

Getting the Right Part to the Right Place at the Right Time



MARK OWEN
Vice President
Material Management
Boeing Commercial Aviation Services

Mark Owen at the Boeing Spares Distribution Center in Seattle.

During the past several weeks, I've had the opportunity to present the Material Management Lean Vision and Implementation Plan to more than 50 airline customers at a variety of meetings and a symposium. Contrary to what many think, the objective of Lean is not to support our customers with less but, instead, to reduce internal Boeing cycle times in order to speed the effectiveness of the support we provide our customers. It is meant to – better than ever before – provide the right parts to the customer as quickly and efficiently as possible.

I can honestly say that after two years of focus on Lean, our Material Management organization is fully engaged. Customers are seeing us respond with answers more quickly. They are receiving more regular updates when we're still working the

problem. The Air Transport Association Industry Standard Metrics, which we use to track our progress, are showing that for airplanes on ground (AOGs), we have a part available to ship in four hours or less almost 80 percent of the time —



We continue to refine our operations based on customer feedback. Specifically, each year, we invite 15 to 18 airline customers to what has become an annual meeting called the Material Management Customer Council.

up from only about 40 percent of the time a year ago. Our schedule performance for non-AOGs has also been improving.

However, we realize that we have a significant way to go. Some common themes from customers that I've received include:

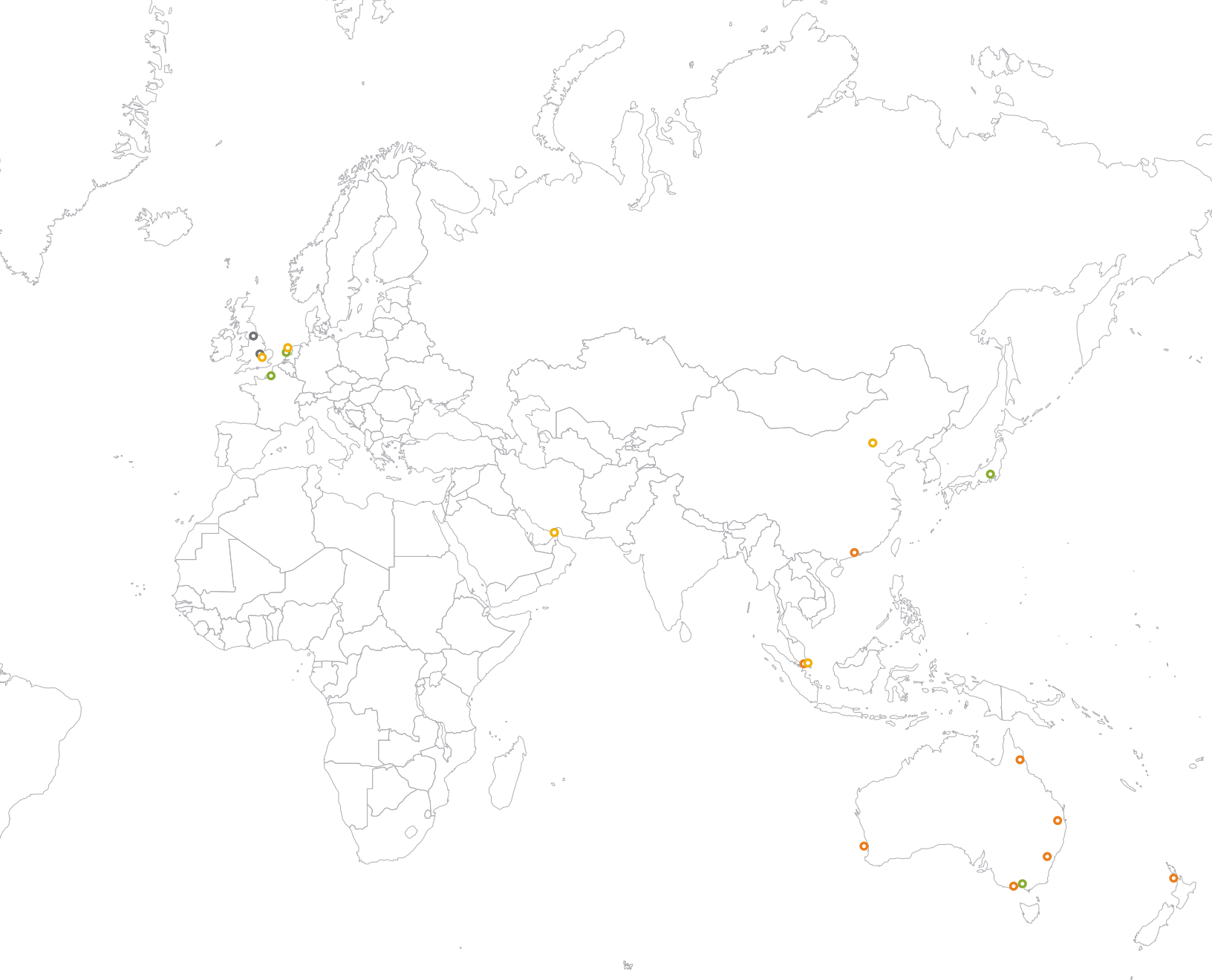
- We need to publish more reliable lead times.
- We need to do a better job of supporting all types of in- and out-of-production parts.
- We need to do a better job of supporting our customers with small fleets.
- There is a desire for more data — more on key performance associated with service bulletins, management control parts, and price escalation.

We continue to refine our operations based on customer feedback. Specifically, each year we invite 15 to 18 airline customers to what has become an annual meeting called the Material

Management Customer Council. During our last meeting at the end of August (our third annual), we captured a specific set of action items that we will work, track, and report back to the Customer Council on a regular basis. Without a doubt, this feedback will help us identify gaps and make our organization more efficient, so we can meet our goal of being No. 1 in customer support.

In order to meet your needs, feedback is imperative. I welcome your comments and questions. Please feel free to contact me directly at MaterialManagement@boeing.com.

MARK OWEN
VICE PRESIDENT, MATERIAL MANAGEMENT
BOEING COMMERCIAL AVIATION SERVICES



Boeing operates the aviation industry's most comprehensive spare-parts sales and distribution network, maintaining the inventory for about 500,000 different types of parts to support the worldwide fleet.

- Distribution centers
- Component repair centers
- Continental DataGraphics offices (subsidiary)
- Avial offices (subsidiary)