





Entrepreneurs & Community

# STEWARDS

for 75 YEARS



#### **Written by Stacey McCarthy**

recision Automation® Company, Inc. was established in 1946 by Fred Rexon Sr., an engineer, a tool maker and entrepreneur. What began in a garage in New Jersey now supplies complete automation services and a plethora of related services to all of North America and around the globe. It also maintains a positive presence within the community.

Rexon's company was originally called Precision Parts Company, with a business model of making machine parts for local manufacturers. Over the course of his first few years in business, Rexon grew out of his garage and moved to a small building in Haddonfield, NJ, suburban Philadelphia.

By 1953, he had established a second manufacturing facility in southern Indiana, drawn there by a customer who was moving their operation from NJ. That facility operates today, although renamed pāco manufacturing® (an acronym for Precision Automation Company), and is still wholly owned by the Rexon family.

As the company continued to grow and expand its services, the name of the company was changed to Precision Automation® Company, Inc. in 1972 to better describe its product offerings, which were designing and manufacturing automation machinery and automated systems. >>

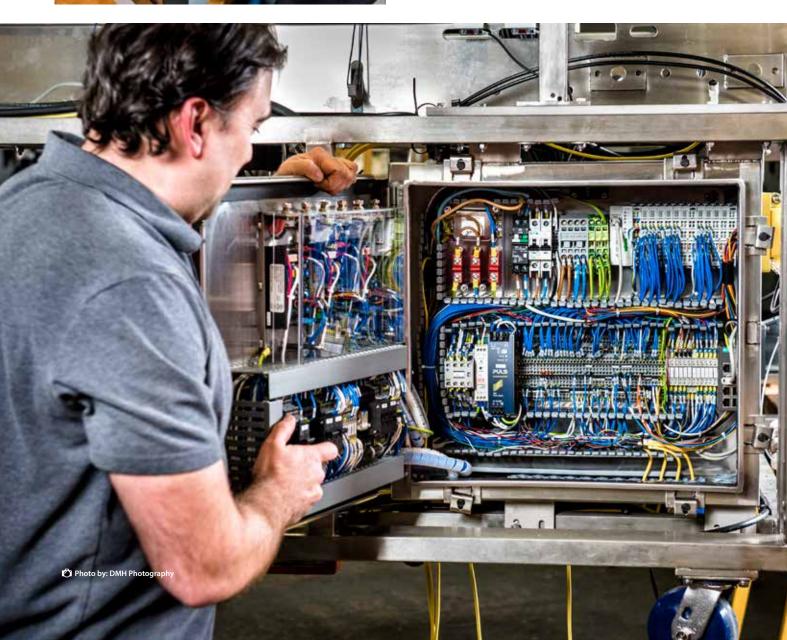


"We got into conveying, material handling, and some other areas, like custom automation and robotics," says President and CEO, Fred Rexon Jr. "Today we're continuing on that same path, providing automated machinery and systems integration services."

In 1979, Fred Jr. joined the business upon graduating from the engineering program at Drexel University. Fred's son Dan joined in 2010 with a business degree from the University of Delaware, becoming the third generation in the company.

Precision Automation® is in its seventh and current location, in Cherry Hill, NJ, and while it has expanded its service offerings, the fundamental principles of the business have never changed.

"I like to tell people that the core of our business is unchanged over 70+ years," says Dan Rexon, now the company's Sales Manager. "We have a sizable machine shop with increased capabilities from where we were in the late 1940s, but we still offer machine shop services, tooling, parts and subassemblies as necessary to our customers. We also use the machine shop



and that core backbone to support the complete automation solutions that we design and build."

The team services a diverse variety of industries but their primary customers are manufacturers of food and beverage, pharmaceutical and consumer goods products. "pāco manufacturing does a lot of business in the automotive industry as well, and our material handling group has really opened many doors in the warehousing and distribution realm," says Dan.

The company customizes solutions that help improve processes for its customers, such as material handling and packaging solutions in Amazon- and Costco-style warehouses and distribution centers. It has also developed strategic partnerships to represent a line of labeling and marking machinery. "In the broadest sense, we supply equipment for people who make things," Dan says.

### "We're a collection of people who care about the community that we operate in."

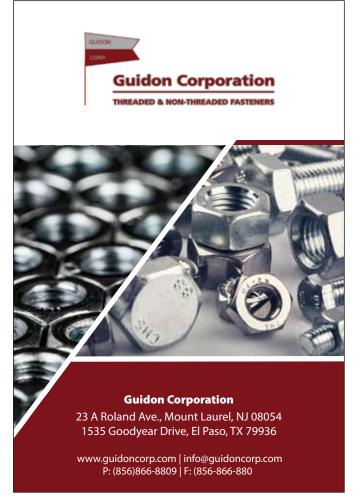
The team is proud that all of their equipment is designed and built in America. They are ISO 9001:2015 certified, and are committed to the quality, support, service and relationships that go along with that.

"Our customers tell us what their pain is – where they're struggling, where they're inefficient – and we'll determine the best solution for them," Dan explains. "Often times, we will integrate a solution, utilizing standard off-the-shelf packaging machinery, then design a material handling concept to provide a turnkey system. We don't say 'no' to a lot of applications because if standard solutions don't exist, then we can design and build something from a napkin sketch and go from there."

Precision Automation's customers are spread out across North America, including Canada and Mexico, and it has the ability and capability to sell into global markets as well. The majority of them, however, are in the United States.

The company has made some minor acquisitions over the years, but it has been a privately held family business from the beginning. It has 60 employees in its New Jersey location, and another 35 in Indiana, with sales engineers in more remote parts of the country.

The senior management team is made up of individuals who have been with the business for their entire careers – many for 40+ years, like Fred Rexon Jr. In fact, there are quite a number of employees in different functions who have been around for 30 or more years.





▶ "Our longest tenured individual is a welder, which is exciting because it's not just senior management that's been sticking around with us through the years; it's personnel in all functions," says Dan. "Harry has 52 years in our business as of this year and our current CEO of pāco is in his 55<sup>th</sup> year. That's something we're really proud of – the way that people have made careers in our business. It really adds to our family atmosphere," he says.

"It has become a family business for other families as well," continues Dan. "I can rattle off multiple generations working in our facilities in both New Jersey and Indiana. While we are a family-owned business, we're seeing other families make it their home too, which is a testament to who we are. We're very proud of that."

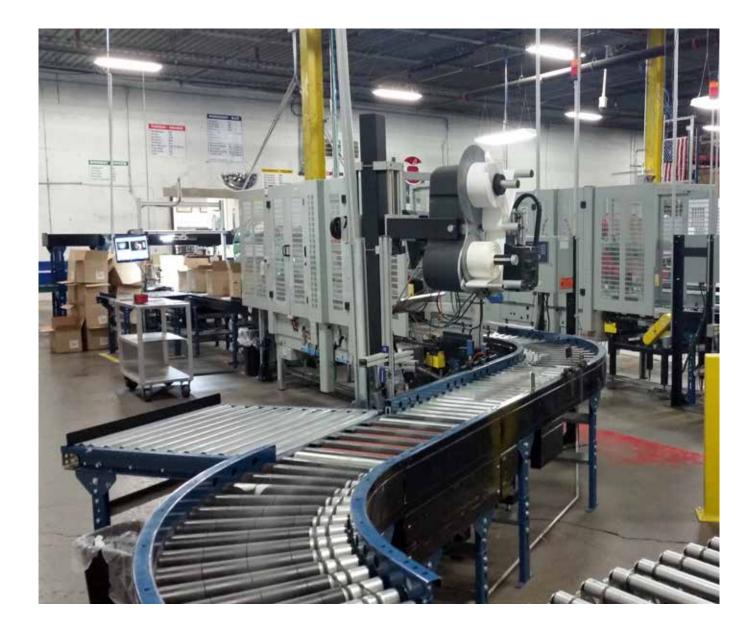
This family operation is also very focused on efforts that support the communities in which it operates, and shows this support by holding local food drives, being involved with the chamber of commerce, and hiring Veterans to work in company facilities. "We're a collection of people who care about the community in which we operate and having it thrive along with us," says Dan.

Something that people might not realize about this company is that in addition to its more standard types of manufacturing operations, it has also completed – and repeated – some very unusual project work.

"We've manufactured chicken-egg inoculation equipment that's vaccinated just about every chicken you've eaten in this country and around the world," says Dan. "We've built over 1500 of these systems. These machines are a drug-delivery system for animal-health pharmaceuticals."

## "We use that machine shop and that core backbone to support complete automation solutions."

It becomes clear that the cornerstone of the company has been the diversification of its customer base. The Rexons note that this diversity has helped the company through the ups and downs of nearly 75 years of business.





"I really like what we do because every day is different," says Dan. "Some days I'm in a candy factory smelling licorice, and the next I'm in a pharmaceutical clean-room environment working on an entirely different type of solution for our customers. Whether they're specialized packaging machines, labeling equipment, material handling, or really anything in between: that's where our business has to be versatile. Our engineers have to be capable of addressing different needs of different customers in different industries."

### "The team is proud that all their equipment is designed and built in America."

The biggest challenges the company faces today are the same as most other manufacturing companies – being able to find skilled technical help in roles such as: CNC machining; welding; controls engineering; automation software; and sales engineering with applicable experience.

The company has been proactive in its recruiting efforts, and has established a program designed to attract young people who are interested in on-the-job training.

"We have a continuous apprenticeship-type training program in our shop and we're bringing people along, and if we can get some younger individuals that are mechanically inclined, that like to work with their hands, we can train them to run a CNC machine or assemble machinery," Fred says.

When asked what the company leadership was especially proud of, Fred's reply is thoughtful rather than a thumping of the company chest.

"Our biggest success is basically that we've been in business for almost 75 years now... and how, over the course of those 75 years, we've supported hundreds of families, enabling individuals to earn a wage, grow with their own family, send their kids to college, and live happy, successful lives."

Looking ahead to the future for Precision Automation®, the plan is to stay the course. "Our objective right now is to continue to grow slowly and steadily," says Dan. "Continue to be good stewards of our communities, support our employees, continue to grow that family aspect of our business, support our customers... and continue to hold onto those relationships that have made us special over the years. That seems to have been our recipe for success over the first 75, so I don't see why that would change for the next 75."



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