How to integrate some 700 suppliers

Airbus is currently deploying the AirSupply solution at all its production material suppliers. As a result, Airbus will have integrated some 700 suppliers in its business processes by the beginning of 2013. Yet the solution is designed as an industry platform and so will be rolled out successively at other companies in the aerospace industry—as EADS’ Eurocopter and Astrium divisions and Aircelle, a Safran Group company, are currently doing.

Ordering and delivery processes in the aerospace industry are highly collaborative. That is reflected in the fact that delivery dates and quantities are not simply stipulated by the customer, but defined in close agreement with the supplier. This type of collaboration cannot be mapped in an ERP system and instead requires the use of web-based technology. SupplyOn, provider of the leading web platform for cross-company collaboration in the manufacturing industry, has worked closely with Airbus to develop such a solution: In cooperation with BoostAeroSpace (see the box), the AirSupply solution is being made available to the entire European aerospace industry in order to optimize ordering and delivery processes.

Rollout is being organized in waves

The extensive rollout got underway in February 2012 after successful piloting at the end of 2011/ beginning of 2012, in which the ordering and delivery processes were tested in actual everyday operations together with selected Airbus suppliers. It is being organized by Airbus in waves of around 60 to 80 suppliers a month. The rollout process comprises several steps, such as a participation in a Suppliers’ Day where suppliers obtain comprehensive information on AirSupply’s processes and functions and on its technical and organizational introduction.

One of the first suppliers to use the new solution is the Ingolstadt-based company Elektro-Metall Export GmbH (EME). According to Head of Sales Asko Hochdorn, rollout of the solution went without any hitches whatsoever. The manufacturer of electromechanical components and wiring harnesses uses AirSupply directly on the web interface. If required, data is imported or exported for further processing by upload or download.

Airbus benefits from lower costs compared with its previous SCM solution.
German Summary


BoostAeroSpace

The development of AirSupply is rooted in an initiative to standardize processes and data formats within the European aerospace industry. To this end, Airbus, Dassault Aviation, EADS, Safran and Thales have founded the company BoostAeroSpace. The aim of the joint venture of these five leading European aerospace companies is to jointly specify and fund solutions for cross-company collaboration and to implement them in cooperation with suppliers.

"The solution enhances collaboration between companies throughout the industry and increases its transparency thanks to harmonized business processes and consistent terminology across several levels of the supply chain," says Matthias Naumann, Senior Vice President of EADS.

It is already clear that there is a high level of user acceptance for the new processes.

download. According to Asko Hochdorn, AirSupply offers the great advantage that one and the same system can be used with several customers: "We currently use AirSupply not only to collaborate with Airbus, but also with Eurocopter, and assume that further customers will join in future. That's far more efficient than having to use many individual customer portals."

Apart from pure web connection such as implemented at EME, suppliers can also choose a direct data connection using EDI. The collaboration processes involved in coordinating delivery volumes and dates are also carried out in AirSupply's web front-end if an EDI connection is used. If suppliers are directly integrated, however, the results of the collaboration are automatically transferred back to the internal ERP system via defined interfaces. After being processed in the internal system, the results are exported again to AirSupply. Aerolla SAS, a manufacturer of aircraft fuselage and nose parts, is one of the companies that use the AirSupply solution with a direct EDI connection. As Christian Foyart, ERP IS Responsible, notes: "The advantage is that all relevant data are automatically integrated in our ERP system, such as Sales orders and Forecasts."

Suppliers to Airbus can also use AirSupply to enhance collaboration with their own suppliers. This end-to-end data flow over several levels of the supply chain brings greater stability to SCM processes by permitting early identification and elimination of any bottlenecks. Bernd Hänlein, Program Manager Airplane Doors from the helicopter manufacturer Eurocopter, states: "On the one hand we will be using AirSupply to control the supply of aircraft doors to Airbus, on the other hand we use it in future to handle ordering and delivery processes with our several hundred suppliers."

Eurocopter also started introducing AirSupply a few months back. So far around 70 Eurocopter suppliers have already been registered. Aircelle, a subsidiary of the Safran Group and manufacturer of engine nacelles, also uses AirSupply for its activities with customers and suppliers. It is already clear that there is a high level of user acceptance for the new processes. As EME's Asko Hochdorn says: "One of the reasons for that is the solution's flexible interface, which every user can configure to suit his or her workflows and information needs. Other reasons are the ergonomic user interface and the diverse ways of defining individual notifications that give users advance warning of critical situations and provide them with ideal support in their day-to-day work."

In addition, AirSupply offers high availability and comes in German, English, French and Spanish. That means users benefit from stable operation and use AirSupply in their own language. The same goes for the hotline: Users who need support obtain assistance in four languages – free of charge and round the clock. That is a frequently underestimated aspect that makes a considerable contribution to the long-term success of newly introduced processes and solutions.

Airbus benefits from lower costs compared with its previous SCM solution. That is because AirSupply is used by several companies, who share the costs of development, infrastructure, support and further development. Additional cost reductions are expected if, as planned, use of AirSupply becomes more widespread. The further extension of AirSupply on the customer side will enhance the benefits for the suppliers, who are no longer confronted with a large number of different portals, but can collaborate efficiently with multiple customers using one single solution.

Across many levels of the supply chain

However, the strategic benefit of AirSupply to the European aerospace industry is even more important: "That's because the solution enhances collaboration between companies throughout the industry and increases its transparency thanks to harmonized business processes and consistent terminology across several levels of the supply chain," says Matthias Naumann, Senior Vice President of EADS.

"The greater reliability and efficiency AirSupply delivers industry-wide compared with conventional company-individual solutions will make a major contribution to ensuring the long-term competitiveness of the European aerospace industry."