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Encore



THIS ISSUE

**Manufacturing
in New England
Making It Here**



Northeastern University
College of Professional Studies



LISTENING TO THE VOICE OF THE CUSTOMER

Segue Manufacturing Services President **Peter Frasso** shares his formula for success in manufacturing

Peter Frasso (BS, Mechanical Engineering, Northeastern's Lincoln College '80) admits he wasn't among the top students in high school. At the time, he was more interested in "making things." In fact, as a teenager, he built one of his first cars, a Ford Falcon, from parts bought in a junkyard.

Frasso has continued to nurture his interest in making things throughout his career in manufacturing, and now serves as president of Lowell, Massachusetts-based Segue Manufacturing Services. Segue is a global contract manufacturer providing engineering services and manufacturing capabilities to a

range of industries, including alternative energy, military, semiconductor, medical/life sciences, homeland security, and industrial equipment.

Engineering a Successful Career Path

After earning a two-year degree from Wentworth Institute, Frasso took a job at Pratt & Whitney Aircraft where he realized he wanted to become an engineer. He made a decision to quit his full-time job and continue his engineering studies part-time at Northeastern University's Lincoln College, while also supporting his family by working a temporary job at Magnetic



Contract Manufacturing Defined

Contract manufacturing is the manufacture of a product or component by a third party. This form of outsourcing enables companies to reduce costs associated with manufacturing facilities and equipment, and gives access to high-quality manufacturing at a reasonable cost.

Corp. of America (MCA). Following graduation, he continued to advance his career at MCA, overseeing the construction of super-conducting wire and magnets used in magnetic resonance imaging.

In 1989, Frasso went to Varian, where he held a number of positions in engineering, production, and marketing during his 18-year tenure with the company. Eventually, he became vice president and general manager of the Vacuum Products Division and led the division to be twice named as one of *Industry Week's* "Best Plants in America," winner of the Massachusetts Quality Award, and a 1997 Malcolm Baldrige finalist in the Manufacturing category. "Baldrige consists of three core principles—find out what the customers' wants and needs are; organize the factory and organization to fulfill and meet those needs better than anyone else; and measure how well you're doing it," states Frasso. "These principles, and the hands-on experience I gained at Lincoln College, provided me a more intimate understanding of how to align an organization from engineering to the factory floor to the hands of the customer."

A technique Frasso frequently incorporated into his growth strategy at Varian was to survey customers at all stages of the buying cycle and during all customer interactions. "Listening to the voice of the customer is essential to continuous improvement, total customer satisfaction, and understanding future requirements to help drive a company's business strategy and

COMPANY SNAPSHOT: Segue Manufacturing Services

FOUNDED

1991 (CDM); acquired by Segue in 2007

LEADERSHIP

Peter Frasso, *President & CEO*

CAPABILITIES

- Turnkey manufacturing solutions (vertical integration: complex cables and harnesses, machining, global sourcing)
- Supply chain management and global sourcing (demand management, procurement and logistics, vendor-managed inventory, local integration and delivery)
- Engineering services (prototype design and 3D modeling, CAD/CAM design, manufacturing documentation, tool and fixture design, engineer and maintain mature products)

MARKETS

Telecommunications, Homeland Security, Aerospace, Semiconductor, Industrial, Military, Medical

HEADQUARTERS

Lowell, Massachusetts (44,000 square foot facility)

EMPLOYEES

Over 540 worldwide, including 140 in the United States

OTHER LOCATIONS

Xiamen, China (55,000 square foot facility)
Partner operations in Argentina and India

<http://www.segue-mfg.com>

“These principles, and the hands-on experience I gained at Lincoln College, provided me a more intimate understanding of how to align an organization from engineering to the factory floor to the hands of the customer.” – Peter Frasso

Performance Excellence Recognized

THE BALDRIGE PERFORMANCE EXCELLENCE PROGRAM

The Baldrige Performance Excellence Program is the nation's public-private partnership dedicated to performance excellence. The program's mission is to improve the competitiveness and performance of U.S. organizations for the benefit of all U.S. residents. For more information, visit the National Institute of Standards and Technology (NIST) website: <http://www.nist.gov/baldrige/about>.

THE MASS QUALITY AWARD

The Mass Quality Award (MQA) is awarded to the company that best exhibits and practices those characteristics that lead to a quality, customer-focused enterprise. This focus on quality, under the direction of the Massachusetts Council for Quality, is an ongoing effort to ensure the competitiveness of businesses in Massachusetts. A candidate for the MQA undergoes a rigorous site inspection and then is rated according to standards based on the criteria of the Malcolm Baldrige National Quality Award.

success,” he adds. “In addition, education and empowerment of employees and work teams directly results in a higher level of customer satisfaction.”

After Varian, Frasso's career progressed into the semiconductor industry for the next eight years. “While working in the semiconductor industry, I discovered a need for a certain type of contract manufacturer—one that was more sophisticated in the engineering, quality, and production environment than a mom-and-pop shop, but flexible enough to support a high-mix, low-to-moderate volume product environment. I saw this as a turning point in my career to start my own company,” continues Frasso. In 2007, he founded Segue Manufacturing Services and acquired the assets of Cable Designs and

Manufacturing (CDM), a cable and harness company, where he immediately began surveying its current and target customers, training and empowering his employees, and developing a lean manufacturing environment in order to address the niche he had identified. Under the Segue brand, the company established itself as a low-volume, high-mix contract manufacturer, providing end-to-end solutions for its customers.

Over the next three years, Segue quadrupled its business. The benefits of offshore parts sourcing and manufacturing spurred Segue to source materials in China for assembly in their Lowell facility. It was a natural progression to acquire a contract manufacturing partner overseas. In November 2010, Segue acquired Sanbor Interconnect in Xiamen, China. The 55,000 square foot manufacturing facility provides expanded capabilities and a low-cost regional presence for parts sourcing and engineering. “We can offer our customers the cost benefits of off-shore manufacturing with Segue's continued approach to local service, support, and focus on the customer,” explains Frasso. “In addition, China is a market in its own, and many of our capital equipment customers have located there. If we want to continue doing business with them, we need to be there.”

Frasso attributes much of his success to having a true passion for manufacturing. “Manufacturing can be a great career for those that have a passion for building things, working through problems systematically, and working in a team environment. It's not a world for those who want to sit in the corner—it's social and requires mutual respect and interaction at all levels,” concludes Frasso. “And above all, you need to stay focused on the customer and listen to what they have to say. It's a guaranteed step in the right direction.” □

Frasso received a Bachelor of Science degree from Northeastern University's Lincoln College in 1980. He earned an associate's degree from Wentworth College in 1969. In addition to his role as president and CEO of Segue Manufacturing Services, Frasso serves on the board of directors for Lytron, Inc.; is a member of the senior advisory board for Massachusetts Excellence, a Baldrige-based nonprofit; and is an active member on the advisory board to Northeastern University's College of Professional Studies.