

## Ensure You Have the Best Network Planning

SH&E is pleased to introduce a suite of programs for your model-based, quantitative, and analytical planning needs.

Many large airlines have invested in sophisticated planning and simulation models which permit them to quickly and frequently optimize their networks, their fleet plans, and their alliances by performing rapid, iterative, and quantitative evaluations of multiple scenarios. These simulation models are usually expensive to develop or purchase.

SH&E is now offering airlines the ongoing use of our proprietary NETWORKS® technology without requiring the purchase of the full analysis system. Customized service packages can be developed for each company depending on the amount of time and the level of expertise required.

We look forward to talking with you and your team to explain the benefits of NETWORKS, to provide a demonstration in your office of its capabilities and develop the best support plan for your company.

# SH&E

International Air Transport Consultancy

Founded in 1963 and with full service offices in New York, London, Boston and Washington, SH&E is the world's largest consulting firm specializing in commercial aviation. Its staff of over 90 personnel encompasses expertise in all disciplines of the industry and the firm has provided consulting, strategic planning and technical services to airlines, leasing companies, government agencies, airframe and engine manufacturers, and financial institutions.

SH&E's expertise reflects a balance of industry experience and advanced analytical skills. The firm's aviation specialists have been drawn from airline management, academia, government, and related businesses. This experience is augmented with technical expertise in applied operations research, finance, marketing, information technology, data base management, strategic planning and statistical analysis.

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Additional offices in London and Washington, D.C.

Expert Advice to Assist  
Airline Management



# Network Planning Services Program

# SH&E

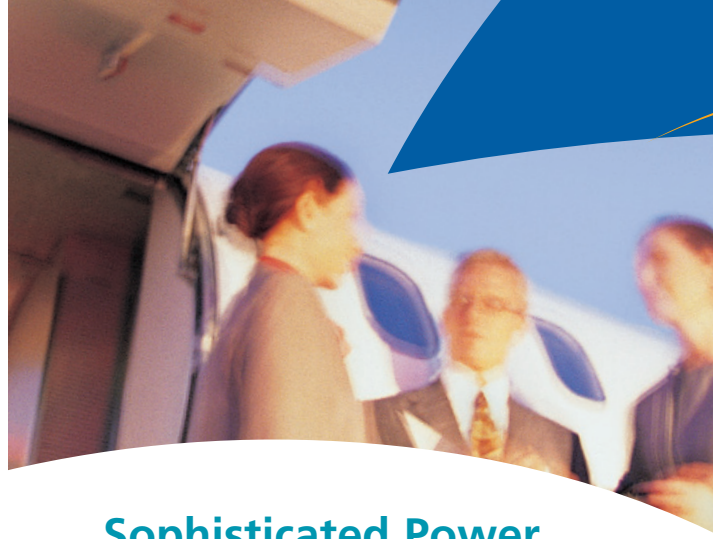
## NETWORKS® Technology

SH&E has unparalleled expertise in the airline management specialties of network optimization, alliance integration, revenue management, pricing, operations planning, and safety. In our continuing effort to expand SH&E's capabilities, our Information Technology Group has developed and refined a proprietary planning and simulation model called NETWORKS.

NETWORKS is a sophisticated software system that realistically simulates an air carrier's network. It quickly and accurately reveals the impact of schedule changes on traffic, revenue, and profitability. NETWORKS provides a safe virtual environment for identifying the most cost effective and market-driven schedule changes, either as your own service initiative or as a response to competitive actions.

This powerful system has been used internally to support SH&E professionals in performing hundreds of client consulting assignments. NETWORKS has also been purchased by major airlines such as Air France, British Airways and LanChile for their own in-house usage.

Our Network Planning Services Program now makes this technology and expertise affordable to carriers who are not in the position to purchase and maintain these models but want ongoing access to their technology and output. Such carriers can then optimize their own results and compete more effectively with larger airlines.



### Sophisticated Power

SH&E will demonstrate to your decisionmaking staff how NETWORKS functions and the analytical power it will offer your airline. You will see how NETWORKS will allow you to evaluate:

- Schedules in terms of passengers, revenue and profitability
- New markets and/or enhanced frequency
- Traffic and revenue potential of code shares and alliances
- Optimum departure times for local and connecting markets
- Impact of competitive actions and alternative responses
- Impact of mid-year schedule modifications on sales targets and the annual plan
- Overall profitability of a network
- Individual contributions for each flight and route

NETWORKS will make "what-if" scenarios a routine part of the network planning process.

### How the Outsource Programs Work

SH&E offers customized Network Planning Services packages based on period of time, number of iterations, and level of staff expertise required.

A team of SH&E experts will be assigned to your account, and NETWORKS will be calibrated specifically for your airline. Your dedicated SH&E team will then perform a range of activities dependent on your needs.

- Should your staff be learning about modeling, the SH&E team can review input data, perform the model calibration, review output, recommend changes.
- Further support from the SH&E team can reach the level of SH&E working as your "virtual" planning department - doing fleet planning, alliance planning, schedule, and market evaluations. Shadow-management and training can also be provided.
- If or when your staff are ready to use the model without help, the SH&E team will simply explain the model inputs for your manipulation and run the model as directed.

During the course of the program, input and output data can be transmitted via the internet so that you will have results in your office only moments after they are produced by NETWORKS. SH&E assures the confidentiality of your company's data and plans through the use of encrypted security and firewalls. Separate staff teams are assigned to different clients to ensure separation and integrity throughout.