



IATA Maintenance Cost Task Force (MCTF)

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MCTF Overview (www.iata.org/mctf)

- Steering Committee: 10 airline members + IATA Strategic Partners
- Mission
 - Provide a forum to exchange and share knowledge, best practices and industry know-how, and networking in the maintenance area
- Key activities
 - “Standardization” of Maintenance Costs (Airline view)
 - Data Collection & Benchmark Report ⇨ 51 airlines (25% MRO cost)
 - Maintenance Cost Conference (MCC)
 - Guidance Material & Best Practices
 - Overlooks IATA’s Aircraft Leasing Advisory Group (ALAG)

MCTF Status (1/2)

- FY2015 Data Collection & Analysis
 - Deadline for data submission: **June 30, 2016**
 - Annual report (exclusive to participating airlines)
 - Customized report upon airline request ⇒ **free of charge**
 - Challenges:
 - Increase airline participation
 - Maintain/increase data quality & depth
 - Limited resources to collect, validate and analyze data



MCTF Status (2/2)

- MCTF Methodology Workshop: May 6-7, 2016 in MAD
 - In-depth training on MCTF input toolset for airline personnel
 - Free of charge

IATA 12th Maintenance Cost Conference

September 14 -15, 2016

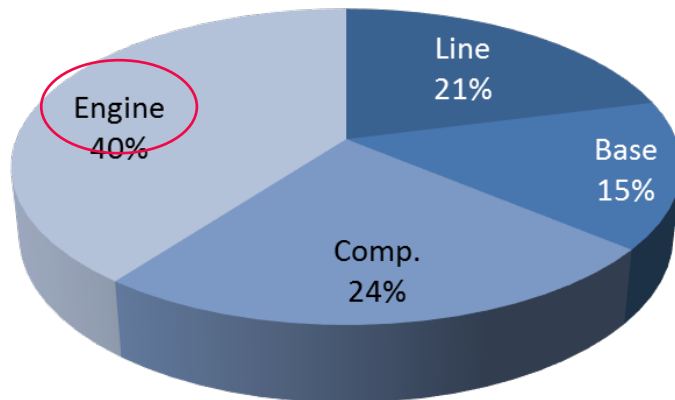
Royal Orchid Sheraton Hotel & Towers
Bangkok | Thailand



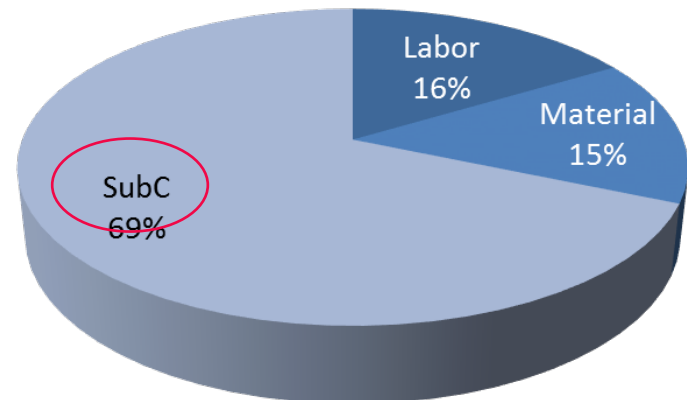
MCTF Spend (FY2014)

- Direct Maintenance Costs* (Line/Base/Component/Engine)
 - \$14.41Bill. (23% of World MRO Spend)

➤ By Segment



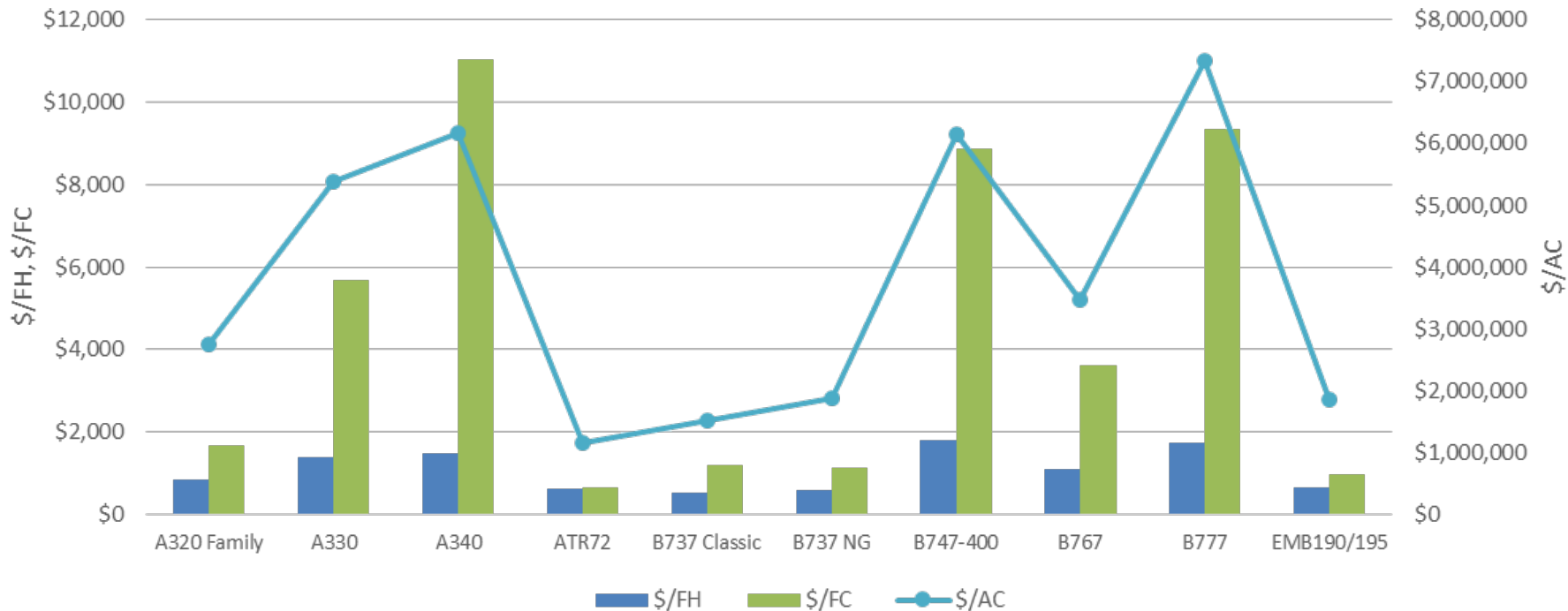
➤ By Element



* Direct cost only, excluding Overhead

Example: Unit Costs by Aircraft Family

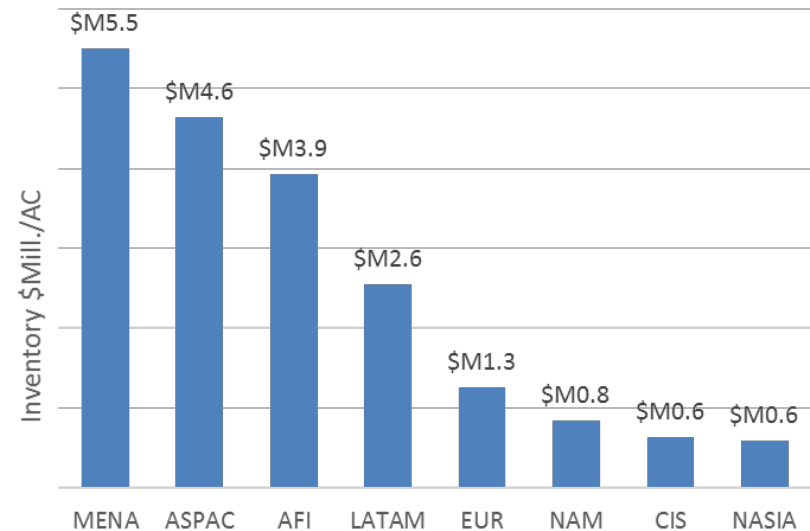
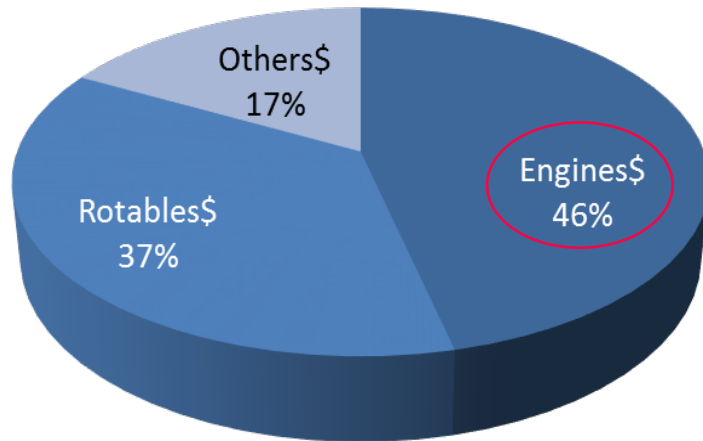
➤ Top 10 A/C Families*



with 5+ A/C and 3+ operators

Spares & Inventory

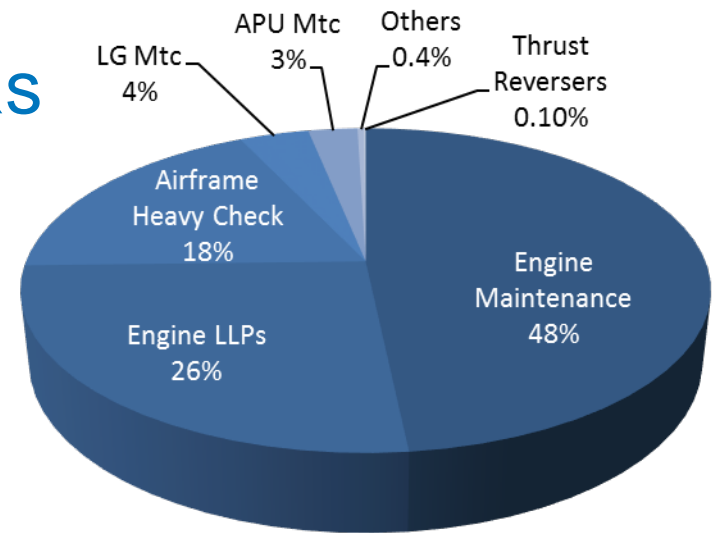
- Averages: \$2.6Mill./AC ; \$296Mill./AL
- For every \$1 spent for Maintenance, \$1.1 locked in Spares!



36 Airlines

Aircraft Leasing & Maintenance Reserves

- 41% of total MCTF fleet is under operating lease
 - World average is 39%
- 72% of MCTF airlines pay MRs
- Total MRs: \$503 Mill.
- Engines (incl. LLPs) = 74% of MRs



46 MCTF airlines - 1,680 aircraft under operating lease

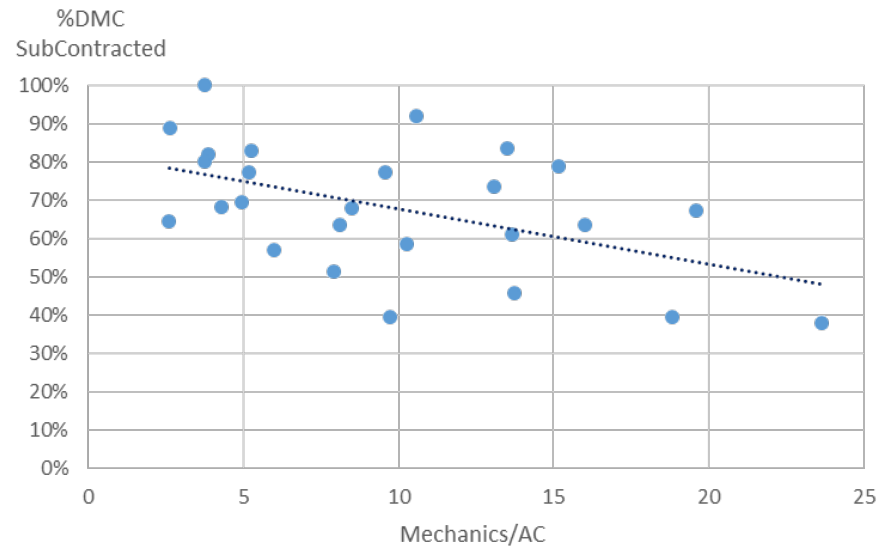
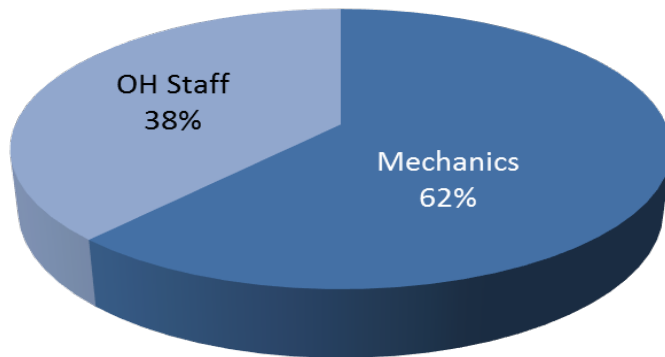
Personnel, Productivity & Overhead

➤ Direct vs Indirect Labor:

- 27,311 mechanics
- 16,914 staff

➤ Direct Labor vs %DMC Outsourced

- 12 mechanics/AC vs. 69% Outsourced



39 MCTF airlines

Applications

➤ Airline examples

- jetBlue
- Germanwings (?)

➤ MCTF Projects (2016):

- Airframe aging curves
- Line Maintenance
- Operational Availability

