



First in Universal Distribution

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Universal Distribution promises to revolutionize electronics supply chain...

COMPONENTS INTERNATIONAL COMMITS TO UNIVERSAL DISTRIBUTION

LAS VEGAS – EDS 2005, SUITE 3206-P, May 5, 2005 – Components International, the electronics industry's first Universal Distributor, is committing its resources to revolutionize the electronics industry supply chain. Offering a paradigm shift for the industry, the company now offers a complete suite of services aimed at correcting current industry inefficiencies in infrastructure, inventory, logistics, staffing and systems. With an ever-increasing number of OEMs, EMS firms and suppliers struggling to survive in a tightening electronics market, Components International's new service-based model will redistribute power and profits equally across the supply chain, eliminating the faults that have evolved with the current system and enabling OEMs to concentrate on their core competencies.

Universal Distribution is a holistic approach to all sourcing-business issues that delivers continually compounding cost and profit benefits from the start of each sourcing activity. Universal Distribution offers a value-added suite of services for electronics companies, resulting in an opportunity for manufacturers to shift these burdens to a specialized service provider, streamline manufacturing operations and enhance profitability.

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Overhead costs, diseconomies of scale associated with purchasing and component-engineering costs consistently result in overhead expenses that pose the largest threat to profitability. Other inefficiencies in the current system include inventory management issues, customer service, market competitiveness, time-to-market struggles, and overall costs that diminish bottom-line profitability.

“Manufacturers are struggling with forecasts and profitability and all but the biggest suppliers and purchasers are fighting to gain any recognition in the distribution system. Anyone who knows much about the electronics supply chain can easily recognize that the current system is inefficient and outdated,” said Nathan Hecht, CEO of Components International. “With the new Universal Distribution model, the supply chain will be fully-integrated and the old ways will no longer drag down the entire system. OEMs, EMS firms and suppliers can now focus on the profitability of their core competencies, allowing us to take the responsibility for efficient sourcing services.”

The Universal Distributor is a central resource that utilizes economies of scale to offer efficient and affordable partner services. Because of the scale advantages, even the largest manufacturers would be unlikely to achieve comparable efficiency without outsourcing at least a portion of such activities. For example, shared purchasing power through a Universal Distributor significantly reduces the burdens that many manufacturers and suppliers struggle with under the current distribution model.

Components International’s Universal Distribution services will be fully-customized to each individual partner, allowing customers to pick, choose and sample any combination of offerings to match their procurement and component engineering needs – large, medium or small. These services will be targeted at resolving infrastructure, inventory, logistics, staffing and systems efficiency issues through a full suite of procurement and inventory management programs, and component engineering outsourcing services. From design assistance to component specification and qualification to delivery, services are designed to streamline individual businesses making procurement, engineering and production processes economically efficient and more profitable.

“The increased efficiencies throughout the system will enhance time to market and have a significant impact on market competitiveness, particularly in light of the growing global competition,” said Hecht. “The best way to compete in this market without moving offshore is through a reduction of overall costs, resulting in an enhanced bottom line through outsourced management and integration of otherwise inefficient and high-cost activities. Manufacturers simply are not getting this support from the current system and the effects are dragging down the entire supply chain.”

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For more information about Components International, visit www.comp-int.com or contact the company at sales@comp-int.com or 718-782-2733.

About Components International

The industry’s first Universal Distributor, Components International serves a growing number of global OEMs, CEMs and distributors in both commercial and federal/military contracting markets worldwide. The company promises proven quality management systems through ISO 9001:2000 certification, and has current SDB, 8(a), MBDA and HUBZone certifications. Founded in 2001 and headquartered in New York, N.Y., Components International conducts business through offices and partnerships around the world, including the United States, Canada, Mexico, Austria, Israel, China, Singapore and Russia.

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