



CASE STUDY
**AEROSPACE
INTEGRATED
SPARES' SUPPORT
AND DISTRIBUTION**

OUR CLIENT IS A WORLD LEADER IN CIVIL AND MILITARY HELICOPTER TRANSPORT.

BUSINESS CHALLENGE

SDV is integrated into a support services programme that focuses on supply chain processing from order entry to delivery, with the aim of improving the spares flow and the identification of future requirements, as well as providing a transparency of parts through the system. By improving our order forecasting and planning, our client would be able to optimize supplier procurement, order monitoring and shipment consolidation, ultimately leading to lower costs and reducing Turn Around Times (TAT).

The challenge was to:

- ▶ Reduce global delivery time
- ▶ View transport as an intrinsic part of the logistic process
- ▶ Allow later departures and later customers ordering
- ▶ Ensure constant optimization and cost control through high-performance planning and reliable execution
- ▶ Ensure complete visibility on all supply chain operations through end to end consolidation of track and trace information for every order
- ▶ Provide comprehensive, accurate and adaptable reporting on execution history
- ▶ Place staff on site to ensure immediate and proactive shipment management.

METHODOLOGY & SOLUTION

In partnership with our client, we conducted an optimization survey of the order process. Each stage was scrutinized to gain efficiency whilst keeping track of the process flows, which resulted in the following approach:

- ▶ Define deadlines for order acceptance to meet client transport scheme requirements, each client was gathered by geographic areas or sector units called Customer Logistic cells (CLC).
 - ▶ The SDV and client's teams would merge on the same site to avoid goods transfer to an external warehouse.
 - ▶ All transport slips would be issued on site for direct delivery to the airline.
 - ▶ Our client would become a 'known shipper' to avoid X-ray security checks.
 - ▶ Parcels would be transferred to SDV right after packing without involving a middle-man or requiring a storage area.
 - ▶ Data and physical transfers of the parcels would be completed simultaneously; each parcel to be stamped with a 2D label resuming details of the customer order, making the procedure more reliable and efficient.
 - ▶ An alert would be automatically computer generated and emailed to the customer with a hyperlink to SDV tracking system
 - ▶ Via SAP, SDV would control the batch of customer orders and issue a shipping note "reflecting" the transport slip but with additional information such as the deadline to place orders specified by the CLC (to limit custom formalities and reduce the amount of dispatches).
 - ▶ In order to secure dispatches and reduce handling time and costs, containers travelling on direct flights would be loaded on client's site and only opened upon arrival, at the end customer's premises.
 - ▶ A prepaid order handling policy to be put in place to help our client controlling their transport flows up to order delivery towards their subsidiaries and main customers.
 - ▶ Performance monitoring put in place, to cover Turn around Times (TAT)
- Computerized data exchange (EDI) to be launched allowing SDV to transfer all data into SAP.

BENEFITS AND RESULTS

This organization has enabled our client to give their customers and subsidiaries flexibility of order placing.

From order entry, a lead-time for delivery can now be provided, which offers greater visibility and precision in stock control.

We guarantee the customers a permanent tracking of their items all the way through the transport and handling process.

The estimated time gained through the processing of transport operations is 2 hours which means the customer can save up to 24 hours on dispatches at the end of the day.

This organization has also enabled SDV and client's teams to connect in real time, prioritize critical orders and improve reactivity.

Parcels are now gathered by consignee which has led to transport costs optimization and reduction in customs formalities.