

## Gardner Group Ltd | Case Study

# “Demand Signal Analysis at Gardner”



### NEEDS

- Variety of demand signals received from across customer base
- Operational management of signals varied
- Resulting inefficiencies within SOP lead to dilution of the quality of the demand signals

### APPROACH

The demand signals of Gardner’s top five customers were analysed to understand the workflow of each signal, particularly:

- Incoming Customer Signal Quality
- Supplier Signal Quality to Manufacturing Sites
- Firm and Forecast
- Issue Management

### RESULT

#### Short term:

- Lead Time Analysis and correction
- Standard Reject and Rework Procedures
- Standard Issue Escalation procedures
- Firm and Forecast window realignment
- Optimum Manufacturing Batch Sizes

#### Medium term:

- Development of a one-size-fits-all standardised operating procedure for all customers and manufacturing sites.
- Measurable score card for the operational control room.

#### Long term:

- Development of Gardner’s long term supply chain strategy.

**The Need:** Gardner receive demand signals from their Aerospace customers in a variety of electronic formats and at different times of the week. Paul O’Gara, Director of the Integrated Logistics Centre recognised that the individual signals were being managed in different ways operationally as well as through Gardner’s internal MRP systems. This was leading to inefficiencies in the sales and operations process which in turn was leading to a dilution of the quality of the signal as it was output to each of the companies’ manufacturing centres.

### **The Approach**

As part of the Supply Chain Excellence program running at Gardner, Paul asked Redthorn to investigate the signal processing in detail. Redthorn’s practitioners worked with account managers for each of Gardner’s top five customers to analyse and understand the workflow of each signal with attention being paid to the following:

- ▶ Incoming Customer Signal Quality: Redthorn used its own Demand Variation methodology to analyse the quality of the signal from each customer in terms of the variations and stability within the firm and forecast periods.
- ▶ Firm and Forecast: Analysis of the firm and forecast periods for each customer, and how the differences for each affect the manufacturing sites’ ability to plan and schedule work.
- ▶ Supplier Signal Quality to Manufacturing Sites: Redthorn used their in-house data-basing skills and tools to study how the quality of the subsequent signal to the sites were affected by the internal operational procedures and the usage of Gardner’s MRP systems.
- ▶ Issue Management: The methods being used to capture changes to orders within the fixed order window, paying attention to the usage and communication of delivery dates across the whole supply chain.

### **The Results**

Redthorn established and presented a number of immediate operational issues that could be solved with short term quick fixes which allowed Gardner to immediately improve their delivery performance. Short term opportunities:

- ▶ Lead Time Analysis and correction
- ▶ Standard Reject and Rework Procedures
- ▶ Standard Issue Escalation procedures
- ▶ Firm and Forecast window realignment
- ▶ Optimum Manufacturing Batch Sizes

The complete workflow of each customers’ signal was documented and in addition to pinpointing the issues, Redthorn established the areas of best practice to allow development of a one-size-fits-all standardised operating procedure for all customers and manufacturing sites.

Redthorn’s data analysis was presented in such a way that it could be used for constructing a measurable score card to be used as a metric in the ILC’s operational control room, which forms part of the Supply Chain Excellence program implementation. In addition to the short and medium term results delivered, the study is also being used to help with the delivery of Gardner’s long term supply chain strategy, which is being developed in collaboration with Redthorn Ltd



#### **Case Study Summary**

##### **Industry**

Aerospace

##### **Client Overview**

Gardner Aerospace’s activities include 5-axis machining, turning, sheet metal fabrication, nondestructive testing, surface treatments, final assembly and kitting. Gardner’s Integrated Logistics Centre (ILC) manages the delivery of the Group’s manufactured and bought-in products to its key customers, either delivered individually or as kits.

##### **Location**

Various UK sites

##### **Website**

[www.gardner-aerospace.com](http://www.gardner-aerospace.com)

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