

**HONEYWELL AEROSPACE VENDOR MANAGED INVENTORY FLEX PROGRAM**  
CONNECTED SUPPLIER REPLENISHMENT SOLUTIONS



**YOUR SUPPLY CHAIN COMPETITIVE ADVANTAGE**

Continuously improving our Vendor Managed Inventory Program

The Honeywell Aerospace VMI FLEX Program is the optimum supplier partnership designed to simplify replenishment, making it easier than ever to deliver on-time, quality parts to meet Honeywell requirements. Joining the VMI FLEX Program will synchronize our supply chains, resulting in improved operational efficiencies, inventory optimization, delivery, and the reduction of transactional waste.

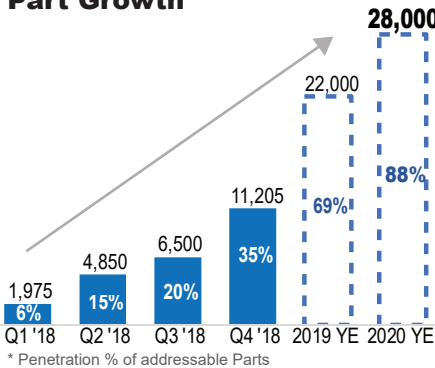
**PROGRAM GOALS**

 <b>Empower and Reward Participating Suppliers</b>	 <b>Reduce Cost</b>	 <b>Improve Delivery Performance</b>	 <b>Optimize Inventory</b>	 <b>Increase Supply Chain Efficiencies</b>
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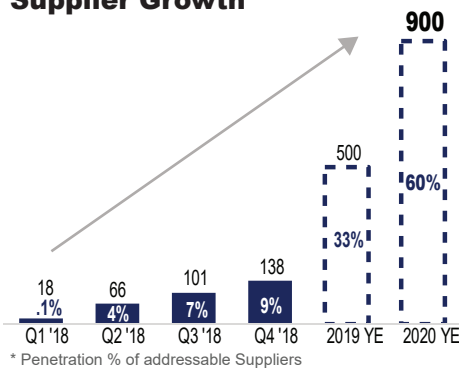
**RESULTS AND GROWTH**

VMI expansion is rapidly transforming our supply chain and performance.

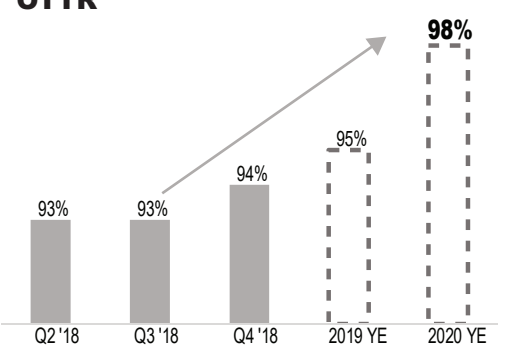
**Part Growth**



**Supplier Growth**



**OTTR**



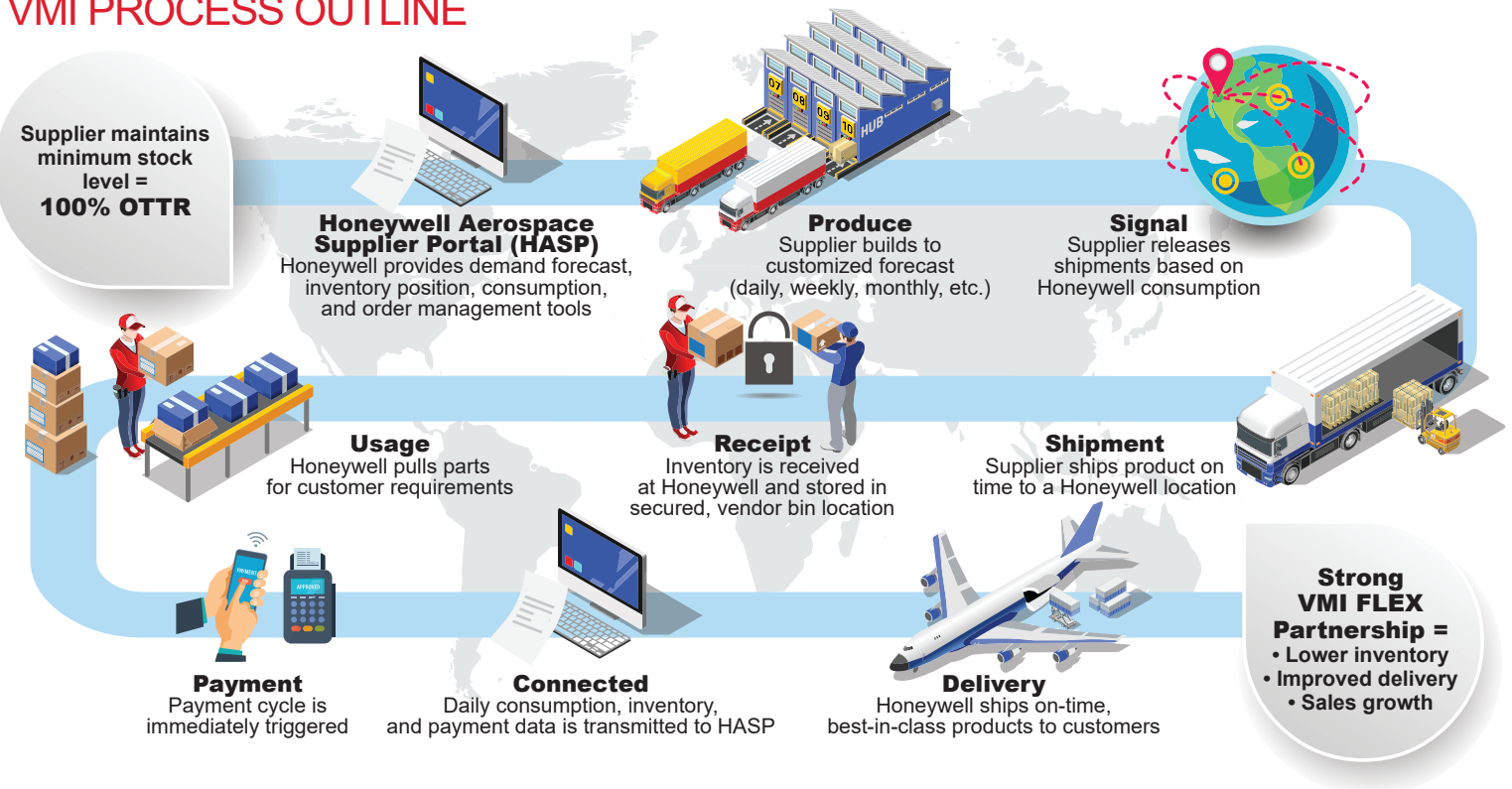
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### SUPPLIER BENEFITS

Applying lean methodologies to optimize end-to-end supply chain performance



### VMI PROCESS OUTLINE



### VMI PROGRAM SPECIFICS

Part Selection	Economic Order Quantity	Ownership Standard	Continuous Improvement
VMI Flex part candidates are identified through a "Plan for Every Part" criteria based upon volume, stability, cost, demand strategies.	Shipment quantity and frequency is determined by the supplier to improve supply chain performance to achieve the right inventory levels.	Transfer of material ownership occurs when parts are pulled from secured and segregated 3PL Vendor stock locations.	Quarterly business reviews ensure parts are consistently reviewed for inclusion or exclusion in the program and provides suppliers with a forum to answer questions and resolve issues.