

Precision CNC Machining

A Michigan machine shop generates big revenues by advertising in Design-2-Part, a magazine that targets OEM engineers and purchasers in more than 20 industries, including new markets that the company is looking to enter.

Grand Traverse Machine (GTM), a family owned business established in 1966 in Traverse City, Michigan, manufactures a variety of precision machined components that include shock absorbers and hydraulic cylinders for the fluid power industry, components for railroad maintenance equipment and military vehicles, and parts for the energy and medical industries, among others. Since its inception, GTM has grown from a three-man operation in a 2000-square-foot building, to a business that now employs more than 60 people in an ISO 9001:2008 certified, precision CNC machining facility with 29,000 square feet of manufacturing space. Always on the lookout for new customers in various markets, GTM is clicking on all cylinders these days as it runs two shifts, seven days a week.

What's the secret to GTM's success? Known for doing extremely tight tolerance work, GTM's personnel are "sticklers for detail," says GTM President Mike Alfonso, and provide in-process inspections all day long. "If there is a problem, we usually catch it at the machine." But Alfonso also attributes the company's success partly to the fact that GTM tailors its operations to its customers' needs.

"At Grand Traverse Machine, we will tailor our CNC machining operations to what works best for each OEM customer," he says. "Some customers run Kanban shipments; others may require a dock-to-stock program. Our seven days of operation per week helps us process hot jobs quickly to fulfill our customers' demands."

Just as GTM tailors its manufacturing operations to its customers' needs, the company recognizes the value of customizing its marketing plan to reach the right prospects in the first place. Since 2002, GTM

has accomplished that and more as a regular advertiser in *Design-2-Part* Magazine. Grand Traverse Machine President Mike Alfonso talked recently about some of the unique marketing challenges that GTM has faced as a manufacturer of precision CNC machined products, and how advertising in *Design-2-Part* Magazine has helped his company solve those challenges. Here's what he had to say.

Q: What factors did Grand Traverse consider when deciding where to advertise?

A: The two major factors that we considered were cost effectiveness and target market reach. The last factor that we considered was geographic. Because *Design-2-Part* is regional in scope, it allows us to target local OEMs and product manufacturers, as well as those that are relatively close to us. That's an important criterion if the majority of your business is regional.

Q: What mattered most to you when choosing where to advertise?

A: Price and target market mattered most to us in choosing where to advertise. Being a small-to-medium size shop, we needed an advertising program that was reasonably priced, high quality, and provided a lot of lead opportunities. *Design-2-Part* Magazine has all three of those facets.

Design-2-Part also reaches the right audience for our machine shop—OEM engineering and purchasing personnel. A machine shop can advertise all day long to the wrong audience, and it would be a waste of money



because they would be spinning their wheels. With *Design-2-Part*, going into it at the very least, you know you're reaching the right types of people that can give you orders.

We also wanted a publication that featured a lot of different industries among its readership. We needed to branch out and get better industry representation, so that when one or two industries go down, our business doesn't go with it.

Q: As a provider of precision machined parts, what is the biggest sales/marketing challenge, in general, that GTM has had to overcome?

A: Our biggest sales and marketing challenge is trying to find the right target market. Many magazines say they are read by OEMs, and some magazines have a mixture of OEMs in their readership, but *Design-2-Part* is solely read by OEMs. That is their niche.

Another big challenge for us is trying to find customers running small- to medium-size production quantities. We can do one- and two-piece prototype quantities, but more as support in hopes of getting larger volumes.

Q: How has advertising in Design-2-Part Magazine helped you solve these challenges?

A: We felt that *Design-2-Part* was cost effective because it was reasonably priced, and they provide a variety of other value-added marketing services (including on-line and digitally) at a great rate. We advertise in every regional issue that pertains to us. When an OEM engineer or purchasing agent receives the magazine, our sales message in our ad reinforces who we are—that we are capable of meeting and fulfilling their machining project requirements and are ready to do so.

As I stated before, we also felt that *Design-2-Part* targeted the right types of people for us—OEM engineering and purchasing personnel. We target a variety of different OEMs from various industries, and, through documentation from *D2P*, learned that they are reaching industries that we currently do business in and—more importantly—industries that we are looking to do business in. *Design-2-Part* is read by engineers and purchasers in over 20 different industries, and that was a big plus for us. Not to mention that the publication is well put together, an easy read, and thick and colorful! It is one of the healthiest publications in the manufacturing industry, if not the healthiest!

Also, *Design-2-Part's* OEM readers are extremely diversified in their project requirements. We found that some of their OEM readers are looking for prototypes, some are trying to get 2- or 3-piece jobs, and some are looking for more small-to-medium run quantities. We have found that by advertising in *Design-2-Part* Magazine and The *Design-2-Part* Buyers Guide, we get prototype and very solid, healthy small to medium run jobs.

Q: How has advertising in *Design-2-Part* helped GTM generate—among OEMs and product manufacturers—awareness of your capabilities and services?

A: One of the things that advertising in *Design-2-Part* Magazine has done for us is that it has helped us generate awareness within the OEM market of our close tolerance capabilities. It has also assisted us in communicating the strengths of meeting delivery requirements. It is in these two areas, specifically, that we are able to separate ourselves

from the competition, and *Design-2-Part* allows us to get those points across in our ad.

Q: How has advertising in *Design-2-Part* ensured that GTM's message is reaching the right companies, including highly recognized, big-name product makers, and competitive manufacturers in highly specialized markets, such as medical, defense, appliances, electronics, telecommunications, and automotive?

A: We have expanded our industry reach over the past five years to include the medical industry, and have manufactured precision machined products for the medical industry during this time. Just in the past year, we have been able to land some medical work from a company in New York because they saw our ad in *Design-2-Part* Magazine. The job was between \$20,000 and \$30,000.

Q: What else has GTM been able to accomplish by advertising in *D2P* Magazine?

A: In addition to generating thousands of dollars in business, advertising in *Design-2-Part* Magazine has also helped us in a very unusual and unique way. A manufacturer's rep saw our ad in *Design-2-Part* and contacted us because he wanted to sell our machining services. We brought him in, interviewed him, and hired him. This particular rep then landed us a Fortune 500 customer that is still a current customer. So, the magazine brought us the rep, who brought us big business, and it all started with him seeing us in *Design-2-Part* Magazine!

Q: What industries and job titles has GTM received orders from as a result of advertising in *Design-2-Part*?

A: We've received business from project engineers, manufacturing engineers, and purchasing managers from the energy, fluid power, and medical industries.

Q: What was the order size, dollar amount?

A: The business we received directly from the ads ranged between \$20,000 to \$30,000, and the business that we received indirectly through the manufacturers' rep who saw our

ad was between \$50,000 and \$100,000 a year.

Q: Did GTM get a repeat customer from advertising? If so, how many times did they come back?

A: Most of the work we do is repeat work. As long as we service the account properly and they are happy with our quality of workmanship, we usually get the job back. Specifically, the medical company that we landed from advertising in the magazine has come back and placed multiple orders with us.

Q: How has *Design-2-Part* helped Grand Traverse Machine strengthen its efforts in marketing to OEMs?

A: I believe that advertising in *Design-2-Part* has helped Grand Traverse Machine, in general, to reinforce the fact that we must always be looking for new customers in various markets. *Design-2-Part* Magazine is read by over 20 different industries, so you get a very broad representation by advertising with them. Some markets may be up while other markets are down, so the more diverse we are in our industry reach, with the help of *Design-2-Part*, will help smooth out the lows and make the highs higher, so we can prosper and grow.

Design-2-Part also features different industry spotlights each quarter through their editorial pages. We have found that because of this, a wider range of industries are viewing the publication at different points in time during the year.

Grand Traverse Machine is in the process of developing a more extensive marketing plan to reach and draw more potential OEM customers from new markets. As we go through the process, *D2P* can be an important contributor for us because of their knowledge and continuing focus on utilizing various marketing media to reach a wide variety of industries.

With a greater awareness and focus on marketing and sales, we expect good things and increased activity in the coming years as we continue our relationship with *Design-2-Part*.

To request info on a marketing program from *Design-2-Part*, visit www.D2Pcompany.com or contact Dennis Insogna at dennis@d2p.com