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Composites facility in Kedah to begin production in April

Fauziah Ismail in Seattle

SEATTLE, Sun: The Asian Composites Manufacturing Sdn Bhd (ACM) production facility in Kedah is two months behind schedule but The Boeing Co is confident the project "remains on budget with minimal delay on the completion date".

The completion date is now December and first production is expected in April 2001, Boeing Commercial Airplanes Group regional director (international sales) Paul Dubeck said.

Initially, the first components were scheduled for delivery this year.

Boeing is one of the two American shareholders in ACM. The other is Hexcel Corp. The remaining two shareholders are Sime Darby Bhd and Naluri Bhd. Each of the four partners holds equal shareholding of 25 per cent in the joint venture.

ACM was set up as part of the country's National Aerospace Blueprint which was launched in 1997.

The ACM facility is believed to be one of Boeing's largest composite facilities outside North America with a production area of about 200,000 sq ft.

The plant will manufacture advanced composite secondary structural parts for the aircraft industry in the world. It is also considering third party composite manufacturing.

Its first shipment is expected to be fabricated parts for secondary structural assemblies on commercial aircraft, including assemblies of wing fairings, fixed or movable surfaces and inspection-access doors and similar parts.

It will eventually have a capacity of 300,000 hours of production a year.

Dubeck, speaking to Malaysian newsmen at the Boeing headquarters here, said the delay in the construction of the RM153 million facility at the Bukit Kayu Hitam Industrial Park occurred last June.

"I was told it was due to unexpected soil conditions. There was unexpectedly a lot of rain during the time and the engineers had to put in additional pilings for the building structure," he said.

Six Boeing/Hexcel expatriates are currently on-site, with another six expected by the first quarter of 2001.

Currently, ACM employs 25 Malaysians, and the hiring of more employees is being speeded up. About 350 employees will be hired by mid-2001.

ACM will initially employ 11 expatriates to assist in the setting up of the facility and to manage its operations during the early years. The facility is expected to be fully-managed by Malaysians after about five to seven years of operations.

Initial training of 12 Malaysian supervisors has taken place in Reno, Nevada. The trainees underwent on-the-job and classroom training in aero-composites as part of their intensive training programme. They are from various disciplines comprising one production supervisor, two quality technicians, one training specialists and nine production leads.

Follow-up training will take place next month in Los Angeles and Seattle.

Prime Minister Datuk Seri Dr Mahathir Mohamad, when witnessing signing of the joint venture agreement between the shareholders in 1998, described ACM as "an investment in the future".

Under the agreement, ACM will manufacture, sell and distribute composite

parts for secondary structures for commercial aircraft.

It will supply these parts to Hexcel's facility in Washington State for assembly and shipment to Boeing (also in Washington) and to other customers worldwide.

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