

### **Lufthansa Technik**

Component Services

## Total Material Operations – TMO®



# One decision can solve many problems

#### **Setting priorities**

Properly functioning material management is without a doubt one of the factors most critical to the financial success of an airline. Only if everything runs smoothly in this area can flight operations be sustained without a break. However, experience shows that finding a lasting and flexible concept to adapt their capacities efficiently is a complex task for many operators.

If, for example, you are founding an airline, you have no empirical data on which to base your materials requirements, either from a logistics or quantity point of view. Or your company might be expanding, with the result that your maintenance needs are also growing but cannot be accurately predicted simply by extrapolation from historic data. Changing to an aircraft type new to your fleet has equally serious implications, as you simply cannot predict what the material requirements will be. Or perhaps you have simply made the strategic decision to concentrate primarily on the real purpose for which your company exists, namely to fly your passengers to their destination.

In every one of these cases, Total Material Operations (TMO®) is almost certainly the perfect solution for you: optimum materials supply on attractive terms and with significantly reduced administrative overhead.

#### **Customer benefits**

- Higher aircraft availability with integrated material management
- Optimum response times for AOG requests through local material manager
- Minimum downtimes through planned event management
- Significant reduction of complexity in operations
- Minimization of administrative costs

#### **Operated by Lufthansa Technik**

With Lufthansa Technik and Total Material Operations (TMO®) as your partner for material management, we guarantee that parts and materials will always be available when they are needed. Any time, any place in the world. This far-reaching service is based on Total Component Support (TCS®), which we have expanded significantly in two dimensions.

Starting from our proven pooling system coupled with our dedicated maintenance, overhaul and repair services for rotables, our new product also covers consumables, expendables and BFE management.

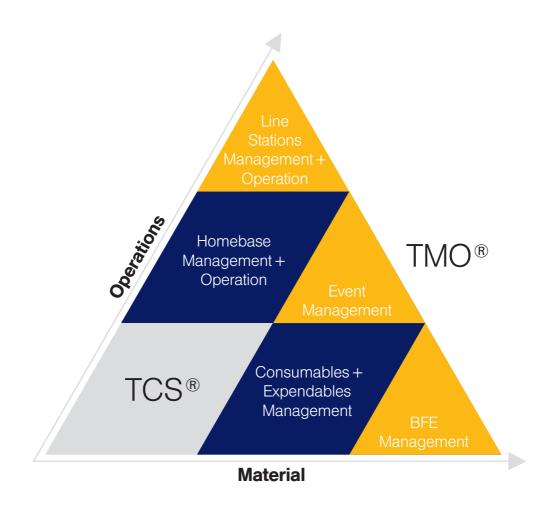
At the operational level, we have extended the simple provision to include complete management of homebase and line stations. Under the catchword event management, Total Material Operations is rounded off by careful planning and precision performance. The continuous on-site presence of material management staff from Lufthansa Technik coupled with direct data linking using the latest IT integration technology will ensure that every part of your flight operations is supplied at all times. This will reduce your administrative costs while at the same time boosting your fleet availability, since it will now be possible to respond more quickly in case of unplanned maintenance events (AOG) and to plan more accurately for routine maintenance. And the best thing about it is that you won't have to worry about anything yourself.

#### Capabilities

Total Material Operations (TMO®) is available for all current Airbus and Boeing aircraft types as well as for the CRJ and ERJ regional jet families.



# Material Management – redesigned with you in mind



#### TCS® – the starting point

Lufthansa Technik's range of component service products have long made it the first choice of many operators, who are guaranteed the ultimate in availability and logistics handling. Total Component Support (TCS®) customers participate in a pool concept under which they are supplied with around 67,000 components. Participating airlines can rely on receiving the parts they require according to the predetermined service level. And because we know at all times where which part is and when it is due to be where, transport time is reduced to the minimum. Naturally we take care of the associated logistics as well. Under our TCS® service, you are billed a power-by-the-our-rate which covers all our services.

#### Total Material Operations – TMO®

We have now gone one step further and, in Total Material Operations (TMO®), we offer an integrated service which bundles together every aspect and requirement regarding material management – a solution which is dovetailed into your operating routines. At the same time our skilled inventory control and management specialists will take care of every aspect of material supply on-site with you.



**Homebase Management + Operation** 

A team of material specialists will work with you on-site in close cooperation with your maintenance control center to serve all of your fleet material requests. Using state-of-the-art software solutions, we will integrate the full breadth of material management functionality into your existing system, from inventory control through to on-time parts delivery.



Our material management people constantly monitor all the consumables held on-site in your premises and at Lufthansa Technik. In this way they ensure that sufficient supplies are available at all times, while at the same time avoiding any costly over-capacity, and that no major task fails due to the lack of a part, however small.



Line Stations Management + Operation

We record the parts required for all maintenance work and deliver them at a precisely defined time to the location where they are needed. Our material management team monitors and replenishes warehouse stocks in advance and afterwards, as needed.



Managemen

In advance of planned checks or modifications we take care to lay in supplies of the parts and materials that will be needed for a given event and to arrange the relevant logistics. With 50 years' MRO experience behind us, we know exactly which parts are needed. And you can rest assured that you will be prepared for every eventuality.



Management

When it comes to buyer furnished equipment (BFE), we function as the interface between you and the manufacturers. Our material management people ensure that, for example, all kinds of cabin fittings are available for your aircraft type without delay – and with your company's design, naturally. Wherever and whenever you need them.

### What you need is what we give



#### How much component service do you need?

Giving you only the option of all or nothing is not the way we operate. Instead, we follow the principle of the optimum solution. You are free to choose any service. If you carry out your line maintenance yourself, you may simply want to call us in to assist with material provisioning. On the other end of our service portfolio you have all options in entrusting the entire material management of your fleet to the hands of our specialists. They will manage all material operations directly on your premises for you. Just tell us what you want and together we will find the solution that is best for you.

#### Perfect for start-ups

The example of a start-up airline illustrates the functional and financial importance of perfectly organized material management to the company. Right at the start, empirical data as to when which materials will be needed where and in what numbers will not be available. As a result the parts needed for overhauls and unforeseen maintenance may simply not be available or can only be obtained at great cost. We help reduce the time to market. Because instead of building up your own material management department – a highly complex and time consuming process – you may save time and costs by counting on our experience and proven concepts. And your investors will favour you staying flexible and buy the required services instead of creating an organization with high fixed costs and millions of USD in material investment. With Lufthansa Technik as your partner for material management and Total Material Operations (TMO®), supplies and consumption are perfectly matched and any parts that are needed are guaranteed to be available anywhere in the world, whenever they are needed.

#### Benefits to you

- Focus on core business
- Reduced fixed costs
- Lower capital investment
- Reduced time to market
- More than 50 years of experience

#### And established airlines alike

Total Material Operations (TMO®) can also significantly increase the effectiveness and simplicity of established airlines' operations, by reducing your complexity at the same time. For example, where the whole fleet or part of it is changed over to a new aircraft type. In this situation, material management and inventory control can only determine what materials the new aircraft type will require on the basis of empirical data. But every aircraft type is different and consequently also has different material management requirements. We know all the specific profiles and we also know when and where signs of wear and tear are likely to appear and what parts will be needed for maintenance or repair. With Total Material Operations (TMO®), Lufthansa Technik guarantees the immediate availability of all the necessary materials any time and any place in the world. With us by your side you will make savings in manpower, time and above all in costs.

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