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MESSIER-DOWTY **Link**

The House Magazine of Messier-Dowty Limited Issue 10, April 1995

100th A330/340 LANDING GEAR

At the beginning of January we achieved another significant milestone in the Airbus programme – the delivery of the 100th set of A330/340 main gears.

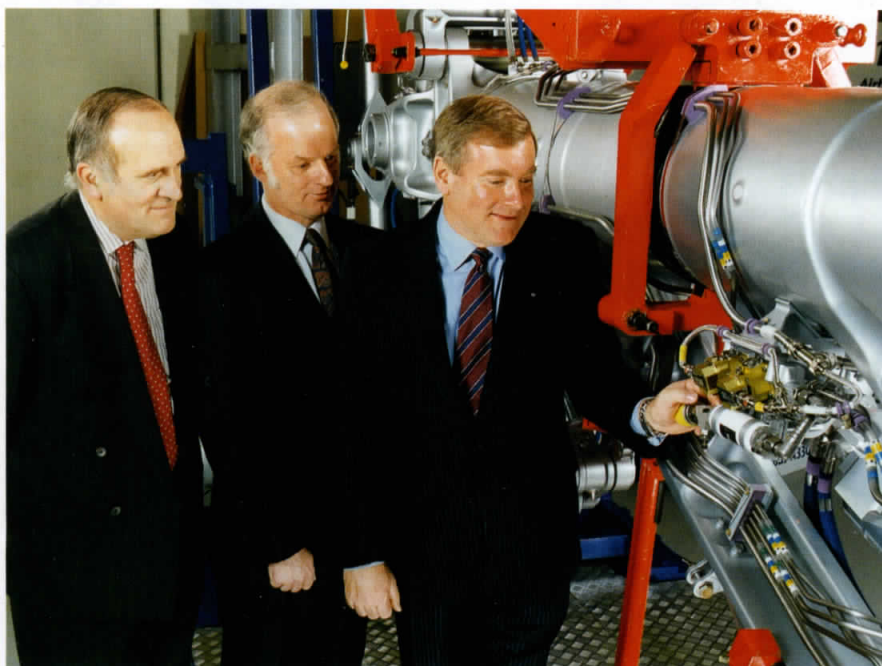
Coinciding with the January 1st launch of the Joint Venture, the occasion presented an ideal opportunity for both Tony Edwards and Dominique Paris to visit Gloucester and pay tribute to the achievement of all involved.

All three landing gear (nose, main and centreline) for this successful Airbus programme are made by sites within the Messier-Dowty joint venture.

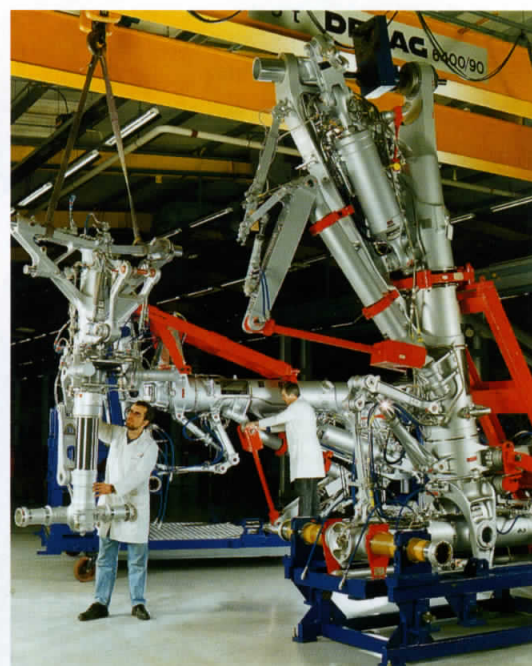
Here's to the next 100!



The Messier-Dowty Limited team at the presentation



Dominique Paris, Geoff Smith and Tony Edwards with the 100th set



The completed gears ready for despatch

Good Start to 1995

1995 has started well with both sales and profit ahead of target after the first two months of the financial year.

Sales achieved in January and

February amounted to £15.4 million compared to our target of £14.4 million. This was mainly due to higher than expected levels of both civil and military spares sales.

Profit at the end of February was above target, in line with the higher level of sales mentioned previously.

1994 Results Summary

SALES In 1994 sales amounted to £85,253,000, marginally below our target but 8% above the 1993 level.

Chart 1 shows how our total sales were split between O.E. (original equipment), spares and development. O.E. and spares sales are broken down between civil and military. This shows that of our total sales last year 81% were civil and 18% military.

Chart 2 shows an analysis of our original equipment sales by aircraft programme. The biggest change from the previous year is the increase in A330/340 from 34% in 1993 to 51% last year.

Chart 3 shows a breakdown of spares sales by programme.

PROFIT Profit for 1994 was 6% above target. This result was due to our success in reducing overhead expenditure and the increased level of spares sales experienced in the last quarter.

INVENTORY DAYS Inventory days at the end of 1994 were 102 days having dropped from 123 days at the start of the year.

ORDER BOOK Total orders outstanding at the end of 1994 amounted to £157 million. This consisted of £73 million orders for 1995 with the remainder being for future years.

Chart 1

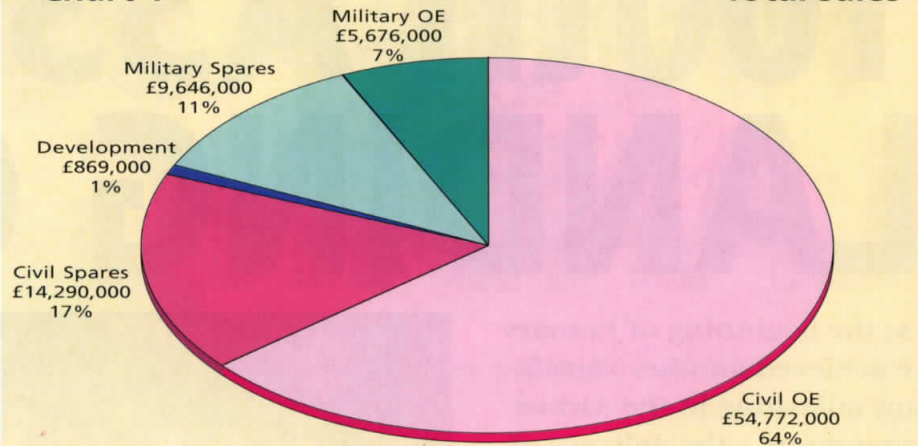


Chart 2

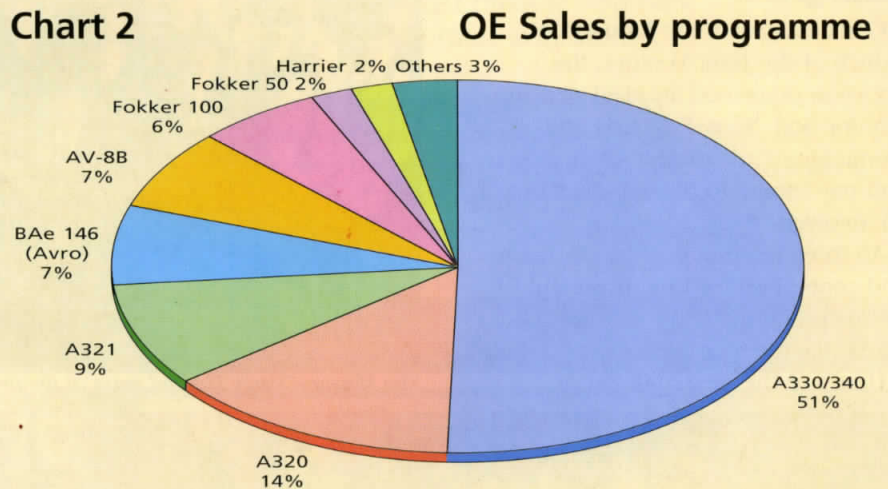
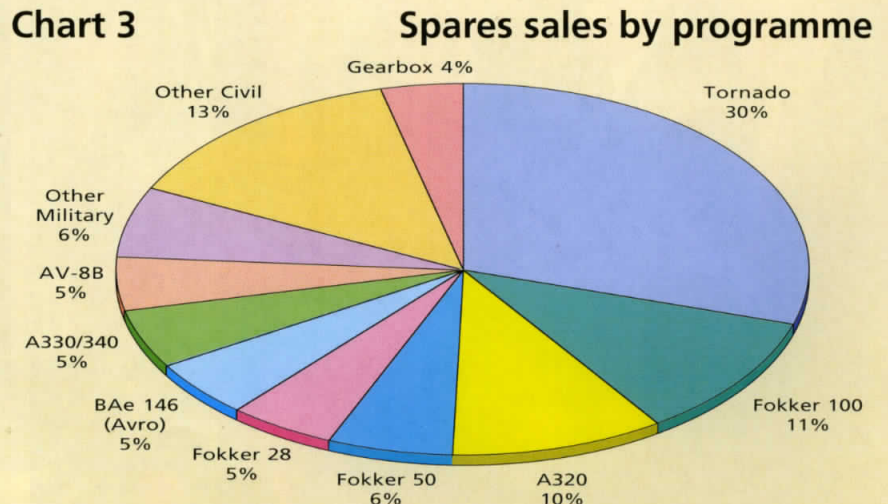


Chart 3



Apprentice Completions

Congratulations go to four employees who successfully completed their apprenticeships during 1994. Matt Claridge has joined Processing as an Inspector and Richard Hales is now an Inspector for Product Support. Cath Swan has joined our Design Department as an Engineer and Chris Hawkes is expediting for Supply.

Pictured receiving their indenture certificates from Managing Director, Geoff Smith (centre) are (left to right) Matt, Cath, Chris and Richard.



CD's in Training

Music compact discs have been around for a while, but now that CD's can run both pictures and sound through a personal computer, a powerful new educational tool has been developed.

These CD-ROM (compact disc-read only memory) programmes form the basis of our Open Learning Training. Based in our Training Department, the Open Learning facility initially covers PC skills for Word and Excel. For those who have never used a computer before, there's an 'Introduction to PC's' package available. We also have a package for anyone who is

unfamiliar with the Microsoft Windows environment.

The real advantage of CD-ROM training is its flexibility. It allows you to progress at your own pace, catering for complete beginners through to advanced users by allowing instant access to any part of the programme.

It will even set you a test of competence if you are brave enough!

If you would like to use or know more about the Open Learning facility, contact Julie Watts on extension 1063 or drop into the Training Department and have a look. Don't believe the posters - PC's don't bite!



Employees hard at work in our Open Learning facility

Supplier Conference Success



Conference participants outside the RAF museum at Hendon

On 6th February at the RAF Museum at Hendon, North London we held a conference attended by 135 Senior Management representatives from 85 of our suppliers. Also present were the heads of purchasing from our Velizy/Bidos, Montreal and Toronto sites.

We are heavily dependant upon the performance of our suppliers - purchases represent over 70% of the cost of sales of our landing gear. Therefore it is vital that we effectively communicate our needs to them so that they can support us in our goal to be the best landing gear supplier in the world.

The conference covered a number of issues:

● **The launch of Messier-Dowty**

Geoff Smith, Managing Director, explained the background to the joint venture, emphasising our long established relationships and the way in which our customer bases complement each other as do our engineering and manufacturing skills. He went on to describe our international management structure and our strategic targets for market share.

● **The current and anticipated market/customer pressures on us.**

Geoff painted a broad picture of our current programme and project issues. Simon Luxmoore, Marketing & Sales Director, then focused on the detail. Simon described the pressures being felt by our customers which flow down through us to our suppliers. These include cost issues and stricter quality, delivery and performance requirements.

● **The steps we have taken and will take to respond to these pressures.**

Simon outlined the work that we have carried out in recent years in reviewing and revising many of our business processes, and emphasised that we all have to continue an aggressive drive for improvement. Peter Booth, Director of Material, described the structure and organisation of our purchasing function. He explained, "Our buyers are developing a network of contacts with colleagues at other Messier-Dowty sites. Together with a purchasing information database, this will enable us to offer bigger value contracts to suppliers and to make better informed purchasing decisions".

Peter outlined our key purchasing goals:

- To continue reduction in total cost.
- To establish a core of suppliers to Messier-Dowty.
- To form stable and long-term relationships with suppliers.
- To continue the process of improvement throughout the supply chain.
- To become a preferred customer.
- To establish an integrated multi-site purchasing team.

● **The steps we require our suppliers to take in order to ensure our mutual success in the future.**

Peter Bennett, Director of Quality, stressed the need for suppliers to improve their quality and delivery performance. He gave a progress report on the implementation of PRIDE and reminded suppliers that they must be approved to ISO9001/2 from January 1996. He also explained that the PRIDE manual is being revised in collaboration with our French colleagues. The new issue is due for release this summer.

Peter Booth provided feedback to a questionnaire which we had asked suppliers to complete to ascertain their perception of us as a customer. Initial



analysis suggests that although we are rated better than a year ago there is still room for improvement.

Philip Pleass, Purchasing Manager, then described how our suppliers must support us for mutual success. He explained our new supplier rating system.

The conference was also used as an opportunity to recognise the achievements of some of our suppliers. Geoff Smith presented awards to:

- Sumitomo Precision Products (A330/340 Retraction Actuator)
- Brantford International (Airfreight)
- Middlesex Group (Various kits and parts)
- Pattonair (Fasteners - kits and loose)
- Ultra Electronics (Harnesses)

The feedback we have received from attendees has been very positive and we now plan to run a supplier conference on an annual basis.

The Last Supper?



The Last Chicken in Sainsbury, Veal Meat Again, The Sweetcorn Hunters - it read more like a menu than anything. But these were three of the 20 teams who met in our clubhouse this February for the annual Interdepartmental General Knowledge Quiz.

If you recognise your Disney music or famous company logos, know who sang which Bond theme tune or the month in which the great train robbery took place, perhaps you should enter a team of four next year.

Pictured left are blockbuster round winners 'Simple Minds in Dire Straits' who come from our Processing Department. Dave Spackman, Raymond Hall, Gareth Hughes and Bruce Pudner each won themselves a bottle of wine for their success.

The picture shows from left to right Dave, Ray (back row), Gareth and Bruce (front row)

Gloucester Site Organisation Structure

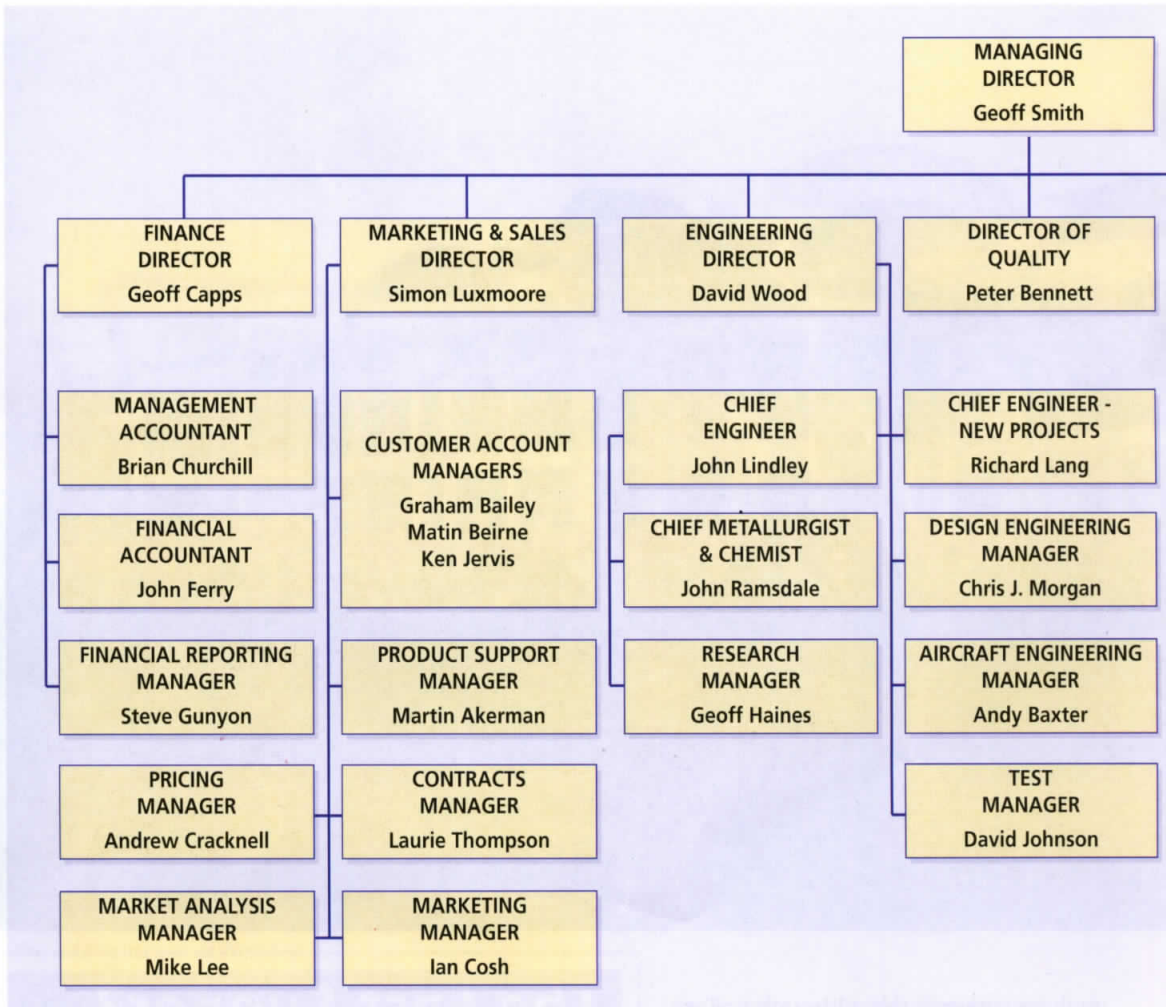
Following recent changes in the management team, shown below is an updated organisation



Simon Luxmoore, Marketing & Sales Director



Colin Thornton, Production Manager, Large Landing Gear



Safety Update

- 1994 saw a reduction in the total number of works accidents with an average of 26 per month compared to 40 per month in 1993.

- There were 13 reportable accidents in 1994. These are the more serious ones which involve people being unfit for work for more than 3 days. Six of these accidents were caused by lifting and handling and five were due to slips, trips and falls.

- Good progress has been made in completing manual handling and general risk assessments. The idea behind these assessments is to examine potentially hazardous operations and take steps to reduce the risk.

The assessments have identified improvements to working practices and procedures and specific actions have been implemented such as better craneage in No. 1 Shop.

- During 1994 a total of 158 employees received training in manual handling and 59 people attended courses

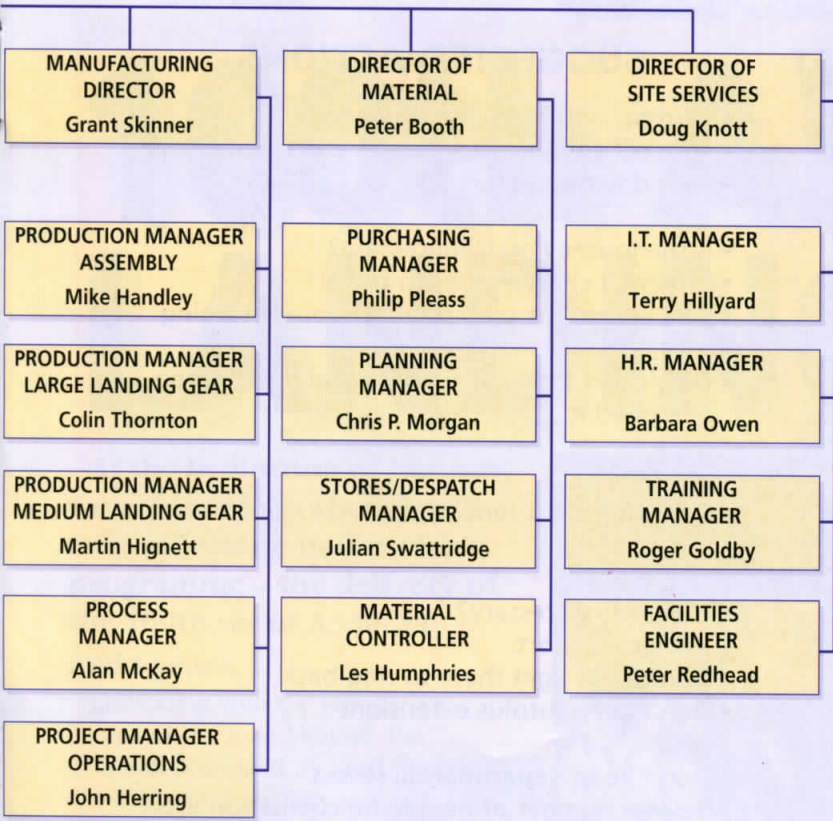


in slinging and lifting.

- Improved safety glasses have been introduced. The Safety Committee is currently working to produce an Eye Protection Policy to specify when eye protection must be worn.

Ken Amblett, Safety Officer and Doug Knott, Director responsible for Safety, with an eye protection poster in No. 1 Shop

chart for our site together with photographs of some of the new appointees



Grant Skinner, Manufacturing Director



Chris J Morgan, Design Engineering Manager



Martin Hignett, Production Manager, Medium Landing Gear



John Herring, Project Manager, Operations Gear

Tool Stores Improve Service to Shop Floor

Twelve months ago the stores areas attached to each of the Cells in Medium Landing Gear were joined together into one central store.

Now the area is to be bonded. Link spoke to Dave Griffiths, Cell Leader responsible for the new central Tool Stores, about the changes.

"Originally the intention was for each Cell to have its own stores", Dave explains, "But, with only four people, it was impossible to man all the stores all the time, particularly on the nightshift".

It became clear that the stores could serve the shop floor more effectively if they moved together to become one central store.

Now the decision has been taken to make the stores a bonded area. Why?

"There are two main reasons", Dave says:-

"Firstly, contractually, tooling is the property of the people to whom we supply the components. They, quite

rightly, insist we control what happens to their tooling".

"Secondly, and more importantly, it will allow us to better support the shop floor. We used to allow free access to the stores area but it was hard to maintain the correct level of tooling and order appropriately with this system. By bonding the area we can ensure that the tooling which is wanted on the shop floor is available when it is needed".

Bonding of the Tool Stores was



planned to be completed by the end of March.

The picture shows Bob Whitmore, one of the Tool Engineers, and Dave Griffiths at work in the Tool Stores.

1995 Profit Sharing Scheme Launched

Earlier this year our 1995 profit sharing scheme was launched. Progress so far this year has been good with profit being above target in both January and February.

There are actions which all of us can take to reduce costs and eliminate waste. This will increase profits and payments from the scheme.

The chart below shows some general examples of possible actions we can take to reduce costs. This list is not exhaustive. Each area of the business needs to look at the costs upon which it has an influence and look for ways to reduce them.

Details of the profit sharing scheme are shown on the notice boards.

AREA	ANNUAL BUDGET	SUGGESTED ACTIONS
ENERGY CONSERVATION	Electricity = £750,000 Fuel Oil = £250,000	<ul style="list-style-type: none"> • Turn off lights when not needed. • Turn off electrical appliances when not in use • Turn down radiators
TRAVEL	£1,000,000	<ul style="list-style-type: none"> • Is the journey really necessary? • Is there a cheaper way to travel? • Fill up hire cars with petrol before returning.
CONSUMABLES e.g. cutting inserts, oils, drills, emery cloths	£655,000	<ul style="list-style-type: none"> • Only draw from stores what you need, when you need it.
SCRAP & RECTIFICATION	£1,100,000	<ul style="list-style-type: none"> • Do it right first time.
TELEPHONES	£200,000	<ul style="list-style-type: none"> • Is the call necessary? • Keep calls short. • Don't hold - get them to ring back. • Don't keep surplus extensions
STATIONERY & PHOTOCOPYING	£120,000	<ul style="list-style-type: none"> • Don't keep departmental stocks. • Review number of people on circulation lists • Ask to be taken off circulation list of documents that you don't need. • Photocopy back to back where possible

NSPCC Collection

The Joint Shop Stewards Council raised £850 in its end of year collection for the NSPCC. Pictured presenting the cheques to NSPCC representative Marilyn Peachey (far left) are (left to right) Mike Jones, Doug Winman and Pete Hale.

Both company and individual employee donations were made by ourselves, DAAS, DAP and DAH. Thanks go to everyone who contributed.

