

# Meggitt Leverages Servigistics to Optimize Their Global Aftermarket Service Parts Network

The PTC Solution Helps an Industry Leader Meet the Needs of High-stakes Industries and Keep Continuous Improvement on the Horizon

In the aerospace and defense industries, parts and service preparedness are everything. But with customers all over the world, keeping the right parts stocked in the right place, at the right time, is no simple task. Learn how one industry leader leveraged PTC's service parts management solution to optimize their entire network, overcoming a global pandemic to meet customer needs.

## Meggitt delivers innovative solutions to the world's most challenging environments

The last time you stepped on board an airplane to travel near or far, there's a very good chance that Meggitt played a role in getting you there. Meggitt is a UK-based leader that provides products and services to the global aerospace, defense, and energy industries. They operate in 14 countries across four continents and employ more than 9,000 people. Their work can be found on more than 73,000 aircraft, with around 80% of global military fighter programs relying on Meggitt technology.

With core values of teamwork, integrity, and excellence, it's easy to see why high-stakes industries have relied on Meggitt to deliver technologically differentiated systems and solve some of the world's toughest engineering problems for more than 170 years.

**MEGGITT**



## Rapid service and parts replacement are critical for high-stakes industries

In industries such as aerospace and defense, aircraft availability and operational excellence are of the utmost importance for financial stability and customer safety. One of the biggest challenges in aviation maintenance, for example, is aircraft on ground (AOG), a status indicating that a plane cannot fly for technical reasons.

AOG can be caused by a number of complications with various parts or components, but it can also be impacted by maintenance schedules. Scheduling routine maintenance for aircraft is a critical safety precaution, but the removal of complex parts such as engines means the part can't always be easily replaced if any given component is missing. In a highly regulated industry, maintenance is also a critical part of compliance, another factor that organizations must consider at every step of the process.

In civil aviation, parts and service delays can cost millions—for every hour a plane sits grounded, an airline loses potential revenue and faces customer dissatisfaction. This is an especially crucial consideration impacting brand loyalty. In defense, AOG means military programs don't have access to a full fleet that could face deployment at a moment's notice.

Another common challenge is aging aircraft and the redesign of parts over time. "There is a long legacy of aircraft that Meggitt has been involved with over the years," says Andy Bennett, Global Demand Planning Lead at Meggitt. "Our obligation to the operators, even when only a few aircraft remain, is to support the demand," he continues. "Keeping track of aircraft over their lifecycle and tracking demand across their respective phases are critical to customer satisfaction."



For businesses like Meggitt, there's already a very high bar for meeting customers' parts and service needs—but Meggitt faced an additional layer of complications from internal processes and systems that didn't foster as much optimization as they needed.

Meggitt's aftermarket division, which catered to aircraft constructors and fleet operators all over the globe, was segmented into three regional centers in the Americas, Asia-Pacific, and Europe. Demand planning functions were dispersed by region, rather than through a centralized system, causing a disconnected and siloed view of needs. Some locations relied heavily on outdated record keeping such as spreadsheets, which slowed data input. In others, planning knowledge was deep and insightful, but it was difficult to access those pockets of individual knowledge, leading to further planning risk.

In order to provide the highest levels of service possible, Meggitt wanted to offer a consistent service package available in every region where customers were operating—which meant being prepared to quickly supply parts all over the world. They saw a clear opportunity to reimagine and redefine their approach to service parts management and set out to implement change.

### **Meggitt turns to Servigistics to improve global service parts management**

Knowing they needed a centralized solution that would provide highly accurate demand forecast planning, Meggitt turned to PTC's Servigistics—a sophisticated, purpose-built enterprise service parts optimization and decision support tool that helps businesses achieve the highest service levels with the lowest inventory cost.

"We are far more conscious now of trying to manage inventory on a global level, which helps us utilize inventory across regions far more than we ever used to."

**Andy Bennett,**  
*Global Demand Planning Lead,  
Meggitt*

Meggitt implemented Servigistics in two stages, the first of which allowed them to improve inventory planning by coalescing data from across multiple plants in different regions. From this they were able to assess what type of parts they had in stock, as well as the quantity and location of those parts.

The second stage allowed Meggitt to deliver value to customers by offering rapid spares, repairs, and exchanges. With Servigistics, they could better assess which parts were available in which region, and to restock those regional locations based on a global view. Servigistics not only factors in the historical data, but also has the ability to factor in causal data, including location-specific variables. With this in place, Meggitt was able to ensure the parts in highest demand were available in the right location, at the right time.

"Servigistics has given us visibility, which was difficult to attain in the same way in the past," says Bennett. "We are far more conscious now of trying to manage inventory on a global level, which helps us utilize inventory across regions far more than we ever used to."

### **An unprecedented year presents an opportunity for reflection and improvement**

Like most in the civil aviation industry, Meggitt felt an immediate impact from the COVID-19 pandemic that swept the globe in 2020. It didn't take long before governments began to close borders, which caused aircraft utilization and demand for spares to drop significantly. But even with commercial aviation slowing down, military and defense programs were less impacted, and Meggitt's support for them needed to persist despite the pandemic.



Still, a silver lining began to emerge for Meggitt. In the midst of global change, they recognized an opportunity to take a fresh look at how they forecasted the market. This was particularly helpful for their aftermarket division, which is supplied by their own manufacturing sites. Since aircraft components are very complex and low in volume compared to other industries, the COVID-19 period actually became a catalyst for Meggitt's aftermarket division to think about how to balance their internal needs from the manufacturing division with the external needs of their customers—and to think about what that might look like in the future.

Servigistics was key during this period, as its continued use helped Meggitt model different scenarios and utilize simulation techniques. Now, as restrictions are lifting and people are beginning to travel more, Meggitt is better prepared for what could be a big upswing in business, thanks to Servigistics' improved visibility and data accessibility.

### **There's more on the horizon for Meggitt's aftermarket services**

To date, Meggitt has seen vast improvements from Servigistics' capabilities. Moving forward, Servigistics remains a vital solution to Meggitt's future growth as they further refine their distribution method and focus on providing spares where and when needed.

"Servigistics is a supporting tool for us as we grow and adapt to constant changes in the market," says Bennett. "No other solution is as robust and capable."



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