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BOEING-PARTNERSHIPS

BOEING WANTS WIN-WIN PARTNERSHIPS WITH M'SIA IN AEROSPACE

By: Mikhail Raj Abdullah

KUALA LUMPUR, Jan 30 (Bernama) -- The Boeing Company, the world's largest aircraft manufacturer, wants partnerships with customers in a way that promises a win-win situation for both the company and the recipient economy.

Its Senior Vice President, Gerald E. Daniels, said that the company was looking to form partnerships or joint ventures in Malaysia encompassing its commercial and military aircraft as well as the space and military communication sectors.

"We are looking to enhance partnerships with countries more meaningfully by being virtually integrated with their respective economies," he said in an interview yesterday.

For instance, he said that the Multimedia Super Corridor (MSC) offers immense opportunities.

"The emphasis on the MSC could go in a number of different directions, from specific manufacturing of semi-conductors, to software engineering, which can be in the best interest of Malaysia and Boeing," he said.

"They could be nothing more than a preferred sub-contractor, or something we own, set up and undertake operations locally, whether it is commercial, military or space communications," he said.

Previously, industries such as the Ford Motor Company were vertically integrated, whereby they got the raw materials, made the steel, cut the sheets, etc.

"But now, most companies over the years have moved away from that. Boeing is now concentrating on design and are involved in the final assembly integration, so we are not a vertically integrated company," Daniels said.

Rather, "we want to be virtually integrated and have access to the supply base at every level, they might not be part of Boeing in terms of ownership, but they would be virtually part of Boeing.

"They can provide raw materials, parts, software and engineering," he said.

Citing the composite materials manufacturing plant in Kedah as a successful joint venture between Malaysia and Boeing, he said that it was a perfect example of getting together the workforce and technology to make certain parts.

These partnerships could be in providing raw materials, parts and engineering facilities.

Daniels said he was in Malaysia to ascertain how Boeing products were doing and how best the Seattle-based company could participate in a meaningful way in Malaysia in line with the development of the country's aerospace industry.

While here, he had discussions with Prime Minister Datuk Seri Dr Mahathir Mohamad, Defence Minister Datuk Seri Najib Tun Razak, top Royal Malaysian Air Force officials as well as industry captains.

Impressed with the obvious economic success Malaysia has achieved over the last several years, he said that "growth has been phenomenal and even when the rest of the world struggled, Malaysia struggled less."

"My purpose is largely to have the opportunity to see how we are doing, where Malaysia is going in its own development plans, where Boeing can assist and obviously find that point where the two overlap for the good of Malaysia and Boeing," he said.

He also said that the new Boeing F/A-18E/F "Super Hornet," which Malaysia was evaluating, was discussed.

The aircraft with 11 weapon stations -- said to be the finest military aircraft in the world --, is an upgraded version of the original F/A-18 and is used for reconnaissance, air control, air support and suppression of enemy defence.

Daniels said: "I led the development of the airplane, it has my name all over it. I am here to maintain a relationship that started with the buying of the F/A-18C/D or Hornets now used by the RMAF."

As for the status of the discussions for the Super Hornets, he said that the Defence Ministry was looking at the options and have stated their public interest in an upgraded aircraft.

"They have asked the US government for specific information and different technical teams have come here to look for industrial cooperation possibilities," he said.

With the government getting all the information on all the competing aircraft, the next step would be for the government to evaluate aircraft candidates including the Super Hornet.

Thereafter, getting down to the nitty gritty of the business, costs and capability, "we (Boeing) are looking for an overall industrial participation programme," said Daniels.

He said that Boeing was keen on providing aerospace support, taking care of the aerospace products after delivery. This includes training, simulators, spare parts management, maintenance of aircraft and modifications upgrade.

"I don't think anyone is interested in an industrial programme or company that simply comes in and says, if you buy these airplanes, then you make these parts and when you are done doing the airplane, the whole deal is off."

On the contrary, "we are looking for long term partnerships capable of providing things for a long long time," said Daniels. -- BERNAMA

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