



**CHIPTRONICS
INC**

HISTORY OF CHIPTRONICS



- Stringing of beads
 - Early Computer used “Core Memory “ Beads
 - Local Residents were Experts in Beading Technology
 - Core Memory Beads Transitioned to Printed Circuit Board Assembly
 - 1977 Chiptronics Inc, was Formed as a Native American Owned Distribution Provider for Electronic Assemblies
 - Located 7 miles West of the Turtle Mountain Band of Chippewa Reservation



CHIPTRONICS TEAM



Management Team

- Linus Morin, President
- Bill Tuttle, Vice President
- Liz Baker, Admin. Assistant



CHIPTRONICS CHARTER



- Chiptronics Inc Charter:

“To Create Jobs in an Economically Depressed Area by Providing World Class Manufacturing and Procurement to Customers with Diversity Goals”

- Rolette County Designated HUB Zone
- Turtle Mtn Reservation – 69% Unemployment
- If the Reservation was a City it would be the 5th Largest in North Dakota



MANUFACTURING AGREEMENT



- Chiptronics has a Manufacturing Agreement with the Benchmark Dunseith Site
- Agreement in Place for over 35 years
- Benchmark Dunseith Employs over 60% Native American
- Agreement key to creating jobs in our local HUB Zone



CUSTOMER BASE



NORTHROP GRUMMAN

GENERAL DYNAMICS

LOCKHEED MARTIN



IBM

Honeywell

CHIPTRONICS / BENCHMARK RELATIONSHIP



Business Agreement/Work Flow

- Distribution Agreement In Place with BEI
- Service Agreement negotiated and signed by Chiptronics
- RFQ Submitted by Chiptronics
- Customer P.O.'s Issued to Chiptronics
- Chiptronics Issues P.O. to BEI
- BEI Bound to Customer T&C's of P.O. & Service Agreement
- Chiptronics & BEI Jointly Manage Customer Contract
- Jointly Manage Day to Day Customer Relationship
- BEI Manufactures Product per Customer Specifications
- Chiptronics Manages Finished Goods Inventory
- Chiptronics Distributes Product to Customer



VALUE ADD SERVICES



- **Meet Customer SDB or SBA Contract Requirements**
 - Located in SBA Hub Zone
- **Joint RFQ and Contract Negotiations with BEI and Customer**
- **Competitive Distribution Rates**
- **Inventory Management**
 - Kanban Fulfillment
 - Replenishment Agreement with BEI
- **Worldwide Inventory Mgmt Hubs**
 - Dunseith, ND
 - Budapest, Hungary
 - Oradea, Romania
 - Shenzhen, China
 - Rochester, MN
 - Clearwater, FL
- **Vendor Managed Inventory**
 - Key Customer Strategic Component Mgmt.
- **Logistics Management**
 - Packaging Solutions
 - Optimize Freight Handling and Expense
 - Expedited Logistics Service
 - Custom Clearance Support



CHIPTRONICS CERTIFICATIONS



- *Small Disadvantaged Business / HUB Zone*
 - *Chiptronics is a Native American Owned certified SDB / HUB Zone firm*
 - *Registered in SAM (System Award Management)*
 - *HUB Zone (Historically Underutilized Business Zone) Designated by the SBA*
 - *35% of Employees of HUB Zone Firm Must Reside in HUB Zone*
 - *Rolette County (Chiptronics home office) is designated as a HUB Zone*

CHIPTRONICS CERTIFICATIONS



- *NMSCD – National Minority Supplier Development Council*

Certificate # MN254695 valid until 12-31-14

- *ISO9001:2008 Logistics:*
- *ITAR Compliant*

SUMMARY



- 30+ Years Servicing Aerospace/Defense/Computing and Industrial Customers
- SDB / HUB zone firm with World Class Manufacturing / Procurement on site
- Poised for Growth
 - Labor Surplus Area,
 - White Space Available
- Excellent Quality & Delivery Performance
- Provide Diversity Solutions

