

Juniper Cutting Ties with Plexus

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Tuesday, 06 November 2012 17:51 -

NEENAH, WI - **Plexus** today announced its disengagement as a supplier to its top EMS customer, **Juniper Networks**.

Plexus said it was informed of the disengagement on Nov. 5. The timing of the transition of Juniper business from Plexus is not yet known, although it is currently expected to occur by the end of the contract assembler's current fiscal year, which ends in September 2013.

Plexus was taken aback by the decision. In a statement, chief executive and president Dean Foate said, "This is very surprising news to us given our recent communications and activities with Juniper, including the recent award of Juniper programs and our collaboration with Juniper on activities to support their competitiveness. Plexus has been an important strategic supplier to Juniper for more than a decade."

Juniper made up 13% -- roughly \$80 million -- of Plexus' revenue in the quarter ended Sept. 30. However, despite being the EMS firm's best customer, Plexus' reliance on Juniper had been lessening in recent years, falling from 20% of sales in fiscal 2008 to 16% in its just-completed fiscal 2012.

Foate said the company is prepared to rebound from the loss of its largest customer. "While this is a significant event for us in the near term, our new business wins of \$956 million during fiscal 2012, including in the networking/communications sector, provides us continued optimism in our strategy."