

Case Study

Contracting Management – Lear jet



Context and objectives

Client based in Stockholm & London with operations throughout Europe

Yearly spend 3 Million Euro on part lease of Medium Size Jet

PIR assigned to review current Lear Jet solution with the target to lower the costs

Conducted for the CTO of an international entertainment broadcasting group

Well structured and proven processes and tools tailored to reflect the actual situation will set the foundation for a successful procurement.

1 Procurement Preparation	2 Invitation to Tender	3 Tender Evaluation	4 Contract Negotiation	5 Negotiation Evaluation	6 Contract Award	7 Contract Finalisation	T	Evaluation of all technical and functional parts
• Definition of the scope of the procurement and the provision of a procurement plan including procurement documents	• Preparation and delivery of an invitation to tender including all supporting documents, such as technical specifications and conditions of sale and purchase	• Evaluation of the commercial, legal, technical, financial and other relevant information of the tender	• Preparation of a tender evaluation report including recommendations	• Evaluation of the commercial, legal, technical, financial and other relevant information of the tender	• Preparation of the Negotiation Evaluation Report and the award of the contract	• Evaluation of the contract	P	Evaluation of all project related parts
• Identification of the procurement of all commercial, legal, technical, financial and other relevant information	• Preparation and delivery of an invitation to tender including all supporting documents, such as technical specifications and conditions of sale and purchase	• Evaluation of the commercial, legal, technical, financial and other relevant information of the tender	• Preparation of a tender evaluation report including recommendations	• Evaluation of the commercial, legal, technical, financial and other relevant information of the tender	• Preparation of the Negotiation Evaluation Report and the award of the contract	• Evaluation of the contract	O	Evaluation of all operational parts
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PIR's Approach

The project was executed based on PIR's methodology for Contracting Management

Main activities

- Analysis of current Lear Jet solution
- Alternative solutions on the market evaluated
- Decision to renegotiate current agreement
- New setup with existing supplier agreed and finalised

Client benefits

Realised savings

- 220 kEUR payback of already purchased flight hours
- 288 kEUR saving for remaining 1 year of the lease contract
- Total savings of 508 kEUR or 17 % in savings