



Why Do We Invest?

By Gary Holcomb

Manufacturing has gone through a couple revolutions, including one of the most notable shifts in any industry's history -- now properly referred to as the Industrial Revolution. During that era, machining transformed manufacturing, making it easier to create and mass produce precision products than was possible with handcraft techniques.

About midway through the 20th century, manufacturing entered another revolution with the invention of the first CNC milling machine. It didn't take much longer until 5-axis machining, horizontal milling and other processes were created.

Now entering the 2020s, machining may be going through another revolution.

Similar to a lot of other businesses, technology is driving CNC machining into new territory very quickly. Today, CNC machining tools are faster than ever before, and more can be performed in single setups than ever previously conceived.



DMG Mori NLX 2500 multitasking mill/turn machine at Advanced Machining installed September 2020

In this ever-changing business and constant evolution, some companies may find it difficult to keep up. While technology has made CNC machining more efficient, it has also become more expensive to stay current with the newest and latest machinery.



Haas VF-4 4-axis machining center at Tri-Tec Industries installed October 2020

But that's not a problem at Compass Precision. Through all four of its operating companies -- Advanced Machining & Tooling, Gray Manufacturing Technologies, Quality Products & Machine and Tri-Tec Industries -- Compass Precision invests in state-of-the-art machinery wherever possible for several reasons.

Firstly, Compass believes in the value it offers to its customers and wants to strive to be even better at it. The best way to achieve that goal is to continue investing in the latest CNC machining technology. In the past two years alone, Compass has purchased two Mikron 5-axis machining centers with multi-pallets and robotics, two DMG Mori 4-axis multi-tasking mill/turn centers, a Zeiss CMM, a Haas 4-axis machining center, a Doosan CNC lathe, an Agie wire EDM machine, and an Amada sheet metal loader/unloader for laser cutting. Even more is on the way.

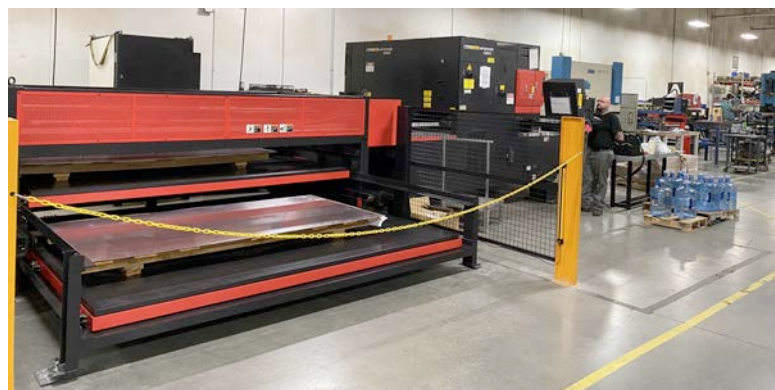
The management team at Compass is very aware that without that investment, its operating companies would be in danger of falling behind other firms who do invest. Instead of allowing that to be a possibility, Compass aims to move ahead of its competitors that do not invest in the latest machinery.

Compass also believes devoting resources to the newest technology, while initially expensive, will pay off in the long term. The machinery Compass acquired over the last two years has made each operating company more efficient. In other cases, it has enabled the companies to perform new services and thus open itself to new business.

But Compass doesn't commit resources just to the latest technology. The parent also firmly believes investing in its workforce is vitally important to its success. Compass seeks the best people in every position and values character, giving even more inexperienced CNC machinists an opportunity to succeed if they canter to proper training.

This passion for investing stems from the backgrounds and experiences of Compass's management. Each top and middle-level manager, even the CFO, has spent years, sometimes an entire career, working in CNC machining. This gives Compass a unique perspective.

Unlike so many financially driven companies who pride themselves with avoiding commitments of capital, Compass is entirely the opposite. The firm understands



Amada sheet metal loader/unloader at Quality Products installed October 2020

the tremendous impact that advancing technology is having on CNC machining. Compass knows that strategic investments in

equipment, systems, processes, and people can provide significant long-term benefits to both its customers and itself. It is willing to support this belief with the necessary financial commitments to make Compass a better manufacturer.

With four operating companies in the greater Charlotte area, investment opportunities are in multiple places. These CNC machining facilities compliment each other, so even if one place doesn't possess the newest piece of equipment, one-stop shopping is still possible because of the ability for these sister companies to work together.

Compass will eventually expand its manufacturing footprint beyond North Carolina. But the drive to invest aggressively in pursuit of manufacturing more precisely and productively will remain part of Compass's DNA.

The Compass Precision brand is just a little more than a year old, but to its management team, it's come to represent a company leading the industry in CNC machining, always striving to be better and more than willing to invest to make that goal a reality.

About the Author



Gary Holcomb

Gary has been President & CEO of Compass Precision since its formation in 2019 with the purchase of Advanced Machining & Tooling, Quality Products & Machine, and Tri-Tec Industries. Earlier in his career, he was General Manager of the CNC machining and forging division of privately-held Dynamet in Washington, PA.

After an unsuccessful attempt to lead a management buyout of the division, Gary went on to CEO positions with two other manufacturing companies. The second was Coining, a precision metal stamping firm in Montvale, NJ. Coining grew from \$13 million to \$65 million in annual sales over seven years under his leadership.

Gary graduated from Cornell with a BS in Mechanical Engineering and later added an MBA in General Management from Harvard. His first job after undergrad was as an application engineer with Air Products & Chemicals, working with its customers to increase manufacturing productivity through the use of industrial gases. He gained additional experience working for Emerson Electric, Dupont, and Fisher Scientific in addition to his management roles in smaller firms.