

Airbus contract puts Aerosud on first tier

Roy Cokayne

AEROSUD has reached the rank of a global first tier aerospace supplier, after being awarded a contract worth "billions of rand" by Airbus Military.

The contract extends the responsibility of the Centurion-based privately owned aircraft components and aerostructure producer for the A400M's cockpit and fuselage interior linings, the wing tips and galleys to the full lifecycle of the A400M programme. It will provide sustained work, jobs and export revenues for South Africa.

Successful military transport aircraft programmes have historically run for more than 50 years.

Aerosud is already a key supplier to Airbus commercial products, including the A320 family of single-aisle jetliners and the new ultra-efficient A350XWB long-haul airliner.

Paul Potgieter, Aerosud's managing director, said on Friday the contract was the biggest Aerosud had secured and "runs to billions of rand" over its duration, but would obviously be driven by the number of aircraft Airbus sold.

The company would have to increase its production output by about 35 percent once the A400M programme reached full production status and increase its factory space from 16 000m² to about 25 000m² at a cost of about R70 million.

"In about two to three years, our turnover will be well over R1 billion compared to R750m currently; our staff will be well over 1 000 compared to 750 now; and the factory area will increase to 30 000m² to 40 000m²."

Potgieter said this prestige contract would raise Aerosud's profile and reputation in the international market for further contracts as well.

Simon Ward, Airbus's vice-president for international co-operation, said the contract was awarded to Aerosud after an open global tender that attracted bidders from all over the world. Aerosud was the best in terms of price and quality.

Ward added that Aerosud



Trade and Industry Minister Rob Davies

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had taken the enormous step of becoming a tier one supplier in its own right with design, engineering and manufacturing responsibilities on the A400M programme and was now supplying directly into Airbus.

"For Aerosud, its local supply chain and South Africa, all this represents potential for sustainable industrial, commercial and socio-economic benefits."

Ward reaffirmed Airbus's commitment to South Africa and its aerospace industry, adding that Airbus-related work was the main contributor in South Africa to the sector by both value and volume.

"We have contracted work with local industry worth R4bn so far. Last year alone the value of Airbus-related manufacturing in South Africa was worth around R350m. This number will rise steadily following the launch of this latest Aerosud contract and also the additional work we have placed with Denel Aerostructures," he said.

Trade and Industry Minister Rob Davies said the award of the contract was an enormous testimony to the capabilities available in South Africa.

A press report quoting an Airbus official in Toulouse indicated Airbus was expecting to double its procurement of aircraft parts from South Africa by 2020, he added.