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US may buy 100 Malaysian light planes in next three years

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KUALA LUMPUR, Sun. - Negotiations are under way between the Malaysian and United States Governments to supply more than 100 locally-manufactured light aerobatic aircraft to the US market over the next three years.

Already two of the SME MD3-160 aircraft have been ordered by the US Government for a flying school in Florida, making Malaysia the first Asian country to export planes to the US.

The New Straits Times has reliably learnt that the US is keen to use the modern generation aircraft for basic flying training for its air force cadets as operating the aircraft is cost-effective and efficient.

The US order followed a recently-signed agreement between the two countries.

Prime Minister Datuk Seri Dr Mahathir Mohamad is expected to launch the two US-bound aircraft at the Syarikat Malaysia Explosives Aviation Sdn Bhd plant in Subang on Dec 1.

The two aircraft, costing between US\$150,000 (RM570,000) and US\$200,000 each, would then be shipped from Port Klang to Florida.

In an interview at the SME Technologies Sdn Bhd manufacturing plant in Sungai Buloh, its group executive director Lt Kol (R) Tommy Tay told the NST that the success in securing the US market for the aircraft was due to its excellent serviceability rate with the launch customer, the Royal Malaysian Air Force.

"Under the present economic climate, we are pursuing this opportunity vigorously to export the aircraft. Moreover, the US is keen to buy the SME MD3-160 aircraft to train its air force pilots.

"The sale of the two aircraft to the US has opened the doors for SME Technologies to market its planes to other countries as well.

"While we realise that the main market for this class of aircraft is the US, the Asean market is equally attractive and we aim to promote the SME MD3-160 as a regional trainer," said Tay.

He said the main challenge to market the aircraft was the development of local aviation-related expertise to meet the exacting standards of the industry.

Tay said the core of the trained Malaysian workers within the company remained its most important asset.

In 1995, Indonesia had also ordered up to 20 similar aircraft, following a bilateral agreement.

However, Tay said the delivery of the aircraft to Industri Pesawat Terbang Nusantara was delayed in view of the current economic situation.

"Nevertheless, the Thai and the Philippine Governments have shown encouraging response to a military trainer of this class."

Currently, 10 SME MD3-160s are operated by the RMAF for basic flying training at its Aviation College in Alor Star. Another 10 aircraft will be delivered next year.

The first two aircraft for the RMAF were delivered for ab-initio (basic flight) training during the 1995 Langkawi International Maritime and Aerospace exhibition.

Tomorrow, Defence Minister Datuk Seri Syed Hamid Albar will officially receive the 10 aircraft - which are now in operation with the RMAF - from SME Technologies at a handing-over ceremony at the RMAF Base in Alor Star.

From an original Swiss design, the MD3-160, trade named Aero Tiga, was developed and productionised in Malaysia by the SME Technologies group.

The airframe is 100 per cent locally-manufactured by SME Aerospace Sdn Bhd in Sungai Buloh and assembled as a finished aircraft by SME Aviation Sdn Bhd in Subang.

SME Technologies has been an ISO 9002 organisation since 1994, and the MD3-160 is certified by the aviation authorities of the US, Switzerland, Indonesia and Malaysia.

SME Aviation chairman and RMAF deputy chief Mej Jen Datuk Suleiman Mahmud said each plane was marketed at between US\$150,000 and US\$200,000, depending on the customer's configuration.

He said the SME group was provided a RM20 million start-up loan by the Government in 1994.

"Since then, we have invested more than RM50 million from self-generated funds into tangible assets such as infrastructure, machinery and equipment," he added.

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