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Global glider

Bombardier's new-generation liner will be built in plants on three continents

By FRANCOIS SHALOM, The Gazette March 14, 2009



The final green light Bombardier Inc. gave Wednesday to its \$3-billion CSeries airplane program is good news, a lifeline for Montreal's aerospace industry during hard times. The final assembly will be done at its Mirabel plant, where 3,200 workers will put together the larger regional jets, starting with the initial batch of 30 aircraft ordered by Deutsche Lufthansa AG this week.

But one of the paradoxes for many local aviation suppliers is that theirs is one of the most global of industries, with major sub-contractors scattered to the four corners of the globe. This means that many aerospace PMEs in Quebec will have to snag their bits of that business not directly from Bombardier next door, but will have to make their representations to tier-one (major) integrators around the world as well.

These integrators could be in China, for instance, where Shenyang Aircraft Corp. will build the CSeries's centre fuselage. Or Belfast. Or Iowa. Or Toulouse, France. Or Mexico.

Bombardier is hardly to blame for this. These are not hurdles it throws up to hinder local firms - rather, it's the nature of the aerospace business, several people in the industry said.

Jacques Saada, president of the Association québécoise de l'aérospatiale, said that Bombardier "has its own priorities, constraints and perspectives. And it's up to our (242) members (representing 10,300 employees) to adapt themselves to Bombardier, not the other way around."

Frédéric Centazzo agreed. He is the general manager of Alphacasting, a 130-employee company that has grown steadily over more than 15 years, largely thanks to Bombardier.

His firm already produces about 300 structural metal-casting parts for the aircraft maker, including for the wings and fuel system as well as cockpit parts like the pilots' joysticks and pedals, and Centazzo is eyeing the CSeries with relish.

"We're one of their biggest casting suppliers, and you can be sure we'll be there (to bid). It's a big deal for us and many others like us, and I think we have a very good chance of signing a contract with them."

But it also means considerable expense for the small family firm co-founded by his father, Arduino.

"We always have to make representations to Bombardier as well as to their subs (contractors). That means dealing with people here. But then we also have to go to (Bombardier's) Belfast (Short Bros. division) - one of our big clients - and to Shenyang (China), which is already one of our clients, and to Spain for other contracts. So we get business by ricochet - from China, Spain and Ireland."

He echoed others, saying that Bombardier has signed up the major suppliers (see chart on Page C1), but that many of the small players in Quebec are still in the dark about what will be required and when.

"But I think that will crystallize in the next year or so," Centazzo said.

Others, like Montreal's Ulrich Metrology Inc., are at the other end of the spectrum.

"They called us and the deal is done," said Ronald Barry, vice-president of business development for the 30-employee firm.

"Building a plane begins and ends with us," Barry said.

The company measures, calibrates and certifies equipment used in the fabrication of aircraft - a process where a one-100th of a millimetre variation is a very big thing.

It's critical in aviation for all measurements to be uniform and standardized, he said.

"Who says that my one-thousandth of an inch in Montreal is precisely the same as the one-thousandth of an inch in Belfast? Or that the gauge for 10,000 pounds of pressure in China is the same as 10,000 pounds of pressure in Toulouse? It has to be exact. And I mean exact."

That mission-critical aspect means his company is often among the first hires, he said - which also means the company will need to hire a handful of people - between three and six.

But there are not many already hitched up like Ulrich.

Saada "pitches in by offering workshops like the one they gave recently on market perspectives with Chinese firms."

But perhaps the biggest service that the go-ahead Bombardier gave to the CSeries is that "it puts a stop to all the talk about an industry in decline," Saada said.

"That's been a major problem in terms of recruitment. Students stop choosing to go into aerospace, and we need to keep up the pool of expertise we have in Quebec."

Bombardier spokesperson Marc Duchesne and Saada both said it was impossible to estimate the multiplier effect, or how many jobs the CSeries would create in Bombardier's supply chain.

But whether it ends up being a few or many, it will consolidate many jobs, said Centazzo, including at his firm.

Duchesne said that "it's a give and take."

"We do our part, and they have to do theirs by getting in touch with us and with our sub-contractors."

Jean Pelchat, general manager of C&D Aerospace Canada, a subsidiary of California-based C&D Zodiac, which makes aircraft interiors, gives a good example of the complicated twists and turns in aerospace.

The 600 people his firm employs in Dollard des Ormeaux and Pointe Claire do a lot of work for Bombardier, but for its business-jet division. And he won't do any business for the CSeries - although the parent company will, at its main facilities in Huntington Beach, Calif.

Scott Savian, vice-president of sales and marketing for C&D Zodiac, said he already signed on with Bombardier because a key selling point for Bombardier's C Series was its more spacious seating, bigger head-bins, better lighting and an ampler leg room.

"We developed (the cabin) interior earlier than most suppliers would ever start. It was almost a partnership," Savian said.

Duchesne said: "It's truly a global business. So people who want to work with us have to accept that."

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