



Automotive  
and  
Aerospace

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## *A Flight to Behold*

Glyn Môn Hughes

**The aerospace and automobile industries in Wales are pushing forward with new innovation. The world stage is watching.**

It was a sight to behold. Crowds lined the banks of the Dee. People were parked in Flintshire lay-bys. And the entire Airbus workforce was out in force.

All eyes looked east, into the grey, overcast skies. And then it appeared – the mighty A380 ‘SuperJumbo’. For the first time the plane had come from Toulouse, had crossed England, headed over Manchester and Liverpool and skimmed over Broughton, its maiden overflight of the factory where its wings are manufactured.

Not many months later proud – if not slightly anxious eyes – watched the TV as the first commercial flight made its majestic progress from Singapore to Sydney.

Courtesy of Aerospace Wales Forum

Years in the making, the new ‘SuperJumbo’ is now commercial reality. The order book is bulging and the aircraft has secured its place in Welsh aviation history.

Airbus is Wales’ largest private sector employer and employment at the Broughton site alone tops 6,500, with several thousand additional jobs supported through its supply chain. In the last year, the workforce has expanded even further to enable delivery of both the A380 and A350 aircraft.

“Airbus makes an invaluable contribution to the North Wales economy in terms of jobs, skills and technology,” said Ieuan Wyn Jones, Deputy First minister and the Welsh Minister for the Economy and Transport. “The company’s world-leading operation in Wales is a flagship for the Welsh economy as a whole – highly innovative and working across geographical and technological

boundaries to set new standards in the competitive global aerospace industry.”

That’s a view echoed by Paul Lindsay, Operations Director at the Aerospace Wales Forum.

“The aerospace industry is vital to the Welsh economy,” he said. “It’s been described by the Welsh Assembly Government as one of the top three sectors, along with automotives and electronics.”

At present, the sector employs more than 20,000 people around Wales and injects some £3bn into the Welsh

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Courtesy of Aerospace Wales Forum



economy. The sector continues to grow and has an impressive track record of inward investment and a growing portfolio and trade and supply chain opportunities. At present, there are 150 aerospace related businesses in Wales, many of them household names, such as Airbus and British Airways, others which are parts of massive multinationals – BAE Systems, Thales UK or Raytheon amongst many others. But there remains a perception that the sector is concentrated primarily around Broughton and Cardiff.

“In principle, that is true,” said Lindsay, “with manufacturing predominantly based around Airbus and MRO – maintenance, repair and overhaul – predominantly based around Cardiff, with three BA sites, GE Aviation and Nordam Europe, plus the remains of DARA at St Athan.

“There are, however, some big manufacturers in the South – Contour Premium Seating, Doncaster’s, CAV Aerospace and Gardner in the North.

Hawker Beechcraft and Babcock at RAF Valley are also well into MRO on a large number of executive and military fast jets.”

Indeed, so significant is the Welsh involvement in MRO that the sub-sector accounts for around a third of the total British market.

Europe’s newest MRO facility for commercial and military fixed wing and rotary aircraft is located at Aerospace Wales at St Athan. The site offers an impressive range of facilities, including direct airside access, extensive hangarage, workshop and office space with significant areas of land available for bespoke development.

TES Aviation Group from Abercynon, a company specialising in the provision of technical, logistic and commercial support to both airlines and the owners of aircraft engines, is well established at St Athan.

According to Bob James, TES Chief Executive: “St Athan provides TES with the facilities and resources that are

essential to our engine disassembly capabilities. Being at the forefront of MRO operations, it offers an ideal location for expansion and growth.”

St Athan will also be the site of the Ministry of Defence’s new in-service training centre, with construction beginning on the site in 2009. The contract for the UK Defence Training Review – a 25-year, £10bn contract – was awarded to the Metrix Consortium.

In West Wales, work continues at ParcAberporth, Europe’s leading environment for unmanned flying. Indeed, the advanced technology park, adjacent to West Wales Airport, is the UK’s only civil-licensed airfield approved from UAV flying.

Back in North Wales, Hawarden Business Park, within a stone’s throw of both Airbus and Raytheon’s operations, is being promoted as an ideal location for future aerospace-related businesses.

But there are just a couple of clouds on the horizon. The green lobby is becoming

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Airbus flies with Welsh wings courtesy of Aerospace Wales Forum



ever more vociferous about the damage caused by aviation.

“Our industry is doing more than most to make the business more efficient and less CO2 demanding,” said Paul Lindsay. “And there is one other word of caution. We have the capability and capacity to manufacture metal wings for metal aircraft. However, the next generation aircraft will be made with more and more composite materials. We have very little composite material capability in the UK and hardly any in Wales.”

Doubtless that is a problem which will be solved as the dynamism of the Welsh aerospace industry is something which cannot be lost.

It’s probably fair to say that there’s a good chance anyone driving along a European road will be driving a vehicle where at least some part will have been made in a Welsh manufacturing plant.

Although only one vehicle is wholly built in a Welsh factory, the automotive sector in the principality is still expanding – something of a contrast to the rest of the country where the number of manufacturing jobs is still being squeezed.

“The automotive industry in Wales now comprises one vehicle manufacturer – Connaught, based in Technium

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Performance Engineering, Llanelli – as well as nearly 40 international component manufacturers, including the two engine plants of Ford in Bridgend and Toyota in Deeside and the system integrator Calsonic Kansei,” said Tim Williams of WAF, the Welsh Automotive Forum. “The total sector in Wales employs close to 23,000, generating around £3bn annually for the Welsh economy. The sector is vital as it represents 22% of the manufacturing total. In turn, manufacturing represents 23% of Wales’ GDP.”

A significant number of smaller companies – spread throughout the country and not just concentrated in the industrial heartlands of south-east and north-east Wales - also contribute to this Welsh success story.

“There are more than 250 SMEs in Wales that are either part of the supply

chain or provide additional services,” added Williams. “In addition, there are 17 Centres of Excellence – mostly universities – who are working on leading-edge technologies.

“Glamorgan University, for instance, is working on hydrogen (including fuel cell) and battery technology whereas Cardiff has superb facilities for micro- and nano-technology.”

There also appears to be no sign of a downturn in this success story. According to Professor Garel Rhys, WAF chairman, the Welsh automotive business is evolving to meet new and changing market situations.

“The industry is a conservative one because no-one wants to make a car which people don’t want to buy and the customer is conservative because he or she doesn’t want to buy a car which they will not be able to sell in a few years,” he said.

He also noted that the three most efficient car plants in Europe are located in the UK making models which people want to buy in huge numbers, thus contributing massively to export income.

Professor Rhys predicted that more cars will be built over the next 20 years than have been made in the entire 110

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years of the industry's history. He also foresaw the need for 180 new car plants internationally with existing plants needing to be renewed, refurbished or replaced.

It's all good news for Welsh companies, including those such as Connaught Motor Company, the team behind the world's first green high-performance hybrid sports coupe, which has set up its global manufacturing and R&D headquarters in Wales.

Another recent newcomer is the Japanese component manufacturer Takao Europe Manufacturing – TEM – which has invested £3.2m at the Rassau Industrial Estate in Ebbw Vale and manufactures chassis parts for Honda and Toyota, bringing work which was previously undertaken in Turkey and Eastern Europe to Wales.

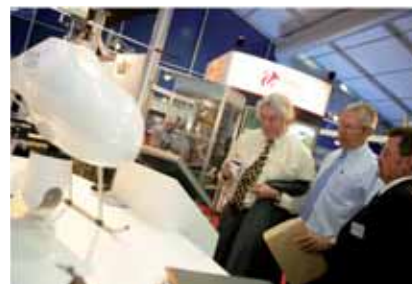
In the last year, Mollertech, a firm manufacturing moulded-trim components for Mini and Honda, has created 99 new jobs following a £10.7m expansion in Caerphilly and 200 new jobs have been

created following a two-year £100m investment by Ford in their Bridgend plant. Toyota is spending another £100m at its well-established Deeside engine plant.

Accelerate Wales, the now well-established programme aimed at improving the supply chain and led by major corporations such as Ford and Bosch continues to develop apace. The objective is to improve the individual capacity of the various companies involved, improve supply chain co-operation and release mutual competitive advantage, ultimately facilitating the integration of the supply chain.

With competition from across the globe – especially from Eastern Europe and China – increasing almost daily, the benefits to the Welsh economy are obvious, especially as consumers begin to realise that they don't have to travel far to source high-quality components.

And with so many jobs in such a massive sector potentially at risk, the stakes are certainly high.



First Minister Rhodri Morgan and Paul Linsey from Aerospace Wales discuss UAV systems with representative from EADS Germany, courtesy of Aerospace Wales Forum

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