

# ADVANCE

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## CHAIN REACTION

**AJW BOSS ON BATTLING SUPPLY DISRUPTION ISSUES**

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**AEROSPACE**



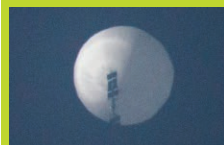
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# AEROSPACE

Rugby-lover Clyde Buntrock joined AJW Aviation as chief executive last year, bringing a wealth of experience from a career in logistics. He spoke to **Chuck Grieve** about the challenges...

## FULL TEAM AHEAD

**C**lyde Buntrock, the new boss at AJW Aviation, describes his leadership style as “collaborative” and adds: “One of the things I love most is building high-performing teams and nurturing talent.

“It’s rewarding when you give someone their first opportunity and see them flourishing and succeeding down the line.”

If those sound like the thoughts you’d hear from someone standing on the touchline rather than seating in the C-suite, they could well be: among his other accomplishments, which include a fellowship in the Chartered Institute of Logistics and Transport, Buntrock is a qualified rugby coach and a former back row player.

It must be in his blood: before moving to AJW’s home county of West Sussex, this ardent Harlequins follower and his family lived within walking distance of both the Stoop, Quins’ home stadium, and the hallowed Twickenham ground itself, a scenario he describes with considerable understatement as “a pleasure”.



It’s no surprise, then, that one of his first actions after taking the reins at AJW Aviation was to set up a back-to-the-floor programme so he could meet his people on their home turf and learn “from the ground up” what they do, their opportunities and challenges, and what he could do about it.

“My primary focus is on digital transformation,” he said. “Digital technologies like predictive maintenance, data analytics, and artificial intelligence, for example, can help identify issues early on and prevent unplanned maintenance tasks, thereby reducing lead times.

“At AJW Group, we are our people,” he said, and you sense that he means it.

Buntrock began his career in logistics, freight and supply chain after graduating from the University of London with a BSc in psychology. Now, almost 30 years later, this “career supply chain professional” finds himself heading one of the world’s leading independent providers of aviation component parts and repairs.

He is no stranger to aviation: “My former company was responsible for moving 500,000 tonnes of airfreight cargo on pretty much every air corridor in the world each year.”

As chief executive of Hong Kong-based EV Cargo, a global forwarding company, Buntrock oversaw the creation in just under four years of a \$1.7 billion logistics network active in Europe, the Middle East, Africa, the Indian

‘ **At AJW Group, we are our people.** ’

CLYDE BUNTROCK



PICTURE: AJW GROUP

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subcontinent and Asia. He remains a non-executive senior advisor to its parent, EmergeVest (EV).

At its core, EV was also a supply chain solution and technology business, so he's been able to transfer the experience he gained there directly to the AJW Group.

Streamlining the supply chain – “the primary challenge for us and the aviation industry over the past few years” – is aided by tools such as dynamic pricing models, procurement forecasting, blockchain and radio frequency identification (RFID) tracking.

Using these tools enables remote diagnostics and the timely and accurate delivery of spare parts, ultimately improving the speed of repairs and minimising costly shop visits.



There's scarcely an industry that is not currently experiencing supply chain challenges for all the well-known reasons. The aviation supply chain, as Buntrock sees it, has unique characteristics that require specialised expertise and attention.

“Firstly, it involves a high level of safety and regulatory compliance, which can create additional complexities. It supports an industry that operates on a global scale, with airlines and manufacturers often located in different countries. This can lead to challenges in terms of logistics – customs clearance, for example – that need good coordination between parties.

“Aviation supply chains are high volume, often high value, high criticality global transactions. The industry is hugely dependent on just-in-time delivery of components, making supply chain disruptions particularly costly.”

He believes the current parts shortage and supply chain “fracture” is not going to be resolved overnight, perhaps not even any time soon. The aviation industry remains bedevilled by lead times, which the additional tariffs and increased border checks brought about by Brexit continue to exacerbate.

“There's a deterioration in the OEM and supplier performance environment concerning shop processing time (SPT), and the rising cost of raw materials and labour are influencing their underperformance,” he continued.

“Manufacturers still face the challenge of sourcing raw materials, such as aluminium and electric components, as global shortages persist. The immense strain on administrators, and the aviation infrastructure in general, is not easing and will be here for the near future.



**Warehouse team: One of Buntrock's first actions was to get on to the warehouse floor to meet his people.**  
PICTURE: AJW GROUP.

“The impact on MRO will not abate until the end of 2023 at the earliest, although we are seeing some green shoots with SPT showing marginal improvements in some areas as we move into Q2.”

The situation is driving greater regionality in MRO sourcing. “OEM centres are sharing services across the globe to mitigate capacity constraints and working with customers and logistic partners to understand the supply chain vulnerabilities that exist and how to overcome them,” he said.

At AJW, new contracts with North and South American customers, coupled with parts shortages and transatlantic logistics routes that “are no longer as consistent as before”, have prompted a reappraisal.



“It is forcing us to look at third-party supply, in some cases rather than, or alongside, OEM supply,” said Buntrock. “We drive a sophisticated pooling strategy with inventory placed purposefully around the globe, allowing easy access and distribution to regional customers. We strategically developed our stock management and logistics solutions to meet our customers' operational demands.

“Due to airfreight uncertainties, some critical deliveries are taking slightly longer to fulfil, but we are taking more predictable and consistent airfreight routes to ensure delivery happens.”

Mindful of UK aviation's challenging target of achieving net zero by 2040, AJW Group is focusing on its recent commitment

to implement universal sustainability principles with its participation in the United Nations Global Compact (UNGC). It calls on participants to “take strategic actions” to advance the UN sustainable development goals, with an emphasis on collaboration and innovation.

“Sustainable business practices are not only good for the planet but also the bottom line,” Buntrock said. A year ago, AJW installed a 420kWp solar photovoltaic (PV) system at its headquarters. Over the past year, the solar panels have generated a total yield of more than 425,000 MWh, saving 425 tonnes of CO2 emissions.

The system, he added, has proven its worth in more ways than one with an “impressive” return on investment (ROI) for the capital spend. The company is currently looking to expand it.



The company also harvests rainwater to feed the headquarters toilet flushing system, and uses digital documentation. It is also working on ways to reduce packaging in its warehouses or to use more environmentally friendly packaging materials.

“Participating in the UNGC is part of our efforts to bring about a more Earth- and people-friendly aviation industry. We signed the declaration and hope others will follow suit,” said Buntrock.

Under the labour pillar of the UNGC ten principles, AJW is focusing on diversity, equality, and inclusivity. Anonymous engagement surveys help provide a more in-depth look at how people are feeling about life at work; an expanded ‘people team’ includes personnel skilled in dealing with diversity and inclusivity (D&I) implementation.

“We have a very open approach to D&I, which means we're not cutting ourselves off from any opportunity. It allows the company to engage with the wider community and to select people based on skill,” said the chief executive.

All things considered, it is encouraging that Buntrock can state that “we maintain an optimistic outlook”.

One area he thinks may see some movement is the greater acceptance by operators of solutions based on used serviceable material (USM) or parts manufacturer approval (PMA).

For its part, AJW Aviation under his watch, will reinforce its commitment to a corporate culture of flexibility, “which means we find a solution to deliver what the customer needs, and, as a result, we are aligned with the service level our customers require”.



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