



SC21 Task Force – SC21 10th Anniversary

14th July 2016

Radlett Suite, Media Centre, Hall 1A

Farnborough International Airshow 2016



Agenda



- | | | |
|--------------|--|---|
| 10:00 | Welcome & Introduction | Paul Everitt
<i>Chief Executive, ADS Group</i> |
| 10:15 | Bombardier and SC21
10 years and counting | Stephen Cowan
<i>VP Supply Chain, Bombardier</i> |
| 10:30 | Airbus and SC21
10 years and counting | Stephen Gregory
<i>Supplier Development Manager, Airbus</i> |
| 10:40 | Award presentation | Neil Barnett
<i>Aerospace Director, ADS Group</i> |
| 11:45 | <i>Coffee break & Networking time</i> | |
| 12:45 | <i>End of the Task Force</i> | |



10:00 Welcome & Introduction

***Paul Everitt Chief Executive
ADS Group***



10:15 Bombardier and SC21 10 years and counting

***Stephen Cowan VP Supply Chain
Bombardier***



**SC21 Task Force –
Farnborough July 2016
Presentation by
Bombardier Belfast**

**“10 Years of SC21 –
A great success story.”**

Thursday 14th July 2016

**Stephen Cowan
Vice President, Supply Chain
Bombardier Belfast**



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the evolution of mobility

CONTENTS



THE SC21 JOURNEY



NORTHERN IRELAND CLUSTER MODEL



WHAT THIS MEANS TO THE REGION



EXPANSION OF SC21 INTO THE REPUBLIC OF IRELAND



SC21 AWARDS PIPELINE



WHY CLUSTERS ARE IMPORTANT

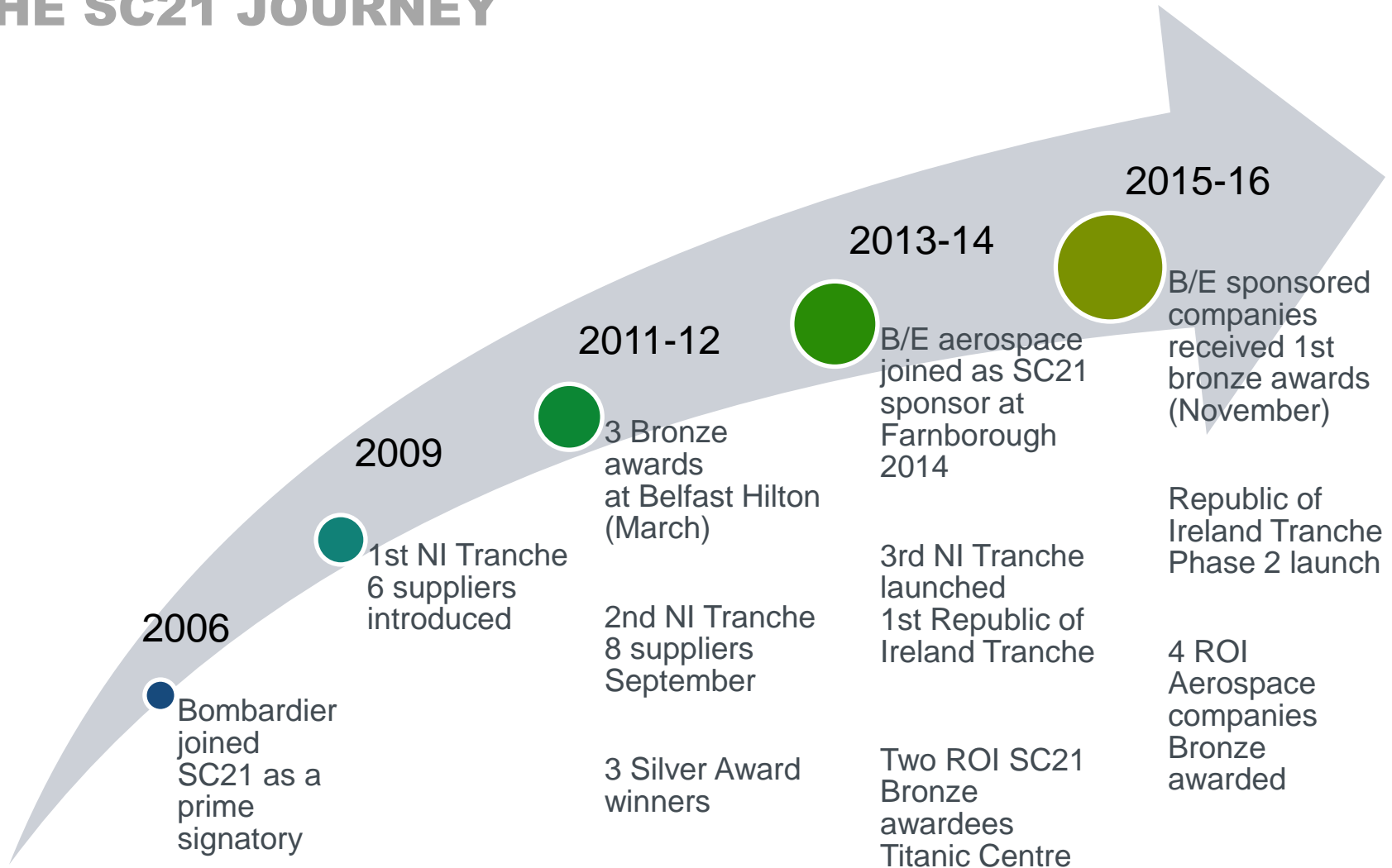


WHAT THIS MEANS TO BOMBARDIER BELFAST



SUMMARY

THE SC21 JOURNEY



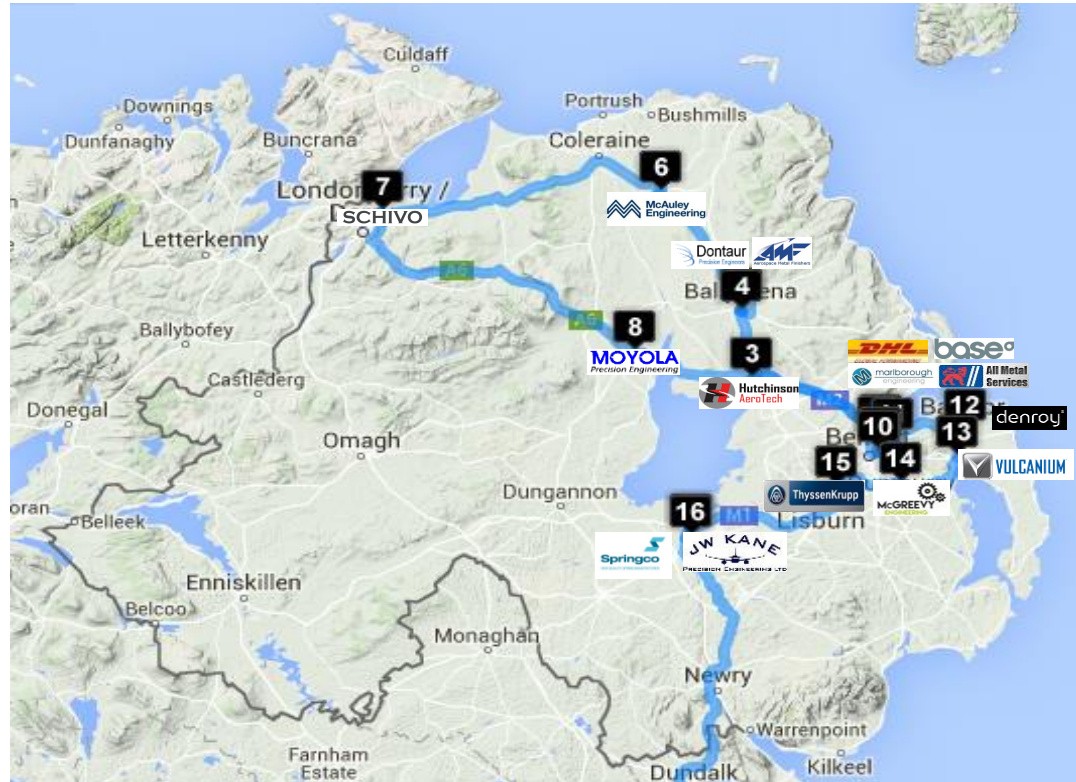
NORTHERN IRELAND CLUSTER MODEL



Figure 1. Porter's cluster model
Source: Porter (1990, 2003)

- Geographically close
- Good companies to start with
- Shared intelligence with each other
- Raises the capability of the entire supply base

- Customer Strategy
 - Bombardier sponsorship since 2006
- Local Government Strategy
 - Northern Ireland Partnering for Growth Strategy
- Invest Northern Ireland support
 - Financial & Direct advisory support
 - Training & development programme



WHAT THIS MEANS TO THE REGION

*STATISTICS SUPPLIED BY INVESTNI JUNE 2016

Customer	Delivery Performance	• Out performing non SC21 companies by over 30%
	Quality Performance	• Assured Quality performance
Business	Financial Growth	• Over 75% increase in sales
	Customer Base	• Expanded customer base to include National & International customers
	Customer Relationship	• Strengthened relationship with key customers via structured RMM process
Economy	Value Add	• Over 60% improvement
	Employment	• Over 30% increase in employment

Impressive results being demonstrated by Signatory Companies
Businesses now competing
on an international level

EXPANSION OF SC21 INTO THE REPUBLIC OF IRELAND

- The SC21 expansion into the Republic of Ireland has resulted in 6 awardees | 9 in progress

- 9 received | 6 in progress
AS9100/NADCAP qualifications to support the aerospace supply chain

- ROI has come a long way in 3 years and more to come



SC21 AWARDS PIPELINE

Sponsor

Silver

Bronze

12 months Plan

Emerging Entrants

MOYOLA
Precision Engineering

Dontaur
Precision Engineers

VULCANIUM

denroy

JW KANE
PRECISION ENGINEERING LTD

B/E
AEROSPACE

IPC

BRADFORD

RTA
INTEGRATION

All Metal Services

DHL
GLOBAL FORWARDING

ThyssenKrupp

Springco
HIGH QUALITY SPRING MANUFACTURER

base

TAKUMI
PRECISION ENGINEERING

SCHIVO GROUP

DL
DAWNLOUGH

Doran Engineering

ÉIRECOMPOSITES

bpe
boyce precision ENGINEERING

DPF ENGINEERING
Precision Engineering Specialists

AMF
Aerospace Metal Finishers

Hutchinson AeroTech

McAuley Engineering

marlborough engineering

Copas Technologies

McGreevy Engineering

TechnicalMetals
ANODISING • BEAD BLASTING • POLISHING

SCHIVO

Lenane
PRECISION

teg

T&T PRECISION

PRESSCO

MANN ENGINEERING

TOTALPRECISION
Engineering Solutions

KEYPLASTICS
INJECTION MOULDING & TOOLMAKING

futureplastics
Shaping Possibilities

MAGELLAN
AEROSPACE

Blue Eagle Precision

BON

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SELF STARTER

WHY CLUSTERS ARE IMPORTANT

STUDIES SHOW THAT CLUSTERS PERFORM BETTER

- Banking Centres
- The Potteries
- Hollywood film industry
- Silicon Valley
- Wine-growing industry
- Flower-growing business

- Innovation
- Information channels
- Skills & pool of expertise
- Relationships



What This Means to Bombardier Belfast

- **Significantly improved relationship**
- **Fluent communication through application of the Relationship Excellence Model**
- **Improvement in OTD from 75% in 2011 to OTD of 98% in 2016**
- **Sustained quality performance was sustained at a Right First Time of 99.7% in 2016**
- **Price mitigation and cost reductions have been part of the language**
- **Risk to Bombardier has diminished as the supplier has diversified to other customers, so there is a lesser dependency on Bombardier**

WHAT THIS MEANS TO BOMBARDIER BELFAST

Performance

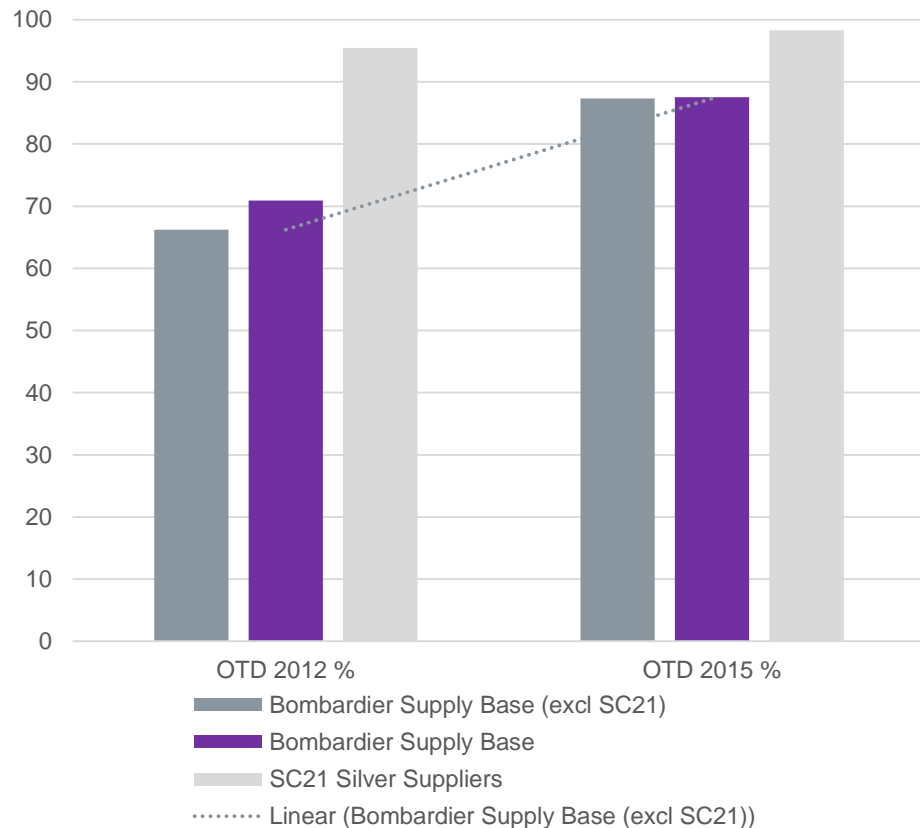
On Time Delivery in Full

Overall supply base	87%
(Excluding SC21 Suppliers)	74%
SC21 Silver Suppliers	98%
SC21 signatories	94%

Quality rate

Overall Supply base	87.6%
SC21 Silver Suppliers	99.7%
SC21 signatories	97.5%

On Time Delivery Trend, Bombardier Belfast



What This Means to Bombardier Belfast

		DELIVERY - Maximum Defects			QUALITY - Maximum Defects			OTIF @74% (26% Late)
	Total piece parts (based on 2016 deliveries)	GOLD <1% 3.83 σ	SILVER 1% to 5% 3.14 σ	BRONZE 5% to 10% 2.78 σ	GOLD zero 6 σ	SILVER <0.5% 4.08 σ	BRONZE 0.5% to 2% 3.55 σ	
TOTAL PIECE PARTS 2016	774,847	7,749	38,742	77,490	0	3,873	15,501	201,460
PARTS PER MONTH (12 months/year)	64,571	646	3,229	6,458	0	323	1,292	16,788
PARTS PER WEEK (48 weeks/year)	16,143	161	807	1,614	0	81	323	4,197
PARTS PER DAY (5 days/week)	3,229	32	161	323	0	16	65	840

EXCLUDES:

3PL Hardware (Part Class P)

Raw material (Part Class A) - Length and Area UOM's not relevant

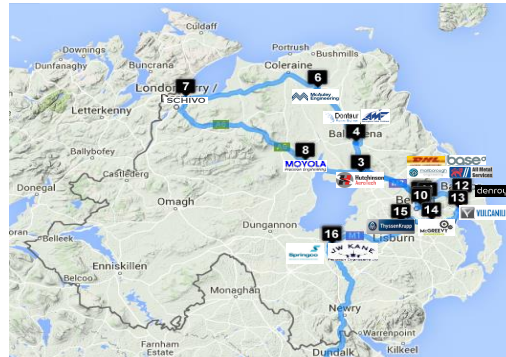
Includes casting and forging

INCLUDES

All Details, Sub-Assys, Higher value Hardware, Equipment. (UOM = "Each")

Casting and forging (Raw Material)

SUMMARY



LEARNING

Clusters work
Still relevant today
Face-to-Face communication
Innovation

EXPERIENCE

Right conditions
Strategy

OPPORTUNITY

- Need to accelerate current Supply Chain onto a CSIP
- Drive Innovation
- Improve Communication
- Build relationships
- Increase market share
- Increase employment
- Improve Competitiveness
- Improve manufacturing capability
- Create capacity for rate increases
- Reduce risk
- Improve current performance
- Improve agility and reduce lead-time and cycle time.

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**10:30 Airbus and SC21
10 years and counting**

***Stephen Gregory Supplier Dev. Manager
Airbus***

SC21 – Happy Birthday



Stephen Gregory - Farnborough 14/07/16

Happy Birthday

10 Years

2006 - 2016

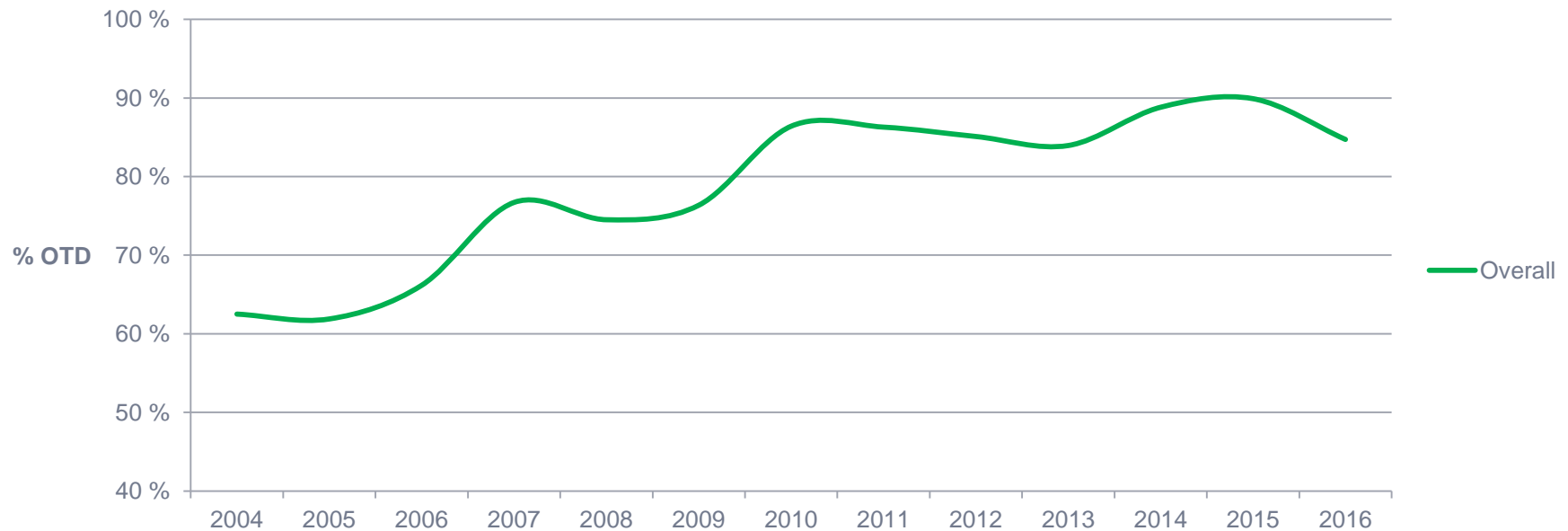
- 754 companies have signed up to SC21
- 562 awards issued in the last 10 years
 - Approx 136 current awards (18%)
- 186 SC21 signatories are Airbus suppliers
 - Airbus has 895 known suppliers in the UK
- Congratulations to all the award winners



May you live in interesting times!

- The UK faces unprecedented pressures
- UK aerospace supply chain performance needs to be better than our European and Global counterparts

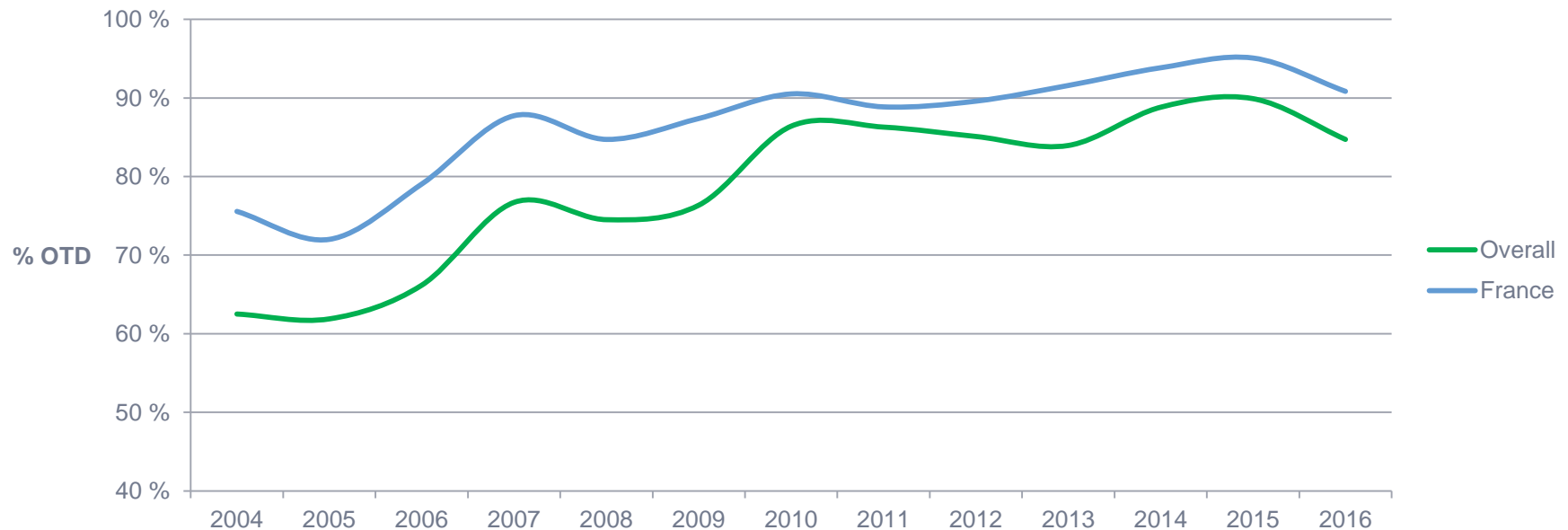
Airframe OTIF



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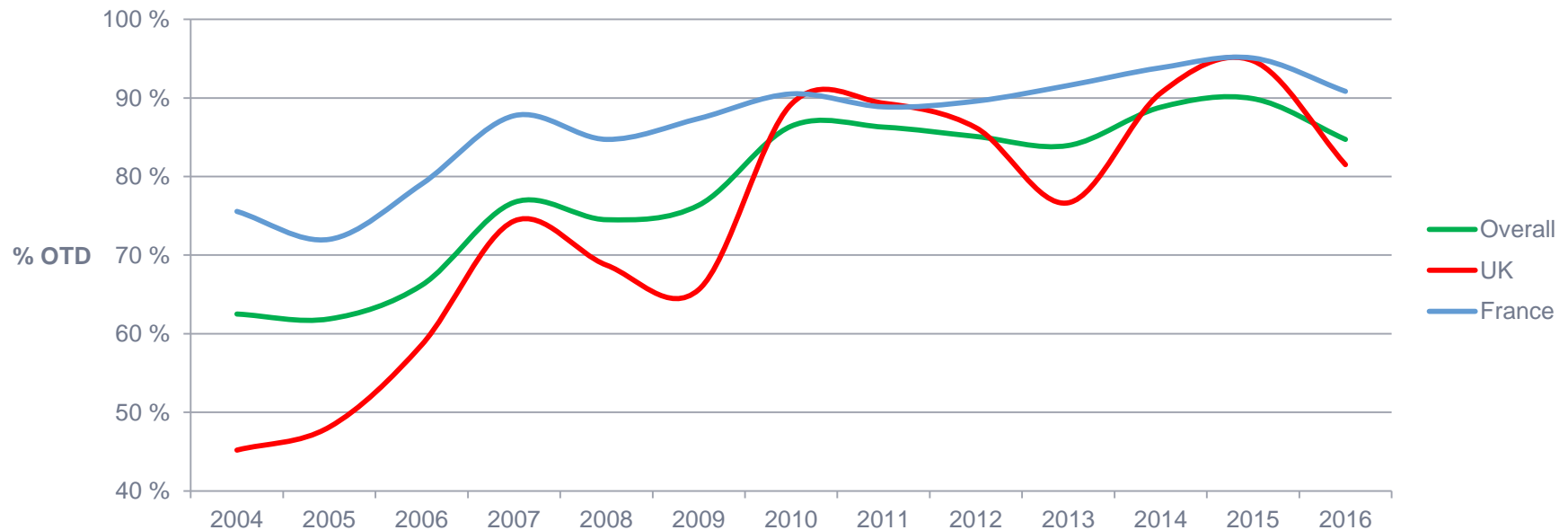
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May you live in interesting times!

- The UK faces unprecedented pressures
- UK aerospace supply chain performance needs to be better than our European and Global counterparts
- SC21 is even more relevant...

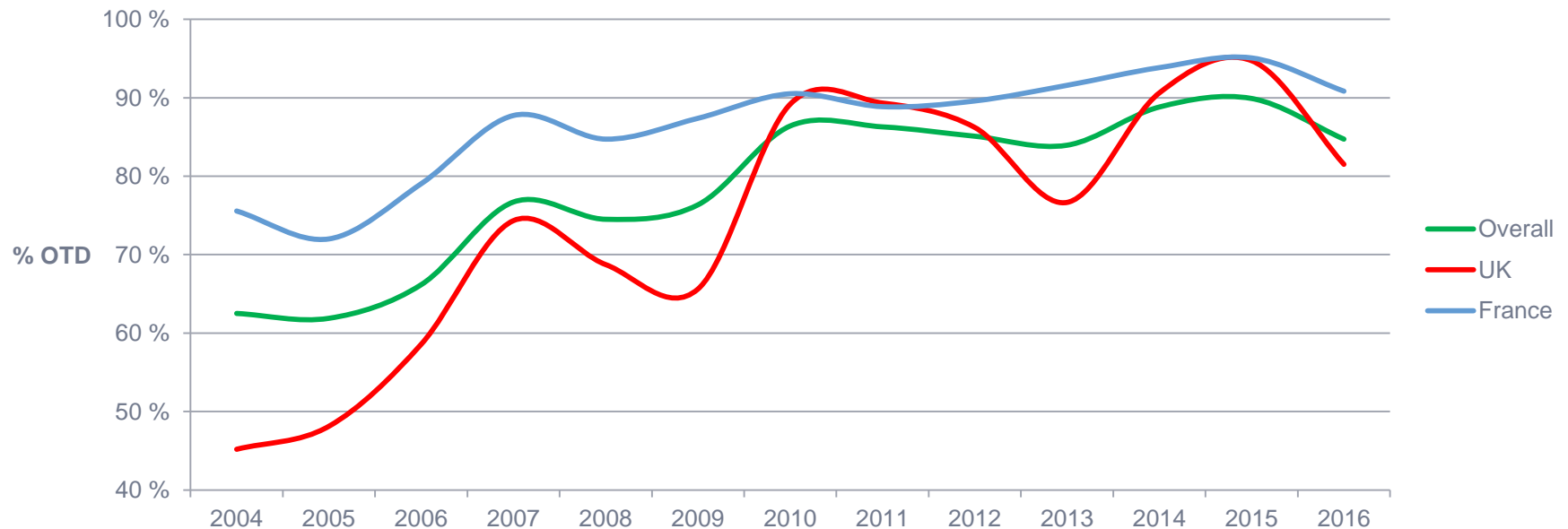
Airframe OTIF



May you live in interesting times!

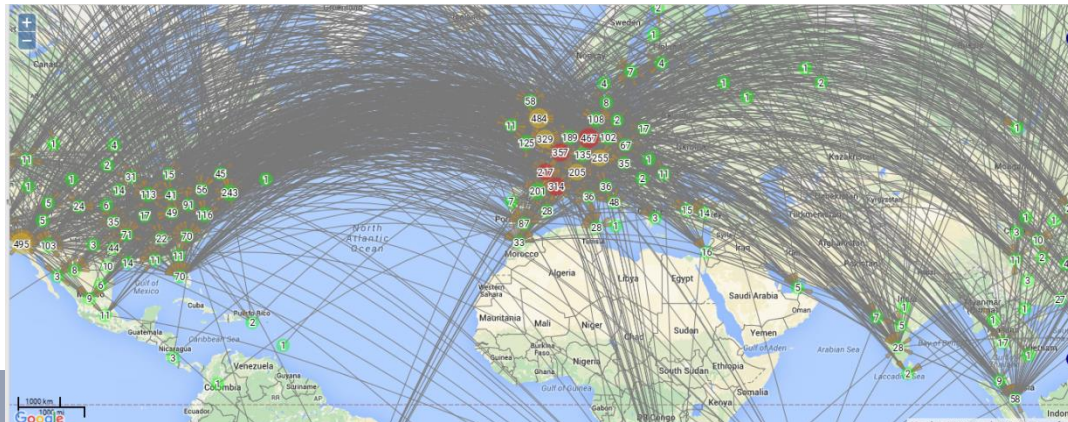
- The UK faces unprecedented pressures
- UK aerospace supply chain performance needs to be better than our European counterparts
- SC21 is even more relevant
- What is UK PLC's USP!

Airframe OTIF



Preaching to the converted!

- If you are not an award winner
 - What do I need to do?
- If you are Bronze
 - How do I become Silver?
- What does Gold look like?
 - Can I achieve this?
- Spread the word to your supply chains that UK PLC needs to be globally competitive...



SC21 the way forward...

- Continue to actively drive UK competitiveness
 - Increase UK Q&D Performance
- Working on enhancing the SC21 programme to address skills gaps
 - Pilot by Q1 2017
- Aerospace Clusters of Excellence (ACE)
 - Launched with 36 SC21 / SiG companies
 - Collaborative working groups sharing best practice for common gain
- Making SC21 fit for the next 10 years...



SC21 – Evolving for the next 10 years...





10:40 Award Presentation

***Neil Barnett Aerospace Director
ADS Group***

ADS Bronze Re-Award Winners



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Bronze Award Winners



Sponsored by:





Bronze Award Winners



Self-starter



Bronze Award Winners



base^σ



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ADS Silver Re-Award Winners



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ADS Silver Re-Award Winners



Sponsored by:

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Silver Award Winners



BRADFORD



Sponsored by:





Silver Award Winners



Sponsored by:





Silver Award Winners



Self-starter

ADS Silver Re-Award Winners



SL ENGINEERING Ltd



Self-starter

ADS Bronze Re-Award Winners

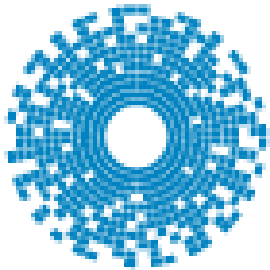


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ADS Bronze Re-Award Winners



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CONNECTIVITY SOLUTIONS
a bel group

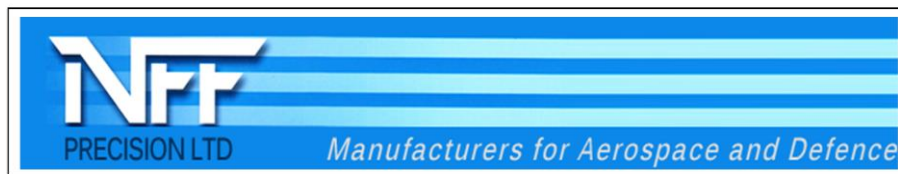


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Rolls-Royce

ADS Bronze Re-Award Winners



Sponsored by:

THALES

ADS Bronze Re-Award Winners



Self-starter



Bronze Award Winners



Sponsored by:

THALES



Bronze Award Winners



Self-starter

ADS Silver Re-Award Winners



Sponsored by:

THALES

ADS Bronze Re-Award Winners



Sponsored by:



ADS Bronze Re-Award Winners



**RIGHTON
AEROSPACE**

Bristol



Self-starter

ADS Silver Re-Award Winners



**RIGHTON
AEROSPACE**

Plymouth
Portsmouth



Self-starter

ADS Bronze Re-Award Winners



Self-starter

ADS Bronze Re-Award Winners



FSL Aerospace Limited



Self-starter

ADS Silver Re-Award Winners



Self-starter



Bronze Award Winners



Pascall



Self-starter



Bronze Award Winners



T&T PRECISION



Self-starter



Bronze Award Winners



Self-starter



Bronze Award Winners



Self-starter



Silver Award Winners



 Bodycote



Self-starter



11:45

**Coffee break &
Networking time**



12:45 End of the Task Force

Thank you for your attendance