mirror casings for projection television systems, and other diverse projects.

Harry says the reason he is able to attract and maintain such a broad and high-end customer base is his investment in technology.

"I must have the very latest and best manufacturing technology," Harry says. "When prospective customers see the newest and latest equipment, they know you mean business."

Eldorado manufactures a wide range of part sizes and configurations. It turns parts from 1/16 inch to 28 inches in diameter and in lengths from 1/16 to 40 inches, and mills parts from 1/16 inch cube to 24 inches cube size.

Harry expects his business to more than double as a new plant in nearby Kitchener comes online.

That new plant features a high-rise Palletech manufacturing system consisting of three Mazak HCN 6000 Horizontal Machining

Centers with 160-tool magazines, 40 pallet locations, two load/unload stations, and one stacker/transfer robot. Eldorado's Kitchener plant also has a stand-alone Mazak HCN 6000.

The new plant is capable of manufacturing prototypes and large-volume production runs almost seamlessly. The Mazak Palletech system enables Eldorado to provide just-in-time, low to medium lot manufacturing with minimum lead time. For repeat orders, the system becomes even more efficient by eliminating setups and first-off inspection, enabling Eldorado to minimize inventory and maximize profit.

Flexibility is the key for Eldorado, which prides itself on being able to react quickly to a customer request, from manufacturing one-off prototypes to full production runs involving multiple components and final assembly.

"Our success is based on speed and quick turnaround and I'm the only one who has to make a decision," says Harry, who insists on no voice mail to ensure callers reach real people at Eldorado. "There's no waiting. Companies who take a year to make a decision are going to lose business to me because I'm ready."

Impressive Equipment

Harry bought his first Mazak machine, a CNC turning center, in 1995, but remembers being impressed with the company's forward



thinking in the 1980s, when Mazak showed an advanced concept at a trade show.

“They were thinking and I could see that,” Harry says.

The Mazak lathe, purchased because Mazak had the machine tool in stock and he needed it right away, produced a rolling part for a credit card imprint device.

“I had a simple part to make but it had to be made fairly accurately and they could deliver the machine in two weeks,” Harry says recalling the negotiations. “All I asked was can it make the part in a minute? The answer was ‘yes’ so I bought it.”

Now, Eldorado has 15 Mazak turning and horizontal machines, eight with Pallettech systems and a total of 72 pallet positions. His first Pallettech system, installed in 2002, enabled him to double his business from \$2.5 million to \$5 million.

“We make 100 production parts for off-road vehicles,” Harry says. “That’s 100 setups. You can’t make that many setups without something like Mazak’s Pallettech.”

“If we didn’t go for those flexible production systems, we would still be in business, but our growth would be extremely slow,” he adds.

Eldorado’s Mazak machines are key to the company living up to Harry’s promise to his customers.

“Service, service, service,” he says. “There is nothing else.”

Harry – who visited Mazak’s new World Technology Centre in Japan a year ago – is impressed with Mazak’s capacity for looking ahead.

“Mazak is constantly pushing the envelope to a higher level of technology,” he says. “Mazak has evolved almost every year with serious improvements of the same products.”



Peter J. Harry, Managing Director of Eldorado Tool & Manufacturing Company Ltd., stands outside Eldorado's new plant in Kitchener, Ontario.