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# IATA MRO SmartHub User Forum





# How Lufthansa Technik uses IATA SmartHub to reduce costs and increase efficiency in material procurement



# Lufthansa Technik at a glance

**800+**

customers worldwide



**4 bn**

billion euros revenue



**<30** subsidiaries  
and affiliates worldwide

More than

**4,208**

aircraft under  
exclusive contract



**20,569**

employees worldwide

**Hamburg**

headquarters

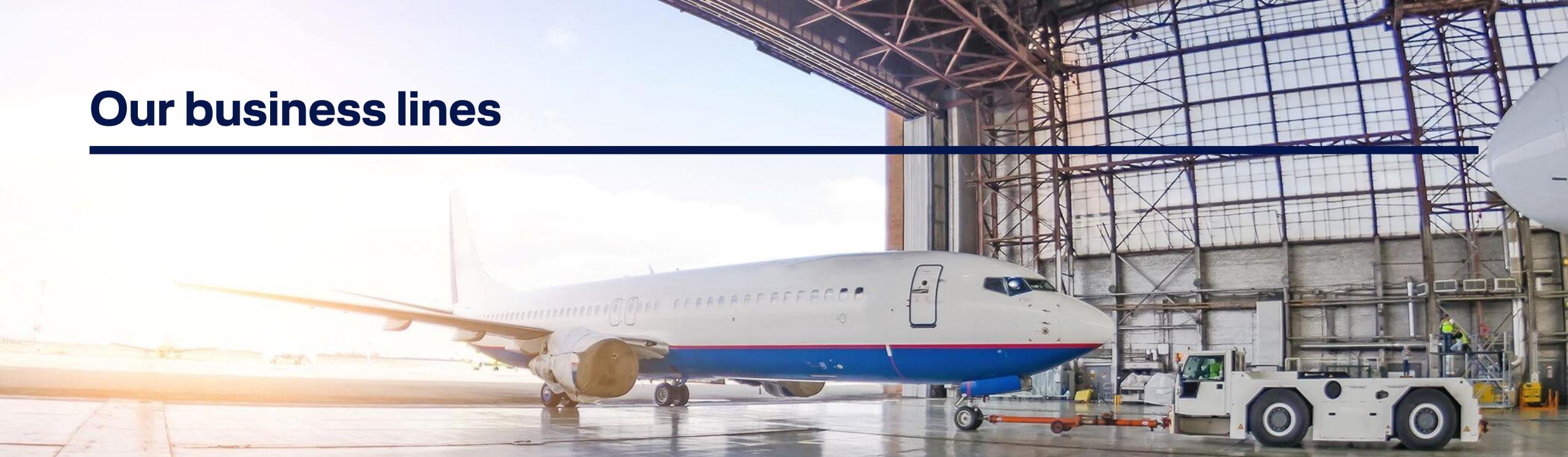


**5.2%**

Adjusted EBIT Margin  
in 2021



# Our business lines



**Engine  
Services**



**Aircraft  
Component  
Services**



**Aircraft  
Maintenance  
Services**



**Orig. Equipment  
& Special A/C  
Services**



**Digital Fleet  
Services**

# Lufthansa Technik worldwide



## Locations of major Lufthansa Technik Group facilities:

### Americas

LAX  
TUL  
MIA  
BQN  
YUL

### South East Asia

DXB  
BLR  
KUL  
SIN  
PEK  
SZX  
HKG  
MNL

### Europe

SNN  
LHR  
HAM  
BER  
DUB  
BRU  
FRA  
ERF  
MXP  
MUC  
BUD  
SOF  
MLA  
MOW



# What keeps us busy at LHT Procurement?



# MRO market players need to cope with different challenges

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# How can we cope with these challenges?

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## Procurement of Alternatives

- lower avg. purchasing price
- avoid single source situations



## Supply Chain & Market Transparency

- find material sources
- evaluate material correctly



## Digitization

- increase process efficiency
- increase share of value-adding activities



# How can IATA MRO SmartHub support in improving our procurement?



# The Connector supports solving multiple challenges

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Trade channels with partners offering reliable material sources for used material



Improving material management by sharing stock levels with trade partners



Reducing manual effort and process time



# Our standard purchasing process contains inefficiencies

## Standard purchasing process



# Using the Connector increases process efficiency

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## IATA SmartHub target purchasing process



- ✓ less manual work
- ✓ less Excel
- ✓ less process time needed

# The Evaluator supports us in selecting the best offer

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- Is the price offered a fair price?
- Is it worth to buy used material compared to new material?
- Does it make sense to buy proactively?



→ Reduction of material costs

**Thank you for your attention.**



# **Lufthansa Technik**



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