

The Aerospace sector and its opportunities in the UK economy

Aerospace is a major engineering, manufacturing and service industry within the UK, significant on both a European and a global scale. It employs over 100,000 people directly, and over 220,000 indirectly, and is one of the UK's largest exporters adding around £2.8 billion annually to the UK balance of trade. Besides famous name global companies (several of which are UK owned) the sector encompasses around 2600 companies across all regions of the UK many of which are SMEs especially at tiers 2 and 3 in the supply chain.

The industry uses a broad range of skills and disciplines, including engineering and science, production, service, supply chain, training and financial skills at all levels. It is central to high value added advanced manufacturing in the UK which is a national priority under the Coalition's policy of rebalancing the UK economy. As such a high rate of technical innovation typifies the sector.

Opportunities ahead for the UK aerospace sector, in the medium term include the A320/737 series New Short Range replacement programmes and unmanned aerial systems; whilst in the shorter term, new programmes such as the Airbus A350XWB and A400M, Boeing 787, Bombardier C Series and possible Airbus A320 and Boeing 737 re-engining offer a substantial workload.



New regional and business aircraft and emerging platforms from new prime contractors in China, India, Japan, Russia and Brazil are also targets for the UK sector. Next generation rotorcraft will be developed, offering lower noise and operating costs offering much higher speeds. Environmental regulations and considerations are key drivers for the latest technology developments, which the UK is particularly well-placed to exploit.

To make the most of these opportunities, improved supply chain performance and management is critical. This was acknowledged by the sector when it launched SC21

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(21st Century Supply Chains) at the Farnborough Airshow in 2006. SC21 is a major change programme designed to accelerate the competitiveness of the aerospace and defence industry by raising the performance of its supply chains

SC21 has been endorsed by the aerospace prime companies for the benefit of their complete supply chains which include many SMEs and also by the UK Ministry of Defence. To date there are over 500 businesses committed to improving their performance and thereby positively impacting the competitiveness of the UK aerospace & defence supply chain.



From its initial base in the automotive sector, Industry Forum has worked extensively in UK aerospace sector for over a decade and has carried out numerous process improvement and supply chain improvement projects successfully. Industry Forum is able to deliver every aspect of the SC21 programme - for more details go to www.industryforum.co.uk/practical-solutions/supply-chain-solutions/sc21/

Supply chain solutions with Industry Forum begin by assessing and setting improvement strategy and goals. This includes analysis of current and future supply chain impact to the host organisation against a number of key variables, resulting in a comprehensive improvement plan. Industry Forum can help firms deliver every aspect of the improvement plan and as far as the aerospace sector is concerned make decisive progress towards sustainable global competitiveness.

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