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The Made2Manage Enterprise Business System Keeps U.K. Military/Defense Contractor Heading in Right Direction

Founded in the 1960s, Chelton Radomes manufactures radomes (radar domes) and microwave components for both military and commercial applications. In addition to being the lead contractor and sole supplier of primary nose radomes for Harrier, Hawk, Nimrod and Tornado aircraft as well as Rapier and Seawolf missile systems, the company is also preparing to supply the nose radome and other radomes for Eurofighter. Due to enter service in 2002, Eurofighter is the next generation of



European fighter aircraft and is the largest military project in Europe. The company also operates a fast-growing repair center that provides maintenance services for commercial airlines.

Chelton Radomes Targets Made2Manage Systems Inc.

Recently acquired by Chelton, part of the Cobham Group, from BAE SYSTEMS (BAES), Chelton Radomes had more to deal with than just a change of ownership. Prior to being sold by BAES, Chelton had implemented Baan, one of BAES’s approved Enterprise Resource Planning (ERP) solutions, and it was eager to retain this functionality after

the acquisition. However, having outsourced its information technology (IT) infrastructure to Computer Sciences Corporation (CSC) when the change of ownership occurred, Chelton Radomes had to make some major decisions about its IT strategy.

After evaluating its options, the company decided to bring its IT functionality in-house, but to do so it had to implement an ERP solution to replace the Baan system used at BAES. “We did consider staying with Baan,” said Trevor Cook, managing director at Chelton Radomes. “However, while it is a very capable package, it is extremely complex and forced us in certain directions. We wanted an ERP solution with the flexibility to enable us to be masters of our own destiny.”

Another key factor was cost. As part of BAES, Chelton Radomes had enjoyed a multi-site deal. “As a stand-alone company the price was not acceptable for a business of this size,” explained Cook.

After a detailed study of potential solutions, Chelton Radomes opted for the Made2Manage Enterprise Business System from Made2Manage Systems Inc., a fully integrated, enterprise-wide system designed to be the only business software mid-market manufacturers require, integrating all

aspects of the traditional supply chain and e-commerce. The systems' flexible ERP solution, M2M™ ERP, was already successfully implemented at Chelton Radomes' sister company, Nurad, based in the United States.

"The simplicity and ease of use of the Made2Manage system was a key consideration," said Cook. "In addition, it provided the broad functionality we needed at an acceptable cost to the business."

Rapid Implementation

Having opted for the Made2Manage system in April 2000, Chelton Radomes had only six months to implement the solution before its outsourced IT contract expired with CSC. The software was implemented by distributor NCR using Made2Manage Systems' Time2Value rapid implementation approach. Time2Value provides a 'blueprint' that shortens the time taken by a company to achieve a return on its investment, thus maximizing the company's overall performance through increased levels of productivity and profitability.

The Made2Manage implementation was completed on time and has provided Chelton Radomes with a cost effective ERP solution that supports existing business processes and delivers many significant business benefits.



Made2Manage Keeps Chelton Radomes Flying High

Since implementing the Made2Manage system, the company has found its flexibility and ease of use invaluable in supporting the different business models required as the aerospace industry moves from traditional 'cost plus' to fixed price contracts. Neil Broughton, business improvement manager for Chelton, was tasked with overseeing the implementation of the Made2Manage system into the business, and is responsible for the continual development of the Made2Manage system within Chelton Radomes.

"Under the 'cost plus' model, we were subject to regular inspections from clients. As the industry moves towards fixed costs, Chelton Radomes is looking at the broader picture, flagging problems rather than checking everything," said Broughton. "In the interim, which will doubtless encompass several years, we have to support both 'cost plus' and fixed cost structures. The flexibility of the Made2Manage system means we can manage both types of contract without compromise."

The flexibility of the Made2Manage system also enables it to support the very different needs of the civil repair business. "The repair center has a completely different business model with a fast turnaround. In the past, IT solutions that have supported our core business have constrained the repair center. With the Made2Manage system we have been able to deliver a solution that supports both military and civil aircraft repair," said Broughton.

A key consideration for Chelton Radomes was the need to produce financial and management accounts to meet the requirements of the new parent company. Previously, the finance team of three people spent approximately one week of every month in producing monthly reports. Now, with the ability to track data as it is entered, corrections can be made in real time and reports printed in one afternoon, providing Chelton Radomes with improved financial control. As a result, the half-yearly reporting process was condensed to one afternoon, a significant time saving for the company. "Monthly reports are now available a week earlier and finance can spend effort in managing the

direction of the business rather than reporting on past performance. The Made2Manage system has significantly improved Chelton's financial reporting," said Broughton.

Making Chelton Radomes More Efficient

Chelton Radomes is now beginning to exploit the Made2Manage Enterprise Business System to deliver further efficiencies in the design, development and production processes. The primary benefit is an improvement in linking engineering instructions to shop floor paperwork. In the past, delays in updating the Planning, Route Cards and Bill of Materials have led to data inconsistencies in the business.



"A Eurofighter radome is a complex project—planning alone runs to over 30 pages and, in the past, any change to the quantity in the Bill of Materials forced a change in both Planning and Route Card," explained Broughton. "As a result, changes were stored and updated in batches, often weeks after they were initially made."

Exploiting the Made2Manage systems' ease of use, Chelton Radomes has introduced a fast track change process that does not require all three documents to be updated. "This process is providing up-to-date paperwork on the shop floor, resulting in more accurate purchasing, accurate costs and consistent project reports," he said.

Broughton believes that as the level of accuracy of information improves throughout the organization, Chelton Radomes will increasingly drive business decisions from the consistent data held within the Made2Manage system. "For the first time, Chelton Radomes has a consistent reporting platform that is trusted throughout the organization," he said. "The Made2Manage system is providing the information we need to drive business change; our challenge is to exploit that information source for business advantage." For example, the company is using the Made2Manage system to automate the production of Certificates of Conformance for customers, replacing traditional re-keying processes.

Providing Complete Visibility

The company is currently in the process of introducing Made2Manage shop floor data collection using bar coding. In the first phase of the project, Chelton is improving efficiency by using bar codes to improve the process of picking inventory from the 20-30-page list. Looking forward, the company will then use bar coding for labor entry to provide up-to-the-minute job costing information. "Currently we work on a weekly job cost basis. Using bar coding for labor will enable Chelton to improve real-time management of jobs," he confirms.

This implementation of additional, integrated software packages is being supplemented by a focus on exploiting the management reporting within Made2Manage. "Chelton Radomes' goal is to create one integrated system via the Made2Manage Enterprise Business System that provides total visibility of the radome manufacturing process from design through production to the customer," said Cook. "Real-time access to information, such as inventory and job costing, will enable Chelton Radomes to proactively address any issues that arise during the process, improving the overall productivity and efficiency of the company."

With only six months to implement the Made2Manage solution, Chelton Radomes now has a flexible platform that is supporting diverse business needs and delivering significant efficiencies throughout the organization. Cook concludes, "The Made2Manage system offers great value without any sacrifices in functionality. The software is a far better fit for our business operation and supports our growth under new ownership."