



RAM INC.

News
Winter/ Spring
2020

RAM 30 Year Anniversary

In 1990, Bob Morris worked at ITT Aerospace where he was tasked with finding a material to meet high strength, low weight and chemical resistance for a Texas Instrument valve. In researching different materials, he found a plastic called PEEK (polyetheretherketone) which is stronger than aluminum and also lighter. Being in the aerospace field, this was of great interest to him. Engineered thermoplastics represent weight and cost savings for all aircraft and in 1990 this represented a NEW manufacturing process with significant potential. That discovery led to the development of aircraft valves of plastic material and eventually to the development of RAM, Inc.

Since then, RAM has grown to over \$7m in annual sales under the leadership of Diann Morris and Richard Williams (pictured below). RAM products are in service worldwide on Boeing Commercial Aircraft, Bell Helicopters, Javelin and Patriot missiles, and many more.

RAM's mission is to bring value every day to our Customers, Suppliers, Shareholders, Community, Regulators and to each other. We do this by delivering Conforming Parts on Time!



**Delivering
Excellence
Through
Engineering,
Quality,
And
Customer
Service**

In This Issue

- Outreach to Students
- Customer Success Stories
- Sustainability
- RAM Expands Facilities & Capacity
- COVID-19 Update
- Employee Spotlight

“I am convinced that each person has a creative “self” that , when connected to others that foster creativity, will find extraordinary value personally, and as a team.”

Richard Williams, CEO, RAM Inc.

RAM's Customer Celebrates Success



RAM provides injection molded components for the PrSM program & celebrates with Lockheed Martin in this successful test.

April 30, 2020—Press Release: Lockheed Martin successfully tested its next-generation long-range missile designed for the Army's Precision Strike Missile (PrSM) program at White Sands Missile Range, New Mexico. All objectives were achieved in the third and final flight demonstration as part of the Technology Maturation and Risk Reduction phase of the program. Today's flawless performance follows a highly accurate inaugural flight last December and equally successful March 10 test event.

RAM Services

LASER Scanning
ASTM Testing
Material Testing
Reverse Engineering
X-Ray Testing
Mold Flow Analysis
Tool Design
Component Design
Metal-to-Plastic Design Coordination

RAM Engineering Tools

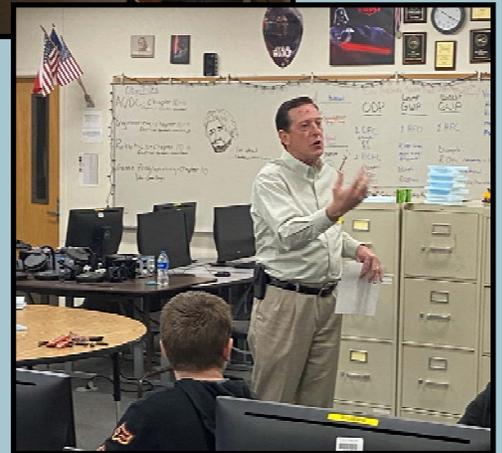
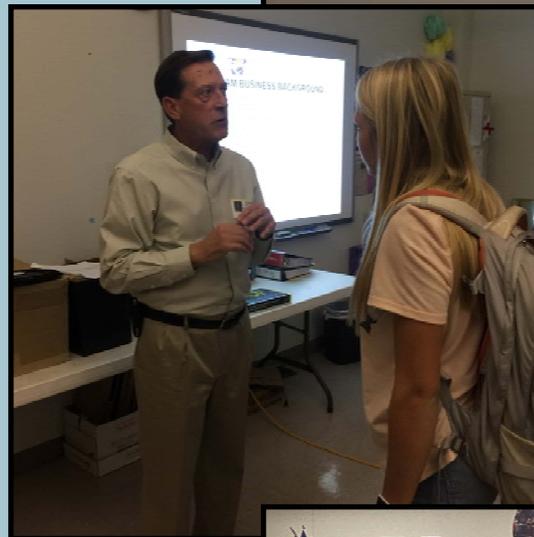
SolidWorks
SolidWorks Plastics Module
PC-DMIS - CMM
CAMWorks
Digital Vision Inspection System

Reaching Out to the Community

CEO, Richard Williams, Engages School Students

In February, Richard Williams visited several area schools to speak to students about how to be successful in their education and subsequent careers. He encouraged students to develop technical skills as well as “soft skills” in order to achieve success. These soft skills include teamwork, communication, creativity, critical thinking and divergent thinking which are highly sought after in the business world today. He also spoke about the importance of understanding the basics of success, no matter the business, which are Customer Service, Quality Work and Continual Cost Cutting, as well as highlighting local universities that offer pertinent degrees that are beneficial for high school students to consider, in pursuit of a career in manufacturing.

A recent BCMA* survey revealed that there are many misconceptions from students about manufacturing. They often believe that all manufacturing jobs are construction related or that they are dangerous. Through RAM’s partnership with the BCMA, students are learning about the many varied careers that exist in manufacturing. The hope is to bring students the awareness and desire to be a part of the exciting jobs that are available right here in West Central Texas.



“BCMA - a Public/Private Partnership Investing in Next Generation Innovators. Our investment in BCMA follows our commitment to our Community, STEM Education and Regional Economic Development.”*

Please take a few minutes to view the video below:

<https://raminc-cisco.com/wp-content/themes/ram-inc/videos/video-3.php>

RAM Expands Facilities & Capacity

New Shipping Space & Dock

An expanded and dedicated area for shipping results in improved flow of incoming and outgoing freight. RAM renovated an existing portion of the building to house the shipping department. A dock height door and shipping lane allow for easy access loading and unloading.



Jet Bandsaw

Used to significantly improve cutting rod & bar.

HAAS TM1P Mill

The New HAAS TM1P is the 5th Mill with 4th Axis Capability

This Mill provides a 20 % increase in 4th Axis Machining Capability and 10% Increase in 3rd Axis Machining Capability. Further the "P" designation identifies this mill as containing a Renishaw "Probe" adding high precision locating automation thereby reducing set up times and touch labor.

HAAS VF-2 Mill

A 15% increase in 4th Axis Machining is now available with the New HAAS VF-2 Mill. Machining loads on the HAAS VF3 & Bridgeport VMC760 machines will also experience a significant benefit.

Sustainability - A Message From the CEO

Throughout my career, I have led troubled and transitioning companies through turnarounds by executing the purchase of 35 small, medium and large companies over 30 years mostly in transportation and logistics. Most of these efforts were successful but there were a few failures – one failure was significant to me personally and to our entire team. As a part of this process, we completed due diligence (intensive operational and financial analysis) of about 200 companies. In these cases, even though we signed an initial Letter of Intent, we decided these companies did not meet our acquisition criteria. I would like to share with you some of what I learned.

“Leadership rests on three core basics—
Vision, Passion, and Humility.”

The first thing I learned is that we make mistakes, we fail and these mistakes and failures are painful. Furthermore, mistakes and failures are unexpected – with unexpected results. With that in mind, I can also say these failures were instructive and ultimately beneficial. A key lesson I have learned.... Pain is Good... without which, likely we will not learn. Just as, and perhaps more importantly, my experience has taught me there is an unexpected gain that follows an unexpected loss. The customer for whom you have made a mistake or caused a problem – when handled with honest transparency – is actually a closer and more connected partner after the mistake than before. I have experienced this

many, many times. It is counter intuitive, but mistakes make us better – teach us humility – bind us in [strengthened] relationships.

The second thing I have learned is Leadership rests on three core basics - Vision, Passion and Humility. A vision setting the team direction is critical as the team must all move together in the same direction or it will pull itself apart. Teams without vision will wander and find it difficult to move in any direction thereby becoming stagnant with divisions, jealousy and discord. Passion is infectious and taps into our humanity with inspiration. The inspired reach beyond the expected and connect with creativity. Humility is the simple realization that we are essentially human – all of us. Once we view ourselves, our team, each other as common in our humanity we understand each individual brings value. When valued, each of us will rise beyond what we otherwise believe is possible.

I have titled this note “Sustainability” which I define as lasting value – or long term success. I have learned over my career that there are three general stages in a turnaround (troubled businesses functioning in a sound market – not dying or obsolete markets). A business in this condition will have many problems which must be addressed by leadership with Vision, Passion and Humility (as outlined above). These business will go through three stages:

Building Morale and Motivation

Troubled businesses are lost and hurting. They are low on both financial and human capital. They are out of cash and the team is dispirited - work is a chore and not a joy.

This is the most important First Step in a turnaround.

If the leader is not successful in building morale and motivation – the turnaround will fail.

Innovation – Top-Down

Creativity and Innovation are the keys to all wealth whether personally, in a business, community or nation. All wealth comes from creativity and if the team has not practiced creativity and innovation they will not know how to do so. They need this creativity modeled. In this critical second stage of a turnaround the leader must carry the responsibility to innovate within the organization. The key drivers of the business model must be determined and exploited through innovation. Simply put “Find What Works and Make It Better”.

Sustainability (Continued)

Troubled businesses are stagnant and the team is not innovating. They are not taking risks, not realizing the learning coincident with failure and therefore not finding successes. The team is both afraid to fail and afraid to succeed and their fears lock them in this stagnation.

In this stage the leader must innovate while teaching the team that it is safe to fail and succeed.

If the leader cannot begin this innovation process, the turnaround will fail. It follows that if innovation begins but does not happen quick enough to recapture both human and financial capital before the company becomes insolvent – the turnaround will fail.

“The failures will be unexpected, but expected and the benefits will be unexpected but planned”

Lastly, Top-Down Innovation can only sustain a company for a short time depending upon the volume. The smaller the company, the longer one or a few innovators can sustain the company. Larger companies or growing companies cannot rely upon one or a few innovators and if the transition to step 3 does not happen at the right time, the turnaround is likely to fail.

Innovation – Bottom-Up

This is the third phase of establishing a Sustainable Business Model. Bottom-Up Innovation is when the entire team is passionately involved in the vision and continually and organically innovating. This is where each member of the team – across all disciplines – maintenance, manufacturing, engineering, finance and sales - all – each individual – innovates. They “Find What Works and Make It Better”.

Companies that fail to create innovators of every team member will eventually fall short of their potential. They may survive and perhaps thrive for a period, but they will not have found their best.

Companies with a full team of innovators will be ultimately sustainable as markets change, technology changes, customers change – everything changes – these companies will organically adjust, find new opportunity and exploit those opportunities with surprising results.

These companies will have failures. Each of these failures will be followed by successes that will overwhelm their failures. The failures will be unexpected, but expected and the benefits will be unexpected but planned.

When functioning in this phase, no one person or small group of persons are essential to the ongoing success of the business and a company in this stage cannot fail. It may (and likely will) change drastically through many years as markets and customers change – but this team will be a business team that can operate any business in any market.

My view is that our company is at the beginning stage of phase 3. We have not mastered this phase and many (perhaps most) in our team do not yet innovate. I believe it is critical to the long term success of our company to fully engage each person on our team in creative innovation – to establish a culture where “Child Like” Joy of Discovery displaces “Childish” Distraction.

I am convinced that each person has a creative “self” that when connected to others that foster creativity will find extraordinary value personally, and as a team.

Our long term success – **Sustainability** – depends upon creating this team of innovators. We do this by **Finding What Works and then Making It Better**.

Richard Williams

CEO

Team Member Spotlight



Vacuum Forming Technician, Richard Yancy, is a valued team member of RAM, that has been with the company five years. He likes to spend his weekends fishing, working on his farm or attending auctions. Also, he is actively learning more about the auctioneering business and is currently enrolled in a training course at America's Auctioneer Academy to obtain his Auctioneer's License. Baseball is his favorite sport to watch and he always roots for the Texas Rangers. Going on cruises is his favorite hobby and he would also like to someday try "two tank" scuba diving. If Richard could go or explore anywhere in the world, he would choose the Mariana Trench. Richard's favorite quote is "Good is the enemy of great," by Jim Collins, he keeps this in mind when he is working to meet or exceed our customer's expectations.

Update on impact of COVID-19 at RAM

As of this date – there is no change in or interruption to our operation. Our workforce is fully functioning with no impact from the novel virus. With the changing situation there may be impact in the future and if so we will update our customers immediately.

Our company has taken common sense precautions as below:

- We have restricted travel outside our general area.
- We have limited visitor access to our facility.
- We have given our workforce common sense guidelines to protect our team from the spread of viruses – social distancing, hand washing and others.
- We have initiated aggressive, multiple daily cleaning of common contact surfaces within our plant.
- We have increased our workforce headcount as a precaution against the potential of higher than normal absences.

We have seen no interruption in our raw material supply chain. For the few assembly items sourced outside the US, we are carefully watching for supply interruption and have not experienced any interruption as of this date. Further, we are executing our strategy of increasing raw material inventory purchases to cover planned need beyond the end of 2020.

RAM intends to continue operations and our workforce fully supports our intention. We are confident the entire supply chain will weather this storm and ultimately learn lessons that will enhance the resilience of our industry.

Please email with any questions regarding our products and services at



RAM Inc.
808 E. 6th Street
Cisco, TX 76437
Phone: (254) 442-1008
Fax: (254) 442-1009

CEO Richard Williams
Program Management
Jay Hunter
Mike Lewis
Danielle Rogers