

When it's time for your airport to select an Operation & Maintenance (O&M) company to support specialized airport equipment like new in-line baggage handling systems and passenger boarding bridges, the process can seem daunting. Purchasers may underestimate the technical challenges and simply consider the maintenance as a necessary evil or a commodity to be purchased at the lowest price. Equally, City and Municipality airport managers may be mandated to buy at the lowest price which becomes the primary criteria in choosing a vendor. However, both approaches can still be managed in a way to ensure that the airport receives the best fit for its requirements. By engaging in a purchasing process that requires company qualifications and experience prerequisites, the bid review team is better able to make an informed decision and select the right maintenance partner for its needs.

**So why is this important?** Quite simply, lack of specialized airport equipment maintenance experience is expensive! By selecting a company with a proven track record in the management of complex equipment maintenance programs, an airport is able to take immediate advantage of the company's technical expertise, quality systems and value added services. On the other hand, choosing a company that does not come with the same strong pedigree is likely to result in the airport paying extra for that company's inexperience through the increase costs that are associated with;

- lower satisfaction of customer airlines and traveling public,
- poor troubleshooting capability,
- low planned maintenance compliance,

- ineffective inventory management,
- increased number of replacement parts
- equipment deterioration,
- system unavailability,
- required oversight of vendor
- Failure to perform under pressure
- Need for specialists sub-contracting



**But there is more!** A company that implements quality controls and performance measures is able to establish a continuous improvement process that enhance its ability to add value, which when combined with the correct management of the

factors previously listed, will significantly impact the Total Cost of Ownership (TCO) for the O&M of the equipment. Since TCO represents a financial method to assign the direct and indirect costs for a business, it is misleading to simply consider the contract price as the basis for budgetary planning because it does not accurately account for losses attributed to poor service.

**So why is this so difficult?** Well it's not rocket science but the difference between a great program and an average program is in the details. At ELS, we classify an average program as one that doesn't set the bar high enough and which in turn allows the lowest priced maintenance provider to simply meet the minimum contract requirements, while hidden from view, they are slowly but surely escalating long term cost through inefficiencies, risk avoidance, poor decision making, disorganized response, disruption to airport operations and ultimately the potential loss of an airline!

**So is an ounce of prevention worth it?** YES! Establishing performance and experience standards in the selection process allows the bid review to become more than simply about price. It provides the opportunity to determine between the lowest priced bidder and the company that represents the lowest TCO and who ultimately will be the best value service option for your requirements. Of course an individual is rarely fired for selecting the lowest bidder, but are you willing to bet your airport on it?

To learn more about our performance standards, contact ELS today!

**Would you drive your car  
without insurance, then  
why risk your airport?**

When an airport experiences a major event such as extreme weather, stress is put on its entire infrastructure. It is times like this you cannot afford your equipment be out of service and why it is essential to have a proactive O&M partner that is integrated into your operations and who does not simply react to the situation. You need a accountable maintenance company that has your equipment maintained to the highest standards and one that is prepared to respond using well coordinated contingency planning to insure equipment failures are not another problem on your list.  
You need ELS.