

times it also engages in specific projects to improve product performance and safety.

Customer Services (Exhibit 7): The largest directorate is represented by Customer Services which employs 45% of all AI's 2098 staff members. Sixty field offices and technical representatives in forty countries provide 24hr service worldwide. This directorate is also responsible for managing the Airbus training facility in Toulouse, supplier monitoring, technical manuals and publications, and warranty control.

Industrial (Exhibit 8): The main responsibility of this directorate is to coordinate the production process among the four partners and three associates as well as to control product quality. It also ensures product customization to client requirements, conversions, and delivery scheduling.

Programs & Processes (Exhibit 8a): Overall responsibility for Airbus programs is assigned to each of the program directors within this directorate. The EDP function, also within this directorate, generates information for all aspects of business process analysis and planning activities.

Administration (Exhibit 9): Although AI does not issue an annual report externally, the Administration directorate maintains financial controls and an intricate set of supplier and costing records. This process facilitates the partner's major procurement activities by ensuring similar, and where possible improved, terms are negotiated consistently by each of the AI partners. Other roles include administration of AI direct procurement contracts, treasury, and business planning.

Transport: Supports the final assembly activities in Toulouse and Hamburg by maintaining a special fleet of land and air equipment to transport pre-equipped sub-assemblies just in time from the various partner factories across Europe. (refer to Exhibit 32 for Airbus Industrie contact names and coordinates)

Work Sharing

The process of allocating work to the partners on the various sections of the aircraft is a complex process involving the competitive bidding among partners, an assessment of the relevant partner's expertise, and allocations according to the partner's ownership share in AI. Refer to Exhibits 10a - 10e for Aerostructure work share allocations for each of the Airbus programs.

System responsibilities are also assigned to the partners on the basis of three levels forming part of the negotiated work share. Level 1 responsibility is assigned to the system leader who assumes complete responsibility for system integration, design and certification, Level 2 responsibility entails providing a subsystem designed and incorporated into a level 1 responsibility system. Level 3 responsibility involves