PRODUCTION ORGANISATION APPROVAL SEMINAR



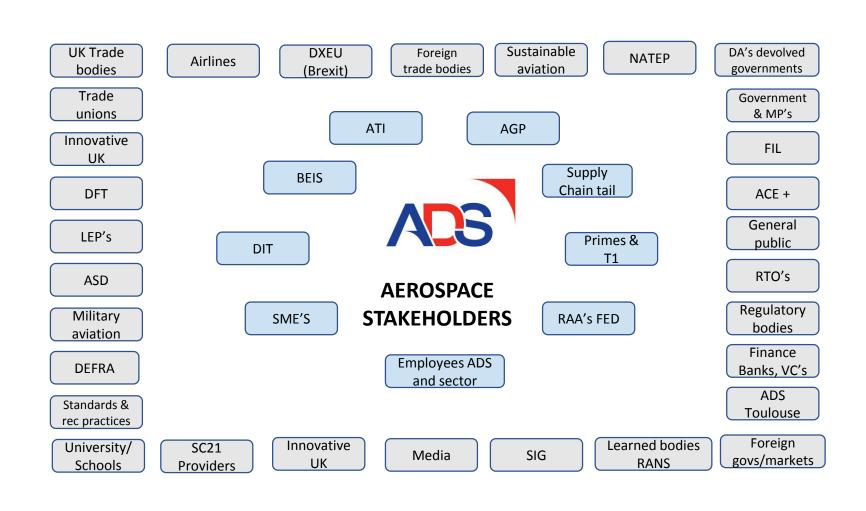
ACHIEVING SUPPLY CHAIN EXCELLENCE

Introduction

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Quality, Standards and Supply Chain Executive ADS Group























FARNBOROUGH INTERNATIONAL

AIRSHOW



















Aerospace Growth Partnership





ADS

EVENTS













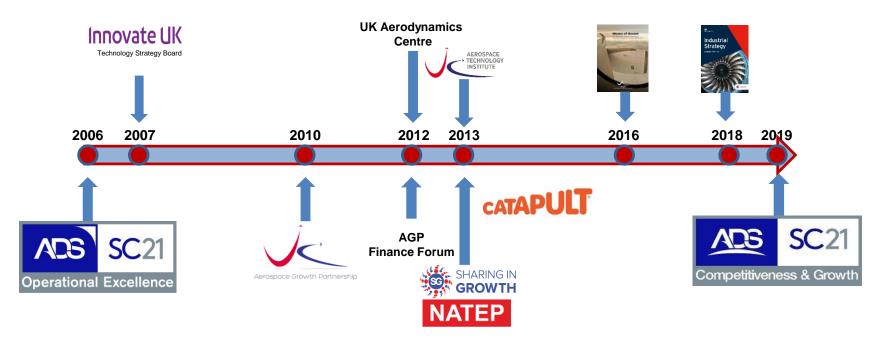


Aerospace Growth Partnership (AGP) and Defence Growth Partnership (DGP)

- The AGP and DGP bring together industry and government to work in partnership to attract global investment to the UK
- Delivering an Aerospace Sector Deal with up to £125m in government funding for the UK to become a world-leader in electric and autonomous flight
- Supply chain programmes have helped 330 companies boost their competitiveness to world-class levels
- Over 200 companies across the UK have benefited from almost £1.95bn in R&D investment through the Aerospace Technology Institute
- DGP is working with industry and government to support SMEs in every corner of the UK by launching the 'Improvement Framework' across the defence supply chain

Aero & Defence Supply Chain Improvement timeline





The AGP was established in 2010 as a vehicle to tackle barriers to growth, boost exports and grow the number of high value jobs in the UK Aerospace Sector, it aims to maintain and **grow** the **second** largest aerospace economy in the world

What is SC21?



- A proven improvement programme designed to accelerate the performance and competitiveness of UK Aerospace and Defence supply chains
- Defines performance goals, standardising the approach and tools for continuous sustainable improvement
- National programme led by ADS, collaborating with participant companies, prime contractors, regional trade associations (RTAs), LEPs, strategic partners, practitioners, training partners, assessors, providers and ambassadors.
- More than 680 companies within UK supply chain are SC21 participants
- Endorsed by all major UK aerospace and defence companies
- Overseen by the Aerospace Growth Partnership (AGP) and supported by the UK Aerospace Supply Chain Competitiveness Charter

Performance to achieve to be a SC21 award company



680+ Current **Participants**



5 companies currently Gold

Delivery

99.00% - 100%

Quality

99.90% - 100%

99.50% - 99.89%

ManEx

RelEx

90+ Current **Performance Achievers**



36 companies currently Silver

RY 50 companies currently Bronze **Bronze Award**

90.00% - 94.99%

95.00% - 98.99%

98.00% - 99.49%

Monitoring of Quality and Delivery Performance



Quality & Delivery Performance - Customer n. 1 Aerospace & Defence

Request for

Please only fill in the violet cells. Any changes to the template format may invalidate your submission. From tab 1 to 6, please list of upper 80% of sales of Aerospace & Defence sector customers (it is not generally expected that only one customer is included in a submission). Please ensure that all your data are verified with your customer. For new submissions, please fill in at least 12 cell (D16:E27 and M16:N27), for re-submission, please fill in all the cells). The data will only be shared with the SC21 Industry Approval Board (IAB) members, who have each signed a Non-Disclosure Agreement (NDA).

Customer Company Name: AAA Ltd	Site:	
Data verified by (Customer Full Name):		Customer email contact:
Data confirmed by Customer (date):		Customer phone contact:

	Г	Delivery da	ta	Deliv	<i>r</i> ery 12 mo	onth rolling	j data	Qu	uality data		Quality 1	2 month	rolling (data	Ontime delivery
	Number of			Sum of previous 12 month	12 month		ı		Number of eject		month p	Sum of previous f	Rolling		100.00% 99.50% 90.00% 97.50% 97.50% 97.50% 97.50% 97.50%
Month				deliveries	on time	time %	Target	4 🚅	jed ` (/	% d lity	arts		quality	Target	94.00%
Dec-16	200						95.00%	1-1	VAV	95%		(M) W	P R	99.50%	93.00% 92.50%
Jan-17 Feb-17	309 371						95.00%		26	90				99.50%	91.50%
heb-17 Mar-17	252			- /////////////////////////////////////			95.00% 95.00%	7,503 4,290	47	99.65% 98.90%				99.50% 99.50%	90.50% 90.00%
Mar-17 Apr-17	180						95.00%	3,084	8	98.90%				99.50%	89.00%
May-17	272						95.00%	4,803	9	99.81%				99.50%	
Jun-17	487			- <i>V////////////////////////////////////</i>			95.00%	-	12	99.81%				99.50%	→ Rolling 12 month on time % ▲ Target ——Bronze ——Silver ——Gold →—% on time
Jul-17	221						95.00%	4,549	20	99.56%				99.50%	
Aug-17	349						95.00%	5,602	18	99.68%				99.50%	Quality
Sep-17	738	690	93.50%				95.00%	8,085	23	99.72%				99.50%	100.00%
Oct-17	323						95.00%		22	99.50%		MIIIII		99.50%	99.80%
Nov-17	339			- 1				6,836	3	99.96%	-11	220	99.66%		92.50%
Dec-17	232	2 221	95.26%					3,614	9	99.75%		227	99.65%		93.300
Jan-18	344			- 1			1.0	-	1	99.99%	-11	198	99.70%		91.06
Feb-18	393			- 1				-	54	99.28%	-11	226	99.66%	99.50%	98.90%
Mar-18	303			- 1				6,228	20	99.89%	-11	186	99.73%		99 60%
Apr-18 May-18	239 246			- 1				4,505 4,169	26 55	99.42% 98.68%	-11	204 250	99.71% 99.64%		98.40%
мау-10 Jun-18	176			-1				3,472	22	99.37%	all control of the co	260	99.64%		98.20%
Jul-18	153							2,735	8	99.71%	-11	248	99.61%		98.00%
Aug-18	252								7	99.86%		237	99.63%		S A A A A A A A A A A A A A A A A B
Sep-18	258			- 1				5,132	6	99.88%	-11	220		99.50%	
Oct-18	494							7,135	13	99.82%				99.50%	

Accreditations and Certifications monitored by SC21



				_
ISO 22301		ISO 44001/BS11000		
ISO 9001		ISO/IEC 17025		
ISO 14001		ISO 13485		
ISO/TS(IATF) 16949		ISO 29001		International Standards
ISO27001:2005		ISO 50001:2011		
Pt 147		ISO 3834		
EASA 145		CAAC MOC		Pogulaton, Cortifications
Pt 21J		Pt 21G		Regulatory Certifications
NADCAP CT		NADCAP WLD		
NADCAP MTL		NADCAP HEAT T		
NADCAP NM		NADCAP AQS		Nadcap
NADCAP ETG		NADCAP NDT		
NADCAP HD		NADCAP Others		
ITAR Approval		DFAR Approval		Arms Regulations
ANSI/ESD S20.20		Distr or Ltd Appr.		Others
Cyber Essentials		Def Stan 05-135		
	ISO 9001 ISO 14001 ISO/TS(IATF) 16949 ISO27001:2005 Pt 147 EASA 145 Pt 21J NADCAP CT NADCAP MTL NADCAP MTL NADCAP ETG NADCAP HD ITAR Approval ANSI/ESD \$20.20	ISO 9001 ISO 14001 ISO/TS(IATF) 16949 ISO27001:2005 Pt 147 EASA 145 Pt 21J NADCAP CT NADCAP MTL NADCAP MTL NADCAP ETG NADCAP HD ITAR Approval ANSI/ESD \$20.20	ISO 9001	ISO 9001

Continuous Sustainable Improvement Plan required at all award levels



Continuous	Sustainable	Improvement Plan	(CSIP)
Please only fill in the violet cell	s. Any changes to the template fo	ormat may invalidate your submission.	

Suggested information to be contained in a CSIP, if your CSIP format is different please send it via email when submitting.
You can insert in this page your Unexplored, Joint and Completed CSIP. The data will only be shared with the SC21 Industry.
Approval Board (IAB) members, who have each signed a Non-Disclosure Agreement (NDA).

First CSIP issued date:

Last Updated (Current date):

Review Period: every

month(s)

Next Review Date:

CSIP #	Origin 💌	CSIP Project *	Priority *	Deliverable *	Action	Person F

	Signed	off by Custome	r (Full Name):				
	Signed	d off by Custom					
	month(s)	igned off by Cus					
[Person Respons. 🕙	Date Raise(*	Date Due 🕙	Status	v	% -	Comment *
Ī							

Results from SC21 OE



UK SME Case Study: Metal turning and fabricator with a turnover ~£5.5

Value Added per Person
Up 23.5 %

Utilisation
Stores Man hours
down 40 %

Quality

99.99%

Stores Capacity

up 40 %

On-time Delivery 99%

from 87%

Innovation
Saving
£95k p.a.

What is holding back UK industry from getting to the next award level?



Causes for lack of progression Bronze to Silver:

From ADS SC21 Survey

- Difficult to keep continuously in time the level of performance for Q&D, Q&D are perceived as consistently high
- New mandatory requirement for RelEx diagnostic causing a problem due to lack of skilled trainers to support (e.g. in the North East and Scotland)
- Risk of falling back from Silver to Bronze can be perceived as a regression
- Other priorities: AS9100 Standard first, then Silver
- General aiming for Silver/Gold but some companies just want to maintain the Bronze Level
- Lack of any perceived benefits from customers / the primes.

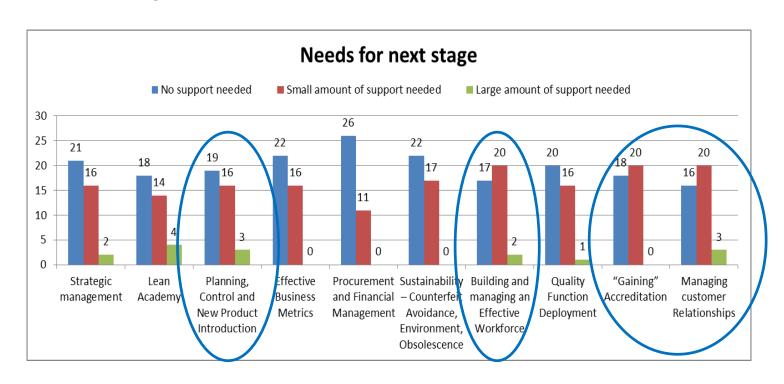
From Thales' analysis

- Suppliers don't see the benefit in such a big change
- Reluctance in part fuelled by the lack of direction from primes to sign post the benefits / consequences of going for Silver over having Bronze
- Primes not setting a clear objective to those suppliers who have joined their programme that after X years they should be progressing through bronze and silver criteria, gold is always going to be for the brave, but a supply chain with progression will drive the right behaviours.
- Make the Silver Award more "valued" demonstrating increased maturity, and lessens the risk burden, but more importantly adds more value. It's evident that award winners are not seeing this
- Supplier see that the expectation seems to be always on them to perform, but primes have a role to play in offering up more opportunities for award winners, in a second step increasing these for Silver over Bronze etc
- Suppliers expect strengthened relationships with primes or increase in business by going for Silver, but doesn't materialise.
- Do Primes Supplier Selection Process allow recognition of a Supplier's SC21 level?
- There is a lack of business case / case studies from Silver winners on the benefits of Silver over and above Bronze
- Is the **B/S/G too complex** ? **Is the G achievable** especially in the Defence sector ?

What is holding back UK industry from getting to the next award level?



Causes for lack of progression Bronze to Silver:



Source: Survey inputs from 44 SC21 participants



Questions?



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