

Contec Americas opens new manufacturing plant; longtime Henderson client

By Ken Datzman

In pretty much any area of business, the relationships you build with your clients and customers will ultimately determine your success.

No matter how you size things up in today's fast-changing business world, it's still about relationships. Successful customer relationship management is a proven path to growth, and this is especially true in the field of commercial real estate.

Landlords can grow right alongside their clients if they are able to manage their relationships and offer solutions to businesses expanding in a marketplace.

An example locally is the longtime tenant relationship Henderson Southeast Corp. has had with Contec Americas Inc., whose company presence goes back many years in Melbourne.

"They started their first lease with us in 1993 — 25 years ago — occupying a 2,293-square-foot facility on Penn Street at the Airport Corporate Center in Melbourne," said Realtor Sandra Smith, property manager for Henderson Southeast Corp., which has been serving clients here since 1986 with various services, including build-to-suit development.

"Through the years, the company grew to occupy 31,000 square feet there. So over a period of 15 lease amendments, Contec grew from 2,293 square feet to 31,000 square feet. And now they've just moved into their new 50,492-square-foot U.S. headquarters and manufacturing facility on Sarno Road in Melbourne. We've had a great landlord relationship with them all these years."

Contec Americas is a fast-growing, cutting-edge global technology design, manufacturing, and integration company with an extensive portfolio of solutions for customers.

Its products and services are sold around the world to customers in various segments, including industrial automation, medical and diagnostics, and transportation, for example.

Contec Americas just put a \$6.5 million facility investment in the hands of Henderson Southeast Corp., which owns and manages a sizable commercial real-estate portfolio in South Brevard County and is part of the Philadelphia-based Henderson Group.

"This expansion is because of the organic growth we experienced at the property on Penn Street," said Alex Blochtein, the president and CEO of



BBN photo — Adrienne B. Roth

Contec Americas Inc. recently moved into its new cutting-edge 50,492-square-foot U.S. headquarters and manufacturing facility on Sarno Road in Melbourne. Contec is a global technology design, manufacturing, and integration company. Contec invested \$6.3 million in the new facility in response to its growth. Henderson Southeast Corp., a commercial real estate firm, has had a long tenant relationship with Contec. From left: Alex Blochtein, Contec Americas president and CEO; Katherine Hartman, corporate marketing, Contec; Sandra Smith, property manager, Henderson Southeast; Megan Smith, property assistant, Henderson Southeast; and Michael Ullian, vice president and broker, Henderson Southeast.

Contec Americas, whose company employs about 100 people, mainly highly technical professionals. "We were having growing pains there. We needed more parking spaces and we didn't have any docking stations. Our new U.S. headquarters facility positions us nicely in terms of being able to accommodate future growth."

He added, "We are in an industry that has a positive outlook for growth. Everybody needs processing capability and smarter machines. Everybody is looking for efficiencies, and that's what we

provide. With better computers, better boards, and better displays, we are positioned to help companies grow."

Blochtein said it's "great to be assembling high-end machines like we do in the

United States. There are just a handful of companies in America that have the capability that we have. Most of our major

Please see Contec Americas, page 23

32904
NEWS, INC.
BREVARD BUSINESS
PAID
US POSTAGE
STANDARD
PRESORTED



Contec Americas

Continued from page 1

competitors are Chinese or Taiwanese companies.”

His company has a far reach across a wide range of industries, including health care. “Most of the blood diagnostic companies probably use some of our computers to analyze the blood of patients. We’ve had a very good penetration into the health-care industry for many years.”

The type of work it does in health care requires approval from the U.S. Food and Drug Administration.

Contec Americas’ computing capabilities are also used in airport security. An example is when you put your luggage on a conveyor belt for screening.

“Some of those belts have up to eight servers. It’s really high-end stuff. They multiplex the data between the computers and the airports,” Blochtein said.

Contec Americas offers a wide portfolio of products, including fully custom computing platforms, rugged industrial computers, displays and data acquisition and control products.

It provides “value through product and innovation, life-cycle management, logistics and post-production support.”

“Our market is big, spread across many different sectors,” said Blochtein.

Blochtein was named president and CEO of Contec Americas about 18 months ago. He’s a veteran business executive who worked for Emerson Electric for 25 years in various leadership capacities.

Most recently, Blochtein served as Nortek Inc.’s president of Latin America and vice president of international business.

He has more than 30 years’ experience with industrial automation in complex global operations.

A Brazilian, Blochtein is fluent in multiple languages, including English, Spanish, and Portuguese. He has a master’s degree in management, finance, and operations from the Thunderbird School of Global Management, part of Arizona State University.

Contec Americas holds a number of certifications by the International Organization for Standardizations, a family of quality-management principles that include the ISO 9000 series.

When a company makes an investment of this size in a facility relocation project, the planning must be well thought-out because the decisions can potentially affect the entire organization.

“Alex and his team did a tremendous job with their planning for this facility,” said dual brokerage license holder Michael Ullian, who is the vice president and broker for Henderson Southeast Corp. and also runs his own full-service commercial real-estate firm, The Ullian Realty Corp. Both are housed in the same building, but have separate staffs.

“When Alex came aboard Contec

Americas, that’s when this project started to take shape and form. He came in and put his team together and defined specifically what they needed in terms of space and desirable facility size. There is a lot of detailed work that has to be done before you can move into a building of this size, especially when you are renovating a facility, like Contec did. So it was a total team effort,” said Ullian.

The local project team included general contractor MEC Contractors-Engineers, run by Luke Miorelli; DNA Architects Inc., led by architect Dave Nagrodsky; Dave DaSilva, who heads up DDC Engineering Inc.; and interior designer Adrienne Chandler of AC Design Concepts.

The project took about one year, including permitting, and planning for the renovation of the vacant building.

Sandra Smith and Realtor Megan Smith, a property assistant at Henderson Southeast Corp. in Melbourne, “managed all phases of the project from day one and did a phenomenal job,” said Ullian. “There are a lot of moving pieces to a project of this size and scope.”

Contec Americas is a member of the Contec Co. Ltd. Group of Japan, which is listed on the Tokyo Stock Exchange. Contec Japan was founded in 1975. It acquired a company in Melbourne in 2012 that is now Contec Americas.

“We are fortunate to have Contec Japan as our holding company,” said Blochtein.

“In Japan, we do some really fancy stuff, from monitoring solar panels to water purification to being involved with the automatic train-control system — making computers and controls and components for transportation.”

Contec Americas made the investment in its facility expansion here in response to its continued growth in the embedded systems, input/output boards, and the industrial Internet-of-Things markets.

The move is one of several key announcements from the company over the past year, which included the opening of its Chicago-area office and the launch of its innovative “C5 Embedded Computer” based on the Intel Compute Card.

The Intel technology delivers a low-power, high-performance platform with a compact footprint. Backed by “proven Intel architecture,” Contec’s C5 Embedded Computer is leading the way for a new class of connected technology “designed to tackle today’s most demanding applications.”

Last year, Contec rolled out an industrial touch-screen PC that can be installed on a desktop and is equipped with an uninterruptible power-supply battery. The new series of panel computers is called “PT-970.” This is an “all-in-one” computer with a built-in 10.1-inch touch-panel LCD. It is being used in a variety of applications, such as operating

terminals for medical Internet of Things equipment and pharmaceutical equipment.

“Our business is centered on delivering leading-edge technology hardware to solve problems for our customers,” said Blochtein. “Our growth is propelled by our customer-focused support services and our relentless commitment to quality.”

He continued, “As the demand for machine-to-machine communication and the Internet-of-Things market grows, we’re seeing a rapid increase in the need for processing power to support it. Our new facility gives us the space and expanded infrastructure to accommodate the growing needs of our current and new customers. It also provides a desirable location for recruiting new talent.”

Machine-to-machine communication incorporates technologies that allow two types of systems — wired and wireless — to interface with other devices of similar configuration.

Machine-to-machine communication is considered to be a very important part of the Internet of Things and has a wide range of applications in areas such as automation, transportation, logistics, utilities and smart grids, for instance.

“We are producing parts in computers that can enable both new machines or old devices to be able to have processing capabilities,” he said.

Blochtein said Contec Americas is “fortunate to be positioned in the Internet-of-Things market. The opportunities are great.”

International Data Corp. recently published a report forecasting worldwide technology spending on the Internet of Things to reach \$1.2 trillion in 2022. The forecast says spending will experience a compound annual growth rate of 13.6 percent through those years.

Internet of Things hardware will be the largest technology category in 2018, with \$239 billion going directly toward modules and sensors along with some spending on infrastructure and security.

Service will be the second-largest technology category, followed by software and connectivity.

“Everybody is talking about the Internet of Things and we are perfectly positioned to capitalize on that future growth,” said Blochtein.

The new location on Sarno Road houses Contec’s U.S. production and fulfillment operation as well as engineering, procurement, sales, and other administrative and executive teams.

The fully remodeled space features:

- An expanded Lean Manufacturing, cell-based production floor with factory automation and proprietary production control and a traceability system.
- A visitor showroom displaying Contec’s Conprosys machine-to-machine/Internet of Things line, embedded and

industrial box PCs, and market-specific custom solutions in the areas of health care, factory automation, transportation, gaming, security and simulation.

● Glass walls and an open floorplan layout, with multiple collaboration spaces and modern sit-and-stand desks to maximize communication, efficiency, and comfort.

“The new Contec Americas campus is a showcase for the company,” said Blochtein, whose firm is involved in the community with nonprofits such as Meals on Wheels, the City of Melbourne’s Adopt-a-Road program, and Community Blood Centers of Florida (OneBlood), among others.

“When you walk through the doors of their new facility, it makes you feel like you really want to come to work here,” added Ullian.

“We really appreciate the great tenant and landlord relationship we’ve had with Contec all these years. Henderson specializes in the development of this type of product with long-term clients such as Contec. But we also work with all types of tenants in terms of their workforce size, from single tenants to large corporations.”

Henderson Southeast is the only satellite office of The Henderson Group. The local office is housed at Airport Corporate Center in Melbourne, the first property the company developed in this market.

The 25-acre wooded park is near Melbourne Orlando International Airport. The Airport Corporate Center features three single tenant buildings (79,400 total square feet) and two multi-tenant buildings (76,250 total square feet).

The late Wilbur Henderson Jr., a visionary businessman, guided the family firm as president and CEO for decades until his death in 2013. Henderson, who often visited the office in Melbourne, built the company’s development portfolio around an “airport-location strategy.”

In the early 1950s, he began to assemble parcels of land for industrial and commercial real-estate development in Philadelphia and Delaware County in Pennsylvania. The real estate was located near the Philadelphia International Airport and close to major interstate highways.

He used the development concept of flexible buildings, which are easily adaptive to the varying business needs of different tenants.

Locally, the firm oversees more than 600,000 square feet of facilities and has vacant land available for development.

“We are positioned in the local market to help meet the changing needs of businesses and companies as they grow and expand. And a good example of that is our work for Contec Americas. This is a project I think everyone is really proud of,” said Ullian.