

Magellan Aerospace, Winnipeg Response to Technology Funding Recommendations of the Emerson Aerospace Review

Jan 2013

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Panel 2: Technology/Funding

- Recommendation 3:
 - “The government create a program to support large-scale aerospace technology demonstration.”
- General Feedback
 - This recommendation mirrors the “Future Major Platforms” report from AIAC in 2008. An important initiative for Aerospace Industry.
 - The Federal Government has delayed taking action on the technology demonstration program for 4-6 years.
 - Disappointing that no new funds recommended
 - \$45M per year comes from SADI and SRED reductions. Latter was implemented in 2012 and could reduce support for aerospace companies
- Opportunities
 - Demonstrate pre-competitive technologies to position companies for a role in future major aircraft
 - Support Magellan Winnipeg’s development as a Tier 1 company through technology integration, design, and certification

Panel 2: Technology/Funding (cont'd)

- Challenges
 - Canadian OEMs can monopolize the tech demo funding
 - Program funding must be equitably spread among Canadian supply chain and by region
 - Difficult for supply chain to select technologies for development without the help of the OEMs. We must partner with:
 - Bombardier, P&W, and Bell to develop marketable technologies
 - Boeing, Airbus, General Electric, Rolls Royce, and SNECMA, as they represent the largest opportunities. Government support is needed.
 - Magellan would like the program to apply to other aerospace sectors (rockets, space, rotorcraft, and military aircraft)

Panel 2: Technology/Funding

- Recommendation 4:
 - “The government maintain Strategic Aerospace and Defence Initiative (SADI) funding at current levels – less reallocations recommended in this volume – and modify SADI’s terms and conditions to make it a more effective program for stimulating the development of the aerospace and space technologies of the future.”
- General Feedback
 - AIAC supports the report
 - We generally agree with recommendation to improve SADI funding terms
 - We agree that consortia should be able to apply for SADI funding
 - Magellan does not agree with using SADI funds to pay for IP development outside of Canada
- Opportunities
 - Improved competitiveness
 - SADI can be used for capital investments
- Challenges
 - Less SADI funds available if used for technology demonstrations and CRIAC

Panel 2: Technology/Funding

- Recommendation 12:
 - “The government co-fund initiatives aimed at strengthening the Canadian aerospace supply chain.”
- General Feedback
 - This is an important initiative
 - Manitoba already has “Competitive Edge” which has been successful: 5 SMEs involved
- Opportunities
 - Bring more SMEs into industry
 - Improve existing Aerospace SMEs
- Challenges
 - Commitment from the SMEs is large
 - Support for larger Aerospace companies is needed
 - OEMs and 1st tier companies need to help the participants win business from their organizations