

AEROSPACE & DEFENSE GLOBAL LEADERS SERIES

*A CONVERSATION WITH MARCUS BRYSON
CHIEF EXECUTIVE OF AEROSPACE AND LAND SYSTEMS, GKN AEROSPACE*

By Anthony Velocci

Since 1993, GKN Aerospace has been acquiring businesses with expertise in high-precision manufacturing, aerostructures, and materials technologies to build one of the world's most capable suppliers to original equipment manufacturers (OEM). Much of GKN's growth has taken place under the leadership of Chief Executive Officer Marcus Bryson. In January, he will become president of ADS Group, the UK's premier aerospace/defense/security/space organization—a position he will take up alongside his role as co-chair of the strategically important UK Aerospace Growth Partnership. In the following interview with Tony Velocci, former editor-in-chief of Aviation Week & Space Technology, Bryson discusses GKN's future, what it means to be a leader, and his vision for the UK defense industry.



Marcus Bryson, Chief Executive of Aerospace and Land Systems

Aerospace is as competitive as any industry sector can get, especially in the markets where GKN does business. What is it in GKN's culture that distinguishes it from the rest of the field?

GKN had very humble beginnings, and we've always managed to retain what I call a 'small company DNA.' We're quite lean and we're agile, allowing the organization

to make decisions quickly. As we grow, it is really important that we maintain this culture.

The other distinguishing feature about GKN is that a very substantial percentage of our revenue is spent on technology development, which is flourishing. We've always had a fairly good engineering background. Increasingly, our customers look upon the technology we produce as a key differentiator.

How much of your technology spending is directed toward relatively low-risk applied R&D, and how much are you investment goes toward more disruptive technologies?

We put a lot of emphasis on both. In applied technology, we are looking at how we can produce products much more cost-effectively. On the disruptive front, we are making a significant investment in areas composites, which are becoming more important to commercial aviation. For years, they were slow to advance but that is rapidly changing. The next big iteration will come with the next generation of single- aisle aircraft.

None of us know the exact timing, but it will be a composite aircraft. Before that happens, though, there will have to be some disruptive technology advances around the manufacturing and application of composites. They currently are too expensive and take too long to produce. Airframe manufacturers will be looking at build rates of 50 a month, and you can't sustain that rate of production using composites the way they are made today. It is too capital- and energy-intensive. We will have to look at composites manufacturing in a radically new way.

We recently launched a project in the UK with the goal of manufacturing a composite wing that's cheaper than a metal wing. Will it be radically different? I can tell you that the manufacturing technology will be very different. Maybe some of the fiber technology will be different. The resin technology will be different. The project specifically is pertinent to the UK, because we haven't gotten many seats around big tables. The UK doesn't build aircraft, and with the exception of Rolls Royce we have no large aerospace companies. Nothing is going to come to us outright. So we must be the best technology provider with the best set of economics to make the UK a compelling place to source aerospace parts and subsystems.

The aerospace business climate is far more challenging today, with customers demanding higher levels of performance from all of their suppliers. How do you think GKN is adapting to this tougher environment, and what would you say is the best evidence that the company is succeeding?

Not much more than 10 years ago some customers measured suppliers' performance as having met expectations whether they delivered product on the 1st of August or the 31st of August. Either way, you still got a tick in the box. We've moved way beyond that point. It's not quite like the automotive sector, where suppliers have a four-hour window on a specific date to deliver. So, aerospace has fundamentally changed. In the UK, the mentality within aerospace was that of a job shop. GKN has adapted well to the new environment and is committed to being a world-class manufacturer.

Some industry observers are adamant in their belief that aerospace has become too risk-averse when it comes to trying new business models and pushing the technology envelope, versus basically harvesting the investments companies have made in the past. What is your sense?

If you go back a few years, I probably would agree. I think it was a very conservative environment, and companies were not inclined to take too much risk. But the world has changed, and

the aerospace business model has certainly changed. Both the industry and products have become more complex, more demanding. As a result, companies generally are taking more risks and having to be more innovative. The industry will continue to evolve, and the quicker companies can adjust to change, the better their chances of success. Companies who are slow to change and innovate will not survive.

What more could suppliers be doing to help their OEM customers succeed, and vice versa?

It is more a matter of working together. The more that suppliers understand what their customers require, and the more that customers understand the risks that their suppliers are taking, the better.

How do you define leadership?

It's about two things: first, having a clear business strategy and communicating it to your whole team, and second, how you engage individuals on the team to help execute that strategy.

Earlier in your career, was there an event or a set of circumstances that was most responsible for shaping your management style?

About 15 years ago, I ran several factories in the U.K. and had about 3,000 people working for me. One Friday my manager told me he wanted me to drop that job and do a special project that would last about two years. My new assignment basically was to restructure four aerospace businesses that had not been properly integrated. When I returned to work on Monday morning, there was me and a secretary, and me was it. It was up to me to assemble a new team. I found 20 people working in different parts of the company that became the core.

The fact that I could go from having 3,000 people who would respond, 'How high?' when I said 'Jump!' to a situation where some people working for me wouldn't even answer the bloody telephone when I called was really quite strange. In fact, it was life changing for me, and a great lesson. I found myself in a completely different job with a completely different set of dynamics. It taught me how important it is to select the right people, articulate a vision, keep them inspired and allow them to execute on the strategy. If you have people working for you who don't share your vision, you'll never get things done.

For executives at your level, what is the most meaningful way to measure the impact of your ideas?

To me, the most meaningful measure is the respect that GKN has established as an organization. Among tier one suppliers, like us, I believe we are one of the best in terms of engineering, technology, manufacturing capability and business ethics. And we have delivered the financial performance expected of us. We have achieved a lot, but there's a lot more to do.

How do you deliver the optimum customer experience?

You have to listen to the customer, although sometimes that's tough to do. All customers want the best product you can deliver, and some customers want it for the least amount of money. Meanwhile, naturally you want to make a fair return on your investment. All the same, if you don't listen to your customers, you're dead. I like to think that generally we have a very good relationship with our customers.

You recently were named the new president of ADS, the UK's premier aerospace, defense, security and space organization. You will be in that leadership role for two years. What is your vision for the industry in the U.K., and what do you hope to accomplish?

I want to see the UK become a bigger player in aerospace. The companies who currently comprise the aerospace industry in this country should have one common objective: not just preserve the industry as it exists today, but to grow it. I want to see us attract more foreign aerospace companies, because the UK offers a business-friendly environment. It's dynamic. Technology is our key to success, and we are at the forefront.



A 24-year veteran of *Aviation Week*, Tony Velocci is former editor-in-chief of *Aviation Week & Space Technology* magazine as well as editorial director of Aviation Week Group.

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