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LID-aircraft

MAS AND GE SET UP ASIA'S LARGEST OVERHAUL CENTRE

LANGKAWI, July 30 (Bernama) -- Malaysia Airlines (MAS) and US aircraft engine-maker General Electric (GE) signed an agreement today to jointly set up what will be Asia's largest aero-engine overhaul centre at MAS' facilities in Subang near Kuala Lumpur.

Prime Minister Datuk Seri Dr Mahathir Mohamad witnessed the signing at the Berjaya Beach and Spa Resort -- the venue of the 1997 Langkawi International Dialogue (LID '97) which ended today.

The RM327.5 million (US\$125 million) centre, also the first of its kind in Southeast Asia, will be operational Sept 1, MAS managing director Datuk Wan Malek Ibrahim said.

GE owns 70 per cent and MAS, the remainder in the joint venture -- Aircraft Engine Repair and Overhaul (1997) Sdn Bhd (AERO '97).

For MAS, the signatories were Wan Malek and vice-president for Aviation and Aerospace Development, Sitham P Nadarajah.

GE International president for Southeast Asia, Ken Brown and Engines Services director of business development for Asia, Paul Snyder signed for the company.

Speaking to reporters before the signing, Wan Malek said the centre, to be named the Aero Centre for Excellence, would service engines of MAS' fleet and those of GE's Asia-Pacific customers currently being serviced in the United States and Europe.

GE's contribution would be in technology, overhaul and repair processes, management and international marketing expertise, he said.

Wan Malek said MAS' partnership with GE, the world's largest service provider in aircraft engine overhaul, would enhance the national flag-carrier's technological capability to develop indigenous technology and towards making Malaysia an aerospace hub.

"This partnership is a demonstration of smart partnership in action and of mutual importance to our two organisations," he said.

Brown said the Asia-Pacific region represented 35 per cent of all air traffic business and he expected the figure to increase to 50 per cent by 2005.

Last year the Asia-Pacific region contributed some US\$8 billion (about RM21 billion) to GE's aircraft engine overhaul business, he said.-- BERNAMA

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