Cleveland Quality-First SSD Distribution + Assembly/Test + Traceability Facility (Phased Build)

May Management, LLC | Cleveland, Ohio

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Table of Contents

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After inserting the TOC, right-click it and select “Update Field” → “Update entire table.”

1. Executive Summary

May Management, LLC will launch a Cleveland-based, quality-first solid-state storage business serving MSPs and SMB IT teams with SSD products that are acceptance-tested, documented, and traceable. The model combines early revenue distribution with a grant-aligned domestic capability: assembly, validation testing, and lot/serial traceability. Phase 1 establishes an ESD-safe pilot facility and automated test racks to ship validated SKUs with customer-ready acceptance test reports and rapid replacement support. Phase 2-3 expand automation, higher-volume B2B channels, and integrator readiness as documentation maturity and throughput increase.

The near-term customer pain point is not simply supply volatility - it is quality variability. MSPs and SMB IT teams report unacceptable DOA rates, early-life failures, inconsistent firmware behavior, and performance variability, even when buying in bulk through mainstream channels. These failures create downtime, rework, and reputational harm for service providers. A supplier that functions as a 'quality firewall' - validating each unit, documenting results, and tracing issues by lot - earns repeat purchasing and supports defensible margins beyond commodity resale.

This plan is written to be suitable for (a) grant authorities evaluating domestic capability building, (b) commercial banks underwriting working-capital and equipment loans, and (c) equity investors seeking scalable distribution and higher-margin value-add services. Financials are provided as an illustrative base case and will be refined after supplier quotes, facility selection, and initial customer commitments.

Plan in One Page

- Company: May Management, LLC (Ohio). Location: Cleveland, Ohio.
- Lanes: (1) Authorized distribution (bridge cashflow), (2) assembly/test/validation, (3) traceability + RMA/refurb services.
- Customers (phased): MSPs and SMB IT (Phase 1), consumers secondary (Phase 1), regional enterprises/data centers (Phase 2), government integrators (Phase 3).
- Value proposition: Lower DOA/RMA risk through standardized acceptance testing, optional burn-in certification, traceable lots/serials, and rapid replacement support.
- Phase 1 facility: 8,000–15,000 sq ft light industrial; ESD-safe benches, secure cage, receiving/inspection, test racks.
- Jobs: 12–20 by month 18; 25–45 by month 36 (subject to ramp pace).
- Capital approach: Grants for capability (facility buildout + test equipment); LOC/ABL for inventory; term loan for equipment; equity for ramp.

Project Name	Cleveland SSD Assembly/Test & Traceability Pilot Facility
Applicant	May Management, LLC
Location	Cleveland, Ohio (Cuyahoga County)
Project Period	18 months (Phase 1)

Phase 1 Outcomes	Stand up pilot facility; launch verified SSD product line; create 12–20 jobs; establish training pipeline partner
Requested Support	Grant support for facility buildout + test/QA equipment + workforce onboarding; debt/equity for working capital and ramp

2. Company Overview

May Management, LLC is an Ohio limited liability company launching a storage supply and value-add manufacturing operation. The company follows an integrator-led model: management focuses on capital formation, program execution, supplier/customer contracting, compliance, and operating standards, while technical capability is secured through key hires and qualified vendors.

2.1 Mission

Provide reliable, verified SSD products with transparent provenance and test evidence, while building domestic capability in Cleveland.

2.2 Strategic Rationale

Grant programs associated with U.S. semiconductor resilience emphasize investments in domestic facilities and equipment and the strengthening of supply chains. A Cleveland-based test and traceability facility aligns with this direction by creating jobs, improving supply assurance, and enabling higher-assurance customer segments over time.

3. Market Opportunity

3.1 Market Conditions

For MSPs and SMB IT buyers, the dominant cost driver is not the unit price of an SSD - it is the operational cost of failures. Field issues (DOA units, early-life failures, firmware quirks, and inconsistent performance) consume technician time, delay deployments, and can jeopardize client relationships. Buyers increasingly demand evidence that a lot of drives was screened and that replacements will be handled quickly.

3.2 Why Customers Pay for Verification

MSPs sell reliability. They pay for suppliers who reduce failure risk and make problems diagnosable. A verified supply model that includes incoming quarantine, acceptance testing, optional burn-in certification, and shipment-level documentation reduces support tickets and lowers total cost of ownership. Lot/serial traceability enables faster root-cause isolation when failures occur, preventing recurring incidents across clients.

3.3 Customer Segments (Phased)

Segment	What They Value
Consumers & prosumers	High volume, fast turns, strong demand for performance SSDs; marketing through e-commerce and retail partners.
SMB IT buyers / MSPs	Repeat orders; value predictable lead times and low failure rates; respond well to documented QA.
Regional enterprises / data centers	Higher volumes; require vendor qualification, consistent SKUs, and acceptance test reports.
Government integrators	Highest assurance; require traceability, controlled sourcing, and documented counterfeit-risk mitigation.

Phase 1 focuses on MSPs and SMB IT buyers in Northeast Ohio and adjacent markets. These customers purchase repeatedly, value low DOA/RMA rates, and benefit from standardized acceptance test reports and predictable replacement handling. Consumer/prosumer e-commerce is a secondary Phase 1 channel to monetize fast-moving SKUs and build brand awareness. Phase 2 expands to regional enterprise and data-center resellers as throughput and reporting maturity improve. Phase 3 targets government integrators where controlled traceability and documentation are prerequisites.

- Primary (Phase 1): MSPs and SMB IT teams (repeat purchasing; failure-cost sensitive).
- Secondary (Phase 1): Consumer/prosumer (SKU velocity; brand building; market feedback).
- Phase 2: Regional enterprise and data-center resellers (higher volume; tighter specs).
- Phase 3: Government integrators (controlled documentation, traceability, and process maturity).

4. Products and Services

4.1 Distribution (Phase 1 launch)

Sell SSD products through an authorized, compliance-forward sourcing strategy. Distribution produces early cashflow and customer relationships.

4.2 Assembly/Test/Validation (Phase 1 core capability)

Integrate SSD modules and perform validation workflows including: incoming inspection, firmware loading where applicable, burn-in sampling, performance verification, and creation of acceptance test reports.

4.3 Traceability and RMA/Refurb (margin expansion)

Implement lot/serial traceability and a controlled RMA/refurb process. This improves yields and reduces warranty loss, while creating a service layer relevant to enterprise and integrator channels.

4.4 Quality Tiers (MSP/SMB)

Offerings are tiered to match MSP/SMB risk tolerance and deployment criticality:

- Validated: Acceptance testing on every unit; shipment includes a summary test record; standard warranty.
- Burn-In Certified: Acceptance testing plus stress screening (burn-in) on every unit or defined lots; priority replacement; premium pricing.
- Enterprise/Integrator Grade (Phase 2-3): Tightened acceptance bands, expanded traceability documentation pack, and controlled handling.

5. Operations Plan

5.1 Facility and Layout

Phase 1 targets an 8,000–15,000 sq ft light industrial site in Cleveland with:

- Receiving + quarantine area (incoming inspection and counterfeit screening).
- ESD-controlled benches for handling and assembly.
- Secure cage for controlled inventory and serialized products.
- Automated test racks (throughput-scalable).
- Packaging/labeling + finished goods staging.
- Small office space for sales, procurement, QA documentation.

5.2 Quality System (Minimum Viable QMS)

Phase 1 implements a minimum viable quality management system (QMS) designed for MSP/SMB deployment reliability and scalable documentation:

- Approved vendor list and source documentation retained per lot; supplier scorecards tied to DOA/RMA outcomes.
- Incoming quarantine + inspection: visual inspection, identity checks, basic electrical/functional checks, and documentation capture.
- Acceptance testing on every unit: health/log capture, baseline performance check, and data integrity verification.
- Stress screening: burn-in for certified tiers and statistical sampling for bulk lots (AQL method) where appropriate.
- Traceability: serialization, lot linkage, and chain-of-custody records to isolate issues quickly.
- RMA workflow with defined SLAs for MSP accounts, disposition rules, and root-cause tracking.

5.3 Supply Strategy

The company will prioritize authorized and reputable channels and will maintain documentation that supports traceability. Where allocation constraints exist, the strategy uses diversified supply relationships, dynamic SKU planning, and a disciplined inventory policy to avoid over-exposure to a single supplier or capacity tier.

6. Team, Hiring Plan, and Governance

May Management, LLC will hire specialized technical capability and implement governance that is credible to both grant reviewers and lenders. The integrator-led model is common in infrastructure and manufacturing buildouts: leadership sets standards, secures capital, and manages execution; specialists perform technical operations under documented processes.

6.1 Key Hires (first 9 months)

- Operations Manager (electronics/light manufacturing)
- Quality/Process Lead (ESD, incoming inspection, test protocols)
- Supply Chain Manager (authorized sourcing, allocation strategy)
- Test/Validation Engineer (rack automation, acceptance criteria)
- Sales Lead (SMB + B2B procurement)

6.2 Advisory Board (recommended)

Form a small advisory board to de-risk execution and strengthen grant/bank credibility:

- Storage engineering advisor (SSD validation or firmware background)
- Manufacturing/quality advisor (QMS and scaling experience)
- Banking/finance advisor (working capital and inventory finance)
- Public-sector advisor (procurement / integrator expectations)

7. Go-to-Market Strategy

7.1 Phase 1 Channels

- E-commerce storefront + marketplace presence (consumer and prosumer)
- Direct outreach to MSPs and SMB IT buyers (repeat purchase accounts)
- Selective regional VAR partnerships
- Pilot enterprise accounts with documented acceptance test reports

7.2 Positioning

Position as 'quality-first verified supply' rather than commodity resale: standardized acceptance testing, optional burn-in certification, serialized traceability, and measurable DOA/RMA performance metrics. For MSPs, the key promise is lower failure-driven labor cost and fast, predictable replacement handling.

8. Compliance and Risk Management

8.1 Counterfeit and Grey-Market Risk

Shortage conditions increase counterfeit risk. The company will operate a counterfeit-risk control plan for incoming components and finished goods, including quarantine, inspection, and supplier documentation

retention. SAE AS5553 is a widely referenced standard for counterfeit electronic parts avoidance and can be used as a framework for internal controls.

8.2 Export/Import and Data Security

As the business expands toward enterprise and integrator channels, it will implement appropriate export compliance screening where required and internal controls around customer data, serial records, and test reports.

8.3 Key Risks and Mitigations

Risk	Mitigation
Allocation risk (supply)	Diversify channels; maintain rolling forecasts; focus on validated SKUs with substitute planning.
Price volatility	Use disciplined inventory turns; set margin floors; avoid speculative stockpiling; expand value-add services.
Quality/RMA costs	Test protocols + sampling; supplier qualification; root-cause tracking; warranty reserve policy.
Counterfeit exposure	Quarantine + inspection + documentation; restrict non-authorized buys; third-party testing escalation when needed.
Working capital squeeze	Secure revolving LOC early; align terms with suppliers/customers; phase inventory growth to demand signals.

Key risks are managed through documented controls and conservative financial policies:

- Quality and warranty exposure: acceptance testing, certified tiers, vendor RMA rights, and warranty reserve policy.
- Working-capital pressure: LOC/ABL, disciplined inventory turns, SKU selection, and customer payment terms management.
- Supplier allocation and price swings: multi-source strategy, dynamic pricing, and avoidance of single-vendor concentration.
- Counterfeit/handling risk: quarantine, inspection, traceability, and secure storage.
- Execution and hiring risk: phased hiring plan, advisor support, and milestone-based spending.

9. Financial Plan (Illustrative)

The pro forma below is an illustrative base case meant to support initial grant/bank/investor review. It will be refined using supplier quotes, finalized facility costs, confirmed pricing/margins, and signed customer commitments.

Revenue mix	Year 1: 75% distribution / 25% value-add; Year 3: 55% distribution / 45% value-add
Gross margin	Distribution 10%; Value-add 22% (base case)
Inventory turns	8–10 turns/year by Year 2 (improves cash

	efficiency)
Receivables	0–25 days depending on channel; enterprise accounts net-30 with caps
Payroll	12–20 FTE by Month 18; scaled with throughput

9.1 Pro Forma Income Statement (Base Case)

($000)	Year 1	Year 2	Year 3
Revenue	4,300	7,800	14,000
COGS	(3,610)	(6,390)	(11,340)
Gross Profit	690	1,410	2,660
Operating Expenses	(1,250)	(1,750)	(2,450)
EBITDA	(560)	(340)	210
Depreciation/Amort.	(220)	(260)	(310)
Operating Income	(780)	(600)	(100)

Note: Base case assumes purposeful investment in hiring and process; break-even expected in Year 3 with scale and higher value-add mix.

9.2 Phase 1 Project Budget and Uses of Funds

Use of Funds	Amount ($)
Facility buildout (ESD, security, benches, basic improvements)	275,000
Test racks, automation, QA instruments, burn-in fixtures	550,000
IT systems (traceability, inventory, QA documentation)	125,000
Initial hiring and training ramp (includes founder salary + core hires)	450,000
Administrative support (startup assistants, bookkeeping)	75,000
Working capital buffer (inventory ramp and cushion)	850,000
Professional services (legal/compliance, accounting, insurance)	75,000
Contingency (approx. 2%)	50,000
Total Phase 1	2,450,000

Amounts shown are planning-level estimates for Phase 1. Working capital is expected to be primarily financed through a revolving facility (LOC/ABL), not grant funds.

9.3 Illustrative Capital Stack (Phase 1)

Source	Amount ($)
Grant support (capability: buildout + test/QA)	850,000
Revolving LOC / ABL (inventory finance)	900,000
Equipment term loan / lease	550,000
Sponsor contribution (founder cash + documented in-kind)	50,000
Convertible note / SAFE (contingent on grant award; non-controlling)	100,000
Total Sources	2,450,000

Grant level and debt sizing will be adjusted to fit the applicable program rules and lender underwriting. Equity can be increased to de-risk leverage.

10. Milestones and Metrics

Timing	Milestone / Metric
Month 0–3	Secure facility; finalize buildout design; place equipment orders; hire Ops + Supply Chain leads.
Month 3–6	Complete ESD buildout; install test racks; launch distribution; begin SKU qualification.
Month 6–9	Ship first qualified SKUs with acceptance test reports; implement serialization and lot traceability.
Month 9–12	Onboard 1–2 anchor B2B accounts; formalize training partner pipeline; publish RMA metrics dashboard.
Month 12–18	Scale throughput; add second test rack line as needed; prepare Phase 2 expansion underwriting package.

11. Grant Alignment Summary

Phase 1 is designed to be grant-aligned by focusing on domestic capability building, equipment investment, and workforce outcomes. For CHIPS-related programs, eligible categories often include construction/expansion/modernization of relevant facilities and supply-chain strengthening activities. For Ohio-specific programs, the project emphasizes job creation and fixed-asset investment.

Grant Priority	How the Project Delivers
Domestic capability	ESD-controlled assembly/test facility; test automation; documented QA.

Supply chain resilience	Diversified sourcing; traceability and counterfeit-risk mitigation; predictable regional supply.
Workforce development	12–20 jobs by Month 18; training partner; technician pathway.
Regional cluster impact	Cleveland-based industrial investment and supplier ecosystem participation.

Appendix A – References (Selected)

- National Institute of Standards and Technology (NIST). CHIPS Incentives Funding Opportunities and NOFO materials (including Facilities for Semiconductor Materials and Manufacturing Equipment).
- NIST. Fact Sheet: Ohio Semiconductor Industry.
- JobsOhio. Incentives Eligibility & Requirements and JobsOhio Economic Development Grant Guidelines.
- Microelectronics Commons / Midwest Microelectronics Consortium Hub overview.
- TrendForce press releases on DRAM/NAND supply and pricing (2025–2026).
- Reuters reporting on memory capacity investments and shortage conditions (2026).
- SAE AS5553 standard description: Counterfeit Electronic Parts – avoidance, detection, mitigation, and disposition.

Appendix B – Templates (Provided Separately)

- Letter of Support template (supplier)
- Letter of Support template (customer/MSP)
- Workforce partner MOU template
- One-page banker summary + borrowing base assumptions
- Investor one-pager + milestones

Appendix D – Source Links

Source links (accessed February 2026):

- NIST CHIPS Incentives Funding Opportunities: https://www.nist.gov/chips/chips-incentives-funding-opportunities
- NIST Facilities for Semiconductor Materials & Manufacturing Equipment NOFO: https://www.nist.gov/chips/incentives-funding-opportunities/notice-funding-opportunity-semiconductor-materials-equipment
- NIST Ohio Semiconductor Industry Fact Sheet (PDF): https://www.nist.gov/document/chips-ohio-semiconductor-industry-fact-sheet
- JobsOhio Incentives Eligibility & Requirements: https://www.jobsohio.com/incentives-programs/incentives-eligibility-requirements
- JobsOhio Economic Development Grant Guidelines (PDF): https://www.jobsohio.com/images/incentives/jog-jobsohio-economic-development-grant-guidelines-final.pdf
- Microelectronics Commons: https://microelectronicscommons.org/
- MMEC Hub (Microelectronics Commons): https://microelectronicscommons.org/connect/the-midwest-microelectronics-consortium/
- TrendForce press release (Jan 5, 2026): https://www.trendforce.com/presscenter/news/20260105-12860.html
- SAE AS5553 overview: https://www.sae.org/standards/as5553-counterfeit-electronic-parts-avoidance-detection-mitigation-disposition

Appendix C – Application and Readiness Checklist

Common items requested by grant programs and lenders (tailor to the specific program/NOFO):

- Entity documentation: Articles/Operating Agreement for May Management, LLC; EIN letter; W-9.
- Federal registrations (as required): SAM.gov registration and UEI; Grants.gov account; CAGE/NCAGE where applicable.
- Financial package: last 2 years financials (if available), current balance sheet, and pro forma with assumptions.
- Project quotes: facility lease terms; buildout estimate; equipment quotes for test racks/QA tools; IT system quote.
- Hiring plan: job descriptions; wage ranges; training partner letter or draft MOU.
- Supply chain plan: approved vendor list criteria; counterfeit-risk control plan; traceability plan.
- Bank package: borrowing base assumptions; inventory aging policy; insurance coverages; field exam readiness.
- Letters of support: from at least one supplier channel and one target customer/MSP/VAR (templates included).