

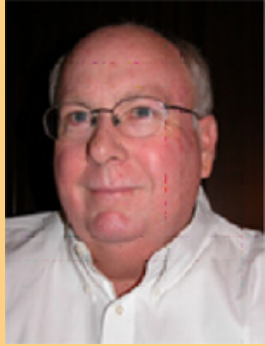


Quarterly NEWS

Think SEC/N First!



4th Quarter 2007



Letter from the President

Summer has ended, and Fall is upon us. The year has passed very quickly and the SEC/N board is starting to look at 2008. 2007 was a year of change for the organization. We reduced our membership dues, we tried regional events, we implemented our points system and expanded our presence at Semicon events around the world. I am happy to say that all of this has brought a positive response from the members.

The year began with some uncertainty, and as the year has progressed, has picked up momentum. We just finished a regional event in Arizona that went very well. We had a full house, enjoyable presentations, and hopefully some new members as a result. Membership is up. Sponsorship has worked well. We have 2 Diamond points member companies, 3 Gold, and there is still opportunity for other companies to earn points. The outlook for 2008 is very good if we can keep up the good work and support of the member companies. Thanks to all for your support of the organization.

As the year heads to a close, there is still unfinished business. We need to find replacements for a couple of board members that are moving on, and we need to finalize an event calendar for 2008. Both of these items could use member input. Please contact myself, Gary, or other members of the board with any suggestions or ideas that you might offer. As I repeatedly have stated, this is your organization and what you get from it depends on what you are willing to put into it.

I look forward to seeing all of you in January at the Annual Meeting. Until then, please let me know if there is anything that you would like to participate in, or see happen for your company.

Best regards,

Peter G. Page

R. B. High Tech Transport, inc.

510-797-9300 main 650-823-9142 cellular

rbhtt-pp@pacbell.net

www.rbhightechtransport.com

Member Companies

AECI Texas LLC
AG Semiconductor
Applied Mechanical
Ascent-tec Europe B.V.
ASML
Aviza Technology
Axus Technology
Ayers' Rock Corporation
Babcock and Brown Elect. Management LLC
Belfor USA, Inc.
Broadway Engineering Service Team
Canon U.S.A., Inc.
Catalyst Equipment Corporation
Chick Packaging
Dixie Box & Crating
Entrepix, Inc.
Fab Logistics, Inc.
Foresight Processing
GE Global Electronics Solutions
GE GES Japan
GoIndustry
Group Five, Inc.
IES
Independent Equipment Company (IEC)
Liberty, Inc
M+W Zander
Masthead International
NxEdge
R.B. High Tech Transport, Inc.
Retronix International, Inc.
Rite Track
S-3 Second Silicon Source
Semivac Corporation
Sony Corporation
Sumitomo Mitsui Finance & Leasing Co., LTD
SurplusGLOBAL
TEAM A.T.E.
TECHLINK
TIP Electronics, LLC
Tokyo Electron America
Tokyo Electron Ltd (TEL)
Topco Scientific Co., Ltd.

Issue # 13



Treasurer Report

Dear SECN Members,

As you will note from the June 30, 2007 Balance Sheet, our organization is doing reasonably well. Our third quarter has continued the trend of good performance with new members coming on and solid renewals from our existing membership. July is our largest month for billing renewals, so we feel pretty good about the financial situation as the 3rd Quarter comes to an end.

Our experiment with lower dues and asking members to get involved sponsoring seminars and events seems to be working. We are above plan for the year and the bulk of this above plan performance is from sponsorships tied to Seminars and Conferences. Your board had pushed ahead with this plan willing to deplete some of our cash balances if things didn't go well. I'm happy to report that our cash flow through the 2nd Quarter was over \$12,000 and we expect to be around \$20,000 at the end of the 3rd Quarter. The lower dues and sponsorship model is working. When taken together with a number of successful events put on by SEC/N, the impact on our financials is clearly evident.

While we are happy with the financial results so far this year, we still have some challenges. We would like to continue increasing the membership and hope a broader group of members will get involved in the networking and sponsorship opportunities. We are concerned about the current lower level of compensation Gary Alexander is generating and want to find ways to increase his fees that are flexible and work with the lowered basis model. We have done well with renewals, but we are always concerned that our members see value in SECN and support its activities.

On a personal note, I know the value I see from my company's SECN membership has increased dramatically as we have become more involved with the organization. I personally have gained a great deal from the opportunity to network and learn from SECN's members and board. I encourage you to get involved. Your company will benefit.

If you have any questions or comments concerning the financials, please don't hesitate to contact me.

Kyle Schroeder
Treasurer
kyle@team-ate.com

SEC/N	
Balance Sheet	
As of June 30, 2007	
	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
Bank One	\$17,015.52
Savings Account - Chase	\$10,099.22
Total Bank Accounts	<u>\$27,114.74</u>
Accounts Receivable	
Accounts Receivable	\$16,138.00
Total Accounts Receivable	<u>\$16,138.00</u>
Other Current Assets	
Deposits	\$0.00
Undeposited Funds	\$0.00
Total Other Current Assets	<u>\$0.00</u>
Total Current Assets	<u>\$43,252.74</u>
Fixed Assets	
Office Equip and Furniture	
Original Cost	\$1,441.46
Total Office Equip and Furniture	<u>\$26.97</u>
Total Fixed Assets	<u>\$1,468.43</u>
TOTAL ASSETS	<u><u>\$44,721.17</u></u>
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	\$2,046.66
Total Accounts Payable	<u>\$2,046.66</u>
Other Current Liabilities	
Prepaid Member Dues	\$0.00
Prepaid program fees	\$0.00
Total Other Current Liabilities	<u>\$0.00</u>
Total Current Liabilities	<u>\$2,046.66</u>
Total Liabilities	<u>\$2,046.66</u>
Equity	
Opening Bal Equity	\$139.76
Retained Earnings	\$29,652.75
Net Income	\$12,882.00
Total Equity	<u>\$42,674.51</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$44,721.17</u></u>

EVENTS



SEC/N RECEPTION – SEMICON EUROPA

SEC/N is hosting a reception at SEMICON Europa again this year. The reception is being held at the ascent' tec booth #969 in Hall 1. Come join in the fun and networking at 5:00 PM on Tuesday, October 9th.

Member Conference & Annual Meeting

On January 15, 2008 SEC/N will host its next Member Conference and Annual Meeting at the ASML training facility in Tempe, Arizona. The Conference will kickoff with the golf reception the previous evening and conclude with a dinner party at a yet to be name restaurant.

ARIZONA REGIONAL MEETING

SEC/N® hosted an Arizona Regional Meeting at the Phoenix Airport Hilton Hotel on Thursday, September 20th. SEC/N member companies participated in an informal session from 3:00 - 4:00 PM when invited non-member guests arrived for the program part of the Meeting.

Representatives from the Hong Kong Science Park, and Arizona and U.S. Department of Commerce provided an overview of their services and asked the attendees to suggest ways their respective organizations might better support semiconductor companies in Arizona. A reception followed the program.

SEC/N would like to thank its following member companies for sponsoring the Regional meeting:



EDITORIAL



By:
Barrie VanDevender,
Vice President, SEC/N

"What value does SEC/N deliver?"

This is one of several similar questions that are raised in discussions with potential and current SEC/N members as well as within our own companies. It is difficult to quantify "the value," but I can outline how our company has received good value from our SEC/N membership. In fact, we can point to several instances where our involvement in SEC/N has provided important and tangible benefits.

Axus Technology was organized nearly six years ago. We formed the company intending to supply refurbished CMP and wafer grinding equipment to end users. We did have a business plan and significant experience in the industry -- although we had little capital, and even less operational information to start with. Both of us, the founders, had spent our careers with OEMs. Neither of us had any substantial experience working in the secondary market, dealing with the range of customers and sellers involved in the marketplace, or in dealing with the numerous issues - technical, legal, and logistical - that we would be facing. SEC/N was a ready source of contacts, information, and help. Starting with our first meeting, we found a group of experienced and credible resources that were of immediate assistance. The insights and opportunities developed immediately.

Many of us who have started our own operations have memories of significant first events. In our case, we certainly were not fully prepared for our first international sale. At a time when we described ourselves as "two guys and a phone," we found ourselves having to deal with the government paperwork needed to send a valuable assembly overseas. What we now view as routine and do in a matter of minutes, took us nearly two days to accomplish at that time. Our first action was to call several SEC/N members that we had met at a recent conference. Pretty quickly, I had the information needed to complete the "S.E.D.," including the correct harmonized code, along with a list of useful reference material, and we had arranged for the overseas transport of the material. The rest of our effort was devoted to getting the material packaged properly, and we received great guidance there, as well. Looking back at the shipment, it was a truly incidental sale, but it was a very important first shipment to a customer who has since become one of our most significant clients.

Since that time, there have been a number of other opportunities for us to both seek help and to help other SEC/N members. We have found ourselves working with other members on specific projects, receiving or providing advice on machines or processes, and doing business together. We have found that as we have done business with SEC/N members they have performed exactly as promised. We find that we can count on them to hold up their end of the deal, as they can with us. When things have gone awry, as happens occasionally, all parties involved have had the expectation that we would resolve the issues as well as the mutual trust that has been essential for resolving problems. The code of ethics and standards of performance that all SEC/N members subscribe to are not rules that we enforce on one another - they are standards that the members generally subscribed to prior to joining. These standards seem to have an appeal of their own, helping to create an organization and a forum where we all agree that these statements describe how we would like to manage ourselves and our businesses.

The various SEC/N-sponsored forums have also provided valuable information. Members have received valuable information about specific markets, trade resources, and intellectual property issues, as well as technical information. I have attended or participated in seminars that SEC/N has delivered in conjunction with Semicon exhibitions in the U.S., China, and Japan. Each forum provides additional useful information about current developments and specific market requirements. As time goes on, and the secondary market gains more attention and interest, the information and resources that SEC/N gathers in these forums becomes even more valuable to us.

What about the top line? Most of the information and benefits described have been operational in nature. These explain how to do something, highlight what to avoid, and have included details on technical and legal issues. Improving profitability is very nice but increasing revenue is most important. A key question is "Have you increased sales by being a SEC/N member?" I can tell you that we have -- Axus Technology has.

In several instances, we have won orders at least in part due to our involvement with SEC/N. One large customer, purchasing tools for their R&D facility cited our involvement in SEC/N as they were awarding us the order, even while our price was substantially higher. We had demonstrated the technical advantages of our offering and we might have won the order in any event. I was surprised at the time, but the customer cited our membership in SEC/N and the fact that they had previously had positive experiences with other SEC/N member companies. In other cases, as we have discussed winning outcomes with our customers, we have received very similar comments.

So, perhaps another useful question might be: "Do your customers value your membership in SEC/N?" Our experience is that it is valued by many of our clients. We believe that it has also helped us to deliver more value. SEC/N is more than an opportunity to make a few contacts. The continuing relationships that have developed as a result of our involvement in SEC/N, both business and personal, have led us to develop solutions that have addressed commercial challenges and have helped make us a better supplier. Being able to deliver greater value consistently is something that our customers have come to value.

Is membership worth the time and money? Yes!

Barrie VanDevender is the vice-president of sales and marketing for Axus Technology in Chandler, Arizona, also serving as a SEC/N board member and vice president. He has been actively involved in a number of SEC/N activities and events, acting as a presenter, panel member, or host. Barrie has been actively involved with SEC/N since 2000, when he was employed at SpeedFam-IPEC as the director of sales. Barrie co-founded Axus Technology in early 2002, together with his business partner, Dan Trojan, Axus' vice president of engineering. Axus Technology has evolved well past its start up phase, now with worldwide deliveries of tools, services, and parts. Barrie can be contacted at bvandevender@axustech.com.

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Member's News

[SEC/N MEMBERS](#)

[Japan Regional Council](#)

[European Regional Council](#)

[Board of Directors](#)

[CONTACT US](#)

[SEC/N Archived Events](#)

[SEC/N Planning Calendar](#)



Diamond and Gold Memebers

Diamond

Babcock & Brown (BBEM)
Rite Track

Gold

Belfor
R.B. High Tech Transport
Team ATE

New Name and information:

SUMITOMO MITSUI FINANCE AND LEASING CO., LTD.
(Takebashi Office)

1-1, Hitotsubashi 2-chome, Chiyoda-ku

Tokyo 101-0003, Japan

Tel: +81-3-3515-1940 Fax: +81-3-3515-1959

Chikara Shimoda Manager, Electronics Equipment Department

mailto:c_shimoda@smfl.co.jp

AECI Texas Ltd. formerly AECI (American Electronic Components, Inc.) has relocated to a newly renovated 20,000 square ft. facility. Please take a moment to update your records.

Our new name & address is: AECI Texas Ltd.

4129 Commercial Center Drive, Suite 475

Austin, TX 78744

512.385.6200 ph (same phone #)

512.385.6205 fax (same fax #)

www.aeciusa.com / www.aeci-assets.com

Catalyst Equipment Corporation employee, Denise Burns, is happy to have her son Bryan Winton return to the U.S. after a 15 month deployment to Iraq. Bryan is stationed at Ft. Lewis, WA. and arrived there on September 12, 2007. He served in Iraq with the 5th Battalion, 20th Infantry Regiment 3/2 Stryker rigade Combat Team.



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SEC / N News



Executive Director's Update

October 2007

I recently returned from the largest SEMICON Taiwan Show in history, where SEC/N and SEMI co-sponsored a seminar for over 200 attendees entitled, "Used Equipment - The Global Secondary Market." Thank you to our SEC/N sponsors (Belfor, Broadway Engineering, Global SURPLUS, Rite Track, Team A.T.E., Topco) and the rest of you that helped make SEC/N's participation in SEMICON Taiwan a big success.

I would like to extend my personal welcome Entrepix, Retronix, and S3 as SEC/N's newest member companies. Please visit the SEC/N website (www.secn.org) for information about each company.

It is also my pleasure to announce that Rite Track has moved up to being a Diamond level sponsor and that Belfor has become a Gold level sponsor. Congratulations to both member companies and thank you for your support. SEC/N REWARDS points are awarded for contributions of both funds and effort. To find out how your company is contributing, logon to "SEC/N REWARDS" on the SEC/N website.

Nine months into 2007, it appears that the Board's decision to reduce dues and refocus on sponsorships and regional efforts is starting to pay off. Whether going all the way from \$2,600 to \$1,250 still proves to be seen but the change did stimulate a significant interest in sponsorships. Several SEC/N member companies have taken advantage of the opportunity. As a result, SEC/N has been able to increase its hosting of regional events, such as meetings in Texas and Arizona, plus commit to more global SEMICON seminars such as Taiwan and Korea. In addition, we have recently been asked to consider doing a seminar at SEMICON Singapore next May. Sponsoring members received recognition from event promotions and through their participation as seminar speakers and panel members.

Pursuing this discussion of sponsorships a little further, what if every SEC/N member company was willing to use \$1,000 of the \$1,350 in savings generated from the reduction in membership dues to sponsor SEC/N programs? Now, hold that thought.....

Sponsorship come in two exciting flavors: effort and financial. Sponsoring SEC/N's website, providing facilities for meetings, advertising SEC/N events and serving on SEC/N's Board of Directors are just a few of the examples of ongoing support that our member companies provide. (Please note that there are four new Director positions coming available at the Annual Meeting on January 15th.) However, some member companies are not able to make such a commitment and have chosen to support SEC/N through financial sponsorships. Plus we are doubly fortunate to have several member companies who support second through both personal effort and financial sponsorships. And remember, both types of sponsorships are eligible to receive points under the SEC/N REWARDS program.

OK, time to release "that thought" and "do the math." The combined dues from 42 member companies support \$52,500 of SEC/N operations and programs annually. But if each of those 42 members would return \$1,000 in financial or equivalent sponsorships, there would be 80% more funds available. And if these funds could be leveraged by cosponsoring events with other organizations such as SEMI, resulting new opportunities abound for both SEC/N and its members.

Your Board of Directors is meeting in Phoenix on November 13th to finalize plans for SEC/N's 2008 programs and budget. If you have a suggestion or would like to commit to sponsor a specific program in 2008, please contact one of the Board Members.

President

Peter Page (R.B High Tech Transport), 510-797-9300, rbhtt-pp@pacbell.net

Vice President

Barrie VanDevender (Axus Technology), 480-705-8000, bvandevender@axustech.com

Treasurer

Kyle Schroeder (Team A.T.E.), 303-628-7946 x115, kyle@team-ate.com

Secretary

Jeff Hull (Foresight Processing), 480-967-0080 x101, jhull@foresightprocessing.com

Elected Director

Chuck Svendsen (Belfor), 303-425-9700, chuck.svendsen@us.belfor.com

Executive Director

Gary Alexander (AMC Intl. LLC), 480-835-2260, galexander@secn.org

Regards,

Gary Alexander

Executive Director, SEC/N

Visit SEC/N's
Web Site
Click Here

MEMBERSHIP INFORMATION

Revised Annual Membership Dues (Effective January 1, 2007)

- Renewing Members - \$1,250
- New Members (1st year only) - \$1,250 plus \$250 initiation fee
- Associate Members - \$500
- Affiliate members - No Charge

New Member Sponsor Program

- \$200 credit towards the following year's dues and 3,000 points for bringing in new members
- SEC/N Rewards points earned

SEC/N REWARDS PROGRAM

SEC/N is a nonprofit 501(c)(6) trade association, incorporated under the Laws of Incorporation of the State of Arizona. For financial support, SEC/N is totally dependent on annual membership dues, fund raising activities, sponsorships, and other non-monetary contributions of support from its member companies.

SEC/N REWARDS is being implemented as a way to both recognize and say "Thank You" to the SEC/N members for their investment and efforts on behalf of the association.

POINT VALUE

Points are accrued individually by SEC/N member companies based on actual (U.S.) Dollar contributions, sponsorships and/or equivalent service.

Cash Contributions: One (1) U.S. Dollar = Ten (10) points

Annual Membership Dues: One (1) U.S. Dollar = Five (5) points

New Member Sponsors: 3,000 points

An example of an "Equivalent Service Award" would be an Elected Director whose company would be credited with 15,000 points annually for their support of SEC/N.

POINT REDEMPTION

30,000 points = Gold Sponsor Award

Golf Sponsor recognition, One (1) free SEC/N Conference, Admission (SEC/N Annual Conference, One (1) free round of golf (SEC/N Gold Classic)

50,000 points = Diamond Sponsor Award

Diamond Sponsor Award Appointment to SEC/N's Board of Directors, (company appointed position), One (1) additional free Conference admission (SEC/N Annual Conference), One (1) additional free round of golf (SEC/N Golf Classic) One (1) free admission to SEC/N's SEMICON West Gala.

SEC/N REWARDS is the sole property of the Surplus Equipment Consortium / Network, Incorporated. SEC/N's Board of Directors is the final authority on all point values and questions with regards to SEC/N REWARDS.

For additional information on SEC/N Rewards, please contact SEC/N at 480-348-0142 or email@secn.org.

Approved by the SEC/N Board of Directors - November 14, 2006

Need Help Call our Office

Deanne Stewart SEC/N Office Administrator

Telephone number 480-348-0142 Email: email@secn.org

**Click Here to
Contact Gary**

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NEW MEMBERS



Retronix



International, Inc. - www.retronix.com

7030 West Oakland St.
Chandler, AZ
888-771-4415 888-771-4416 (fax)

Services: On-Site Labor, Refurbisher, Project Management, Decommissioning, Training

Company Overview: Retronix Semiconductor offers cost effective support and technical fab services to the Semiconductor Manufacturing Industry Worldwide.

Products and Services:

1. Fab Support – Fab Operators, Fab Technicians, Engineers, and Project Managers.
2. Fab equipment demo/install Services – Wide Range of Fab Manufacturing Equipment with Global reach.
3. Fab/Equipment Hook-up and Construction Services - A suite of Fab and Equipment Hook-up Engineering Services.
4. Equipment Refurbishment – Refurbish Capital Equipment
5. Engineering Solutions – Upgrades, Improvements, CIP Consultancy, and Process Support
6. Parts – Second Sourcing, Obsolescence Issues, Repairs, Modular Repair/Reconditioning Services.
7. Training – Operator, Maintenance, and Process technology.

Retronix Semiconductor Systems offers cost effective semiconductor support and technical services to the Semiconductor Manufacturing Industry Worldwide. Semiconductor services include Expert semiconductor equipment support, Semiconductor equipment refurbishment, Semiconductor engineering solutions, and semiconductor training. Retronix Semiconductor Systems has World-wide locations. Retronix Semiconductor Systems has the semiconductor solutions that you need, when you need them.

S-3 Second Silicon Source -

www.s3llc.com

101 South Meridian Suite B
Puyallup, WA 98371
253-864-8234
info@s3llc.com

Services: Broker, Dealer, Asset Management, Refurbisher, On-Site Labor

Company Overview: A turnkey supplier of surplus manufacturing equipment serving the Semiconductor Device Manufacturing industry.

Products and Services:

From our offices in the USA, Europe and Asia, S3 is able to connect our clients with high quality manufacturing and test equipment that is either currently installed in one of our end user facilities or located in our inventory.

We invite you to review our website at WWW.S3LLC.COM to learn more about our company.

Entrepix, Inc. - www.entrepix.com

2315 W. Fairmont Drive
Tempe, AZ 85282
(602) 426-8677 (602) 426-8678 (fax)
info@entrepix.com

Services: Remanufacturer, Foundry, On-Site Labor, Training, Spare Parts

Company Overview: Entrepix, Inc. is a leading provider of Chemical Mechanical Polishing (CMP) process outsourcing and equipment services.

Products and Services:

The company delivers production, integration and optimization services to IDMs, OEMs, MEMS, nanotechnology and CMP consumables suppliers from its ISO 9001:2000 certified foundry in Tempe, AZ. Entrepix is also a supplier of CMP and metrology equipment to support customers' internal processing requirements. The company's comprehensive processing and equipment capabilities provide customers complete CMP solutions, from initial integration and optimization, through pilot production and high volume manufacturing.



GoIndustry - www.goindustry.com

New London Bridge House
25 London Bridge Street
London SE1 9BQ
+44 207 098 3700 +44 207 098 3795 (fax)

Services: Appraisal, Asset Management, Auction, Project Management, Financial & Trade

Company Overview: GoIndustry is the global leader in the sale and valuation of used semiconductor machinery and equipment and specialises in helping its clients optimise the value of their assets.

Products and Services:

Used semiconductor equipment sales, valuation/appraisal, equipment disposal, and a number of other ancillary services -- worldwide.

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SPOT LIGHT ON OUR MEMBERS



SONY

Axus Technology - www.axustech.com
7001 W. Erie St., Suite 1
Chandler, AZ 85226
480-705-8000 480-705-8011 (fax)
bvandevender@axustech.com

Services: Remanufacturer, Refurbisher, Spare Parts, Training

Company Overview: Axus provides remanufactured CMP, post CMP cleaning, and wafer grinding tools. In addition, Axus Technology provides engineering upgrades as well as applications, service, and parts.

Products and Services:

Axus Technology provides new and refurbished CMP, wafer grinding systems, and wafer cleaning equipment, together with spare parts and service for these systems. Additionally, Axus Technology provides consulting and engineering services for both hardware and process development to end-user and OEM customers.

Axus Technology provides current equipment users with the means to improve the performance of their existing tool set and helps new users economically add CMP, wafer grinding, and cleaning capability to their operations

Engineering services include process development, equipment modification and upgrade, and the value engineering of critical components.

Axus also manages surplus equipment transactions and the remarketing of excess spares and materials. OEM spares are typically available from Axus at 30 to 50% of OEM list price.

Sony Corporation - www.sony.jp

Atsugi Satellite Office
Atsugi TEC. 4-14-1 Asachi-cho
Atsugi-shi, Kanagawa 243-0014
nobuyuki.matsushima@jp.sony.com

Products and Services:

Sony's semiconductor business has a tradition of providing distinctive devices that enable our customers to create new products and markets, a tradition that goes back to year 1954 when we became the first in Japan to commercialize the transistor.

As the pioneer of the Japanese semiconductor industry, we have been and continue to be a leader in the advancement of semiconductor technology.

We are also a key player in the creation of new markets for LCDs with the development of compact, high-resolution panels using our propriety poly-silicon TFT technology. In CCDs, semiconductor lasers and other technology-intensive market as well, we enjoy a good reputation for excellence as both a supplier and innovator.

We began to actively market our products to non-Sony companies in 1983 and have used our renowned AV design resources to earn the respect and trust of our customers. In the coming Digital Network era, we are committed to maximizing the potential of digital technology, and by doing so we provide chip solutions that will create a new market.

We will continue to improve our capabilities, to listen carefully and sensitively to your requirements, and to explore new fields and ideas so that we may continue to aid you in creating new products, new markets, and more.

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