

SUPPLIERS SAVED MY BACON.

How suppliers supported
American Airlines through
a challenging decade.



American Airlines

AA.com

FACTOIDS

- 3.0 Billion
- 1.1 Billion
- 105 Million
- 3400
- 650
- 45 Minutes
- 15 Minutes



American Airlines

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EVENTS THAT CHALLENGED AA



2001	2002	2003	2004	2005
• 9/11	• Gulf War II	• SARS • Restructuring		• Katrina • Rita • Heathrow Fuel



American Airlines

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EVENTS THAT CHALLENGED AA



2006	2007	2008	2009	2010
• Industry Expansion	• Industry Expansion	• Fuel Price Spike • IKE • Financial Collapse	• H1N1 • Big Bang	• E-15



American Airlines

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COST SAVINGS

- Price Concessions
- Value Strategies
- Supply Chain Mapping



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FINANCIAL SUPPORT

- Payment Terms
- Product Investment
- Debt Financing – Airplanes/AAdvantage



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FUEL CONSERVATION

- Fuel Load Optimization
- Weight Reduction
- Engine Wash Program



AmericanAirlines®

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OWNERSHIP PARTICIPATION

- Royalties
- Warrants with Suppliers
- AMR Stock Options



AmericanAirlines®

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INVENTORY MANAGEMENT

- One Day Lead Time
- Consignment Inventory
- Inventory Pooling



American Airlines

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SUPPLY ASSURANCE

- Industry Cooperation
- Strike Protection
- Safety Stock



American Airlines

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CAPACITY SUPPORT

- Flexible Schedule
- Reserved Capacity
- Geographic Proximity



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	2001 • 9/11	2002 • Gulf War II	2003 • SARS • Restructuring	2004	2005 • Katrina • Rita • Heathrow Fuel	2006 • Industry Expansion	2007 • Industry Expansion	2008 • Fuel Price Spike • ICE • Financial Collapse	2009 • H1N1 • Big Bang	2010 • E-15
COST SAVINGS	X		X		X				X	
FINANCIAL SUPPORT	X		X						X	
FUEL CONSERVATION					X			X		
OWNERSHIP PARTICIPATION			X							
INVENTORY MANAGEMENT					X	X	X	X		
SUPPLY ASSURANCE	X	X			X	X	X	X		X
CAPACITY SUPPORT			X			X	X			



American Airlines

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QUESTIONS



American Airlines

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