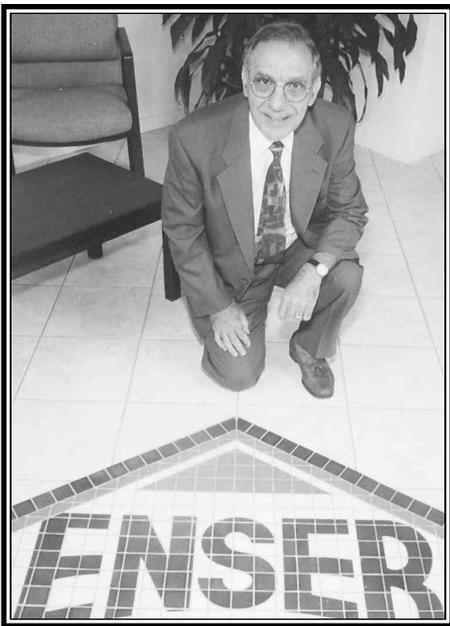


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NEW JERSEY'S FINEST



Enser Engineers a Solid Future



Mario Arnone is now eyeing government contracts.

At a time when companies are dreaming of growing big overnight, Cinnaminson-based Enser is content with taking small strides. "We want to remain a mid-sized company. Our strategy is to keep the company growing year by year," says Marco A. Arnone, general manager of Enser, a company that provides engineering services.

In this fast-paced, high-tech world, that approach, to some, would seem to lack ambition. But to Arnone it makes perfect business sense. "The bigger you get, the more are the headaches," he says.

Enser's services include finite element analysis, engineering design, turnkey and contract staffing. Revenues and the number

of employees have risen from \$3.59 million and 70 employees in 1996 to \$6.07 million and 97 employees in 1998. For 1999, Arnone expects a 10% growth in revenue and a 20% increase for the next fiscal year. In the last 52 years, Enser has expanded from its headquarters, opening offices in Charlotte, North Carolina and Orlando, Florida. Last year, the company expanded by adding 8,000 square feet, including a machine shop, at its Cinnaminson facility.

Enser was founded in 1947 as a tool and design company operating out of Philadelphia, designing jigs, fixtures, gauges, dyes and special machines. The company was bought in 1963 by Mario Arnone, 65, the current president, and Dave Hare, former partner, for \$5,000 each. At that time, the company had just five employees with revenues of \$70,000. In 1972, it moved to Cinnaminson.

Today, Mario Arnone is gradually giving up control of the employee-owned business in which the Arnones own a majority stake. The next generation has already moved into place. Apart from Marco, Mario's other son, Robert, is Enser's vice president.

Over the years the company has learned several valuable lessons, says Arnone. In the 1970s, Enser's biggest client was the Westinghouse Electric office in Lester, Pennsylvania. By the late 1970s, Westinghouse announced its decision to pack up and relocate to Charlotte and Orlando. "We were caught by surprise and started to scramble for clients. While the Westinghouse experience taught us our biggest lesson, it also had its own advantages. When Westinghouse closed the Pennsylvania facility, they also wanted us to move with them. That's how

we opened an office in Orlando and Charlotte," says Arnone.

The company no longer relies on just one client. Its customers now include Du Pont, Ford and Tyco SSI. This apart, Enser also enjoys OEM (original equipment manufacturers) status with 10 companies and is now looking to tap government jobs as well.

Referring to the challenges facing companies like Enser, Arnone says his industry is the first to feel the effects of an economic boom or bust. When there is an economic slowdown, clients are reluctant to spend money. They cut down on projects and also reduce staff. "We saw such a situation in the late 1980s and early the 1990s when the buzzwords in the industry were downsizing and outsourcing. And, that's the way it is even now. Most companies don't want a big staff and are outsourcing work. This keeps payroll costs down and also saves them the trouble of hiring, laying off, and then rehiring employees," he adds.

Enser, too, believes in recruiting just the right number of employees. Most of its staff works overtime. "When business is slow, we cut overtime. That saves a lot of pain in terms of laying off staff," adds Arnone.

Enser's competitive edge lies in its technology, he points out. "We are constantly investing in technology. Right now the top software package in the engineering industry is Pro-Engineer. We have 35 licenses of this CAD software package. We have also been investing in hardware and communications devices. This allows us to send and receive information no matter where our clients are located," says Arnone.

Another advantage is the company's machine shop, which opened last year, where it designs and fabricates prototypes. It has

been Enser's biggest investment so far, claims Arnone, adding: "A typical machine shop like this could cost over \$100,000.

unable to do turnkey projects—from engineering and design to the manufacturing and testing of the product."

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Having a machine shop works to our benefit as we are now able to get those jobs that earlier went to competitors because we were

The company's commitment to its customers is confirmed by Glenn E. Miller, manager for mechanical engineering at EI

DuPont of Wilmington, Delaware. "Enser does a fantastic job of providing engineering work. We have been going to them since 1985 and have been giving them more and more work. Not only is the staff cooperative, but the company also has the latest in terms of three-dimensional computerized engineering design. We will definitely recommend it to others. It's a good place for engineers to start a career." And, Mario would undoubtedly agree, for it to flourish. ■
