

ROTORCRAFT

Eurocopter buoyed by orders on both sides of Pacific



The MRH90 is a derivative of the NH90.

Eurocopter executives had double reason to celebrate as they prepared for Farnborough. The Australian Defence Force (ADF) was signing a contract for 34 additional MRH90 medium-lift helicopters, while on the other side of the world the US Army was confirming the selection of the UH-145 for the Light Utility Helicopter programme.

The MRH90 deal, which was penned by Eurocopter subsidiary Australian Aerospace and the Australian Defence Material

Organisation (DMO), takes the confirmed orders from the ADF to 46 as part of a modernisation of its helicopter fleet.

The decision comes two years after the Australian government ordered an initial 12 MRH90s for troop-lift missions.

Eurocopter chief executive Fabrice Brégier says the Australian order propels the country into the top echelon of Eurocopter partners, alongside France, Germany and Spain.

"It is important to understand that 42 of the 46 MRH90s will be manufactured in Australia as will 18 of the 22 Tiger attack helicopters that Australia has on order," he says.

Committed

"We are committed to a technology transfer programme that will allow these products to be maintained and upgraded locally."

Australia ordered its first 12 MRH90s as replacements for an

ageing fleet of Westland Sea Kings and opted to take more of the same type rather than upgrade the Australian Army's existing Sikorsky S-70A Black Hawk fleet.

Eurocopter says that the combined MRH90 purchase will inject A\$1.1 billion (\$825 million) into the Australian economy along with an additional 400 highly skilled jobs. The manufacturer has now racked up 391 sales of NH90s or derivatives, with a further 187 options.

Eurocopter win changes the landscape in US military market

Paul Derby

The US Army's decision to select the Eurocopter UH-145 for its Light Utility Helicopter (LUH) requirement marks a profound shift in the landscape of the US military helicopter market.

Not only does the contract, announced in the run-up to Farnborough, for 322 aircraft and valued at \$3 billion, give Eurocopter its first major contract with the US military, but sheer scale of the programme will transform the Franco-German manufacturer's industrial footprint in the USA.

Then there is the intriguing prospect of the first-ever large scale industrial co-operation between Eurocopter and Sikorsky, rivals for so many years and now for the first time partners in what could be the start of a much wider transatlantic tie-up.

Delivering the contract under the banner of EADS North America, American Eurocopter's Columbus, Mississippi plant will be trebled in size at a stroke.

An additional 200 highly skilled jobs will be created and the demanding timescales of the programme mean that Eurocopter already has recruited to more than 130 of these posts.

Sale

"It was certainly a great weekend for us," says Eurocopter president and chief executive Fabrice Brégier, reflecting on not only the LUH announcement, but also Eurocopter securing an additional sale of MRH90s to Australia through its partnership in NH Industries (see panel story).

"Of course the LUH decision is a very significant development for Eurocopter. To win this sort of competition in the backyard of your competition, you can not only have a good helicopter.

"We knew that we had a very well matched helicopter in the EC145, which was mature, state-of-the-art and was competitive economically.

"Crucially we also invested up front in a number of ways. The



Selection of the UH-145 is a landmark achievement for Eurocopter in the US military market.

delivery schedule for the LUH is extremely demanding and we proved that we could deliver on our promises, not just in terms of having capacity but also in ordering long lead items so that we could start work immediately. It was a heavily audited process and we scored well."

Brégier stresses that 65% of the overall contract value will come from the US itself. Adding Sikorsky to the UH-145 team to provide contractor logistics support raised some eyebrows in the industry, but Brégier is clear about the value Sikorsky will bring.

"In this specific case it was a win-win situation. Sikorsky did not have an aircraft that was suited to the mission. We have a long heritage in the USA, but no direct experience of working with the US military. It is the right solution.

"The through-life support

is a vital aspect of the contract and Sikorsky is ideally positioned as a Tier 1 partner to provide this. Yes, we are strong competitors elsewhere, but I believe we respect each other."

Customised

American Eurocopter's Columbus plant will see manufacture of the UH-145, which is a customised and militarised version of the EC145, transfer in stages from Germany. Partial assembly will be the first step, followed by the subsequent US manufacture of major subsystems.

Eurocopter is contracted to deliver the first two aircraft before the end of 2006, with manufacture then ramping up to 20 aircraft in 2007 and quickly rising to 50 a year. The US Army can also exercise an option for 30 additional UH-145s which would take to total to 352 aircraft.

LOSING BIDDER BRANDS HELICOPTER CHOICE 'OUTRAGEOUS'

One of the key competitors to Eurocopter in the Light Utility Helicopter (LUH) competition has branded the US Army's selection as "outrageous" and "completely at odds with supporting American industry".

Lynn Tilton, MD Helicopters (MDHI) acting chief executive, launched a scathing attack on the contract award which saw Eurocopter's UH-145 selected ahead of MDHI's MD Explorer.

"I am profoundly disappointed by this decision," Tilton says. "When US companies like MDHI provide high quality products at outstanding value and cannot get support within their own country, it is a very sad

day for both American companies and American workers.

"The United States is struggling to stay competitive with its global neighbours and our own taxpayer money is being poured into the coffers of foreign companies when that money could be going to rebuild this industry in our country - it is a true injustice."

She adds: "The process was seriously flawed and perfunctory, at best. Had the military taken the time and expended the energy to conduct serious diligence and come out and kick the tires, the conclusion would have been inescapable. The simple

reality is that there was no attention to substantive matters."

MDHI's claims its analysis of the winning EADS bid demonstrates that MDHI offered the lowest cost across the board for aircraft and logistics support.

It alleges that the US Army will spend more US taxpayer money on the UH-145 contract than if the MD Explorer had been selected and that the assessment of risk was devoid of any recent on-site due diligence.

To compete for the LUH contract, MDHI had teamed up with DynCorp International, GENCO and Aviation Systems of Florida for logistics and support.