MRO Europe
Sourcing and Buying Habits of Airlines

Ian Smith – Key Account Director
Development of AJW Group… an aviation story since 1932

**Aircraft Services & Support**
- AOG & Parts Sales
- PBH support
- Repair Management

**Component MRO**
- World class MRO capability
- OEM Licensed

**Engine Leasing & Parts**
- Engine leasing
- Parts Programs
Cracks in the standard PBH model

**Current PBH Model**

- Fixed, short-term contracts
- Commoditised pricing with potentially increased risk
- No incentive for reliability or cost reduction

**Evolution of PBH Model**

- Longer-term contracts
- Airlines demanding more transparency
- Deeper and broader integration
- Integrated services
- Greater need for technical resources
An evolving market

Key trends

Component and parts types placed in various segments

<table>
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<tr>
<th>Segment</th>
<th>Rotables and Major Components</th>
<th>W&amp;B</th>
<th>Repairables</th>
<th>Major Assets</th>
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<tr>
<td>Major Considerations</td>
<td>Cost Reliability</td>
<td>Availability Turn-time</td>
<td>BER Management</td>
<td>Cost Availability</td>
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<td>Inventory Management</td>
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<tr>
<td>Order Management &amp; Logistics</td>
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<td>Repair &amp; Overhaul</td>
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<td>Surplus Management</td>
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