



Owned or Leased Aircraft Impact on Maintenance Cost

IATA Maintenance Cost conference

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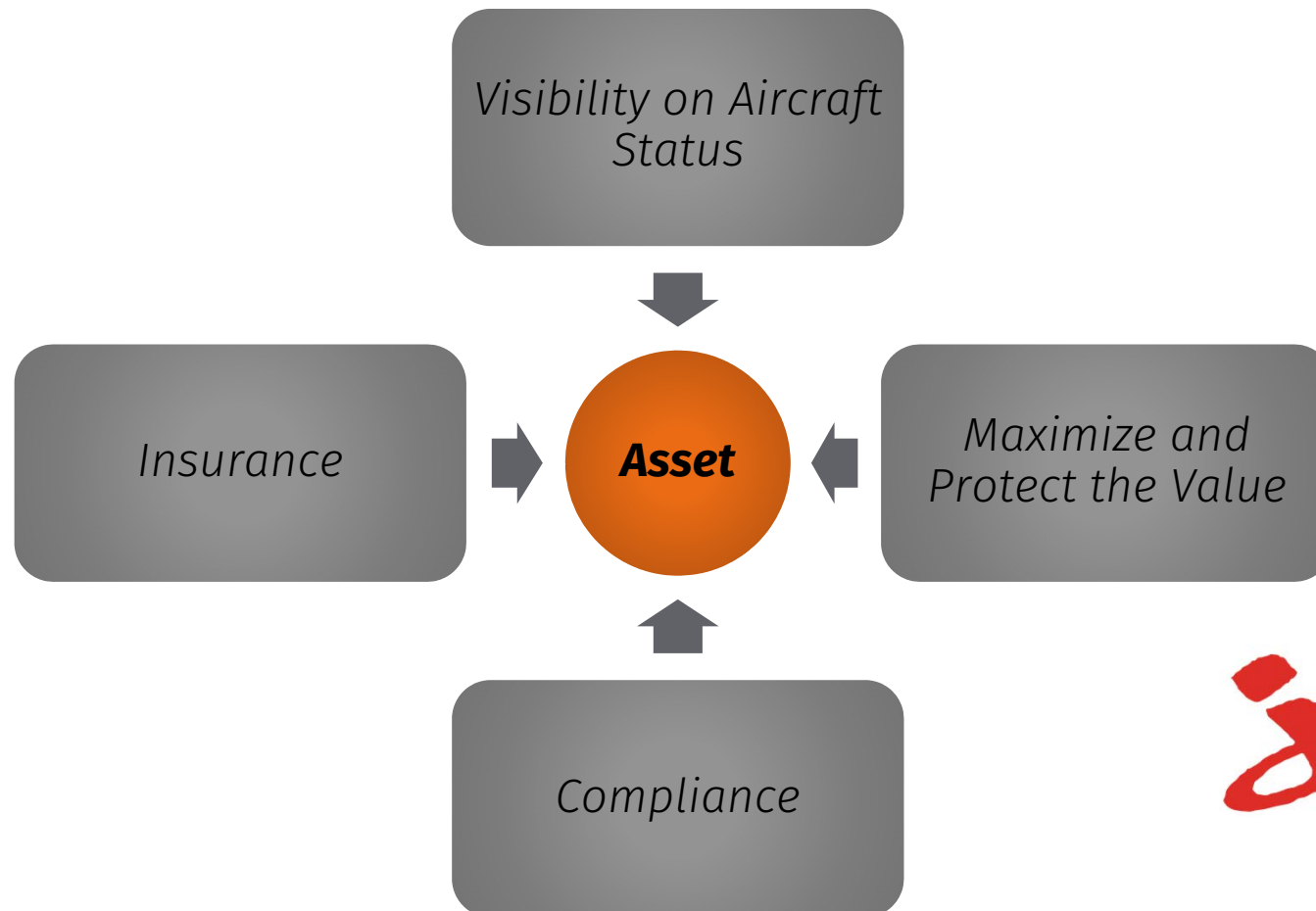
Owned or Leased Aircraft Impact on Maintenance Cost

	<u>Airline</u>	<u>Lessor</u>
1) Aircraft Leasing Attractiveness	<i>High</i>	<i>High</i>
2) Lease Ownership Focus	<i>Short Period</i>	<i>Asset Life</i>
3) Aircraft Leasing Goals	<i>Reduce Investment</i>	<i>Maximize ROI</i>
4) Factors Affecting Aircraft Value		<i>Maintenance</i>
5) What is Maintenance		



What is Maintenance? - Lessor

Lessor arrangement to protect and control⁽¹⁾ owner's ownership interest in the aircraft and its parts⁽²⁾ technical actions carried out by an operator which would affect the current and future value⁽³⁾ and could impact the ability of other operators to operate it⁽⁴⁾

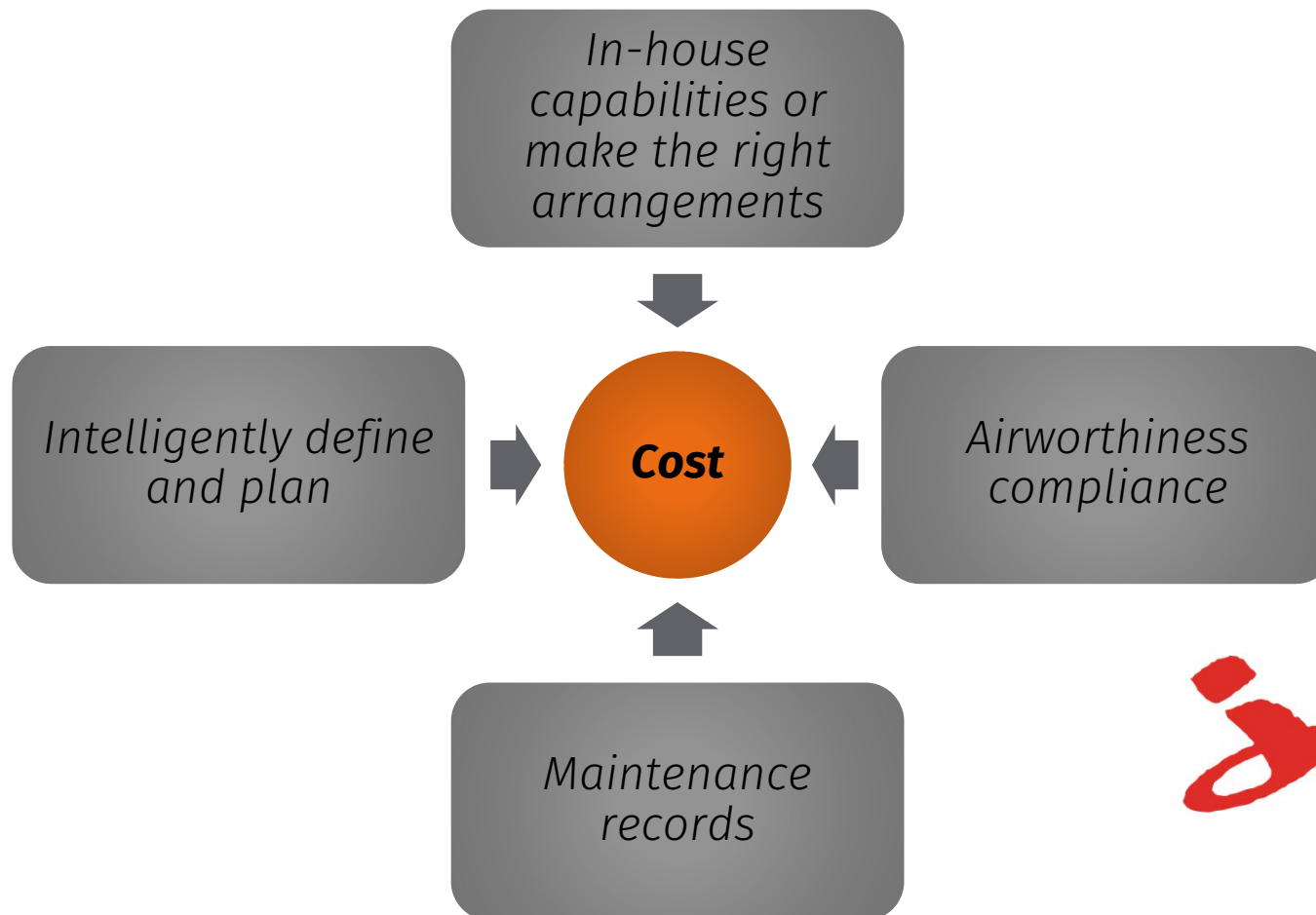


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What is Maintenance? - Airline

Operator's arrangement to execute ⁽¹⁾ physical work on an aircraft such as repair, overhaul, replacement and inspection ⁽²⁾ in accordance with the operators policies, procedures, practices and in compliance with aircraft registrar requirement ⁽³⁾ and the keeping of execution completion evidence ⁽⁴⁾





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4) Factors Affecting Aircraft Value		<i>Maintenance</i>
5) What is Maintenance	<i>Cost</i>	<i>Value</i>
	<i>Compliance</i>	<i>Transferability</i>
	<i>Current</i>	<i>Remaining</i>
6) Conceptual Differences		

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Conceptual Differences

Operator

Owner

Maintenance Compliance	National Authority	Several Authorities
Parts Sourcing Practices	Interchangeability	Limitation on Time / Age
Repairs	OEM & National Authority	OEM
The Use of Available Means of Compliance	OEM & National Authority	OEM
Inspection	Burden	Control
Redelivery Maintenance Standards	Operator Maintenance Program	MPD
Maintenance Records	National Authority	Several Authorities
Maintenance Planning	Cost Optimization	Maximum Value
Modifications	Value to Operation	Value to Asset
Defects	On Condition	Terminating
Third Party Work	National Authority	Several Authorities
Maintenance Reserve	Waste	Revenue



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4) Factors Affecting Aircraft Value		<i>Maintenance</i>
5) What is Maintenance	<i>Cost</i>	<i>Value</i>
	<i>Compliance</i>	<i>Transferability</i>
	<i>Term</i>	<i>Remaining</i>
6) Conceptual Differences	<i>Operation</i>	<i>Asset</i>

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QUESTIONS

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