



Preparing for Take-Off

The application of ToC within two Aerospace organisations.



Goldratt UK helped me synchronise my departments
to deliver excellent results



Stephen Addis, Managing Director - Bombardier Aerospace

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Knowledge that delivers™



Bombardier

CASE BACKGROUND

Bombardier Aerospace are the 3rd largest civil aircraft manufacturer in the world, they also repair and maintain thousands of these aircraft to. However, the company's Maintenance, Repair and Overhaul (MRO) unit in Belfast were not operating at maximum efficiency. Some notable issues were:

- | Work in progress (WIP) was high and storing aeroplanes was becoming an issue
- | Priorities were unclear and firefighting was the norm
- | Poor Delivery Performance - only 60% of task were on-time
- | Low customer satisfaction level – which could jeopardise future sales

THE APPROACH

Goldratt UK noticed immediately what need to be done with Bombardier. Creating a workflow, with optimum sequence of task and installing a priority system that is due date bound would be key to the success of this implementation. In addition, Goldratt UK made sure that no projects were started unless all available parts were available, this was done to decrease the WIP levels and reduce the chance of suppliers delaying a project midway through. Finally, a problem escalation method was also set up in order to get the correct assistance from senior management and reduce the impact that any problem could cause.

THE RESULTS

After Goldratt UK's time with Bombardier there were several significant improvements within their MRO workshop:

- | Delivery performance rose from 60% to 100% on-time delivery
- | Lead time averages were halved having previously been around 70 days, they fell to 35
- | WIP was reduced by 50%
- | There was a significant reduction in the amount of overtime staff were required to do
- | Increased profitability due to shorter lead times

What did these results look and feel like?

- | The organisation's MRO process was more systematic, and synchronised
- | Increase in workshop space due to a reduction in WIP
- | Better cohesion of workers and priorities are visual and known
- | Improved Customer Satisfaction meaning an increase in usage of their services



Blaenavon Forgings

CASE BACKGROUND

Blaenavon Forgings are a manufacturer of forged rings, casings and blades for the aerospace and specialist engineering industries. The challenge given to Goldratt UK was to improve Blaenavon's operational performance and make the company more stable. Some of their key issues were:

- | Due Date Performance was as low as 40%
- | Lead Times were far too long - 55 days
- | The amount of WIP was topping £6m in value
- | Some of the raw materials were not available when needed
- | Too many arrears - £4m

THE APPROACH

The first thing for Goldratt UK was to identify their constraint, this would enable us to find out where capacity could be gained in their workflow. In addition to this, the combination of their industry knowledge and our implementation expertise meant several positive changes were implemented quickly, for example:

- | Reduce Blaenavon's WIP by calculating the optimal work release date.
- | Developing a shipping and constraint schedule
- | Ensuring all the required raw materials were available before release into the system
- | Implement a single priority system that would synchronise workers, eliminating demarcation across their forging process

THE RESULTS

After working with Goldratt UK Blaenavon Forging saw significant results in a matter of months, which continued to improve over the time we spent with the client. Some of these results were:

- | Their, on-time and in full, delivery was greater than 85%
- | Lead times were cut from 55 days to only 25
- | The value of their work in progress fell to £2.4m
- | Arrears fell by over 90% to circa £100k
- | Sales increased by 10%

What did these results look and feel like?

- | Departments became synchronised and staff were working on the right task, at the right time
- | Increased visibility of tasks and priorities – this is through a simple colour coded priority system
- | Staff were more motivated as priorities and roles were clear



With over 25 years of experience Goldratt UK can help both small and large organisations transform their manufacturing operations into a systematic and organised environment, which results in you meeting your delivery targets in full and on time, every time.

Typically we will

- > Increase Delivery Performance to 99%
- > Reduce Lead times by up to 75 %
- > Reduce Inventory to release help up cash by up to 50%
- > Reduce your internal costs by up to 20%
- > Increase capacity by up to 50%
- > Increase sales up to 20%
- > Increase potential profitability by 100%

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