

Good, better, best

Aircraft support businesses work together to tackle a noteworthy market opportunity

By Marguerite Ozburn

In November 2007, Boeing Chairman, President and CEO Jim McNerney challenged the company's two support businesses to achieve between them at least \$120 million per year in earnings synergies, or ways the organizations can work together more efficiently and effectively, by 2013.

Commercial Aviation Services (CAS) and Global Services & Support (GS&S)—the support businesses for Commercial Airplanes and Integrated Defense Systems, respectively—are working to tackle that challenge. They've set the stage for forthcoming success by creating a team to guide synergy activities and record collaborative achievements.

"We are one company, and the activity we've started in CAS and GS&S is the future for the entire Boeing enterprise in its goal to be the best integrated aerospace company in the world," said Jim Brunke, vice president, Global Maintenance, Repair and Overhaul, CAS. Brunke and Phil Schwab, vice president, Business Development, GS&S, are leading the synergy team.

The CAS/GS&S synergy team members quickly realized that although their customers and markets are different, how they do what they do is the same. Both organizations provide maintenance, repairs, upgrades and testing for customers across the globe to ensure aircraft are mission-ready around the clock and to extend the life span of these aircraft. They also provide aircraft health management and sustainment while proactively preparing customers for future needs.

"Airplanes are airplanes," said Brunke, "so it's logical for the two businesses that service those airplanes to weave synergies into the way they do business."

The enthusiasm Brunke and Schwab feel for meeting their challenge is palpable but tempered with a healthy dose of realism. "We can't chase all the good ideas, but we've made good progress, and the effort is ongoing," Schwab said.

The CAS/GS&S team has identified five categories with strong, near-term potential for synergistic gains:

- Supply chain management
- Technology
- e-enabled military platforms
- Modifications
- Integration/people. This includes executive exchange, succession plans, a joint rotation program, program management and joint recognition.



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Mechanic John Mora works on a KC-10 Extender at the Boeing facility in San Antonio. KC-10 support is among the many tasks handled by the Global Services & Support business of Integrated Defense Systems—which is working with its commercial counterpart at Boeing to develop synergies.

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To date, the team has recorded major successes in the areas of Airplane Health Management (AHM) and succession planning.

AHM is a diagnostic and prognostic service designed to increase commercial airplane availability. When AHM identifies upcoming problems, airlines can prepare to fix them as soon as an airplane arrives at the gate. This advance awareness reduces the number and length of airplane dispatch delays and converts many tasks from unscheduled to scheduled maintenance periods. AHM also identifies recurring faults and trends, supporting long-term fleet reliability programs. The result is a single source of information from which airlines can make maintenance decisions.

“Commercial Aviation Services is well-established in the Integrated Vehicle Health Management arena with 29 customers and 800 aircraft,” said Dave Kinney, CAS AHM product manager. “Now we’re working with GS&S and Phantom Works (Boeing’s research and development arm) to leverage the technology.”

AHM also is being applied to military aircraft. The C-17 Globemaster III is the first noncommercial-based aircraft platform being considered for development of an AHM application. CAS has also conducted AHM work to support the P-8A Poseidon and the KC-767 Tanker proposal.

Another promising application of AHM is the use of Virtual Maintenance & Engineering Services (vME), in which Boeing becomes an airline’s virtual maintenance and engineering departments. “Our team of engineers can sit anywhere in the world and provide analysis and recommendations via the Internet,” said Al Stender, senior manager, Maintenance and Engineering Services, Aviation Information Systems, CAS.

Stender said it is likely just a matter of time before military aircraft are maintained via vME. “Republic of Korea Air Force officers are coming to Seattle to learn how to maintain their military aircraft using commercial practices,” he said. “Part of our plan is to expose them to the possibilities of virtual maintenance and engineering services.”

Human Resources teams from CAS and GS&S also have caught the synergy bug in the area of succession planning. Positions best suited to integrated succession planning are identified and potential candidates are interviewed; then, senior leaders from both businesses evaluate the skills, knowledge, experience and development needs of candidates.

“When senior leaders from both businesses evaluate candidates, the awareness of talent is broadened and the pipeline of potential leaders is lengthened,” said Cyndee Evans, CAS HR director. ■

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