Introduction
About ADS

ADS Group Limited (ADS) is the trade organisation advancing UK Aerospace, Space, Defence and Security industries, with Farnborough International Limited as a wholly-owned subsidiary.

- Representation across all four sectors
- Offices in the UK regions and internationally.
- Represents over 900 companies (95% are SMEs)
- Works closely with major Primes, UK Government, and the supply chain.
The premier Trade Organisation advancing Aerospace, Defence, Security and Space industries globally

The ADS industry sectors are Europe’s number one and are second only to the US globally.

- ADS sectors support **1m UK jobs**
- ADS sectors generate around **£60 billion** per year to the UK economy
- ADS sectors **export £22 billion** annually
- ADS sectors **invest £3 billion** in R&D annually
- The success of this industry will help re-balance the economy away from its dependence on financial services to deliver a more sustainable future for Britain.
Aerospace is an attractive growth sector in which the UK can continue its winning ways.
The UK defence industry represents 10% of manufacturing in the UK, is number one in Europe and second only to the US globally, employing over 314,000 people.
ADS Member companies achieved domestic security turnover of £1.8bn in 2010
UK Space has a major growth potential in domestic and commercial markets aiming to grow from £7.5bn pounds today to £40bn by 2050
ADS Activities

- Strong linkage between stakeholders:
  - Government, Industry, Education and Trade Unions
- Industry advisors & representatives for:
  - Defence Industry Strategy
  - Civil Aviation Industrial Strategy
  - Space Industrial Strategy
- Promoters of the sector through trade shows and media coverage
- Networking/business development for SME’s
- Supporters of members’ productivity improvements and global competitiveness
- Quality & certification services to maintain standards
Large Company Members

EADS
AgustaWestland
A Finmeccanica Company
Northrop Grumman
DRS Technologies
Goodrich
BAE Systems
Spirit Aerosystems
CAT
Bombardier
Cobham
Finmeccanica
Marshall Aerospace
GKN
GKN Aerospace
Rockwell Collins
Inmarsat
Boeing
Eaton
Aircelle
SAFRAN Group
Vector Aerospace
MBDA
Airbus
Doncasters
Raytheon Systems Limited
Meggitt
GE Aviation
Thales
Messier-Dowty
GE
SneCMA group
Rolls-Royce
Corus
LAND-ROVER
Babcock
Lockheed Martin

ADS
ADS and the SME community

- ADS represents over 2,600 companies in Civil Aviation, Defence, Space and Security. The interests of member companies define its strategy and actions.
- All global majors based in the UK are a part of ADS.
- Tier 1 and Tier 2 suppliers to the OEMs, many of which are SMEs, form a major focus of ADS. The UK has a very strong manufacturing base.
International Activity

National Trade Associations – 32 MOUs:
- USA (NDIA)
- Canada (CADSI)
- Mexico (FEMIA)
- Brazil (ABIMDE)
- India (CII)
- Russia
- etc.

ADS offices:
- Toulouse, France
- Delhi, India
- Bangalore, India
- Bahrain, Middle East
Aerospace Growth Partnership (AGP)
What is the AGP?

- The AGP brings the UK aerospace industry and Government together to address barriers to growth that affect the UK aerospace industry, to boost exports and to create high-value jobs.

- The AGP focuses on ensuring that the UK remains an attractive location for aerospace companies to carry out work, both on current and future generations of civil aircraft.

- The AGP is jointly chaired by Michael Fallon MP, Minister of State for Business and Enterprise, and Marcus Bryson, VP Aerospace at ADS.
What is the desired outcome?

To jointly establish an Economic and Business case for investment in the Aerospace sector:

…such that Government and Industry can co-invest in specific areas of the sector in order to remove barriers to, and stimulate growth

…towards prioritised areas where the UK has the opportunity to be a global leader and win substantial market share

…in a timescale commensurate with the next Comprehensive Spending Review
What is the desired outcome? (contd)

• Grow UK GDP and UK Aerospace trade balance.
• Create high value jobs for the UK.
• To create and validate a strategic framework for UK Aerospace focused on protecting the UK number 2 global market position and growing market share.
• To create an attractive business environment for global aerospace companies to locate high-value operations
AGP Overall Strategy

Growth through CAPACITY

Identifying:
• Core UK capabilities and how we can make them more effective.
• Capabilities at risk and the measures that can be taken to protect them

Grow skills and factories to absorb share in under-represented markets
Increase supply chain competitiveness to win more market share

PROTECT & SUSTAIN
0-5 years

Identifying:
• Opportunities for the UK between now and 2025 and ensuring we work together to achieve maximum benefits for UK businesses
• Use these opportunities to help de-risk technologies and manufacturing processes

Improve manufacturing systems to increase capacity, capability and competitiveness
Deliver innovative technologies, developed through AGP process, to mid-term aircraft programmes

EXPLOIT
5-15 years

Ensuring:
• Making sure that the UK is well placed to secure maximum economic return on future new platforms which may incorporate radical new technologies

Take the lead with revolutionary new products such as
• Laminar flow architecture
• Open rotor engines
• Advanced systems

Develop new manufacturing systems to ensure high-value production remains in the UK

POSITION
15+ years

Growth through NEW PRODUCTS and CAPABILITIES
AGP Achievements

Achievements to Date

- UKTI Market Access Pilot • [Jan 2013]
- Finance Forum • [Nov 2012]
- 500 MScs • [Jul 2012]
- UK Aerodynamics Centre • [Mar 2012]
- Aerospace Technology Institute • [Mar 2013]
- National Aerospace Technology Exploitation Programme • [Sept 2013]
Establish a National Supply Chain Transformation Programme that addresses the key areas of Performance, Capability, Structure and Skills through a number of integrated intervention projects.
Our aim is to create a world class supply chain in the UK to enable UK industry to become No.1 in the world for Aerospace, Defence, Security and Space.

- Established in 2006 at Farnborough Airshow

- Involves ADS members (i.e. Aerospace Primes, now also Defence, Security and Space, Partners, Industry Experts & ADS Project Team

- Over the past few years SC21 has accumulated over 700 active companies and have recognised over 220 industry awards.
Why is SC21 necessary?

Disjointed, unco-ordinated and inconsistent improvement planning

Collaborative, co-ordinated and measurable journey to excellence
Major Businesses involved in the programme

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All driving towards a standard supply chain performance framework with common goals
The Journey to Excellence

1. Customer Engagement
   - Business group formation
   - Customer / supplier metrics alignment
   - Supply chain relationships: Code of practice

2. Diagnostics
   - Manufacturing Excellence
   - Business Excellence
   - Relationship Management

3. Continuous Sustainable Improvement Plan
   - Performance verification:
     1) Quality
     2) Delivery

4. Recognition
   - Award approval:
     1) Diagnostics
     2) Metrics

   - Industry recognition:
     Bronze award
     Silver award
     Gold award

SC21 Journey to Excellence Model Version 2.0 (May 2011)
The Journey to Excellence

1. Customer Engagement

- Business group formation
- Customer / supplier metrics alignment
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2. Diagnostics

- Manufacturing Excellence
- Business Excellence
- Relationship Management
- Quality certification

The core stage of the process!

Man Ex:
- Lean, 5s, 7 wastes, Kanban

Bus Ex:
- EFQM Determining Excellence Model

Relationship Management Model

Quality Certification:
- AS9100 and Nadcap

SC21 Journey to Excellence Model Version 2.0 (May 2011)
Key needs of Civil Aerospace Supply Chain going forward

- Technology – Accelerate New Technology development and investment to anchor in the UK
- New Product Introduction introduce APQP for the aerospace industry.
- Agile responsive Supply chains networks /clusters.
- Greater and more consistent Demand visibility.
- Operational Performance – 100% Q and D.
- A culture of accelerating Continuous Sustainable improvement.
- Help the Supply chain to know the routes to discounted capital.
- Sub tier supply chain management
- Aid UK Suppliers in export and growth.
Why does ADS support Nadcap

- It strengthens the UK Supply chain and is aligned to the UK Aerospace Growth strategy.
- Nadcap has become a global cooperative program for the most important OEMs in the aviation, defence and automobile industry.
- Nadcap certification provides significant potential for improving processes and product quality through improvement of the efficiency of production processes.
- The Nadcap program is managed by industry members.
- It is a key enabler to deliver world class process control.
- Aids UK companies in demonstrating world class performance.
Summary

• UK Aerospace Industry is the largest in Europe and second only to the US globally.

• Approximately 2,600 companies in the UK Aerospace supply chain providing the full range of aerospace products and services including airframes, aero engines, aircraft systems and equipment and aircraft maintenance.

• A number of initiatives are underway to maintain the UK’s position in the global market; ensure that the UK remains an attractive location for aerospace companies to carry out work on both current and future generations of civil aircraft and to ensure that we have a world class supply chain.
Contact ADS

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