

The logo for Airsource Partners features a stylized blue swoosh that starts from the left, curves upwards and then downwards to the right, ending in a white airplane icon. The text "AIRSOURCE PARTNERS" is written in white, uppercase, sans-serif font, positioned horizontally across the middle of the swoosh.

AIRSOURCE PARTNERS

Aviation Expertise Marketplace

Innovative Pathway to Aviation Expertise

December 2016



AIRSOURCE PARTNERS



Aviation Expertise Marketplace

Innovative Pathway to Aviation Expertise

December 2016

Airsource Partners' Mission

Provide airlines & airports with an innovative, straightforward & economically affordable pathway to valuable targeted **aviation expertise** in all forms

To fulfill this self-assigned goal Airsource Partners launched in late 2013 the 1st **Aviation Expertise Marketplace** exclusively dedicated to commercial aviation

The Origins of Airsource Partners' Initiative

The state of the present global economy prompted us to react

- Prolonged economic downturn
- Pressure to save costs leading to budget limitations
- Focus on short term tactics vs. long term strategy
- Persistent risk aversion due to future uncertainty
- Staff reductions leading to damaging loss of valuable expertise
- But also ... clear signs of recovery and occasions to get hope & faith back

The Air Transport Industry is Badly Hit

Airlines suffer from several aggravating factors

- A naturally cyclical business amplifying any economical downturn
- Airlines: a volatile industry with no sign (yet) of permanent recovery
- Current (past?) crisis tends to defer into future badly needed investments
- Some success stories leading to bigger gaps between airlines
- An industry that still needs to evolve fast, even during times of crisis
- Disparity increases between airlines
- Action is needed now to prepare for an even brighter future

Doing Nothing is Simply not an Option

By standing still or cutting costs only, airlines put themselves in a potentially very risky situation

- Extra ground permanently lost to more reactive competitors
- Risk of permanent disconnect between the airline and its market
- Danger that risk aversion becomes permanent
- Convey negative wait-and-see attitude to industry and clients
- Does not position well to take advantage of industry rebound
- Potentially jeopardizes the future of the company

Smaller Carriers: More Pitfalls Ahead

Small/medium-sized airlines face more challenges of their own

- Management Teams

- Present on all fronts at all times → less focus on strategy and availability issue
- Longer-term vision blurred by daily operational contingencies
- Middle management often a weaker point

- Company Strategy

- Limited financial and human resources available
- Short-term opportunistic strategy preferred, not preparing for the future
- Suffers from lack of long-term vision and strategy

- Human Resource

- Paid the highest price in the industry for the current crisis
- Entire domains of in-house expertise have been wiped out recently as a result of the crisis
- Direct impact on innovation and risk-taking needed for sustained development

Smaller Carriers: Yet, Opportunities Abound

Smaller airlines benefit from specific advantages linked to their structure

- Flexibility: higher capacity in general for reactivity and adaptability
- Better placed and structured to swoop down on new opportunities
- Slim organizations better adapted to changes
- Niche easily attainable markets can be immediate bonanzas
- Effect of any action can be seen more rapidly
- Feedback loop shorter, required process changes faster

Expertise is Key to Success

Airlines of all sizes regularly need expert skills & knowledge throughout their lifecycle to remain afloat and on par with competition

Expertise required can take various forms:

- Technical: M&E, flight operations, process redesign, aircraft appraisal, ..
- Operational: flight operations, ground handling, pilots training, fuel management, ..
- Commercial: pricing, distribution, revenue management, purchasing, ..
- IT: vendors appraisal and selection, implementations monitoring, telecommunications, ..
- Legal: aircraft purchase and leasing, vendor contract negotiations, ..
- Financial: best practices, costs containment, budgeting techniques, ..

Need for expertise can be planned (strategy,..) or unexpected (OAG, new competition,..)

Search for Aviation Expertise is no Easy Task

Quest for expertise is a challenging task

- Limited in-house resources require externalization of search for expertise
- External searches are expensive, time-consuming and of uncertain outcome
- Faced with a lack of alternative solutions, airlines often end up dealing with large service providers not always ideally suited for their needs
- Some service providers place their own interests first, not the carriers'
- Many service providers are part of an IT/airline group: risk of hidden agenda and conflicts of interest harming airlines
- Cost issue: high access cost to expertise can force airlines to drop their plans

Expertise However Abounds on the Market

Trusted sources of proven Aviation Expertise are plentiful

- Individual contributors: experts, consultants, other aviation professionals
- Academics: PhDs, MBAs, researchers, ..
- Highly qualified staff recently made redundant by airlines
- Expert organizations: consulting groups, service providers, IT shops, ..
- Niche companies with specific solutions, skills and knowledge
- Others: trade organizations, associations, government offices, ..

These sources of Aviation Expertise are proven, flexible, readily available and economical but operate in a dispersed order and uncontrolled manner

The background of the slide is a high-angle aerial photograph of a vast expanse of white, fluffy clouds stretching towards the horizon under a clear, deep blue sky. The clouds are dense and appear to be viewed from a high altitude, possibly from an aircraft window.

Airsource Partners' proposed solution: **The Aviation Expertise Marketplace**

Aviation Expertise Marketplace: Guiding Principles

Our Aviation Expertise Marketplace is a unique **Place of Exchange** linking airlines & airports in search of expert aviation skills and knowledge with handpicked aviation professionals & companies of proven track record gathered in a proprietary **Aviation Think Tank** offering targeted value-adding and easy-to-implement projects.

How Does it Work?



The Expertise Providers

A unique Aviation Think Tank

- Peer-recommended, hand-picked experts and companies
- Experts retained on the basis of their track records
- Contributors adhere to the guiding principle of the Marketplace
- All functional areas of aviation covered
- Expertise available rapidly whenever needed
- Favorable economical conditions
- Experts or companies join or leave the Marketplace as they see fit
- No hidden agenda: experts focus on project delivery exclusively

The Marketplace's Benefits

To individual experts and companies

- Additional source of income and revenue
- No exclusivity required – expert join or leave Marketplace at their discretion
- Does not impact current way of selling services
- No cost of sales
- No fees to join the Marketplace
- A unique opportunity to contribute to the growth of the airline industry

The Marketplace's Benefits

To airlines

- Affordable valuable expertise available at all times
- Entire functional spectrum of an airline covered
- Flexibility: think tank adapts to the changing patterns of the market
- Experts selected for their track records: no more vendor appraisals needed
- Marketplace: efficient 2-way communication tool between airlines and experts
- Ready-to-use projects suggested for maximum return on expertise available
- Airline-specific tailor-made projects possible

The Marketplace's Benefits

To airlines (cont'd)

- Slim structure means no overheads passed to clients: expertise affordable at last
- Strict repartition of roles: experts deliver - Airsource Partners supervises
- Airsource Partners acts as unique contact for multiple projects
- No hidden agenda: Airsource Partners is not part of any airline or IT group
- Cooperative Partnering driving synergy instilled on projects between airlines
- Creative formulas possible: monthly packages, success fees, ..

The Project Board (example)

// THE PROJECT BOARD

TO VIEW ALL PROJECTS, CLICK HERE

revenue management



Enter keywords and click the SEARCH button

Popular search : [IFE DIAGNOSTICS](#), [FFP](#), [PILOT TRAINING](#)

Flight Planning
& Operations



(2)

Resource
Management



(0)

Sales &
Marketing



(3)

Information
Technology



(2)

Cargo



(1)

MRO
& Technical



(0)

Aircraft
Lease



(0)

Contract
Management



(0)

Customer
Experience



(2)

Others



(1)

PROJECT NAME

PROJET
STATUS

[INNOVATION THROUGH PSS & IT SYSTEMS INTEGRATION](#)

NEW

SEE +

It is commonly admitted that the PSS (Passenger Service System) is the heart of an airline: PSS platforms provide airlines with key functionalities such as inventory management, ticketing or reserv...

[UNLEASH YOUR AIRLINE'S FULL CARGO POTENTIAL](#)

ACTIVE

SEE +

With a very few noticeable exceptions, airlines have traditionally granted little attention to their cargo activity. The current tougher economical times have triggered an all-out search for ancill...

Moving Forward

With its unique characteristics and benefits Airsource Partners' Aviation Expertise Marketplace is ideally placed to rapidly become the ultimate
One-Stop-Shop for Aviation Expertise

Airsource Partners

- Created in October 2011 by Christian Gossel
- Company incorporated under French law based in Paris
- Founder: 25+ years of experience in the airline industry
- Aviation Expertise Marketplace launched in September 2013
- Firm commitment to actively contribute to the success of the industry
- Marketplace: a collaborative initiative open to all, airlines & aviation experts

Contact

Christian Gossel
Founder

c.gossel@airsource-partners.com

+33 680 211 305
skype cgossel

Airsource Partners
51, boulevard Rochechouart
75009 Paris - France