

Unlimited capabilities

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The recent acquisition of Corvallis software firm IDX Robotics by Albany-based MEI is expected to enhance the company's position as a developer and producer of wet processing equipment for microchip producers and high-tech manufacturing systems.



David Patton/Democrat-Herald
Skip Marler, president and chief operations officer of MEI, explains the products they make out of chemical resistant plastics.

MEI was founded in 1990 by the Marler family of rural Sweet Home.

It has grown to employ 65 people and was purchased in 2004 by Dan Cappello, a former trader on the New York Stock Exchange. Cappello is the company's CEO. Skip Marler, who has been with MEI since its inception, is president and chief operating officer.

In its simplest form, the company produces wet processing systems for the microchip industry. But, in reality, it is a fully integrated operation that offers a multitude of services to the microchip industry, including development of clean rooms, processors, cleaning systems, software controls and interfaces, hardware such as chemical tanks and motion devices, refurbishing, repairs and spare parts, rigging and seismic anchoring.

MEI can also prepare, crate and ship entire processing lines, either domestically or internationally.

Virtually every process can be done within the company's 40,000 square feet of production space. The main facilities are at 3474 18th Ave. S.E., with an 11,000-square-foot fabrication shop on Highway 34.

Cappello, 43, said that for many years he wanted to own a small business and see it grow. He brought to the table a bachelor's degree in math and economics from Hobart and William Smith Colleges in New York and an MBA from the Kellogg School of Management at Northwestern University.

Marler said the company has grown by about 20 percent each of the last two years. That growth has come as Oregon's high-tech industry has rebounded after a downturn in 2001. Also, MEI has acquired several operations that dovetailed with its own needs.

"We like to operate each of our areas as profit centers," Marler said.

"We also look at whether it will support the rest of our company reasonably well."

The IDX acquisition was made in part because MEI had been a client. Marler believes the purchase will help MEI get its foot in the door of more companies through new sales or upgrades for companies with existing equipment.

Although many of MEI's clients are in the Silicon Valley of California, others are in Oregon, Arizona, Texas, Massachusetts and the Southeast.

MEI's crating and shipping division comes into play when microchip processing companies move domestically or overseas.

"This company has grown by word of mouth and its reputation, but we are now becoming proactive," Cappello said. "We have an active sales department with four people working full time and regional manufacturing reps who sell our products on commission."

Marler said MEI's capabilities are virtually unlimited. With numerous CNC (computer numerical control) machines as well as manual and automated milling equipment, the company can produce everything from flat panels made of plastic that is resistant to chemicals used in microchip etching and stripping processes to aluminum structures used to make compound hunting bows.

The outdoor sporting market — including products sold by national companies such as Cabelas — accounts for about 10 percent of MEI's sales, Marler said.

Its metal fabrication department builds frames for equipment and heavy metal plating on which microchip processors can be installed. It can also fill special orders from any number of clients. About three years ago, MEI purchased a powder-coating company which is used for its own products and others.

MEI's premier product is called the Advancer. It's a fully self-contained microchip processor that incorporates a robotic arm, which is also constructed in-house. Each unit takes about two months to complete and ranges in price from \$150,000 to as much as \$1 million.

The company also places staff members at production facilities such as Hewlett-Packard for ongoing system support. "We have anywhere from 12 to 20 guys at HP at any given time," Cappello said.

Such attention to service and fine detail has earned MEI several awards, including two from Analog Devices, a worldwide manufacturer of microchips.

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