MR TRANSPORT

Regional recession hits Saab
BY FORBES MUTCH
IN LINKOPING

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p to 1,600 workers at Saab
Aircraft have been put on a
reduced working week as orders
for the company's Saab 340
slump in the growing depression
of regional airliner markets.
Final discussions are still
being conducted between Saab
management and the unions, but
it is thought that staff on the
Saab 340 assembly-line at
Linkoping will have their work-
ing week cut from five to four
days. The move is not expected
to affect production of the new
Saab 2000 50-seat regional tur-
boprop, which is carried out at
the same factory.
The 300th Saab 340 was
handed over in May to Express
Airlines, a Northwest Airlink op-
erator, leaving a backlog of 66
Saab 340s still on firm order.
The last of these will not be
required until 1994, however,
and Saab-Scania president Lars
Kylberg says that 20 to 25 new
Saab 340 and Saab 2000 orders
are needed this year to cover
manufacturing capacity in 1993.
The Saab 2000 flew for the
first time in March, and is ex-
pected to be in full production
by October 1993. The company
has 46 firm orders for the 2000,

Saab needs 25 new orders to cover manufacturing capacity in 1993

with another 148 on option,
although it is unlikely that any
of the options will be converted
before the aircraft is certificated
towards the end of 1993.
The latest cutbacks have come
at the same time as production
at Saab Aircraft undergoes a
radical streamlining designed to
halve lead times and cut costs.

The new concept, which the
company describes as "lean pro-
duction", should see throughput
times for the Saab 340 and the
2000 fall by 50% through a mix
of more efficient assembly rou-
tines, increased flexibility and
"the elimination of non-value-
adding activities", says produc-
tion manager Hakan Andersson.
The number of assembly sta-
tions at the Linkoping plant will
be cut to four, and the produc-

tion time for each aircraft will
fall from 32 to 20 days initially,
before dropping to 16 days by
the end of 1994. Despite the
streamlining, the company
hopes to be producing 80 com-
mercial aircraft a year by 1995.
Meanwhile, the cost-reduction
programme continues. Another
500 jobs are to go over the next
six months, mainly from the
commercial aircraft operations,
following the pensioning off of
232 employees during 1991.
Saab has divided the aircraft
manufacturing group into three
autonomous divisions — Saab
Military Aircraft, Saab Aircraft
and Saab Service Partner — to-
gether employing about 6,900
people. The military aircraft di-
vision will be largely unaffected
by the changes. •

APU makers line up for MD-12 bids
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wo auxiliary power unit
(APU) makers, Allied Signal
Aerospace's Garrett APU divi-
sion and Pratt & Whitney Can-
ada (P&WC), expect to bid for
the next major air transport
competition, the McDonnell
Douglas (MDC) MD-12, during
the third quarter of 1992.
Both are preparing to offer
variants of existing high-power
units: Garrett has a development
of the GTCP331-500, which will
fly on the Boeing 777, and
P&WC a variant of the PW901A
used on the Boeing 747-400.
Garrett vice-president of sales
and marketing Steve Loranger
says: "MDC is under way with
the product definition process,
and we expect that to continue

into the third quarter of 1992, at
which point the competition will
begin- and a deadline will be set
for around December."
Loranger adds that Garrett is
focusing attention on the -331-
500 [which was also proposed to
MDC for the trijet MD-12 ver-
sion]. "For the baseline configu-
ration there's no change, and as
far as the growth is concerned
we're looking at possible materi-
als and cooling changes and a
different output from the load
compressor," he says.
P&WC is studying major de-
sign changes to its 901A design
for the MD-12 proposal. APU
products vice-president Bill An-
derson says: "The gas generator
(of the new APU) will be ex-

tremely close in design to the A.
We're doing a unit in the third
quarter which will pull together
elements of our research pro-
gramme, and some of these ele-
ments will be to demonstrate
concepts that fit into the MD-12.
"In general, we expect the
MD-12 to need a smaller APU
than the 747-400; on the other
hand, the power requirements
are growing as theN

aircraft
grows. We can provide 20%
more power without any strain."
Proposed changes outlined so
far include a direct drive J. from
the shaft, which eliminates the
gearbox, and a reverse to the
rotational direction of one of the
spools so that both shafts spin in
the same direction. •

Irish Government

asks EC to fund

aircraft purchase
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he Irish Government has
asked the European Com-
munity to use structural funds
to grant aid for the purchase of
new aircraft. The proposal, re-
cently submitted to Brussels, in-
volves using European Commu-
nity money to provide grants of
up to 50% of the cost of new
aircraft being bought by Irish-
based companies.
Community members are not
allowed to use structural funds
to buy mobile assets, but Dublin
is arguing that an exception
should be made because of rela-
tive remoteness of Ireland from
the rest of Europe.
A similar Irish proposal was
refused by Brussels in 1991, but
Irish Government sources are
confident that they can over-
come European objections this
time. The sum requested has not
been revealed.

The move follows suggestions
by Guiness Peat Aviation (GPA)
chairman Tony Ryan that Shan-
non Airport should establish a
link with Europe.
Ryan says that it would help
counter Ireland's isolation from
Europe if an airbridge was estab-
lished with a location within 3h
driving distance of the major
European markets. The service,
which would cost about Ir£60
million ($99 million) a year to
run, could be set up "within a
couple of months", he claims,
adding that GPA aircraft would
be available at "bargain cost". •

NEWS IN BRIEF

IRISH INTERIORS

The US company C&D Interi-
ors is investing $11 million in
a new site at Shannon Airport
on the west coast of Ireland.
The programme is being sup-
ported by Irish Government
aid. The company, to be
known as C&D Ireland, will
take over two contracts from
its parents: the manufacture
of Airbus A330/A340 over-
head storage bins and of side-
wall, floor and ceiling panels
for the BAe 146.

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