



Challenges and Opportunities in the Aerospace Supply Chain

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NGen
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Next Generation
Manufacturing Canada

Key Observations in the Aerospace Supply Chain

- Production ramp up, post-COVID
- Long lead times for components
- Inflation
- Labour shortages; new hiring as well as retention
- Requirement for extra or open capacity for machining rushed parts/AOG
- Limited number of specialized suppliers
- Modernization of ERP systems
- Two-way customer supplier relationship

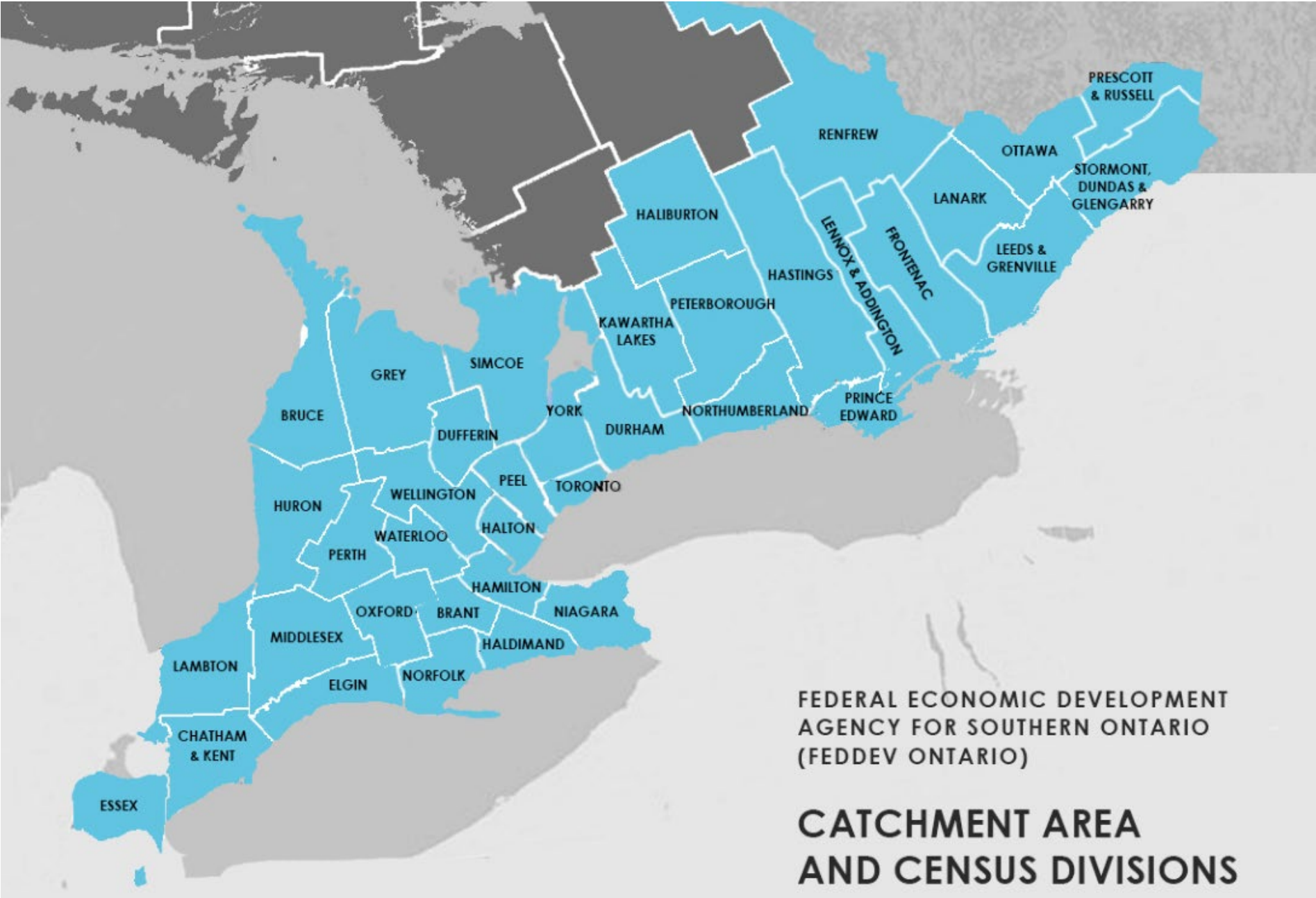


DAIR Supplier Development Initiative

- Assist 16 Southern Ontario-based aerospace SMEs by assessing their capacities and determining requirements to better serve Original Equipment Manufacturers (OEMs) and other Tier 1 companies.
- DAIR aims to foster collaboration – SMEs will be mentored through the program by one of their customers.
- Through the Federal Economic Development Agency for Southern Ontario (FedDev Ontario), DAIR is providing financial support for the assessments as well as directly to the SMEs.



Supplier Development Initiative



Southern Ontario Regions. Source www.feddevontario.gc.ca



Supplier Development Initiative

Step 1: Capability Assessment

- SMEs will undergo a DAIR-NGen Canada assessment audit.
- DAIR will support the full cost of the assessment audit.

Step 2: Development of an Action Plan

- Based on assessment results and with support from their mentors, the SME will determine an action plan with projects to be implemented.

Step 3: Implementation of Projects

- DAIR will support the implementation of those projects by the SMEs, up to 75% of total costs (to a maximum of \$37,500 per company in non-refundable support).
- Must be completed by January 2024.



Supplier Development Initiative

Interested in the SDI?

<https://www.dairhub.com/initiatives/supplier-development/>

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