

# THE Connector

## RSC CAPABILITY



### CURRENT

- Shot & Bead Blasting
- Dry Lubricant Coating
- Teflon
- Chemical Resistant Coatings
- Infrared Reflective Paint
- Chromic Anodise
- Alocrom
- Iridite NCP
- Passivation
- Sulphuric Anodise
- Surtec 650 & 650V
- Chemical Analysis
- Titration
- Coating Weight
- Salt Spray Testing
- De-rusting
- Cleaning of aluminium & steel



### NEW FOR 2021

- Hard Anodise
- Titanium Anodise
- Electroless Nickel Plating
- Zinc Nickel Plating

New treatments to be an addition to scope in RSC's upcoming NADCAP audit.

RSC are NADCAP & AS9100 accredited Surface Coating Specialists, who have been leading the way in the Aerospace and Defence sectors since 1999.

The new process development has seen RSC expand into additional premises in Yeovil with its sister company FGP Lufton on the Lufton Trading Estate. NADCAP special processes on this site also include Heat Treatment, NDT, Welding & Pressure Test.



THINK QUALITY, THINK RSC

## HEAT TREATMENT

Immediate capacity available



**Nadcap**  
Administered by PRI

Successful  
Nadcap  
accreditation  
continues for  
2021



- ▶ Air ovens are capable of a **maximum of 420 °C** with slow cooling controllers for annealing.
- ▶ Vacuum Furnaces heat treat work within the temperature range of **400°C - 1180°C** with slow controlled cooling or fast quench capabilities.
- ▶ Argon or Nitrogen quench using **pressures of up to 6 bar**.
- ▶ Sub-zero freezing capabilities to **-75°**

For all enquiries please contact:  
**Ian Rowe / [ian.rowe@fgpltd.co.uk](mailto:ian.rowe@fgpltd.co.uk)**

## ADS TOULOUSE

The FGP Group has enrolled with ADS Toulouse. This will attract a new Customer Base and possible with other UK Suppliers:

- Established in 1999, ADS Toulouse is a French wholly owned subsidiary of ADS, the leading trade association for UK aerospace, defence, security and space sectors. 100% financed by it's members. ADS Toulouse is a member of the Aerospace Valley Cluster since January 2018.
- ADS Toulouse staff is tasked to connect and give access to UK aerospace suppliers to business opportunities in the French aeronautics, space, defence and embedded systems markets.
- ADS Toulouse promote UK expertise in the aerospace sector.
- Key players within the Toulouse region include Airbus, ATR & Daher

### ADS Toulouse members 2021 - 27 companies



- Aircraft Manufacturing
- Avionics & Electrics
- Mechanical Engineering
- Design / Engineering
- Maintenance
- Other (logistics / wiring etc)

# FGP GROUP DIVERSIFICATION

**Diversification** means branching out into new categories, industries, or marketplaces. This is often viewed as a safety net against downturn in a single industry and also creates business growth.

Diversity helps to build stability and creativity within the group and this has been a key strategy over the years.

We currently supply high precision, quality machined and treated components & assemblies to market leading companies across the globe. Our excellent performance metrics mean that we have been able to diversify in to new market sectors within already established customers.

Along with being part of a global supply chain, we are also not missing the opportunities that

present themselves within the local area. Strong partnerships can be developed with market leading customers that are on your doorstep, as well as thousands of miles away.

This is not just related to bringing new customers and sectors on board, but also thinking outside the box and adding to our existing portfolio of processes that we can offer.

The addition of superfinishing within the group has been a huge step forward and not only resulted in orders for this specific process, but the mechanical parts that need to

be processed as well. The one stop shop approach and reacting to our customer requirements.

As well as bringing in new processes, we are also promoting already implemented services such as Laser engraving, roto finishing and non-contact inspection services.

Evolution is the key to success. We have a diverse portfolio that we offer to our customers, servicing the needs of businesses of all types and sizes, both locally and globally.



**Jason Davidge**  
Technical Sales  
Manager

**AJAX  
FIGHTING  
VEHICLE**

**DREADNOUGHT**

# BUILDING STABILITY

# THE AEROSPACE LANDSCAPE



## 2020 COVID Disruptions ~ 2021 Onwards.

Ian Rowe - Commercial Director

### 2020 IN A NUTSHELL:

#### Commercial Aerospace

- Global deliveries @ 723 Aircraft  
(Down -42% from 2019 | Wide body -54% | Single Aisle - 35%)
- Aircraft Orders @ 567 (Down -59% on 2019)

#### Defence Aerospace

- On the Defence side of the industry, the situation appears less dire with demands protected by budgeted governments spending. Supply Chain disruptions due to COVID have been the bigger issue rather than demand softening. i.e. Lockheed Martin only supplied 120 x F35s in 2020 against a plan of 141 Aircraft.

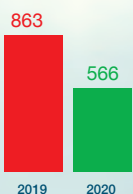
### 2021 and the Future Landscape

- Whilst the Commercial Aircraft Order backlog reduced by 6.6% to 13,038 Aircraft, this still represents several years work for the Aerospace Industry, with **£190 billion** to the UK Aerospace Supply Chain plus the associated aftermarket requirements.
- **The Airbus recovery on new A/C deliveries has already commenced in Q4 2020.** Part of this buoyancy being enabled by operators taking older and inefficient aircraft out of service earlier than intended. The full recovery timing on single aisle aircraft is predicted to be ahead of the wide bodied long haul aircraft.

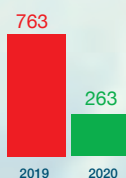
COMMERCIAL  
AIRCRAFT DELIVERIES

**DOWN  
42%** ↓  
**from 2019**

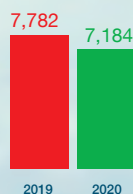
**DELIVERIES  
566**



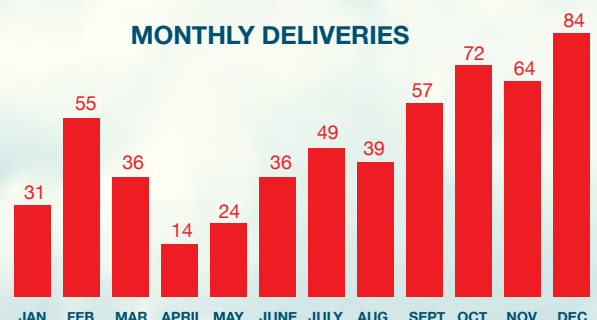
**ORDERS  
263<sub>net</sub>**



**BACKLOG  
7,184**



**MONTHLY DELIVERIES**



SOURCE: AIRBUS

## What have we learnt / What do we know ?

- That the Aerospace business needed to change regardless of COVID. The disruption from COVID has been a reality check and led to the acceleration of several major initiatives including: Alternative greener fuels and Electrical Propulsion for improved efficiency and reduction in emissions / Digitisation / Use of Artificial Intelligence / Further introduction of ALM & Composite componentry / Robotics / Unmanned Flying Vehicles.
- The actual fragility of the Aerospace Business and its Global Supply Chain. Some Customers are now Onshoring Supply Chains and even Insourcing Product in some cases.

*“There is no reason to look back when you have so much to look forward to”*

- Love it or hate it, Business by Virtual Meetings is here to stay.
- Rotary Wing Aircraft have been able to further demonstrate their true versatility, whilst avoiding the need for populated airports and their large runways. As a follow on to this there is a proposal for a pop-up airport in Coventry later this year to demonstrate a proof of concept for Electric vertical take-off and landing vehicles (eVTOL) with zero emissions. This Airport Shuttle and Air Taxi market is believed to have a market potential of \$500billion in just the US alone.
- The joint-venture between the two aircraft manufacturers, called the China-Russia Commercial Aircraft International Corporation (CRAIC), could represent a significant future threat in the West for Airbus and Boeing. (COMAC and Russia's United Aircraft)



## What changes can we expect as a Supplier ?

- Stiffer competition on both maintaining existing and securing new business. It is very much a buyers market today with Customers looking for cost downs and improved service levels.
- Raw material costs appear to be rising. This appears to be very much a sellers market today.
- Short to leadtime requests, no cold start leadtimes. We are Measured on Customer Request dates, not leadtime adherence.
- Replenishment systems: ie VMI / Kanban. Customers were very exposed to excess Inventory during COVID and would look for the Supply Chain to share risks here going forward.
- Due to the scale and business impact from COVID, unfortunately there will no doubt be casualties out in the Supply Chain. This along with onshoring strategies, the financial stability of the FGP Group, plus the capability and services we can offer leaves us very well placed.
- **There will be plenty of New Business opportunities if we keep an open mind, demonstrate overall value and innovation, the agility to respond, plus consistently exceed the Customers expected Service levels.**



**Jason Davidge**  
Technical Sales Manager

# SECRET SEVEN

### Favourite 90's show?

*X Files*

### First Job?

*Paper round*

### Summer or winter?

*Summer*

### What is the best fancy dress costume you've worn?

*There have been a few, probably Adam Ant or the Riddler*

### Favourite film?

*The Shawshank Redemption*

### Android or apple?

*Apple*

### If you had to play one album forever, what would it be?

*Massive Attack – Blue Lines*

# Procurement in the current climate

Wayne Churchill  
Group Procurement Manager



We are all aware of the challenging times we face today and Procurement, together with the cost of materials, has certainly come under the spot light over the last 18 months or so.

Within the market, we have witnessed the “Trump tax” as a starter, followed by the main course, Covid (Still ongoing of course), topped off with a premature dessert, BREXIT! Collectively, all have had a severe effect and contributed to the volatile market(s) we see today.

Since the pandemic hit the UK, the effect on our business and raw material costs has been incredible. The LME base rate of material has risen by over 33%, billet premiums continue to rise with no end yet in sight and the uncertainty of Liberty are major key factors that bring concern to the markets. Nonetheless, with my glass always being half full, a negative situation presents a positive opportunity.

As we continue to diversify the business, this has opened up avenues and suppliers that we may not have previously visited given the approvals and accreditations required to function within the aerospace sector. This has proven to be beneficial in some areas.

Focusing on the effect since BREXIT, I turn to the actual cost of raw material and the impact we as a business have had to, and continue to negotiate with both our suppliers and customers.

I will use aluminium and steel as examples.

## Aluminium;

Aluminium historically and naturally, being our primary raw material, representing in excess of 50% of purchases, the first quarter of 2021 saw an increase of c.14%! (See Figure 1 (right), cost in US\$).

The impact of this expenditure was somewhat softened in the last 12 months, due to the decline of the SSGB table orders, however, the remaining aluminium demand took the full effect.

With the expected return of the SSGB table demand, the expenditure will increase significantly, making it a challenging time for our sales and commercial team!

Import tariffs imposed by the EU on Chinese material makes this less attractive, so the EU mills have become saturated with demand.

## Steel;

This market will prove much more challenging moving forward given the volatility witnessed since January (See Fig 2, cost in US\$)

This continued volatility will create significant pressure on the supply chain for quite some time to come. Suppliers are reluctant when committing to RFQ's beyond the very short term, resulting in the severe instability throughout all associated business sectors. That said, if the more recent trend can be relied upon, this does indicate at least some positivity.

Should this reverse however, a negative situation presents a positive opportunity!

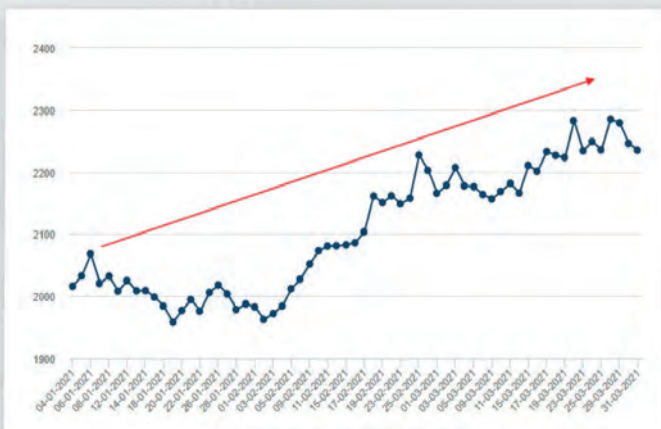


FIGURE 1

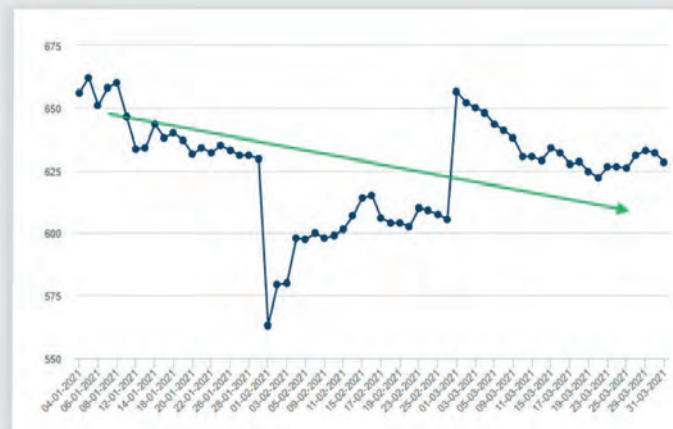


FIGURE 2



# HR Announcements

## ADDITIONS TO THE TEAM

**Felicity Voisey**  
Business Administrator

**William Harding**  
Inspector

## Congratulations

Yvonne Mullen and partner  
on their engagement

## WELL DONE

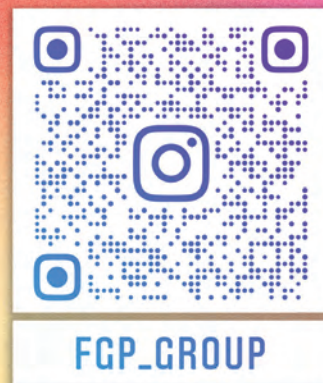
**Newly appointed Cell  
Leaders at Lufton:**

Sonny Dennett, Peter Brock,  
Stephen Burrows and  
Simon Speed

Helen Johnson for walking 65  
miles throughout March and  
raising £460 for Macmillan

*"Thank you for everyone's  
continued support during  
these challenging times"*

## FGP Group Instagram



FGP Group is now on  
Instagram, scan our  
QR code to follow us!

## TRAINING CENTRE NEWS



**Andrew  
Johnson**

Apprentice  
Supervisor

### Innovation is the key to success

Apprenticeships within FGP Group are built on a range of modules that touch on all aspects of the trade, from basic hands skills to CNC machining, health & safety assessments, business improvement and providing a secondment to all areas of the manufacturing process within Group. Experience in-house is complimented by our partnership with Yeovil college, where our apprentices can build on their knowledge and gain essential skills in technical drawing, machining techniques and full product processes.

To provide our apprentices with the skills required for a life-long career in mechanical engineering, we must keep up to date with current trends, industry direction and future technologies.

With all this in mind and as part of the "Build Back Better initiative" in removing repetitive, mundane manual workflows from manufacturing processes, the Apprentice training workshop and classroom will be a focal point for new technologies as we equip our Apprentices and existing staff with the skills of the future, including leading innovations such as 3D printing and robotics. Challenging the boundaries of manufacturing and creating fit for purpose, bespoke manufacturing solutions throughout the group.

Apprentices and existing staff will receive new technology training to complement and challenge all within their role and provide opportunity to contribute to the company in utilising the best lean processes supported by the latest innovation, technology and development solutions.

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[www.fgpltd.co.uk](http://www.fgpltd.co.uk)

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