

# FROM SUPPLIER GAPS TO AS9100-CERTIFIED PERFORMANCE

## \$3.0M+ Annual EBITDA Improvement Through Lean Supplier Development

### Background

#### Company:

An assembly and component supplier to the commercial and defense aerospace industry, operating in a highly regulated environment with strict quality, documentation, and traceability requirements.

#### Situation:

The organization set out to build a reliable offshore supply base for low-volume, high-mix aerospace components but faced significant capability gaps, including limited experience developing offshore aerospace suppliers and a shortage of partners able to meet AS9100 certification requirements. Supplier quality systems lacked robust configuration control, documentation, and end-to-end traceability, creating elevated risk in safety-critical applications. The business was also under pressure to achieve 15%+ cost reductions without compromising quality or compliance. Operational inefficiencies, including changeover times averaging 22 hours, further constrained flexibility, increased lead times, and drove cost, leaving the organization exposed to ongoing compliance risk, limited sourcing options, and margin pressure.

#### Objective:

The ProAction Group was engaged to develop a qualified aerospace supply base by applying Lean principles to supplier development, upgrading supplier quality systems to AS9100 standards, and delivering meaningful cost reductions while maintaining first pass yield and audit performance.

### Actions Taken

- Assessed supplier manufacturing capability and quality maturity against AS9100 requirements
- Applied Lean problem solving and standardization to supplier operations
- Led suppliers through AS9100 quality system development, including:
  - Quality manuals and procedures
  - Configuration management
  - Lot traceability and documentation controls
  - Inspection and non-conformance systems
- Updated and aligned end-to-end quality systems, not just isolated processes
- Coached suppliers through disciplined corrective action and audit readiness
- Established repeatable quality governance to sustain certification
- Completed Quick-Change-Over (QCO)/SMED events in 4 areas and created standard work

**Transforming suppliers from capable manufacturers into AS9100 certified aerospace partners by applying Lean discipline to quality systems; elevating supplier reliability, compliance, and cost competitiveness simultaneously.**

## IMPLEMENTATION IMPACT

### More than \$3.0M in recurring annual EBITDA improvement

- Cost reduction 33-60% in CNC machining, casting, rubber molding, spring components
- Suppliers developed to meet AS9100 aerospace quality standards
- Improved consistency, repeatability, and compliance across supplier operations

### Charging Operations saw a 35% improvement in thru-put

- First pass yield expectations achieved and sustained
- Clean audits completed for CNC machining and investment casting suppliers
- Quality system capability embedded for long term sustainability

### QCO activity led to 24%-39% improvement in the 4 focus areas

# THE PROACTION<sup>SM</sup> GROUP<sup>LLC</sup>

**Uncover Hidden Value. Drive Transformational Growth.**

We help businesses unlock operational excellence and reveal the profit hiding in plain sight – often without new equipment, new people, or risky investments.

The Competition is Fierce. Change the Rules.™

proactiongroup.com | 312.726.6111