

heliceNet

***Improving Competitiveness in the Andalusian
Aeronautic Sector***

Presentation of the initiative for Erik



Simón Vázquez

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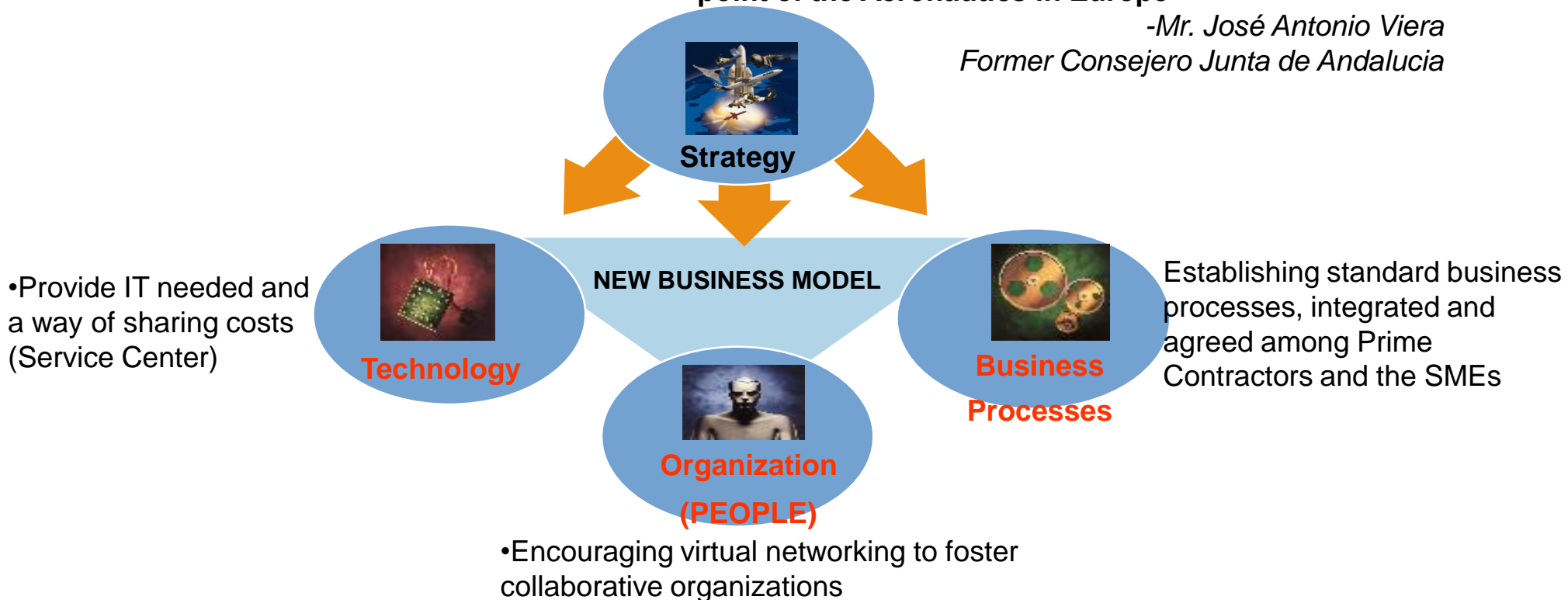
1. Introduction

FOCUS

- **Suitable combination of the different elements:** processes, organization , Human resources capabilities, relationship model and technology plan to yield the necessary strategy

I foresee “Andalucía to become as the third reference point of the Aeronautics in Europe”

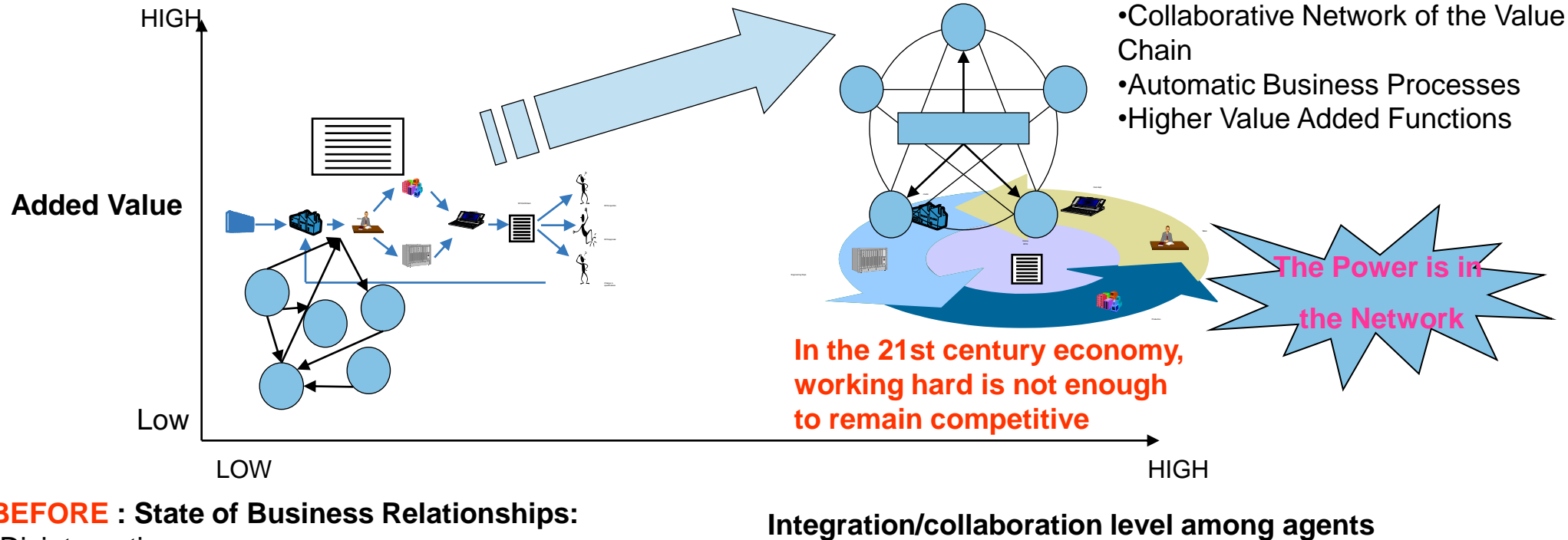
-Mr. José Antonio Viera
Former Consejero Junta de Andalucía



2. Description of the Initiative

Objective

- To create a working network which will position the Andalusian region as a reference point regarding Aeronautics at the European level, empowering the capabilities needed by the SMEs to improve their competitiveness when measured as a whole (global competitiveness).



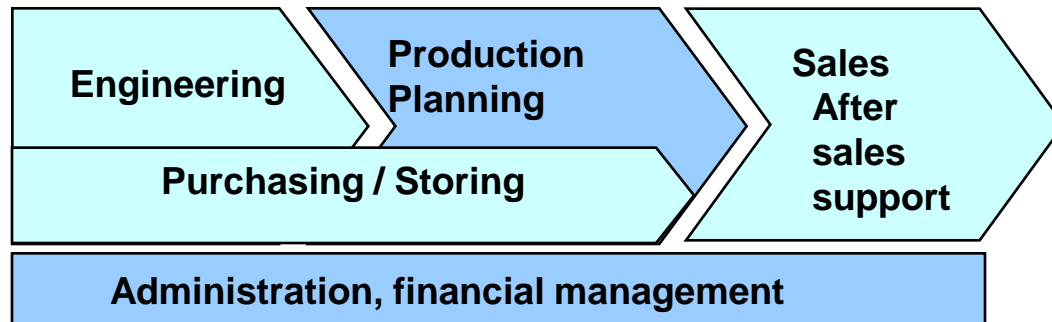
2. Description of the Initiative

Technology Model

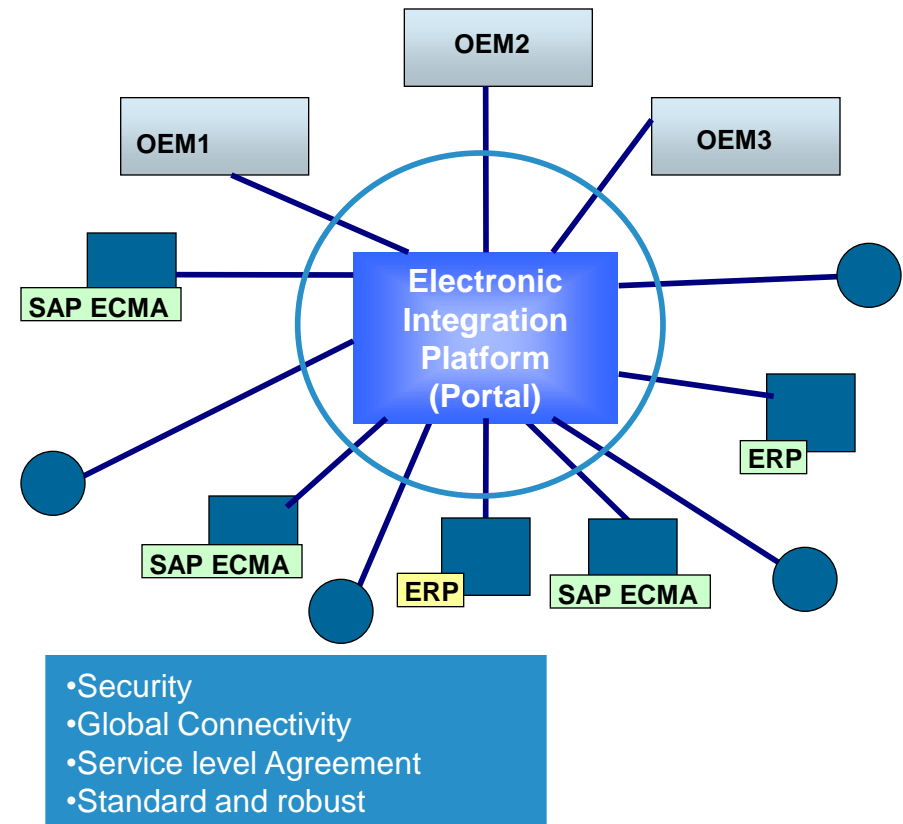
- Implementing an ERP (SAP ECMA) to support internal subcontractors processes mngmt.
- A Portal Connection allowing subcontractors to integrate their processes with the OEMs.

SAP ECMA Functionality (sectorial solution for A&D subcontractors).

It gathers know-how with aerospace production and management best practices and the required standards and docs to support processes in a small and medium subcontractor.

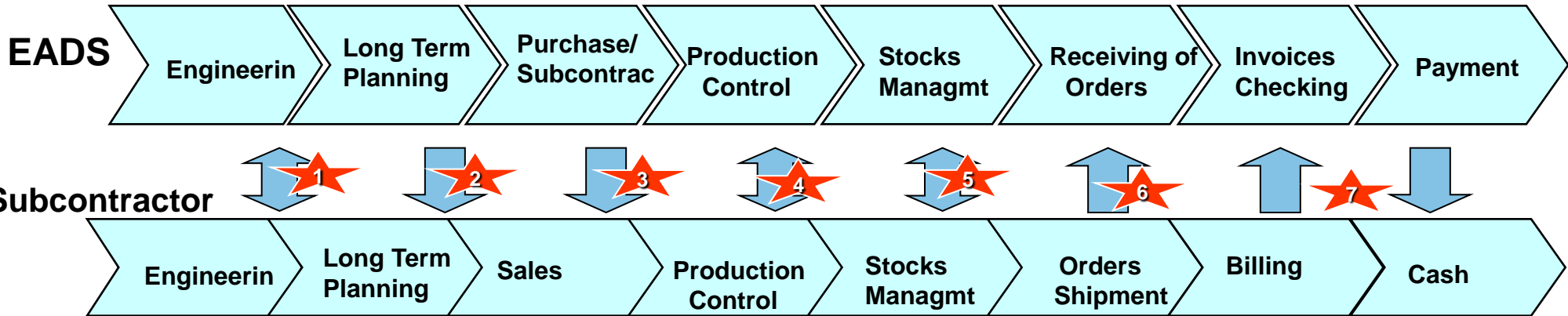


Connectivity with OEMs



3. Supply Chain Problems tackled

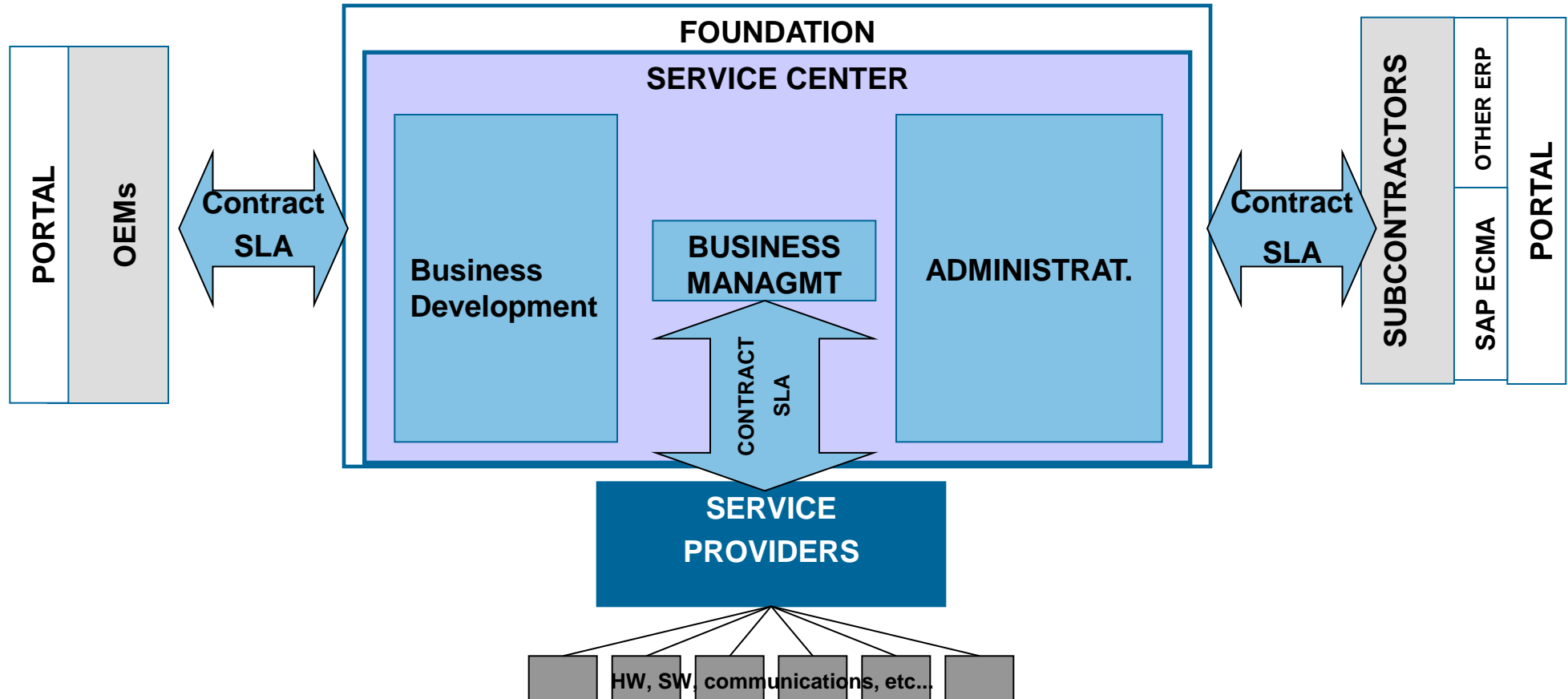
AGREED AND STANDARIZED BUSINESS PROCESSES



- 1**
 - Master data synchr. & Versions Control (materials, routes, BOMs, blue prints, etc.)
 - Product Structure Approval by EADS
- 2**
 - Publishes production forecast for suppliers.
- 3**
 - Getting available subcontractors capacities
- 4**
 - One-step business the order automatically generate an order in the subcontractor ERP
 - Subcontractor's production tracking.
 - Replanning propagation from EADS to subcontractors
 - Quality issues visibility (NCS, rejections, inspections, corrective actions, etc.)
- 5**
 - Stock control in the subcontractor's warehouse.
- 6**
 - As Built product structure report
 - Shipment tracking
 - Electronic Information interchange (Receiving sheets, quality certificates, assembly sheets).
- 7**
 - Less billing erros selfbilling e-invoice.
 - Invoices on-line tracking.

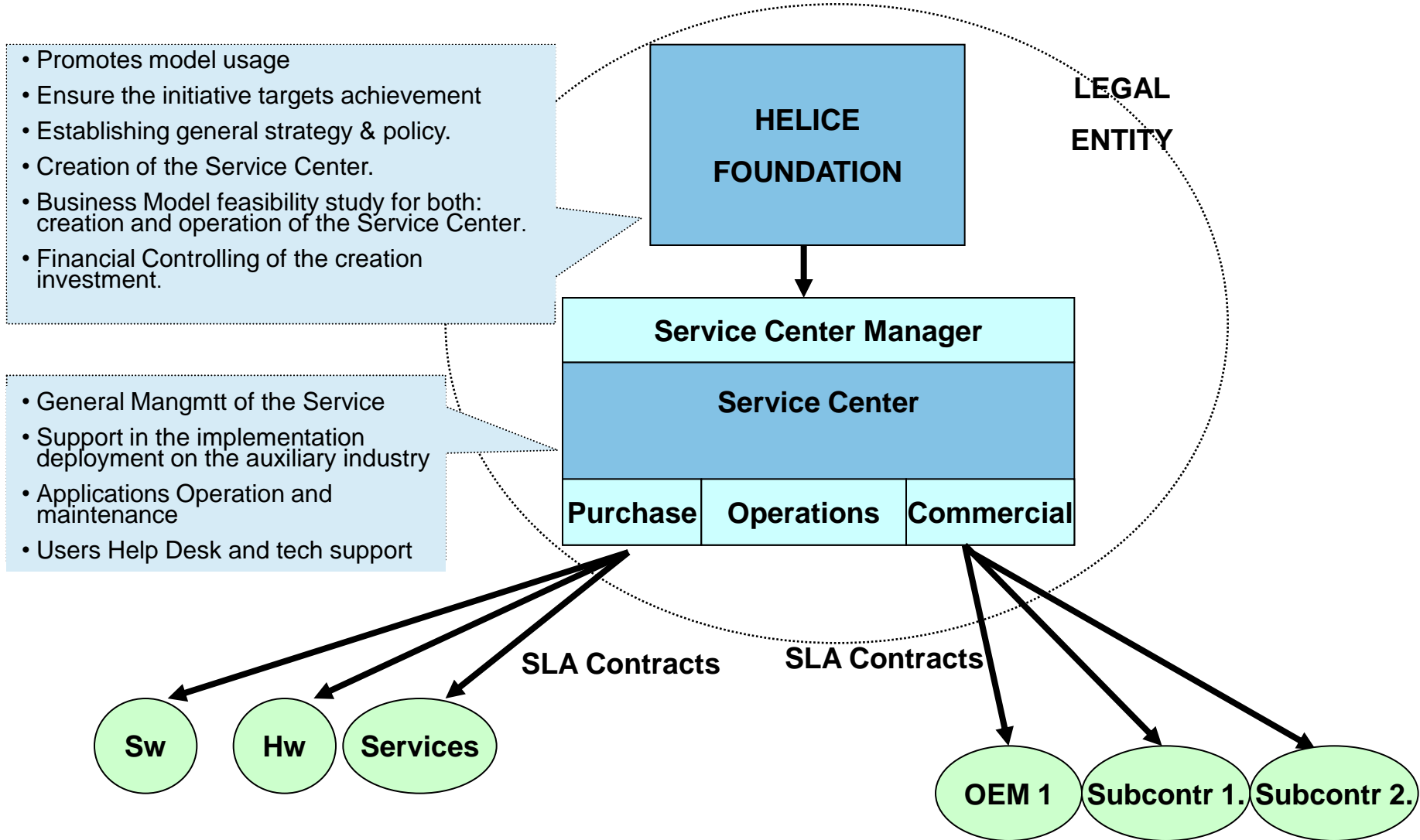
4. Business Model

This sketches the Service Center business model

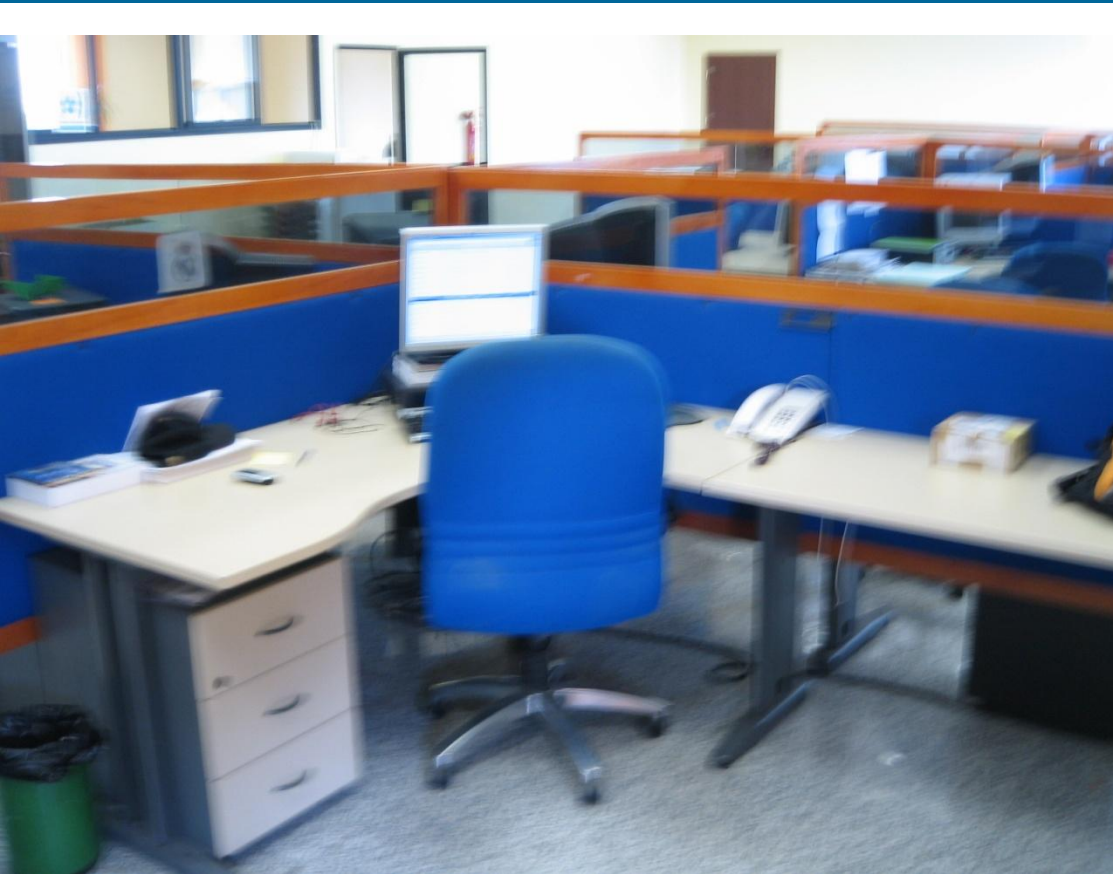


- Training sessions on techniques and best procedures on aerospace production
- Training sessions on Sap and portal usage

5. Service Center



5. A picture of the service center

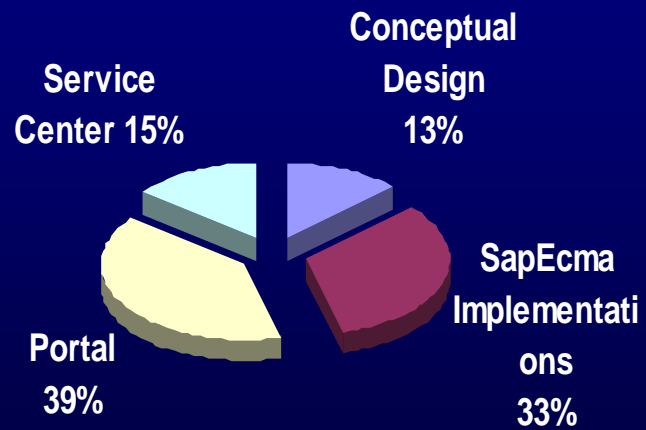


6. Global Budget

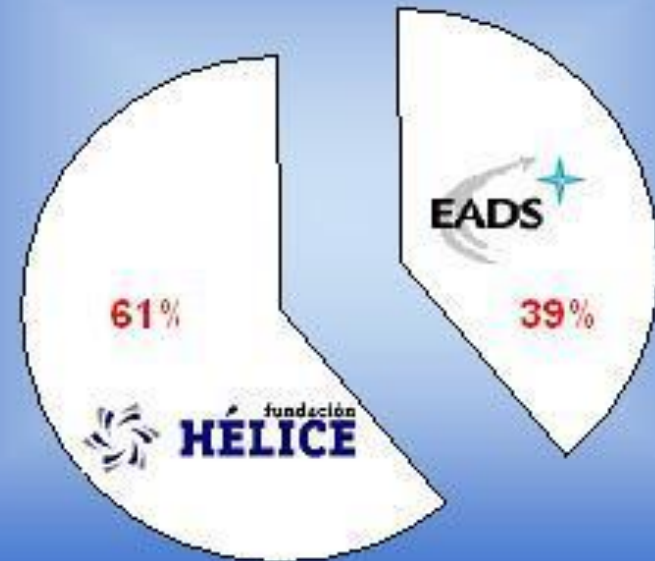
Concept	Cost (€)	Total Hours
Concept Definition	363.480	4.660
SAP ECMA	1.374.850	24.370
Organization Administration	46.800	600
Design Prototype	264.560	4.244
Additional develop.& Implementations	781.610	13.526
Post Implementation Support	281.880	6.000
Portal	1.475.542	24.524
Organization Administration	87.438	1.121
Portal version 1		
Design	104.542	1.610
Installation	246.487	4.294
Support	117.512	2.153
Portal version 2		
Design	249.230	3.844
Installation	450.838	7.477
Support	219.495	4.025
TOTAL	3.213.872	53.554
Infrastructure HW	223.350	
Communications	116.000	
Monitoring SW (Patrol)	9.500	
Implementation	62.400	1.040
TOTAL	3.625.122	54.594
Expenses (travels, office matl.) to be justified	120.000	

6. Global Budget

GLOBAL BUDGET 3,6M€



Financiación



7. The Helice Foundation

Created in 2005 at the initiative of the Andalusian Regional Government with the participation of 44 patrons including public institutions and private companies with the purpose of holding the cluster representation

Vision : To look into the cluster's structure, identify its lacks and needs, and act as a lobby to articulate the means to strengthen the cluster

Mission : To facilitate a better knowledge of the aeronautics realm by means of :

1. Publications : Aeronautica Andaluza, quarterly magazine

Statistics of the Sector

The annual Report of Helice Foundation

2. Specific Studies : Strategic Plans, ad-hoc Reports on hot issues

3. Representation : Let the cluster's voice be heard in natl.& intl. Forums, sector events

7. The Helice Foundation activities

To reduce the possible weaknesses in the sector encouraging mergers between companies, advising international companies about their possibilities in the region and promoting the institutional support of the Regional Government.

To promote the sector abroad, in collaboration with Extenda Regional Agency: International Aeronautic Fairs (ILA, Le Bourget, Farnborough) Visits of foreign companies or clusters to Andalusia..etc.

To take part as associated member of National Aeronautic Association (TEDAE) and, through them, in the European ASD and EACP.

To promote training courses for managers and engineers according to the detected needs in the sector: on technical matters, management, and also collaborates with the Regional Government for the definition of new curriculum to provide the market with better skilled professionals.

8. Route map for implementation

Preparation phase

Study of the needs for the specific supply chain



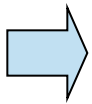
Defining the functional scope



Outline the relations model

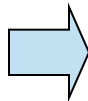
Don't be too ambitious

Clearly who is who's supplier for the project



Select minimum mandatory firms

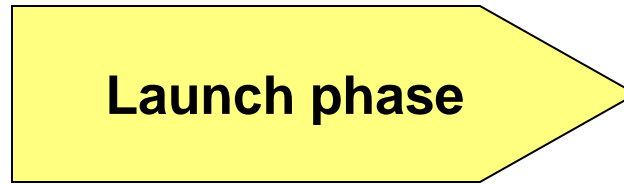
Enroll key companies first, don't miss "must firm"



Sign MOU clarifying the financial model

President or CEOs

8. Route map for implementation



Find an independent consultant specialized in IT, for monitoring



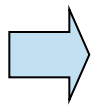
Set a Project Committee inside the related Departments in the Primes



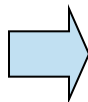
Set a project leader inside every firm as the contact point

Not the IT guys,
rather production
or Quality

Subcontr+Quality+IT



Get a critical mass of firms on board



Agree up on a closed Budget

Your sustainability as Service Center must be guaranteed

Prevent consultants trend towards eating the budget in advance

8. Route map for implementation



Your IT consultant will issue 2 progress reports a month



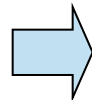
At least 2 firms would be ERPs implemented at a time

(cost and easy the burden of people)



Joint sessions for portal functions

Involve Not only people from IT companies, Administration, etc



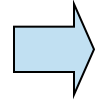
Deviations destroy the project, each firm will pay its dev

Hold to the Closed Budget Agreement

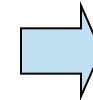
8. Route map for implementation



IT consultant to conduct an audit of the network's usage after 3 months



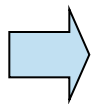
More training sessions



Contracts with SLAs for ERP firms

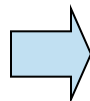
The wider the scope & functions the lesser usage

ERP on ASP will require a Contract with SLA clearly defined



Contracts will define hourly costs for a consultant team

Allows flexibility to evolve, each firm will grow on a different pace



Create a Help Desk Service

An annual meeting
help desk+
Foundation+Users