

Buck & Hickman



Vendor Managed Inventory

www.buckandhickman.com

Allow us to take cost out of your supply chain...

We provide the ultimate in Stock Management and Electronic Ordering Solutions

- No purchase orders, reduced inventory and automatic stock replenishment
- Supplier and product rationalisation
- Central stores, Lineside stocking and controlled “Point of Use” dispensing
- Comprehensive management information including reports on usage, budget control, stock utilisation and service

Our services include...

Barcode driven stock check and replenishment

- Simple stock management
- Automatic replenishment to agreed stock levels
- Supports central stores or lineside stock management
- Usage information by cost centre

Controlled “Point of Use” dispensing

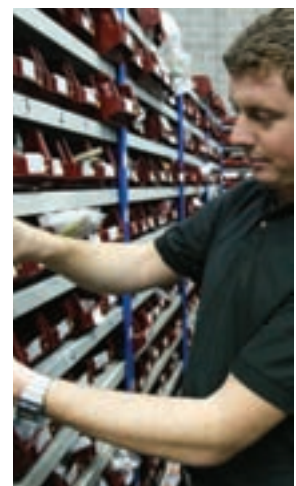
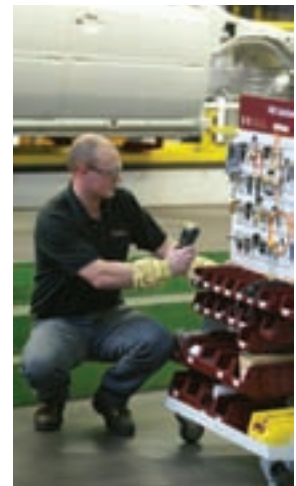
- Maximum control and traceability for tools and consumables
- Management information by cost centre, employee and job number
- Mix and match devices to suit your product control requirements
- Deploy stand alone or integrate with existing systems

Central Stores Systems

- Benefit from the latest inventory management software
- Automatic electronic ordering
- Comprehensive reporting
- Configure for use with multiple suppliers

Bespoke Solutions

- Benefit from our many years of industry experience
- Industry leading software and cutting edge technology including RFID





Hundreds of customers are already benefiting from...

Increased stock efficiency

We can provide consignment stock for high usage items, stock profiling and obsolescence management.

Increased productivity

Our solutions release your resource to focus on your core activities through reduced purchasing administration and stock management. Lineside systems reduce production downtime by eliminating walk & wait.

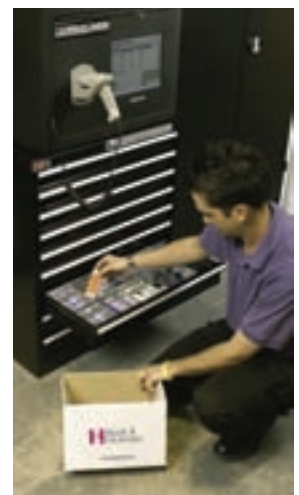
Greater control and accountability

Our systems provide you with detailed management information enabling you to track usage and apportion cost to departments, employees and job numbers.

A closer working relationship

We take the lead in driving costs down with monthly reviews and Key Performance Indicators. You will also enjoy direct access to our in-house product specialists and the latest technology from the world's leading manufacturers.

Our dedicated team of specialists are on hand to tailor a solution to meet your exact needs.



Traceable MRO inventory for British Airways Maintenance Efficiency Drive

British Airways Maintenance at Cardiff (BAMC) has seen a significant cost reduction in its maintenance, repair and operations (MRO) stock and has had no stock outs following the installation of a Cribmaster inventory management system from Buck & Hickman.

Introduced by BAMC as part of an efficiency drive for servicing Boeing 747s and 777s, Cribmaster provides visibility for all MRO stock - thousands of different items. BAMC now services over 100 aircraft a year, up from 76 the previous year.

First proposed as part of a continuous improvement initiative, the system builds upon Buck & Hickman's barcode driven consignment stock management solution. The new system enables BAMC to drive efficiency savings through full control and traceability of all stock transactions and enjoy the benefits of a vendor managed inventory solution including; consigned stock, electronic ordering, automatic replenishment, single monthly invoicing and proactive stock management.

It is the first time that a dedicated online inventory management system has been deployed in the UK. Hosted over a secure internet connection, the online deployment eliminated the cost and complexity normally associated with implementing such systems within a large blue chip organisation.

Phase two in the system's development will involve the stores management team using the data collected from the Cribmaster software to construct project related toolkits and deliver them directly to the aircraft bay. This will eliminate walk and wait time to and from the central stores and ensure that all the items needed for a maintenance job are readily available.

Currently when an engineer requires an item from stores a hand held radio frequency reader scans three barcodes to collect data. The first barcode is scanned from the person's identity badge, the second identifies the product being taken and finally the third identifies the project or aircraft maintenance bay.

This information is uploaded to Cribmaster in real time. The system records all transaction data, updates inventory levels and calculates reordering needs. When an item runs low or hits its reorder level the system generates a demand notification, which is then reviewed, approved and sent



electronically to Buck & Hickman. Reports produced by the system allow BAMC managers to analyse product usage by person, team and maintenance bay over a period of time or by aircraft.

The same procedure checks non-expendable items back into stores. This ensures that nothing has been left on or in any part of the aircraft before it is released, which is vital for safety.

Cribmaster also manages larger tooling, such as torque wrenches and power tools. The system keeps an audit trail of who used each tool and when and where. It also identifies and tracks which tools need reworking, replacing or calibrating.

By managing the stock more effectively, BAMC has already halved the amount of storage space needed for stocking MRO items. This allows the organisation to stock more aircraft spare parts.

The system currently controls all the stock supplied by Buck & Hickman, including consigned product, and is now being rolled out to include other BAMC suppliers. Cribmaster enables Buck & Hickman and other suppliers to receive stock alerts and replenishment orders electronically, eliminating the need for manual data entry and allowing the supplier to be proactive in responding to low stock situations.

Comments Phil Morgan, inventory and tooling group leader: "We have already seen significant efficiency savings. Using this solution from Buck & Hickman we can now see who is using what tools for each project. As a result people only take out items that they need rather than taking extra as their own spare stock"

"We are only in phase one of this efficiency drive. Being able to collect detailed critical stock and transaction data means that in the future we can plan exactly what stock is needed for maintenance programmes and deliver this to the engineer. This will save the maintenance engineers considerable time and enable BAMC to service more aircraft."

Outsourced Stock Management achieves near perfect availability for AgustaWestland



A vendor managed inventory solution from Buck & Hickman is providing 99% stock availability for Westland Transmissions. The solution covers 8,000 different product lines used for the company's maintenance, repair and operations (MRO) needs. The previous central stores solution had an estimated 50% stock availability.

In addition the solution has reduced the cost of transaction for each item from a typical £40 per order to effectively £0, with Buck & Hickman managing the replenishment of stock. In total, Purchasing Manager for Westland Transmissions, Simon Paddock estimates that 50% of all purchases are now managed using the solution and that these are generally for low value items but in total account for a significant budget. Westland Transmissions now receive a single itemised monthly invoice for their MRO requirements.

Using the VMI solution allows both the purchasing and production teams to concentrate on core business activities instead of chasing product due to stock outs.

Buck & Hickman's solution uses lineside cabinets containing the MRO products needed for each production cell. The company uses its Cribmaster inventory control software to check stock in each cabinet either once or twice a week. Stock is replenished at the next visit.

Lineside cabinets provide stock close to where it is needed, which avoids unnecessary walk and wait time by operatives when a central store is used. Also, because

stock is available close to where it is used, the solution helps prevent hoarding of stock by production operatives.

Small items are stored in twin kan bans in the cabinets, one yellow and one red. When all the stock is used from the yellow kan ban the red bin is pulled to the front. This shows that stock needs replenishing and the information is collected using a hand held bar code scanner. Larger stock items are stacked on the shelves and checked visibly. After stock checking the scanner downloads its information onto a PC at Buck & Hickman's onsite office and produces online or paper purchase orders for the company's National Distribution Centre or for another supplier. Stock from Buck & Hickman's NDC is then delivered next day.

While the lineside cabinets provide everyday stock for the production cells, slower moving or occasional items are available from a separate onsite trade counter managed by Buck & Hickman.

The Cribmaster software produces management information on stock availability and use, either by product type, production cell or by supplier. Using this previously unavailable information allows the purchasing team to target areas for cost savings. Over time the information collated will also allow the VMI system to accurately match stock needs with production schedules.

In the future Buck & Hickman may also manage some slower moving but critical spares using Cribmaster to help avoid production downtime.



For further information on our Vendor Managed Inventory Solutions contact your local Buck & Hickman branch on 08450 510150 or e-mail bh.vmi@buckandhickman.com

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