TAAG Adopts Boeing's Component Services Programs

Airline Signs Contracts for Both 777-200ERs and 737-700s

TAAG Angola Airlines (TAAG) has become the world's 22nd airline to join Boeing's [NYSE: BA] Component Services Programs (CSPs); it is only the third airline to join both the 777 CSP and the 737 CSP.

CSP is a materials management and supply-chain solution designed to help airlines reduce costs, enhance efficiency and improve spares availability. TAAG announced its order for two 777-200ERs and four 737-700s in July of 2005 for delivery in 2006; these will be covered by the CSPs.

Boeing offers the 777 and 737 CSPs in partnerships with Air France Industries and KLM Engineering and Maintenance, respectively.

"These programs reflect TAAG's dedication to giving its passengers a superior product and service," said Jesus Nelson Martins, TAAG's chairman of the board. "Thanks to Boeing's help, we will now be able to offer passengers a guaranteed level of service with a parts program in place that allows airplanes to fly on schedule."

TAAG is scheduled to take delivery of three Next-Generation 737s and two 777s in November. TAAG has signed up for 10-year commitments on the two CSPs. These networks can help airlines save as much as 30 percent of inventory, repair and administrative costs.

"TAAG's decision to join CSPs for both its 777s and 737s is a step towards greater efficiency and demonstrates the airline's focus on providing its customers a superior product," said Dan da Silva, vice president of Sales and Marketing for Boeing Commercial Aviation Services. "Boeing is pleased to be a partner in helping TAAG focus on what it does best: carry passengers where and when they want to go."

TAAG is installing Boeing's Class 3 Electronic Flight Bag on the same 777s and the 737s that are joining the CSPs. It is one of the world's few airlines to employ multiple Boeing e-Enabled solutions on the same airplanes.

The CSPs increase efficiency and improve operations for airlines in two ways. Firstly, since the CSPs hold inventory until individual members need parts, the programs help reduce both up-front parts provisioning and long-term inventory holding costs. And secondly, the CSP agreements include Boeing's guarantee that working replacements for failed CSP parts are available within 24 hours of being requested. These programs also help airlines reduce component repair and administrative costs while guaranteeing the airline a level of service as good as or better than its experience when it managed the spares itself.

###

For further information:
Tim Healy
Boeing Commercial Aviation Services
+1 206-766-2116