
Welcome

Avnet
Nogales, México



August 2014



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Who We Are and What We Do

Who We Are



We are one of the world's largest global distributors of electronic components, computer products and embedded technology serving customers in more than 120 countries.

What We Do



We connect the world's leading technology companies with more than 100,000 customers by providing cost-effective, value-added services and solutions.

Financial Scope



For the fiscal year ending June 28, 2014, we generated revenue of \$27.5 billion.



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June 28, 2014



Company Snapshot

Fast Facts

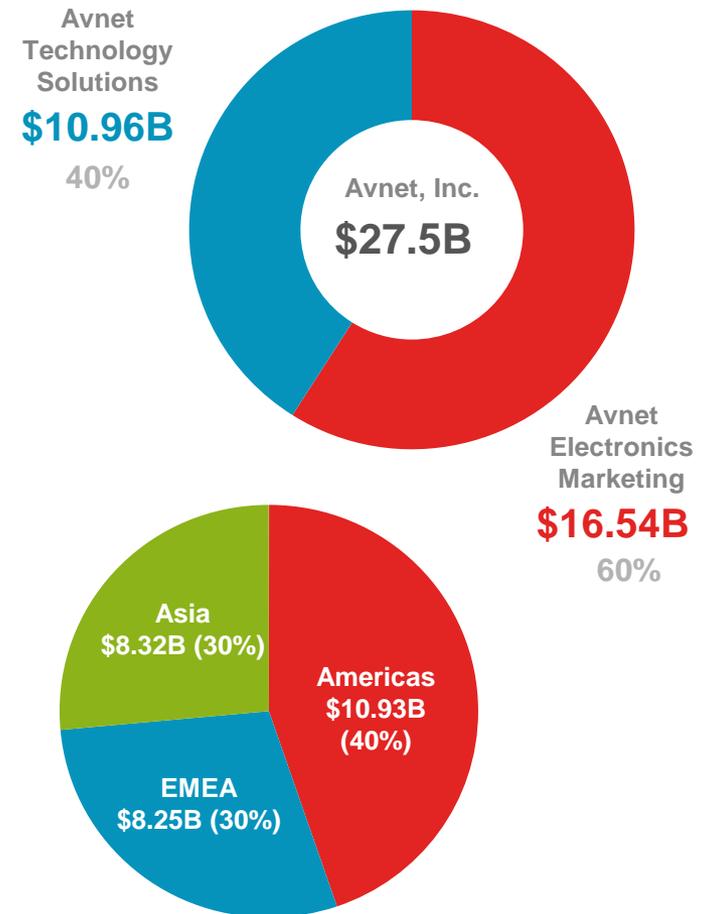
- Headquartered in Phoenix, AZ
- Founded in 1921
- AVT listed on the NYSE in 1960
- 800+ suppliers
- 100,000 customers
- 96 acquisitions announced or closed since FY91
- 18,000+ employees worldwide



An Industry Leader

- Named to *Fortune's* Most Admired list for technology distribution – 2007-2014
- No. 985 on the 2014 *Forbes* list of world's biggest public companies
- No. 117 on the 2014 *Fortune* 500 (U.S.)
- No. 474 on the 2014 *Fortune* Global 500
- Named a 2014 World's Most Ethical Company by Ethisphere Institute

FY14 Annual Revenue



Operating Groups



Avnet Electronics Marketing

Serving electronics original equipment manufacturers and electronic manufacturing services providers globally, distributing electronic components and embedded systems from leading manufacturers and providing associated design-chain and supply-chain services.



Avnet Technology Solutions

Collaborating with customers and suppliers to create and deliver services, software and hardware solutions that address the business needs of end-user customers locally and around the world.

Logistics Mission Statement

Mission:

“Accelerate Success by providing Market Driven Logistics and Value Added Services for Avnet’s Operating Groups, Customers and Suppliers”

-Logistics Leadership Team



Avnet / Collectron Partnership

- Why a shelter?
 - Reduces transition and start up cost by leveraging local “Know how”
 - Allows complete focus on production line movement - Rapid Establishment of Administrative protocol
 - Maintain understanding of compliance regulations and related supporting actions to remain a good citizen
 - Reduces Exposure but never brand image – you own



Avnet / Collectron Partnership

- Why Collectron?
 - Very engaging group of professionals
 - Local connectivity and professional services contacts
 - Lasting sincere interest in your business while respecting your companies fingerprint
 - Responsible - Actions , billing , putting client first
 - Good Partners – Good Partnership



Why Nogales?

Leverage cost model by having the operation in Mexico

Compete with contract manufacturers

Location to Phoenix – Support / Parts / Expertise

Strong existing technical team

Smaller City w/ Big City Feel (Government and Business Relationships are Key in these regions)

Very Interested in Expanding Business Base

6 Universities. Above Average Educational Opportunities for Local Residents

Proven and Known Shelter Operation (Collectron)

Market leading employee retention



Nogales Facility

- Nogales Sonora, City and port of entry is located in the north-central Sonora state of Mexico; contiguous with the city of Nogales, Arizona



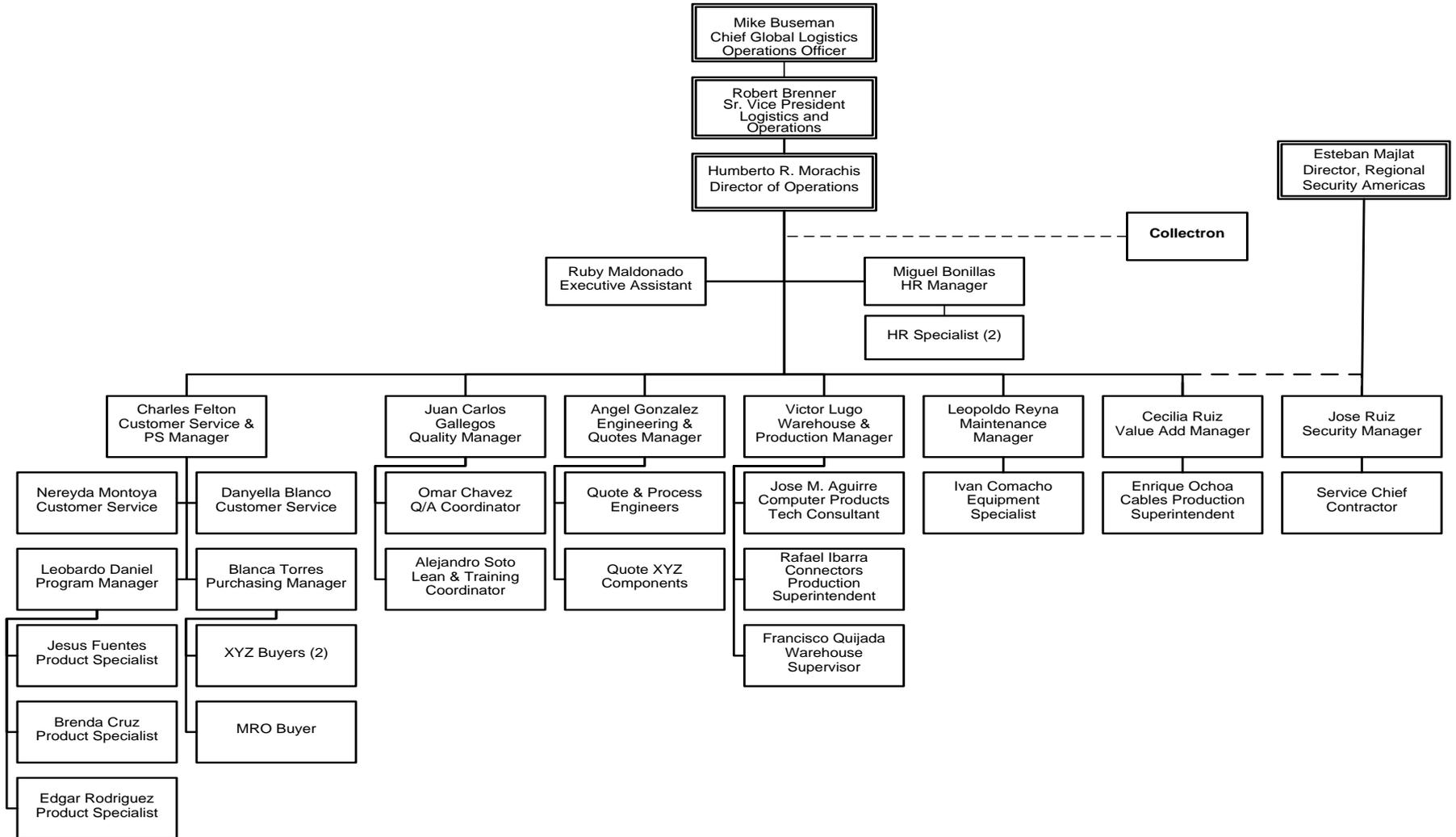
- Total building area: 123,000 Sq. Ft.
 - Available space: 29,000 Sq. Ft.
- Established since 2009 in Nogales Sonora, Mexico
- 180 miles south from Phoenix, Arizona (Avnet corporate)



Back up Slides on Operation?



Nogales Organization Chart

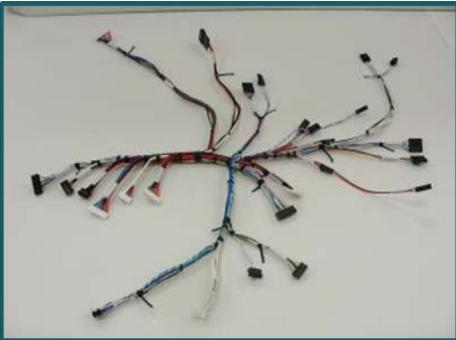


Nogales Facility



Engineering

- Engineering design & handles all harness routing boards, test fixturing, and manufacturing visual aids
- Assembly processes and engineering change documentation
- AutoCAD, among other software, is used in planning and development



- MPI Develop to Specification
- Build-to-print
- Develop and Qualify per IPC
- AutoCAD 2013
- Project Engineering
- Customer Oriented



Customer Service & Planning



- Fully bilingual
- Direct customer contact
- Strategic plans
- Execute management
- Flexibility

Cycle Time

- Cables: 5 days
- Connectors: 3 days

On Time Delivery 98%

Quality FY'14 111 PPM's



Nogales Facility

FY' 14 Nogales Production

	Cables	Connectors	Total
Assemblies	2,332,462	6,680,557	9,013,019
Orders	17,072	53,248	70,320



Nogales Facility

Warehouse

- RF Technology
- Barcode for traceability, accuracy & efficiency
- ASRS (Automatic Storage Retrieval System) to maximize storage space utilization
- More than 20,000 sub-components
- Space for growth
- Major carrier shipping systems on site (FedEx, UPS, DHL, etc.)



Nogales Facility

Storage



- Pallets Location Capacity
 - 1150
 - Space to increase 800 more
- Locations
 - Racks: 1,630



Nogales Facility – Certifications



- ISO 14001:2004
- ISO 9001:2008
- AS 9100 C
- ISO 13485:2003
- UL Certification
- CSA
- ITAR Registered
- C-TPAT
- Category-C Distributor for Some Military Connectors
- IPC Standard
- Lean Logistics / OPX
- ESD Controls



Our Associates - Our Force.

Through the constant recognition and participation programs for our associates, Avnet Nogales has achieved stability in its workforce that allows us to strengthen and optimize our results with teamwork.

- Average Tenure of Management 4 years
- Associates Tenure 40% > 4 years, 30% > 2 years

With over 80 years of combined experience in the area of manufacturing, Nogales management offers a wide range of expertise in Electronics, Electromechanical, Wire and Cable Harnesses, Industrial, Commercial and Medical Industry products.

*2014 Excellence Students
Recognition for Sons of
Associates*



*Continuous Improvement
Kaizen & 5's Competition
Quarterly*



*Perfect attendance on
December*



Thank You

