

MAC STAFF MEETING MINUTES. - 12 SEPTEMBER 2006

SEMG

CHAIR

MR. RICH NEILL

ATTENDEES

MURRAY FOWARD, BRIAN LITTLE
APOLOGUES = DEKHAR

+ BUTYNIAC (AT HALEY)
POBACANE, BALLISTIC

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Magellan Aerospace Corporation
Corporate Staff Meeting Minutes

September 12th, 2006 10:00 a.m.
Magellan Boardroom

Item	Description	Lead	Status
35.	AERONCA JULY RESULTS - Poor results to all indicators. Inventory to be managed as tightly as possible. Headcount is reducing; DB-reviewing—currently moving some people out. Strat plan was submitted. Budget being worked - will be submitted in next 2 weeks. August hit revenue; off on PBIT.	DB/JF	
a)	Aircelle - need an A380 forecast from MALUK to be forwarded. (not required) - Aircelle has advised that 240 and 380 will reduce next year.		
i.	Beta 21 Suppliers Action plan - Timet / Aircelle negotiating - MAL will assume no material price risk. RD circulated results.	RD/KBH KBH	Ongoing Aug. 31
ii.	A318 - follow on order for 30 is nearly settled. Schedule is the only outstanding issue. PO rejected until date is changed (2 months) Terms agreed on the batch of 30 @ \$125K; Aircelle will pay \$147K of NRC.	JF	Ongoing
iii.	A340 - Escalation formula - new one being reviewed. Vincent Lafond issued another one and expects a counter offer. Letter sent by JFB to V. Lafond. Pascal expected back first week of Sept. Aircelle Budgets need to reflect JSB's numbers. Nicky drafting a response to JSB - but will be near month end. Mid-Sept. - start wheels turning re arbitration. Brussels law, or asked to prepare a schedule - will be circulated to Corp. Aircelle concessions & wt. penalties paid to Airbus confirmed.	JSB/JBD/J. Furbay /DB	Ongoing
iv.	A380 - Pricing accepted but not the escalation. Still contingent on A340 escalation being finalized. Focused on 07 pricing and full escalation in 08. Status Report request on inventory and margin taken.	JF	Ongoing
b)	Stage III Technologies - A claim will be made when 30 hush-kits are sold. Discussion 6/9/06 confirmed no order to date. No change. JF will call again mid-Sept.	DB/JF JFurbay	Ongoing
c)	Environmental - remediation with good success by injecting microbes to treat ground water. Quiet Nacelles article sent to K. Wyman - report requested.	JF	Info Sept. 19
d)	C130 parts bid - Snow Aviation - status - taken in-house.	JF	Sept. 6 Closed
e)	GE bid - 2 nd Stage Nozzle assembly - status - awaiting response - may be priced a little high.	JF	Sept. 5
f)	Won a \$1M NASA order.	JF	Info
36.	BRISTOL - Strat Plan submitted. JULY RESULTS - Sales are off - profit lost. Need to reduce inventory; need to reduce overdue backlog; and Receivables need a plan to get cash in. Schedules to be corrected to adjust arrears. AUGUST RESULTS - off slightly. Have reduced inventory. Inventory is down but more work is needed. Consignment crown - P&W and GE		
a)	Def. Sale in June - RAF being expedited, as well as Oman and BDF - Tracking - wire transfer received.	DB	Closed
ba)	JSF - (Bidg. 9) - BAE Systems will place 2 major pkgs. in		

COSTS ①

PROGRAMMES
COUNTRIES ②

BETA 21
FUTURE COSTS ③

JSB PRICING OFFER
11/14 AUGUST
2006 ④

by FEND SEPT 2006