

THANKS FOR LISTENING :)

Threats

- Expenses for the IT infrastructure
- Economic downturn in 2007
- Tower height decrease (cost per passenger)
- City of Denver wanted to reduce the cost of the baggage system without working BAE.

• Expected opening time: October 1997

- Light traffic
- Only BAE assigned
- BAE had to spend at least one more year for getting the contract in hand.



BAE Automated Systems

- 1984- Decoret Corporation
- Boeing Airport Equipment
- 1982- Boeing took over BAE

BAE: World leader in the design and implementation of material handling systems

PROBLEMS



Strengths

- Represents a model case of the hour
- Challenged to be the central baggage handling, large scale local contractors
- Invest financed by a lot of different sources
- The baggage handling system was going through trial and error

Weaknesses

- Poor schedule
- Several errors in schedule
- Complexity of the system
- Lack of clear design from Boeing/BAE
- Communication problems
- The management team had no experience of baggage handling systems
- BAE had no previous baggage handling systems, so BAE's previous baggage handling systems

Baggage- Handling System

1982- Airport-wide integrated baggage-handling system

Advantages:

- Improve ground time efficiency
- Reduce check-out time
- Decrease manual baggage sorting and handling time

Risks:

- Scale of the large project
- Complexity
- Shortness of the technology
- Large number of resident entities
- Uncertainty
- Short time span

Project Management

BAE changed its working structure to conform ICAO

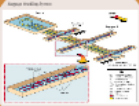
Senior manager for each concourse

A manager for the whole terminal

First two year Dr. Fazio was the project manager

Project:

- Mechanical Engineering
- Industrial Control
- Software Design



SWOT Analysis



1- Timing Problems

- Ineffective testing
- Bad scheduling
- Lack of management



Implementing an Integrated Baggage-Handling System

- This was a full design project
- Airport's contractors, airport operators, described integrated baggage-handling system
- The system was to be capable of accepting bags from the international through terminal into a remote concourse and directly to a gate



Stapleton Airport

1970- Denver's Stapleton Airport had managed to accommodate ever-growing number of airplanes and passengers.

1980-

- Denver's economy grew
- Delays had become chronic
- Lack of runway separation
- The layout of Stapleton's taxiways

Two Solutions

- Expansion
- Replacement



United Airlines' Baggage System

The purpose of an airport being to move passengers as efficiently as possible.

The larger the airport, the more critical efficient handling of baggage.

1991- BAE Automatic Systems develop an automated baggage handling systems for United Airlines.

Lessons to learned!

- Don't wait to conduct all issues discussed by the project
- Update review of industry
- Be careful with the competing information
- Expertise in the baggage system
- Strong close should be made before

Before BAE contract was signed, construction local funds began

- Distribution required more than \$100 million

Chief design Engineer: Walter Stagner passed away

The city of Denver had local construction team shared technology of the project

Contract Engineering and Services: Brackner Engineering working partnership

4-Management team problem

- Poor relationship
- No experience
- No prior baggage handling competence
- Lack of management



Denver International Airport

1989- Built DIA

- Twice the size of Manhattan (53 square miles)
- The nation's largest airport
- 6th busiest airport in US, 10th in the world
- 5 parallel 12,000 foot-long runways
- Three concourses



Consequences of Problems

Expected opening date: October 1997

Opening time: 28 February 1999

Initial cost: \$1.2 billion (operating time: 10 months)

\$1.1 billion a day per day (BAE report)

Revised cost: \$1.7 billion (BAE report)

Final cost: more than double the \$1.2 billion



Opportunities

- The Mayor of Denver had a very high airplane engine schedule in the city
- Denver's geographic location
- The growing size of its population
- Companies made it an important source for of the building operations
- There was a growth in the transportation of the "in New 30 years"


2-Equipment problems

- System's computer solution
- Mechanical problem
- Hardware of great complexity



3-Build-design problem

- No responsibility



BAE Automated Systems (A)

İşıl Yılmaz
 Aslı Doğan
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 Boğaç Bakkal

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Threats

- Expenses for the IT infrastructure
- Economic downturn in 2007
- Tower height decrease (cost per passenger)
- City of Denver started operations elsewhere the first round of baggage system without working BAE.

Expected opening time: October 1997

- Light traffic
- Only BAE assigned
- BAE had 40 years of experience in providing maintenance to their client



BAE Automated Systems

- 1984- Decoret Corporation
- Boeing Airport Equipment
- 1982- Boeing took over BAE
- BAE: World leader in the design and implementation of material handling systems

PROBLEMS



Strengths

- Represents a model system of the hour
- Planned for the central baggage hall, having large local conveyors
- Invest financed by a lot of different sources
- The baggage handling system was going along smoothly and cost-effective

Weaknesses

- Poor schedule
- Several errors in scheduling
- Complexity of the system
- Break of the Denver Program/Value Village
- Communication problems
- The management team had no experience of baggage handling systems
- Staff had no previous baggage handling experience, so BAE's previous experience was essential

Baggage- Handling System

1982- Airport-wide integrated baggage-handling system

Advantages:

- Improve ground time efficiency
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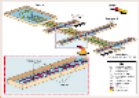
Senior manager for such a contract: A manager for the resident service

First two year Dr. Farrow was the project manager

Project:

- Mechanical Engineering
- Industrial Control
- Software Design

Timeline: 1982-1997



SWOT Analysis



1- Timing Problems

- Ineffective testing
- Bad scheduling
- Lack of management



Implementing an Integrated Baggage-Handling System

- This was a build design project
- Airport's old baggage handling system described integrated baggage handling system
- The system was to be capable of accepting bags from the old terminal through a tunnel into a new one, connected directly to a gate



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Two Solutions: Expansion, Replacement



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Lessons to learned!

- Don't wait to conduct all issues discussed by the project
- Update review of industry
- Be careful with the competing information
- Expertise in the baggage hall
- Strong client should be much better

Before BAE contract was signed, construction had already begun

- Installation required more than \$100 million

Chief design Engineer: Walter Stagner passed away

The city of Denver had not considered some shared technology of the project

Customer: Engineering and Services Institute Engineering working partnership

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4-Management team problem

- Poor relationship
- No experience
- No prior baggage handling competence
- Lack of management



2-Equipment problems

- System's computer solution
- Mechanical problems
- Breakdown of ground machinery



3-Build-design problem

- No responsibility



Consequences of Problems

Expected opening date: October 1997


Opening time: 28 February 1999

Installation delayed for operating time: 60 months

- \$12,000 a day penalty (BAE pays)

Revised estimated cost: \$1.7 billion (initial project budget: \$1.1 billion)

Final cost: more than double the \$1.1 billion



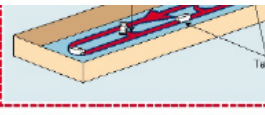
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