

CMC
Contract Management



PROLOG
DEVELOPMENT
CENTER

Management of Contracts

Compliant with IATA (SGHA) and IATP Standards & JAA, FAA Regulations

CMC is a system that supports the making and administration process of the IATA Standard Handling Agreement for an Airline or a Ground Service provider.

Both Airlines and Ground Service providers handle many contracts, often with specified annexes for each airport. This means hundreds of contract pages need to be administered and updated frequently, often for every new season. It can be difficult to ensure that staff in each airport have access to the correct version of current contract specifications.

So it is important to have an effective tool to make and to maintain contracts, as well as to provide an overview of contract status, time for renewal, etc. At the same time, management requires an overview of the economic aspects per customer and site, to secure sufficient resources and make assessments for the budgeting of income and costs.

All this is accomplished with CMC, which is now available in line with the new 2008 standard.

Challenges:

- Renew a large number of contracts and annexes to 2008 standard.
- Difficult to overview and access correct contract versions.
- Updating and renewal of contracts.
- Correct management information.

Benefits:

- Simplified contract making.
- All contracts are stored centrally and accessible for staff from all airports.
- Notices for expiration, easy price regulation, and easy creation of renewed contract and annexes.
- Business profitability analysis based on actual valid contracts.

CMC 2008

The new IATA standard 2008 is now available. Within the next 6 to 12 months, you have to renew all contracts according to these new standards. Why not use this opportunity to make it easier?

This is how it is done using the built-in wizard and contract templates:

- Contract type (e.g. IATA Annex A and B.)
- Contract category (ramp handling, maintenance, etc.).
- Customer (Airline...).
- Contract standard (multiple services/check types.)
- Aircraft type(s).
- Location.

Then the contract is ready for review, approval and signature.

Fast Implementation

The CMC system is easy to implement. It runs as a client-server solution using standard PC's and with a standard Microsoft SQL database on the central server. The clients can have all functions and access to all contracts, or they can be limited to read-only clients with access to only one airport. A Citrix server solution

is recommended if a large-scale system is implemented". System set-up usually takes just a day, training a couple of days, and then you are ready to "go live".

Benefits

Cost Savings:

- CMC saves administration costs by providing simplified contract making for multiple contract standards, simple contract administration, and effective budgeting and profitability analysis.

Increased Turnover:

- CMC ensures that local staff is always up-to-date on which services and standards are agreed with the customer. This makes a foundation for charging for extra services.
- Updated and uniform pricing per customer.

Quality:

- CMC makes it possible to make and finalize contracts during negotiations.
- CMC contracts are always in compliance with approved company standards.
- CMC contracts are easily accessible.



What will CMC do for me?

CMC means efficient, simple contract making: just a few mouse clicks and the contract is ready for approval. Contracts are constructed using a set of standard phrases and always in compliance with standards. This means that contracts can be created during customer negotiations and the approval process can be made very simple without support of legal expertise.

Contract standardization ensures uniform contracts for each customer, with individual specification per airport. The contract can contain sales or purchase of services, and specify check types for line maintenance.

Company contract standards can be created, including IATA SHA 801 Annex B and IATP FORM-55, or special standards such as a de-icing.

When the contracts are approved, all stations can access the valid contract for their station. This supports quality management and makes it easy to decide if a provided service is included in the agreement, or if it should be invoiced separately as an extra service.

Management can easily overview the contracts and status for each customer, supplier, and airport. Renewal notices are issued before the expiry date of each contract, so renewal negotiations can be carried out in advance. This means Total Quality and effective management control.

CMC is also a tool for budgeting and profitability analysis. The analysis can be done per customer across airports or per airport across customers. The budget data can also be exported to Excel for further analysis and graphical presentations.

Easy access to ongoing contracts makes inquiries from Quality Assurance or other departments fast and precise.

CMC can handle multiple contract categories. CMC has built-in support for (but is not limited to):

- IATA SGHA Annex B Contracts, both Technical, Station and Cargo handling.
- IATP FORM-55.

In addition, users can define their own contract categories.





Søren Ejsenhardt,
Senior Manager of Swiss Line Maintenance International

"PDC's CMC application has made it much simpler for Swiss to make new ground handling contracts. We have a good and precise overview of all our contracts. In addition, it is fast and easy to restore contracts for audition"

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