

# Networking to win

Lead Aero is taking a new approach to help small and medium enterprises (SMEs) survive and thrive in the international aerospace market

**A**mir Mekhaeil, owner of Lead Aero, set up his company earlier this year primarily to help smaller French companies, while he captured CAPTELS, a manufacturer of aircraft weighing equipment, he has rapidly acquired an international portfolio of clients. He explains that SMEs should not be afraid of competing overseas, but they often do not have the necessary resources, especially if they have been affected by the recent international economic downturn.

One of the biggest challenges for SMEs is that many major OEMs have gradually streamlined their supply chain. Whether by design or not, smaller companies can find access blocked to their eventual end customer, which can make it very difficult when it comes to renegotiating

contract terms. Another factor here is that some of those intermediaries may apply a handling charge which the SMEs are either unaware of, or can do nothing about. Also, if production rate changes are not signalled far enough in advance, a smaller company may not have time to make the necessary investment to increase capacity. Conversely, late news of cutbacks could have disastrous consequences.

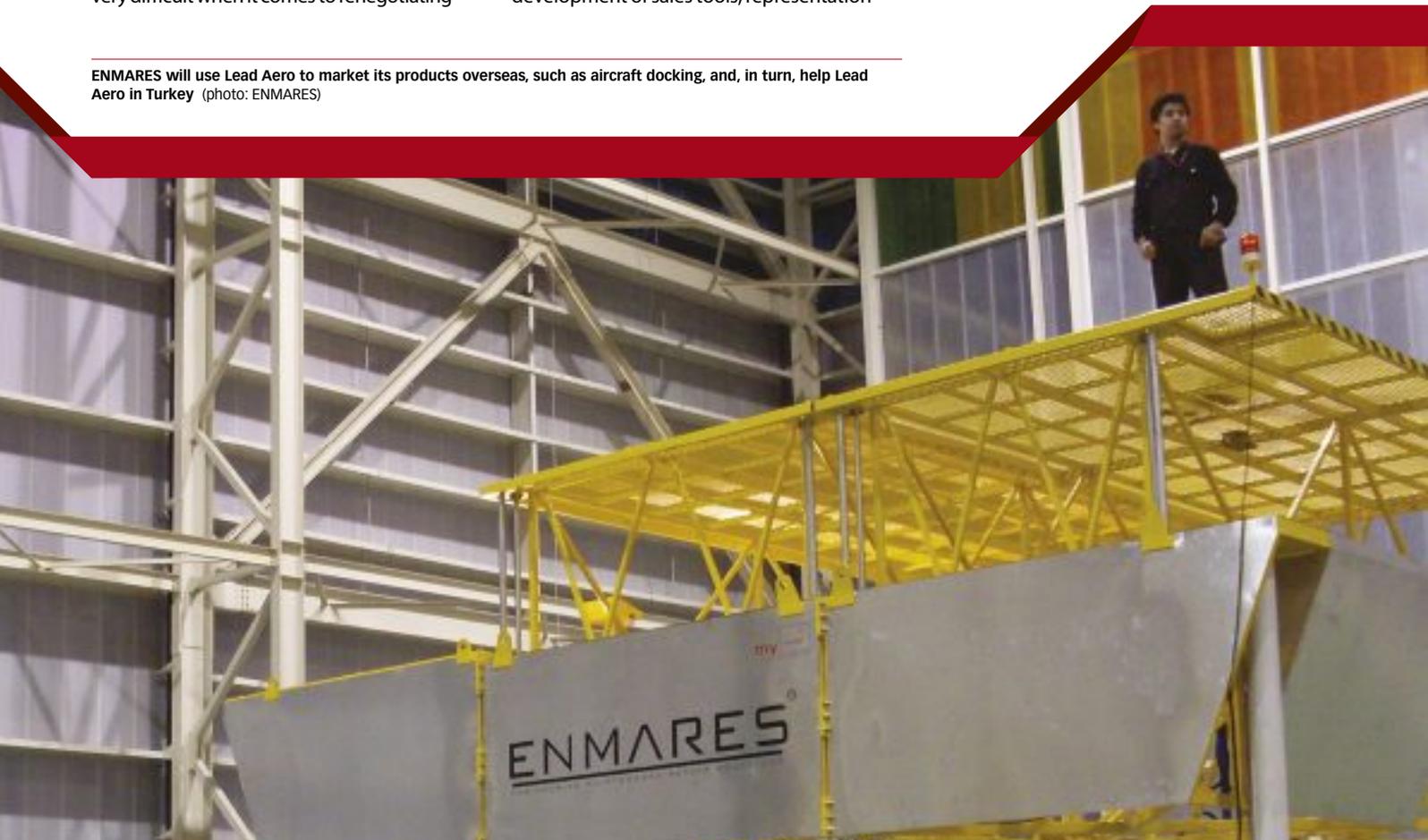
The only answer, he says, is to look at independent expansion into new markets and by offering a range of services, he can provide the right amount of support to suit each client's needs and budget. These include market research and analysis, helping to find international partners and funding, development of sales tools, representation

at international exhibitions and fairs and even helping clients to expand abroad.

One client who understands this only too well is Jim Nye, Chief Executive Officer of Seattle-based Modern Machine, founded in 1990 and a licensed manufacturer of ground support equipment, electrical test equipment and tooling for Boeing aircraft. His facility is located close to Boeing Field but he finds that Tier 1 suppliers stand between him and the OEM.

He describes his policy as 'putting nuts and berries away' during the good times in order to deal with downturns, but he has also recognised the need to be adaptable, and the relationship ►

ENMARES will use Lead Aero to market its products overseas, such as aircraft docking, and, in turn, help Lead Aero in Turkey (photo: ENMARES)





Modern Machine wants to expand sales to the Middle East and Europe for its Boeing products (photo: Modern Machine)

with Lead Aero is a way of gaining access to potential MRO and airline clients in the Middle East and Europe. The Middle East and Asia are currently the only two growing markets, he adds, and since the company already has a focus on China, an appealing aspect of having European-based assistance is that he can really only manage one major time difference. He also stresses that talking is the only way to get business and that Lead Aero is a useful tool in overcoming any cultural differences that might arise. Another reason for developing new

customers outside of the Boeing supply chain is that the company can offer additional services, such as recalibration of the tools during site visits, instead of the customer having to ship the equipment to an approved centre.

Ender Uçkun is General Manager of Istanbul-based ENMARES, which was founded in 2007 as a supplier of wide-ranging turnkey engineering solutions services in the aviation and defence industries. His company's agreement sees it becoming the sole representative in Turkey for Lead Aero,

which will represent ENMARES overseas as it tries to increase its commercial aviation market share (currently around 20% of turnover). It is already a supplier to all three major Turkish MROs – Turkish Technic, MNG Technic and myTECHNIC – particularly with variable level docking systems, but it has also produced other specialised equipment, such as a component cleaning line and a protective cage for tyre inflation. The latter provides a good example of the potential hazards of the relationships between large and small companies – *MRO Management* saw both of these items during a visit to myTECHNIC a few years ago, but no mention was made of ENMARES as being the supplier. This is a great pity, as they were clearly well designed and efficient. As well as hoping to increase exports of its own equipment, ENMARES also anticipates that it can become involved in the customer support aspect of business and repairs of other products introduced into Turkey by Lead Aero.

Uçkun believes the relationship will bring efficiencies to both parties. It is certainly having immediate benefits as two more of Lead Aero's clients are Eagle Tugs of Grosse Ile, Michigan, and UK-based Aviation Spares and Repairs Limited (ASRL). ASRL is Eagle's exclusive partner in the UK and Europe and both have employed Lead Aero to market their services in Turkey, seeing the country as having experienced considerable growth in recent years. ■



Both Eagle Tugs and ASRL see Turkey as a key market, since the country has experienced considerable growth despite the poor international economic climate (photo: Eagle Tugs)