



How Bell Textron soared to new heights in supply chain planning

Key objectives

- Gain forward visibility for long-range planning
- Increase granularity of bills of materials and critical supply constraints
- Mitigate supply chain shortages, delays and risks
- Improve data quality

Industry:

Aerospace and Defense

Headquarters:

Fort Worth, Texas

Employees:

>30K

Revenue:

\$13B+

Challenges

- Outdated and siloed data sources
- Complex bills of materials with 8,500 unique items and up to 26 levels
- Long lead times up to 36 months
- Frequent engineering changes
- Allocating capacity across 5,000+ work centers

Results

- Shifted from bi-annual to monthly SIOPI cycle
- Extended demand planning horizon to 10 years
- Fostered real-time integration with SAP
- Increased capacity load accuracy by 25%
- Optimized inventory levels

Market changes required more responsive planning

When Bell Textron, a commercial and military rotorcraft and equipment manufacturer, expanded its business into the commercial market, it noticed its operating model became less reliable in this dynamic space. The company's spreadsheet-centric processes could no longer effectively and accurately model production needs as new sales opportunities shifted demand schedules and supplier lead times grew.

Because of the extensive time and effort required for data collection and analysis, Bell Textron was only conducting its Sales, Inventory, and Operations Planning (SIOPI) twice a year. However, within these six-month intervals, significant engineering and design changes would alter the planning landscape. The company knew it needed to be more responsive to business changes and required a solution that could both simplify and expedite supply chain planning.

A clearer picture of future production needs

Bell Textron chose Kinaxis for its ability to enable real-time decision-making across the entire supply chain. With Kinaxis' digital twin technology, Bell Textron created and connected replicas of its factories, making end-to-end scenario planning swift and effective.

After a three-part implementation, Bell Textron could quickly collect and analyze data from SAP, allowing the company to extend the planning horizon by 10 years. This forward visibility was crucial in forecasting the facility and labor requirements for future programs. In addition, the



company adopted a monthly SIOP cycle for reviewing demand, inventory levels and production capacity. During the cycle, Bell Textron uses what-if scenarios to simulate order changes and evaluate any impacts to the plan. By unlocking the power of concurrency, Bell Textron improved supply and demand matching in each program, which has fostered closer collaboration across the organization’s finance and operations teams and propelled the company towards achieving its key performance indicators (KPIs).

Simultaneously, increased granularity within Bell Textron's bill of materials empowered the company to make more precise adjustments to capacity and lead times throughout the product lifecycle, enhancing the accuracy of data crucial to the company’s decision-making processes. Additionally, by utilizing balanced scorecards, the company strategically optimized the timing of its engineering changes, fostering further efficiency across its operations.

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Our Integrated Business Planning process would take half a year to pull off one cycle because of the complexity of all the things that had to be orchestrated.

By the time you got six months in, the business environment had already changed.

With Kinaxis, we now operate on a four-week cycle.

—
 JAMES GRISSEL,
 MANAGER OF OPERATIONAL
 METRICS AND ANALYTICS