



# Active Microtechnology Solutions, Inc.: A Small Company's Growth Options

As Jenny Perez sat in her lab, she wondered how to expand the family business. Active Microtechnology Solutions, Inc. was a printed circuit board (PCB) repair and refurbishment company that had local as well as international clients. In addition to repairs, the company also designed PCBs and performed test engineering operations. The company was doing well, but Jenny, an engineer, wondered whether being in the repair business was profitable enough, or whether she should redirect her efforts toward a more profitable product line. Perhaps more marketing was needed for the company's current business lines. Or, should she expand the business by offering new services to her existing clients? She would have to think through the options open to her and decide which actions to take.

# **Founding of Active Microtechnology Solutions**

Jenny founded Active Microtechnology (originally named Active Technology Solutions Ventures) in 2007 as a sole proprietorship. She had been a Semiconductor Assembly R&D engineer until the birth of her child, and she founded the business as a way to continue working from home. The company's main



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business at first was selling tailor-fit test contacts<sup>i</sup> and receptacles.<sup>ii</sup> In late 2007, Jenny's father, Jose "Joe" G. Perez, retired from a prestigious multinational company as an engineer and joined Jenny's company, which was renamed to Active Microtechnology Solutions, Inc.(AMSI) and incorporated.<sup>1</sup>

Three months after incorporation, AMSI became an accredited vendor to its first major client, ON Semiconductor, a Fortune 1000 semiconductors supplier company based in Phoenix, Arizona in the US. The following month, AMSI became an approved supplier to International Rectifier, and the company grew from there.<sup>2</sup>

# **Customers, Experience, and Expansion**

The company's customers were located in the Philippines, Indonesia, Malaysia, Thailand, and North America. Its client list included well-known companies, such as Texas Instruments, Infineon Technologies, and ON Semiconductor, to name a few.<sup>3</sup>

In promoting its services, the company emphasized its more than 25 years of assembly and test engineering experience in the semiconductor industry<sup>4</sup> as both father and daughter had experience in these fields.<sup>5</sup>

The father and daughter pair had already acquired 300 m² of land adjacent to their house, which they used to expand their laboratory. A family business, the company did not hide its small size. In fact, it stated in its online company description that: "Being small is an advantage, we can offer lowest prices for our products and services because we do not carry high administrative and overhead cost while we maintain our quality to the highest standard."

## **Products and Services**

The company offered a series of products, including test contacts, receptacles, sockets and kits; it also provided services such as PCB design and assembly. Indeed, the company billed itself as a total solutions provider, offering turnkey solutions from PCB design to assembly and testing, as well as PCB repair and refurbishment.<sup>7</sup>

The company emphasized three advantages as its points of differentiation from competitors: cost savings, knowledge and experience, and responsiveness (see **Appendix A**).<sup>8</sup>

#### **Partnerships**

The company partnered with international affiliates for off-the-shelf products, mostly for test contacts and receptacles. These partners included Aries Electronics, CP Precision, and Golden Etna.<sup>9</sup>

<sup>&</sup>lt;sup>1</sup> A test contact is a special location on a circuit board where an electrical probe can touch the board and measure some property of the board's performance

ii A receptacle is an electric connector

# **Engineer Jenny: The Problem-Solver**

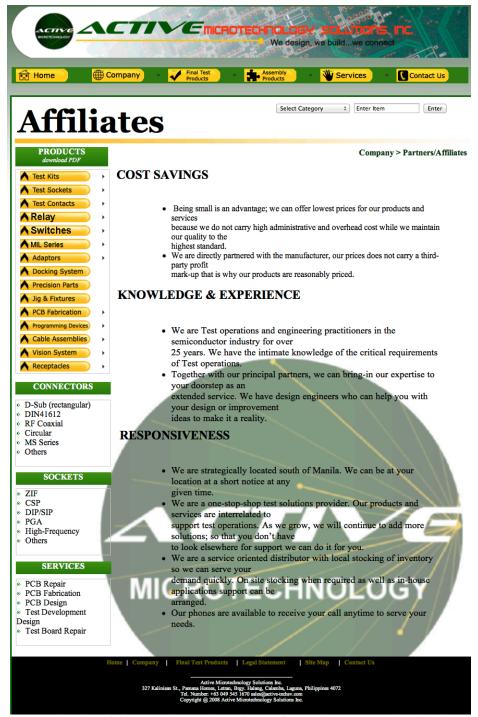
Jenny was the PCB problem solver; she could rebirth the equipment from scrap. The PCBs that Jenny repaired were usually production equipment that cost thousands of dollars each. In 2014, Jenny considered enrolling in a prestigious school for chemistry or materials engineering to enhance her capability of repairing PCBs. However, in 2015, she became aware that the company was not really expanding or leveraging much of its capacity given that the company was one-of-a-kind in the industry. She thought that what the company needed was to have a good manager to handle the marketing of their services. So, she also considered enrolling in an MBA program.<sup>10</sup>

## Which Option to Pursue?

Jenny wondered what Active Microtechnology Solutions should do to significantly expand the company's income and clientele. Should the company pursue new clients? Was there really big business in the repair industry or should the company redirect its efforts toward offering new services to its existing clients? Would new services such as PCB fabrication be a way to grow, or designing and building a whole testing system for integrated circuits for its clients? Should the company engage with partners to expand? Did Jenny need to enroll in the graduate school to enhance the business, or should the company hire a marketing manager? There were many different strategies possible for solving the company's expansion goal.

## Appendix A

Active Microtechnology Solutions Inc.'s Advantages



Source: Active Microtechnology Solutions, Inc. "Our Advantage." Accessed 27 Aug. 2015. <a href="http://active-techsv.com/Our\_Advantage.html">http://active-techsv.com/Our\_Advantage.html</a>.

## **Endnotes**

- <sup>1</sup> Joe and Jenny Perez. Personal interview. 16 July 2015 and 3 November 2016.
- <sup>2</sup> Perez, Jenny. Personal interview. 3 November 2016
- <sup>3</sup> Ibid.
- <sup>4</sup> Active Microtechnology Solutions, Inc. "Company Description." 2015. Global Companies. Accessed 27 Aug. 2015. <a href="http://www.companiess.com/active\_microtechnology\_solutions\_inc\_info1761622.html">http://www.companiess.com/active\_microtechnology\_solutions\_inc\_info1761622.html</a>.
- <sup>5</sup> Joe Perez, LinkedIn Profile <a href="https://www.linkedin.com/pub/joe-perez/30/2a/965">https://www.linkedin.com/pub/joe-perez/30/2a/965</a> and Jenny Perez, LinkedIn Profile <a href="https://ph.linkedin.com/pub/jenny-perez/5a/315/68b">https://ph.linkedin.com/pub/jenny-perez/5a/315/68b</a>. Accessed27 Aug. 2015.
- <sup>6</sup> Active Microtechnology Solutions, Inc. "Company Description."
- <sup>7</sup> Perez, Jenny. Personal interview. 3 November 2016
- <sup>8</sup> Active Microtechnology Solutions, Inc. "Our Advantage." 2008. Accessed 27 Aug. 2015. <a href="http://active-techsv.com/Our\_Advantage.html">http://active-techsv.com/Our\_Advantage.html</a>.
- <sup>9</sup> Perez, Jenny. Personal interview. 3 November 2016
- <sup>10</sup> Perez, Jenny. Personal interview. 16 July 2015.