The Wichita Business Journal has learned that Thayer Aerospace of Wichita has landed a seven-year, $124 million contract from Vought Aircraft Industries to manufacture and assemble parts for Boeing 737 doors.

Brian Bulatao, Thayer's chief operating officer, said he and other company officials could not comment for this story. But word spread rapidly this week in aerospace circles about how the young Wichita-based company -- founded in 1996 by Bulatao and two of his best buddies from West Point -- had made a big deal.

**Boost for the economy**

For the Wichita economy, there will be a $1.3 million impact as Thayer adds to its payroll. The company likely will be hiring up to 35 machinists, buyers and programmers to handle the new work. The company has a job fair scheduled for tomorrow (Sept. 9) at the plant at 4201 S. 119th West.

For Vought, the deal with Thayer should mean significant cost savings. Vought puts together doors for the Boeing plane in Perry, Ga., and ships them to Boeing's final assembly plant for the 737 in Seattle. That means working with more than 67 suppliers to deliver thousands of parts that make up the pressurized doors for a 737.

Thayer will consolidate that operation and deliver the parts to Vought on a series of large trays, or kits, for workers to assemble into the final product. Sources say first kit deliveries
are scheduled for April.

Thayer will manufacture some of the parts itself at its plant in Wichita, and buy others from outside suppliers.

The contract also will mean at least $250,000 in additional orders to local vendors for items such as shop supplies. There also will be $500,000 worth of work each year for other aerospace contractors for jobs such as processing machine parts.

Thayer currently has 280 employees. About 240 of those are based here in Wichita, with about 100 of those at Air Capitol Plating, which is owned by Thayer. The remaining employees are in the company's St. Louis operation.

The privately owned company does not release sales figures.

Changes at Vought

The deal with Thayer will allow Vought to simplify its ordering and delivery systems -- and save money, sources say. Vought will have to deal with fewer suppliers, which will cut paperwork costs and reduce inventory costs.

Currently, Vought buys and holds six to eight weeks of inventory. Under the new system, the company will order on a "just-in-time" basis, getting only what it needs -- delivered immediately. That should save Vought warehousing and stocking costs.

Under the contact, Thayer will own the inventory until the point when the kits are used.

Systems like that are becoming more common as aerospace contractors look for cost savings, say industry observers. Bill Olson, former senior vice president of McDonnell Douglas' Space and Defense Systems, says the Thayer-Vought program is an example of "the new relationships required to generate significant savings across the entire aerospace supply chains."

The timing of the deal should be good for Thayer, too. The labor market in aerospace is not as tight as it was two years ago, when most aviation subcontractors were operating at full capacity while trying to meet a long backlog of orders.

Sources say Thayer plans to invest millions in new equipment as a result of the contract, which should help the company attract machinists.
Sources say Thayer's deal is based on the assumption that Boeing will continue producing 737s at about the current rate -- between 20 and 30 a month.

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