

Navigating Aerospace Logistics in a VUCA World



8 Strategies to help aerospace suppliers thrive in an era of **Volatility, Uncertainty, Complexity, and Ambiguity**.



COVID caused a global downturn in aircraft production from which the industry is still rebounding. The most alarming symptom: an 8-year backlog on new aircraft orders.

The resulting pressure on aerospace suppliers has been intense. Suppliers that survive and thrive will be those with the best-run supply chains. How can you get there? Follow these 8 strategies.



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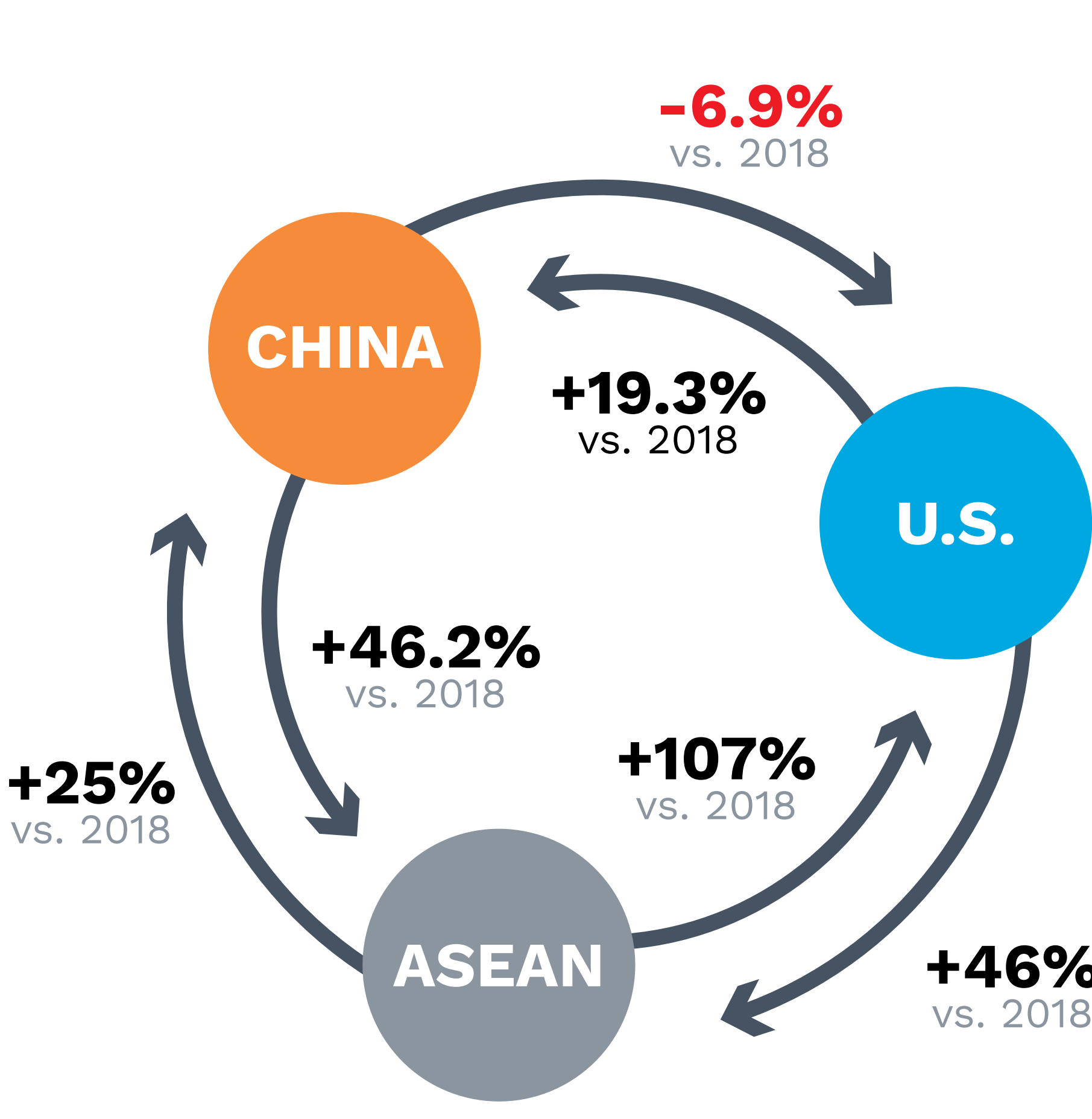
Minimize tariffs without violating trade rules

As suppliers relocate production from China to more "tariff-friendly" countries in Southeast Asia, they must understand the concept of "substantial transformation" to determine the true Country of Origin.

Missteps can lead to tariff surprises and compliance violations.

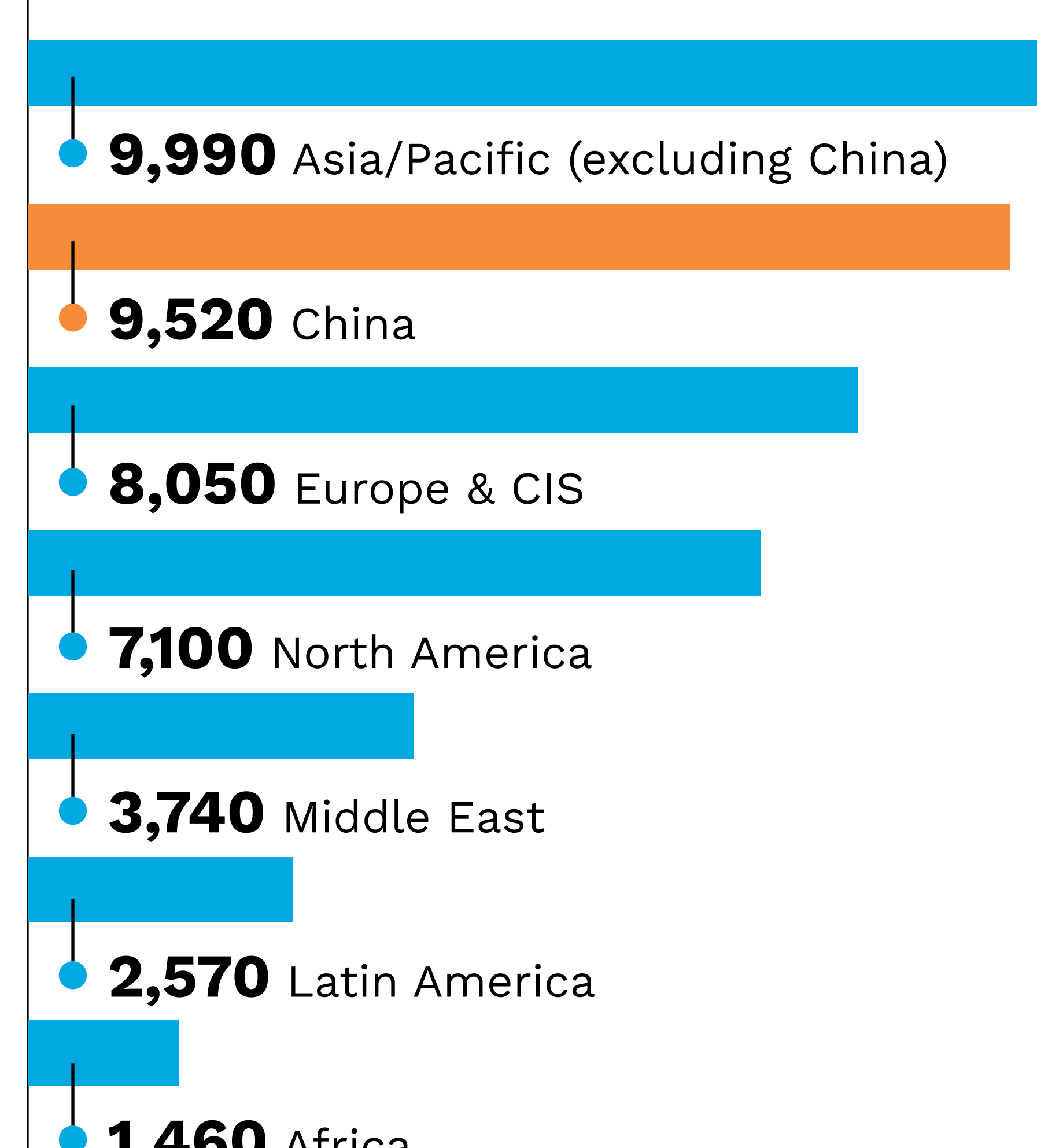
2 Maintain supply chain reliability in new markets

The global aviation production and supply map is undergoing a massive shift toward ASEAN countries. As operations relocate, suppliers must be prepared for longer transit times, customs complexities and reduced freight capacity for air/ocean shipments. To manage this shift, align with a logistics partner that knows aerospace and already operates in the markets you're moving to.



5-Year Trend of Global Trade Patterns (value of goods traded)

3 Expand into China



Source: Airbus Global Market Forecast

4 Keep production on track with precision deliveries

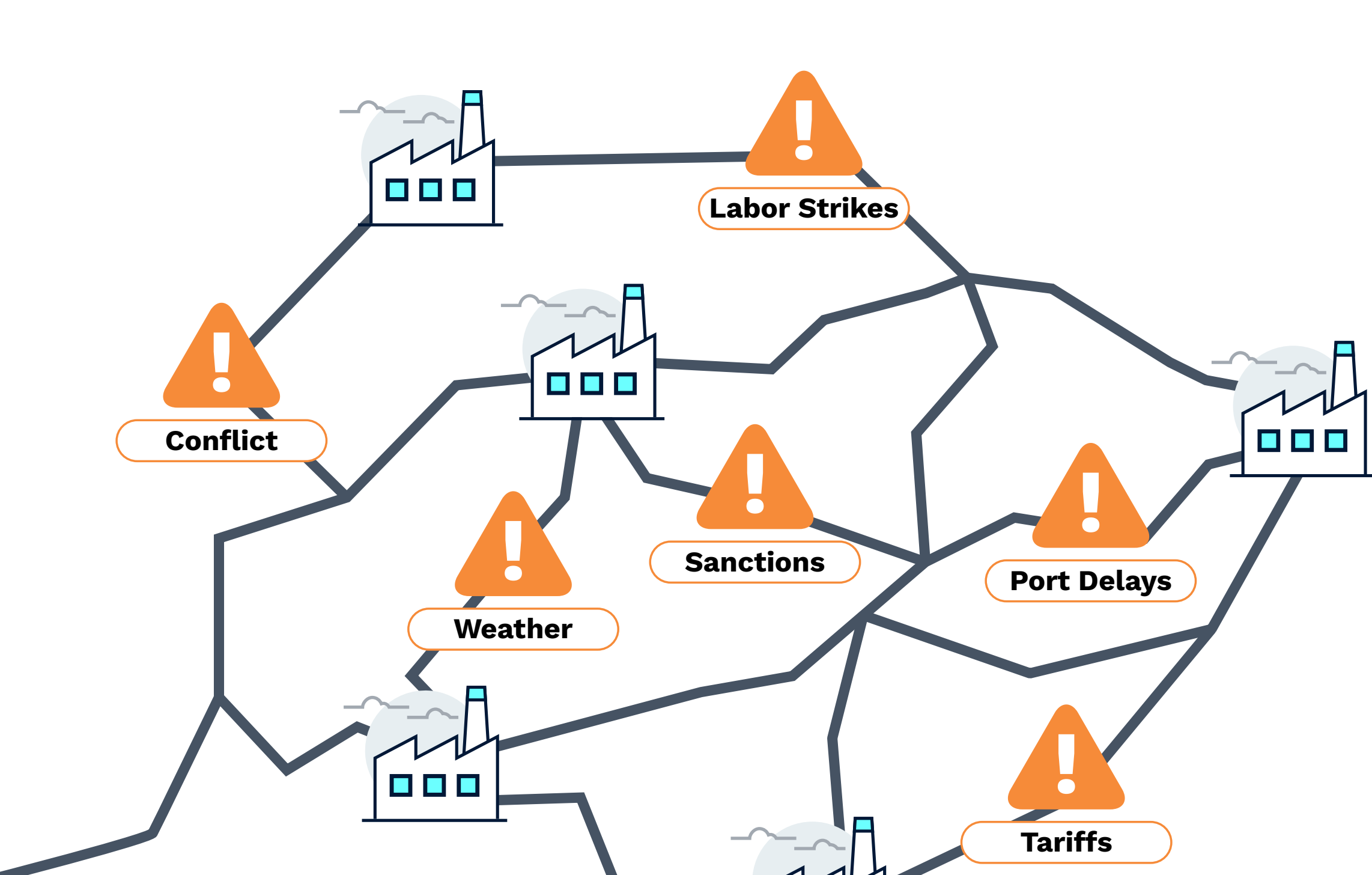
A Boeing 787 is made up of millions of parts. If just one of those parts gets delayed en route to the factory, production can stop. Aerospace suppliers require freight forwarding partners with the experience and tools to support precise, time-definite delivery.



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5 Build an agile, resilient supply chain

Supply chain agility isn't reactive; it's a well-planned strategy that takes years to create. Dual-sourcing of components, outsourced logistics, and a flexible infrastructure help get you there.



6 Strengthen MRO logistics

The next decade will see many more planes in the air, including more older aircraft, elevating the importance of reliable MRO operations. Look for MRO logistics partners that offer fast, trackable deliveries and 24/7 service.



The global fleet of aircraft is expected to rise from 28,398 in 2024 to 35,413 in 2034 (Statista), **an increase of 25%.**

7 Improve air freight operations



(SOURCE IATA)

One missed delivery by one aerospace supplier can impact production across multiple world regions. To address this vulnerability, air freight is more strategically important in aerospace than other industries. Work with an air freight shipping partner that makes its living managing high-stakes, time-defined deliveries.

8 Choose the right aerospace logistics partner

Reliable, flexible, and strategic. That's what OEMs want in a logistics partner.

What qualities do you look for in a strategic logistics partner? We asked 28 aerospace supply chain executives that very question and this chart shows the results.

The right 3PL can be your secret weapon to achieve supply chain agility and resilience in this VUCA era.

Choose wisely.

Survey of aerospace suppliers:

"What do you most need from a logistics partner?"

- 1. Reliable Service** – to support on-time delivery to OEMs.
- 2. Global Delivery Network** – to facilitate global, door-to-door service for time-defined shipments.
- 3. Flexible Approach** – to enable supply chain resilience in the face of unprecedented uncertainty.
- 4. Customs Knowledge** – to help navigate complex compliance in new countries.
- 5. Knowledge of the Aerospace Industry** – to ensure adherence to exacting quality standards.

To learn more, read our full eBook at: dimerco.com/aerospace-logistics-in-a-vuca-era

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