



## Endevco Sunnyvale Develops an ERT

*Safety Improvements Continue with a Complete ERT System. Green Boots are More than a Fashion Statement.*

A milestone has been reached at Sunnyvale. SV recently invested in all the materials needed for a complete ERT system including SCBA's. An SCBA is a Self Contained Breathing Apparatus, which is basically SCUBA without the U (Underwater). (SCUBA tanks have different fittings) Sunnyvale's wafer fab uses many hazardous chemicals & gases which necessitates specialized

emergency response procedures. Eight of Sunnyvale's 30 employees have recently completed First Responder Operations (FRO) ERT training as well as CPR/First Aid training. Sunnyvale has made a phenomenal number of safety improvements and upgrades in the past year and continues to strive to make the workplace safe and comfortable for all employees.



*Al Silva & Hua Han wearing SCBA's & Level B Haz-Mat suits at a practice drill. Nice Boots!*

## Shocking Developments

*Endevco SJC Announces a Lifesaving Defibrillation Program*

Employees, customers and visitors of Endevco will have a better chance of surviving a cardiac arrest because of newly installed automatic external defibrillators (AEDs). The AEDs are part of the company's new public access defibrillation program, which trains company volunteers to recognize a cardiac emergency and use the device to shock the heart into a regular rhythm. "We want to be sure we can effectively respond to any medical emergency that happens on our property," says Tom McDonnell.



Death usually follows unless a normal heart rhythm is restored within a few minutes. Defibrillation, which means delivering an electrical shock to the heart, is the only known treatment to restore the normal rhythm. For every minute defibrillation is delayed, the victim's chances of survival go down 10%. Endevco is working with S.H.O.C.K. for Life to setup our program.

Every year over 500,000 people suffer cardiac arrest and only about 5 percent of them survive. Cardiac arrest is a condition in which abnormal heart rhythms called arrhythmia cause the heart's electrical impulses to suddenly become chaotic. When this happens, the heart stops abruptly, the victim collapses and quickly loses consciousness.

*Emergency Response Team (ERT) Members from left to right: Al Silva, Gene Ono, Mike Green, Joe Fagundes, Bill Hoffman - ERT leader, Ed Beltran, Hua Han, Don Danielson.*



## It's Not Trivial at All

*The NEW Endevco Intranet Debuts with a Contest.*

As a fun way to kick off the launch of Endevco's new intranet, an online trivia contest will be held. There are great prizes to be won such as DVD players, Endevco polo shirts, Swiss Army Knives, Clocks, and more. One lucky winner will proudly have his/her boss buy Krispy Kreme donuts for their entire department! If contest participation goes over

150 people, David Savage will take a pie in the face! To enter, simply log into the company intranet and find the Trivia Contest link on the front page. After registering, log in and answer the 8 multiple choice questions by exploring the intranet or [www.endevco.com](http://www.endevco.com). You may change your answers at any time. In August all correct entries will be placed in a raffle for prizes.

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## The Sunnyvale Expansion, Dan's story continues....



Last month's newsletter brought us the first of a two part series introducing some of us to exactly what the Sunnyvale Facility does and what the expansion plans are for the future. This month, the discussion concludes with Processes, Capacity and ... the Future.

Awareness Team (AT): You mentioned Technology earlier (Editor: "last month")- What did you mean by that?

Dan Siems (DS): EXPANDING our Technical capacity means being able to process silicon the way the DESIGN intended. Currently, we either compromise the DESIGN - giving up functionality - or compromise the PROCESS - giving up yield - in order to meet the customers requirement. There is nothing wrong with that - it's almost another rule! In Sunnyvale's case, however, new process technology has become available - requiring investment - that would break this technology constraint.

AT: Sounds simple enough. What keeps you from getting it done?

DS: The short answer: Operating Costs. But really, Throughput.

AT: Now you lost me.

DS: Not so simple, is it? An example will help - one of many, I'm afraid. We have a process that costs about \$0.50 a wafer - most of it variable cost (people's time and materials). This process - very clever and effective - is inherently defect prone. Although it is unknowable, we have a high degree of confidence that yield could be improved if we invested in a new process - a piece of very expensive equipment. At the same run rate, the new process would cost about \$5.00 a wafer more - almost 10X more - but not in people's time or materials, in equipment depreciation expense. Again, we believe yield would go up if we used the new, more expensive process. What do you do? Should you buy the new piece of process equipment? What information would you need to make this decision?

AT: I suppose you would need to know the yield improvement gain....

DS: And ....? What is being impacted? Operating Cost, Throughput, Inventory?

AT: Throughput would go up as yields go up.

DS: Only if this is the bottleneck of the fab. Just to make it easy on you, let's say it is ... because if it isn't, you are on thin ice

.... So, Throughput up. Anything else?

AT: Operating Costs would go up as well ... not a good thing.

DS: Correct. So what would you do to mitigate this?

AT: That's easy, run the equipment more - increase utilization to spread the operating costs over more wafers (die).

DS: Yes. Which implies there ARE more wafers TO BE run. Which implies two more things - the market will buy more wafers from us AND the downstream operations (SJC, TTI, China, ...) could process more wafers from us. By the way - since Sunnyvale only runs 1 1/2 shifts now - adding another shift would get the same output in less time ....

AT: Your point, please.

DS: Investment in Sunnyvale must occur with an expansion of the market, otherwise we will have idle expensive capacity - high operating costs. In other words, the new capacity must be used - more throughput - to keep operating costs down.

AT: There's something else ... what about yield?

DS: Yes! Another rule - When yields improve upstream, they also improve downstream. If we invest in yield improvement so that quality improves in downstream operations - say The Pressure Area - then THEIR capacity increases - which can be converted into lower operating costs or higher throughput.

AT: So spending some money in Sunnyvale will result in lower operating costs in SJC?

DS: Not all the time, but that's the idea, yes. Which really makes this more than just a 'Sunnyvale' expansion. Our success is best measured by the success of our customers. For Sunnyvale, our customers are the obvious downstream operations that receive our product. But also - and maybe more importantly - our customers are Marketing, Sales and Customer Service. The more they can sell - not just numbers but also quality and function - the more we all win.

Meggitt:  
Growing toward  
the Future

Meggitt announces a new member of the growing Meggitt Family: **The Design & Manufacturing Division of the Dunlop Standard Aerospace Group.**

Commenting on the proposed acquisition, Terry Twigger, Chief Executive of Meggitt, said: "This a further major step in the growth and development of the Meggitt Group. The Design & Manufacturing Division has excellent positions in the global aerospace and defense sectors and with its installed base of products provides a very strong aftermarket business."

### Endevco Intranet Debuts (cont.)

An intranet is a restricted web site that only employees can visit. For many companies, it is the key medium for employees to share information and resources efficiently. Some larger companies have been able to use their intranet to also automate many administrative processes, freeing employees from repetitive and time-consuming tasks.

All Endevco employees are encouraged to explore both our intranet and our website frequently. As more content and functions are placed on the intranet, it will become an increasingly important tool for the entire company.

Department managers are strongly encouraged to keep their intranet content up to date and relevant. As part of the release, a grace period is being offered for all content managers to add/delete/modify intranet content quickly and without having to go through the IT help desk. After this period, all updates will have to be queued through the IT help desk.

For questions concerning the contest, the intranet, or updating the intranet, please contact Kheng Ang, [Kheng.ang@endevco.com](mailto:Kheng.ang@endevco.com) or ext. 498.

## Security Refresher: "The Bubble" Concept

### INSIDE The "Bubble"

1. Endevco Corp. (SJC/SV/TTI)
2. Meggitt Defense – Tustin
3. Meggitt Defense – Fullerton
4. Western Design
5. Meggitt Safety Systems (MSSI)

Remember: Any Endevco employee visiting a Meggitt Facility "Outside the Bubble" needs to submit a Visit Request before they go. That is any Endevco employee at any level, not just Managers and Directors.

### Who is OUTSIDE The Bubble? Everybody Else

Including: Meggitt PLC, Meggitt USA, Meggitt Electronics, Meggitt Xiamen, Endevco UK, Endevco France, Endevco Germany, NACESA, Piher, and ALL Other Meggitt "Sister" Companies and Affiliates

### FEEDBACK FORUM

Please contact any of the people listed below if you have suggestions, questions, comments or concerns regarding this newsletter, all-hands meetings or just need information.

Story submissions welcome!

Tom McDonnell x.288, Jeanne Workman, x.480, Sharon Wood, x.361

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