



Global inventory distribution for maintenance, repair and overhaul

A Boeing and Airline MRO Parts (AMP) Case Study

Company Overview

AMP is an industry leader in providing digital and scalable supply chain solutions which focus on automated sourcing, procurement, and supplier management for the aviation industry. Founded in 2016, AMP's automated SMART™ suite of optimization tools and services, provide instantaneous visibility to the global market, maximizing access to inventories which meet or exceed its customers' requirements by making their suppliers' warehouse an extension of their customers'.

These proprietary solutions transform previously complex and outdated sourcing processes by shortening the request to purchase timeline from days to minutes while enhancing efficiency and simplicity to its customers. AMP currently provides unparalleled operational efficiency through consumable and expendable support for over 80 lines of aircraft maintenance for customers including multiple MROs, ultra-low-cost carriers (ULCCs) and regional airlines. The company is headquartered in Jacksonville, Florida.

The Challenge

AMP is an onsite sourcing partner for four MRO companies that provide maintenance and modification services for wide and narrow body platforms, which include Boeing, Airbus, Embraer and Mitsubishi. Combined, their operations support over 60 lines of maintenance and return 30-50 aircraft back to service per month. The service checks range anywhere between 10 and 45 days and consume thousands of unique consumable and expendable products.

As a result of the continuous demand and complexity, AMP was looking for a tier 1 supplier that could grow with its customer base and support an automated sourcing and purchasing process that could substantially reduce order turnaround time and reduce costs. The supplier would have to provide real-time system connectivity to its warehouse through Aeroxchange, short lead-times and meet a catalog reliability standard of 99%.

Our Solution

Boeing is a strategic partner for AMP, our relationship spans over 5 years. We are continually sourcing and providing products that they need for their customer network which includes MROs, ULCCs, and regional and major airlines.

AMP came to Boeing as they required a reliable partner that would be able to offer predictable pricing, guaranteed lead times, and support automated sourcing and purchasing process that could substantially reduce order turnaround time and reduce costs; across numerous worldwide locations.

Boeing has been able to exceed the AMP performance criteria and have been key contributors to helping the customer reduce Material Request (MR) to Purchase Order (PO) processing time by 75%. As a result, Boeing was recognized as platinum supplier and continues to look for ways to add value the order fulfillment process.

As a purchasing automation service provider (SMART™) for four major MROs, it was important for AMP to work with a partner that has broad-ranging portfolio to fulfil requirements with the infrastructure they need to support these MROs. The technology infrastructure between AMP and Boeing has helped to increase the efficiency of inventory management.

How we helped

Boeing offers the largest global aerospace-related parts portfolio and our ability to be truly platform agnostic and has strengthened our position with AMP. We provide fasteners and chemicals and Boeing spares to AMP who handles the order and drop ships to the other facilities, including same day shipping on Boeing spares. This reduces overstocking, and by leveraging the consolidated purchasing provided by AMP, Boeing is helping to streamline delivery times and costs; thus improving supply chain efficiency.

In May 2022, Boeing and Airline MRO Parts (AMP) signed a Tailored Parts Package (TPP) agreement, exemplifying a truly collaborative approach to addressing customer needs. Boeing's Parts and Distribution Services team worked together to provide a single proposal across the elements of our parts business, increasing the efficiency of our response. Through this arrangement, sourcing transactions are conducted wholly via EDI (Electronic Data Interchange) powered by AMP's automated solution. The result is improved efficiency for both Boeing and AMP, significantly reducing both total supply chain cost and order fulfillment span time.

Boeing has exceeded the standards necessary to support the automated processes that AMP's customers have come to expect. We also continue to develop and enhance our customer support to provide safe, quality parts that enhance operations for AMP and all our customers.

Our relationship continues to expand as we work on enhancements to the current onsite vendor managed inventory (VMI) program, provided by Boeing Distribution Services to AMP customers. Our aim is to provide a min/max solution, to help optimize inventory and reduce shelf life shrinkage and minimize stock-outs.

Benefits

- Reduced processing times have translated into lower inventory levels and faster aircraft turnaround times
- Supplier management - providing a single sourcing for their needs
- Better forecasting to allow for effective inventory planning and stocking over a two year period
- Significantly reducing both total supply chain cost and order fulfillment span time.

Boeing is a key contributor to helping AMP's customers reduce Material Request (MR) to Purchase Order PO processing time by 75%

“As a platinum supplier for parts, Boeing has exceeded our expectations with our inventory requirements. We need a reliable Operational Solutions partner for our business and Boeing is that partner enabling us to adapt and grow with our customers but also collaborating to find further improvements, to aid operational excellence. The VMI project is one example of this partnership approach.”

Michael James
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Airline MRO Parts

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