Preliminary Analysis of MCTF FY2017 Data

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Preliminary Analysis of FY2017 Data

• About MCTF Data Collection & Analysis

• World Fleet & MRO Spend

• MCTF Fleet & Costs Analysis

• IATA Maintenance Cost Dashboard™
World Fleet & MRO Spend

• The FY2017 world fleet consisted of 26,000 aircraft

• The MRO market represented $76 Bill. worldwide.

• It is expected to reach $118 Bill. in 2027.

• With a per annum growth of 4.6%
MCTF FY2017 Data Cycle

• Preliminary analysis includes 36 airlines & 3,714 aircraft
  – 16 more expected for the final report

• MCTF airlines by Region
  – By number of aircraft

REGIONS AS DEFINED BY IATA:
Africa: Sub-Saharan Africa
ASPAC: Asia Pacific
MENA: Middle East & North Africa

Americas: North & South America
Europe: includes CIS
N. Asia: China, Hong Kong, Macao, Taiwan, Mongolia
MCTF Fleet: 3,714 Aircraft (FY2017)

- By Aircraft Category
  - NB: 59%
  - WB: 35%
  - TP: 3.1%
  - RJ: 2.9%

- By Manufacturer
  - Boeing: 54%
  - Airbus: 40%
  - ATR: 2.1%
  - Bombardier: 1.5%
  - Embraer: 2.4%
  - BAe: 0.1%
Top 10 AC Families* = 90% of MCTF fleet

- All AC categories represented
- However, still a limited number of RJs and TPs

* With 5+ AC and 3+ operators
MCTF Spend (FY2017)

- Direct Maintenance Costs (Line/Base/Component/Engine)
- $13.06B (17% of World MRO Spend)

**By Segment**

- Engine 44%
- Line 20%
- Base 14%
- Comp. 22%

**By Element**

- SubC 71%
- Labor 13%
- Material 11%
- LLP 5%
Our Main KPIs

• Operational Data
  – 36 airlines
  – 3,714 aircraft
  – 12.2 Mill. FH
  – 4.9 Mill. FC
  – Avg Age
  – Avg FH/AC
  – Avg FC/AC
  – Stage length (FH/FC)
  – Avg Utilization (hrs/day)
  – Dispatch Reliability

• Average Unit Costs (DMC*)
  – % of world MRO spend
  – Average Cost per Flight Hour
  – Average Cost per Departure
  – Average Cost per Aircraft
  – Average Cost per Airline

MCTF airlines get a detailed report with analyses by AC categories, families and/or AC

* Direct cost only, excluding Overhead
Unit Costs by Aircraft Family

- Top 10 A/C Families*

* with 5+ A/C and 3+ operators

Raw data, not normalized
Spares & Inventory

• Averages: $3.9Mill./AC ; $351Mill./AL
Aircraft Leasing & Supplemental Rent*

- 49% of total MCTF fleet is under operating lease
  - World average is 40%
- 53% of MCTF airlines pay supplemental rent
- Total MRs: $662.5 Mill.
  - Engines = 64% of MRs (incl. LLPs)

* Maintenance Reserves

34 MCTF airlines - 1,146 aircraft under operating lease
Personnel & Overhead

• Direct vs Indirect Labor:
  – 27,555 mechanics
  – 18,198 staff

• Direct Labor vs %DMC Subcontracted (SubC)
  – 10 mech./AC vs. 75% SubC
Personnel & Overhead

- Average Number of Staff per Aircraft
  - 765 mechanics/AL
  - 7 mechanics/AC
  - 506 OH Staff/AL
  - 5 OH Staff/AC
In summary (1/2)

• The 36 airlines in this preliminary analysis have reported:
  – Direct Maintenance Costs $13.06 Bill.
  – Overhead $2.28 Bill.
  – Spares & Inventory $8.78 Bill.
  – Supplemental rent $0.66 Bill.

• However, not all airlines provided Spares & Inventories $, OH$ and Supplemental Rent $. 
In summary (2/2)

- Engine maintenance: 44% of DMC
- Airlines subcontract 71% of their maintenance costs
- 64% of Maintenance Reserves are for engines (incl. LLPs)
- Overhead: 15% of total Technical Division costs
- 7 mechanics/AC and 5 overhead staff/AC

Want to know more? Join MCTF!
Maintenance Cost Dashboard

- Exclusive access to airlines that provide data
- Perform your own benchmark analyses
- Export data to create presentations and graphs
Maintenance Cost Dashboard

QlikView

Please sign in using your username and extranet password in the prompt below and NOT your email address.

Can't access your account?

Sign In

User Name: crosq@ata.org
Password: ***********
Submit
Maintenance Cost Dashboard
Maintenance Cost Dashboard

AT A GLANCE

MAIN METRICS

Select dimension(s) to add column(s) in the tables

Operational Data

Year / Aircraft

Unit Costs

2015

2014

2013

2012

Operational Data

Year / Aircraft

Unit Costs

2015

2014

2013

2012

Flight Hours/AC

Flight Cycles/AC

Average Age (Yrs)

Utilization (Fhr/Day)

MTF/FC

4,155

3,778

4,216

4,581

2012

2013

2014

2015

4,165

3,788

4,256

4,591

Aircraft

Airlines

Aircraft Versions

Total EMC $
Next Steps / Action Items

Already participating?
• Keep up the good work!
• Help us automatize the data collection:
  – Talk to your MIS provider
  – Ask them to develop an “MCTF module”

Not participating yet?
• Talk to fellow airlines to get their feedback
• Join MCTF and provide your data
• And get our exclusive benefits!
Thank you! Any questions?