

Michael G. Beason Chairman & CEO

This presentation may appear different on your computer than originally designed. If you do not have the fonts used to create the presentation, your computer will substitute others that will change the overall formatting and look of the slides.

### **Joining SEA**

A presentation for aerospace, defense, and space suppliers who are wondering what SEA is and how SEA might help you to survive the next 5 years in our industry.

January 2013



### Aerospace & Defense Today

- Consolidation The Three Lists
- High Speed Production
- Customer Expectations
- Global Competition



### **Every Day..**

- Suppliers are surprised by losing business they've held for years
- Suppliers are being placed on the customer "phase-out" list without even knowing it
- Suppliers are being told that their scorecard is "red" and they have to improve or lose business
- Suppliers are being asked to make things at less than their cost and then losing to a competitor who says he can do it and still make a profit
- Suppliers are losing business to another supplier who is consolidating business for 20 suppliers

3

#### What's the Plan?

What is your plan for competing?





### What's Important?

- Visibility New Business
- Performance More Competitive
- Collaboration Working with Peers and Customers

### What They're Saying

- "Our full SEA engagement has allowed us to improve our cash flow more than I thought was ever possible" Marzel Neckien President WMW
- "As you know, I visit most of our machine shop suppliers on a regular basis. I hold C&H in the top tier group. Most of that group are already participating in SEA. I must tell you that originally I was somewhat of a skeptic, however, now I am a believer due to first hand witness of amazing cycle time achievements due to SEA involvement and production streamlining." Jim Richards, Parker
- "There is no way we could have done this with the preparation of our system and the work instructions we developed as a result of our continuous improvement efforts we did with SEA in the past 14 months." Pat McCready TSI Plastics

#### **Douglas C. Greene – Hixson Metal Finishing**



- 31.8% Reduction in PPM
- 41.9% Reduction in Rework Dollars Spent
- → 14.5% Improvement in Inventory Turns
- → 11.9% Increase in Sales Per Employee
- → 99.4% On Time Delivery
- SEA Stage 1 Certified
- SEA Awards: Aerospace and Defense
  Stephen E. Barton Leadership and
  Culture Award, Supply Chain Innovation
  Award, Operational Excellence Award,
  Richard Hall Leadership Excellence
  Award

#### **Brad Hart - Roberts Tool Co.**



- Improved quality from 2.4sigma to 5.2 sigma (137DPMO)
- → OTD from 55% to 96%
- Scrap rate from 5% to less than 1%
- Inventory turns from 4 to 12
- Average lead time from 16 to 3 wks
- → 10-20% year on year cost reduction
- SEA Stage 1 Certified
- SEA Awards: Workforce
   Development; Operational
   Excellence; Supply Chain Innovation;
   Richard Hall Award for Leadership
   Excellence

#### **Mario Robles – MPC Industries**



- Increased OTD from 92 to 96%
- PPM from 4874 to 255
- 24% reduction in cost
- 24% increase in sales per employee
- 53% reduction in changeover time in grinding department
- 55% increase in output in Flat Sheet department
- SEA Awards: Stephen E. Barton Leadership and Culture Award, Performance Award; Most Improved

9

### **Visibility**

- Supplier Registry
- CEO Conferences and keynotes
- Site Visits & Customer Briefings
- **Buyer & Purchasing Agent Briefings**
- YouTube & VCASMO Videos
- Supply Chain Awards
- SEA Newsletter

## **Supplier Registry**

Company Name	State	Primary Contact	Phone	Email	Video	Industry Type	OTD	РРМ
CERTIFIED COMPANIES STAGE 1								
GENTEX Corporation (Respiratory Systems)	CA	Robert McCay General Manager	(909) 481-7667 x3600		You Tube	Life Support Products - Military Commercial Markets		
Hixson Metal Finishing	CA	Douglas C. Greene President	(949) 645-4800		You Tube Virtual Tour	Special Processing - Anodizing, Plating, Brazing, Heat Treating, Finishes, Coating, Sealant	SEA	SEA
Midwest Metal Products	IA	Kevin Urban President	(800) 394-6474 x132		POWERED BY CASMO	Fabrication, Bending, Forming & Sheet Metal		
National Technical Systems (NTS) - Fullerton	CA	Bill McGinis CEO	(866) 787-5746			Engineering Services		SEA
National Technical Systems (NTS) - Boxborough	MA	Bill McGinis CEO	(866) 787-5746	$\bowtie$		Engineering Services		SEA
TSI Plastics, Inc.	MN	Pat McCready President & CEO	(763) 784-0240		You Tube	Plastics - Parts & Assemblies	SEA	SEA
Vaupell Northwest Molding and Tooling	WA	Keith Zeiler General Manager	(206) 805-0006		You Tube	Plastics - Parts & Assemblies		SEA
W Machine Works, Inc.	CA	Marzel Neckien President	(818) 890-8049	$\bowtie$	You Tube  Veasino  Virtual Tour	Machining - Machined Assemblies		



### **Visibility**

- Supplier Registry
- CEO Conferences and keynotes
- Site Visits & Customer Briefings
- YouTube & VCASMO Videos
- Supply Chain Awards
- SEA Newsletter, Internet

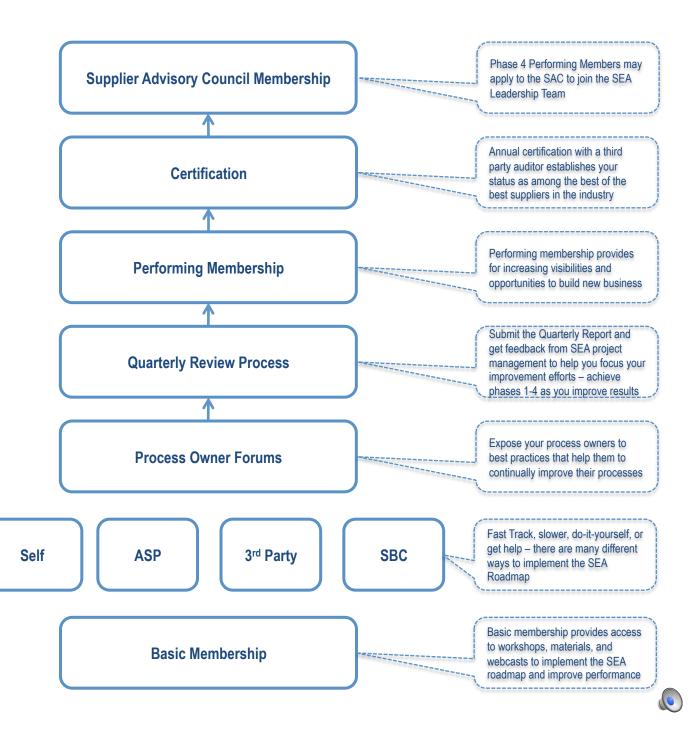
#### **Performance**

- Proven Industry Roadmap
- Step by Step Process
- SEA Leader Workshop
- Quarterly Performance Reviews
- Process Owner Forums
- Certification
- Authorized Service Providers
- Small Business Consortium



#### **Collaboration**

- CEO Conferences
- Benchmark Site Visits
- Process Owner Forums
- Supply Chain Summits



Self – using internal resources ASP – Authorized Service Provider 3<sup>rd</sup> Party – using a non-ASP consultant SBC – small business consortium

Get Started
Take Action
Join our Leading
Process Improvement
Blog today!

Self – using internal resources ASP – Authorized Service Provider 3<sup>rd</sup> Party – using a non-ASP consultant SBC – small business consortium

Phase 4 Performing Members may **Supplier Advisory Council Membership** apply to the SAC to join the SEA Leadership Team Annual certification with a third party auditor establishes your Certification status as among the best of the best suppliers in the industry Performing membership provides **Performing Membership** for increasing visibilities and opportunities to build new business Submit the Quarterly Report and get feedback from SEA project **Quarterly Review Process** management to help you focus your improvement efforts - achieve phases 1-4 as you improve results Expose your process owners to **Process Owner Forums** best practices that help them to continually improve their processes Fast Track, slower, do-it-yourself, or get help - there are many different Self **ASP** 3<sup>rd</sup> Party **SBC** ways to implement the SEA Basic membership provides access to workshops, materials, and **Basic Membership** webcasts to implement the SEA roadmap and improve performance

Get Started
Take Action
Join as an Associate or
Basic Member today!

Self

Phase 4 Performing Members may **Supplier Advisory Council Membership** apply to the SAC to join the SEA Leadership Team Annual certification with a third party auditor establishes your Certification status as among the best of the best suppliers in the industry Performing membership provides **Performing Membership** for increasing visibilities and opportunities to build new business Submit the Quarterly Report and get feedback from SEA project **Quarterly Review Process** management to help you focus your improvement efforts - achieve phases 1-4 as you improve results Expose your process owners to **Process Owner Forums** best practices that help them to continually improve their processes Fast Track, slower, do-it-yourself, or get help - there are many different **ASP** 3<sup>rd</sup> Party **SBC** ways to implement the SEA Basic membership provides access to workshops, materials, and **Basic Membership** webcasts to implement the SEA roadmap and improve performance

Self – using internal resources
ASP – Authorized Service Provider
3rd Party – using a non-ASP consultant
SBC – small business consortium

Use your own
resources
Use your own
consultant
Start Attending the Free
Webcasts

Self – using internal resources ASP – Authorized Service Provider 3<sup>rd</sup> Party – using a non-ASP consultant SBC – small business consortium

Phase 4 Performing Members may **Supplier Advisory Council Membership** apply to the SAC to join the SEA Leadership Team Annual certification with a third party auditor establishes your Certification status as among the best of the best suppliers in the industry Performing membership provides **Performing Membership** for increasing visibilities and opportunities to build new business Submit the Quarterly Report and get feedback from SEA project **Quarterly Review Process** management to help you focus your improvement efforts - achieve phases 1-4 as you improve results Expose your process owners to **Process Owner Forums** best practices that help them to continually improve their processes Fast Track, slower, do-it-yourself, or get help - there are many different Self **ASP** 3<sup>rd</sup> Party **SBC** ways to implement the SEA Basic membership provides access to workshops, materials, and **Basic Membership** webcasts to implement the SEA roadmap and improve performance

Assign Process Owners and engage them in sharing best practices without leaving your location

Self

**Supplier Advisory Council Membership** 

Certification

**Performing Membership** 

**Quarterly Review Process** 

**Process Owner Forums** 

**ASP** 

SBC

Fast Track, slower, do-it-yourself, or get help – there are many different ways to implement the SEA

Self – using internal resources
ASP – Authorized Service Provider
3rd Party – using a non-ASP consultant
SBC – small business consortium

**Basic Membership** 

3<sup>rd</sup> Party

Phase 4 Performing Members may apply to the SAC to join the SEA Leadership Team

Annual certification with a third party auditor establishes your status as among the best of the best suppliers in the industry

Performing membership provides for increasing visibilities and opportunities to build new business

Submit the Quarterly Report and get feedback from SEA project management to help you focus your improvement efforts – achieve phases 1-4 as you improve results

Expose your process owners to best practices that help them to continually improve their processes

Basic membership provides access to workshops, materials, and webcasts to implement the SEA roadmap and improve performance





**Supplier Advisory Council Membership** 

Phase 4 Performing Members may apply to the SAC to join the SEA Leadership Team

Certification

Annual certification with a third party auditor establishes your status as among the best of the best suppliers in the industry

**Performing Membership** 

Performing membership provides for increasing visibilities and opportunities to build new business

Report your progress and get expert feedback and advice from a SEA project manager

**Quarterly Review Process** 

Submit the Quarterly Report and get feedback from SEA project management to help you focus your improvement efforts – achieve phases 1-4 as you improve results

**Process Owner Forums** 

Expose your process owners to best practices that help them to continually improve their processes

Self

ASP

3<sup>rd</sup> Party

**SBC** 

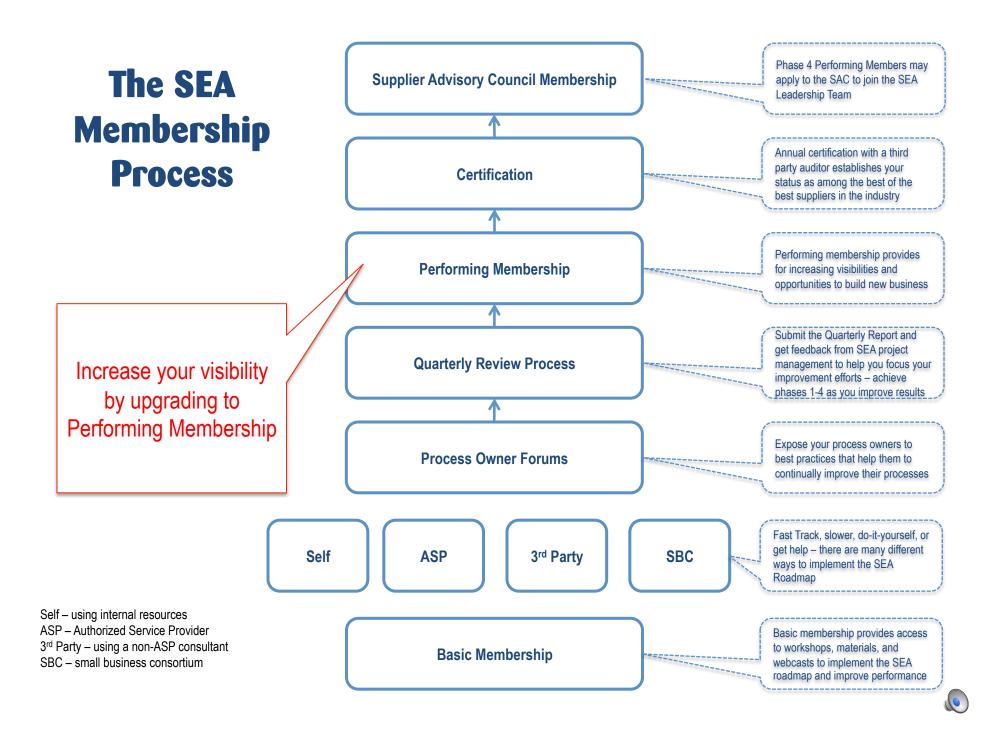
Fast Track, slower, do-it-yourself, or get help – there are many different ways to implement the SEA Roadmap

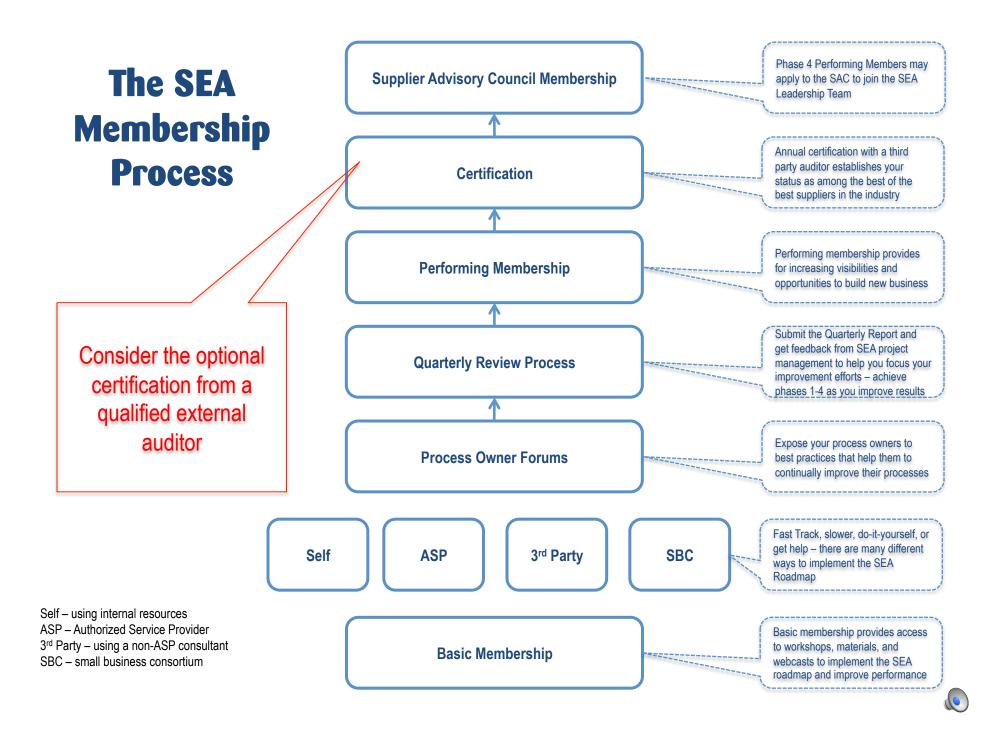
Self – using internal resources ASP – Authorized Service Provider 3<sup>rd</sup> Party – using a non-ASP consultant SBC – small business consortium

**Basic Membership** 

Basic membership provides access to workshops, materials, and webcasts to implement the SEA roadmap and improve performance







Certification

Phase 4 Performing Members may apply to the SAC to join the SEA Leadership Team

Annual certification with a third party auditor establishes your status as among the best of the best suppliers in the industry

Performing membership provides for increasing visibilities and opportunities to build new business

Apply for membership in the council of industry-leading suppliers

**Performing Membership** 

**Supplier Advisory Council Membership** 

**Quarterly Review Process** 

**Process Owner Forums** 

Submit the Quarterly Report and get feedback from SEA project management to help you focus your improvement efforts – achieve phases 1-4 as you improve results

Expose your process owners to best practices that help them to continually improve their processes

Self

ASP

3<sup>rd</sup> Party

**SBC** 

Fast Track, slower, do-it-yourself, or get help – there are many different ways to implement the SEA Roadmap

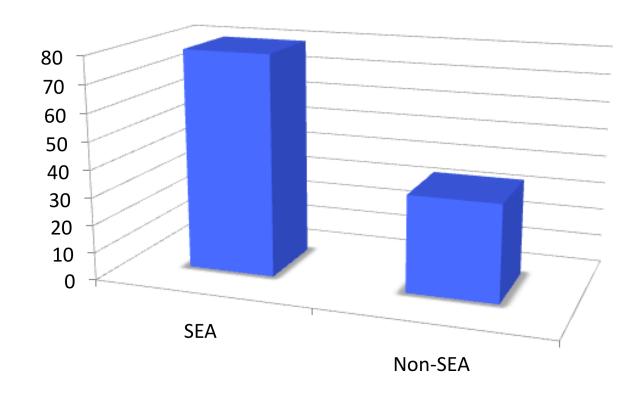
Self – using internal resources ASP – Authorized Service Provider 3<sup>rd</sup> Party – using a non-ASP consultant SBC – small business consortium

**Basic Membership** 

Basic membership provides access to workshops, materials, and webcasts to implement the SEA roadmap and improve performance



## 80% of SEA Suppliers are UP!



Survey comparison of supplier results for 2011 vs. 2010



#### SEA SUPPLIER EXCELLENCE ALLIANCE

Accelerating Supply Chain Performance



We're just suppliers...
Like you..
Proud of our companies...
Committed to Improvement





www.seaonline.org/join

