
AIME exhibitors explore opportunities in growing aviation region

By **Claire Malcolm** on February, 14 2017 | Inflight Entertainment



DUBAI -- The aviation industry continues to fly high in the Middle East despite the on-going impact of weak oil prices, with ratings agency Moody's forecasting revenue passenger kilometer (RPK) growth of 9% this year.

This was also the keynote address theme delivered by Air Arabia Chief Executive Officer, Adel Ali, at the opening session of this year's MRO Middle East and Aircraft Interiors Middle East Exhibition and Conference February 8-9.

Officially opened by HH Sheikh Ahmed Bin Saeed Al Maktoum, President of the Dubai Civil Aviation Authority, Chairman of Dubai Airports, and Chief Executive and Chairman of Emirates Airline & Group, the two-day event had a record run according to the organizers, welcoming 300 exhibitors (an increase of 8% on 2016) and in excess of 4,500 trade visitors from more than 60 countries including representatives from over 100 airlines.

Speaking at a packed session on day one, Ali noted that future aircraft orders are exceeding growth projections, in addition to a significant spend on airport infrastructure in the MENA region totalling in excess of US\$100 billion, led by Saudi Arabia and the UAE.



The Middle East is also expected to boost seat capacity by 10% in 2017, and exhibitors at MRO and AIME were generally positive about business prospects going forward.

Commenting on the 2017 edition, Lydia Janow, Managing Director, events at *Aviation Week*, said: "Around 15% of exhibitors were first-time participants and we have already confirmed an additional 10% show floor space for 2018, in response to exhibitor demand."

A 10-year market forecast and overview of developments impacting the sector presented by David Stewart, Partner at Oliver Wyman, tapped into trends reshaping the MRO landscape, highlighting several key areas.

"We are seeing an unprecedented change in the nature of the fleet being operated. In the last 10-15 years we've seen so many new aircraft types being introduced that are particularly technology intensive. While only 33% of the fleet are these next generation planes, 10 years down the line they will account for 97%," he said.

He explained that this will create an incredible surge of available information and systems data, and noted: "The real question is, are we ready for that? Do we know how to best use the data and how to maintain common platforms for leveraging that data, for example?"



This will necessitate the need for more IT skills, which Stewart said offers opportunities for vendors, with 22% of respondents surveyed for the company's *Winds of Change 2016-26 Global Fleet & MRO Market Forecast* report stating they are prepared to outsource such services.

"However, it's a very big requirement for training and capability building," he remarked.

He also flagged the shift eastwards of the critical mass center of gravity for the industry. "Within 10 years, the Middle East and Asia will double total fleet to 15,000 aircraft. China will be as big as Western Europe by itself, and the combined MRO supply base of China and ASPAC will be larger than North America, as will the spend on MRO generated by airlines in this area."

Technology in the inflight space was also a leading topic at the Inflight Pavilion workshops. In a session entitled '4k and beyond', the panelists discussed the onboard future of ultra high-definition (UHD) video services.



"There are areas of the cabin, like the front, where there is a lot of benefit for 4k technology, while towards the back a passenger won't really be able to tell the difference. It will be some time before it becomes a really solid enabler, but it could definitely add value to growing demand for products in business and first," said David Withers Chief Executive from [digEcor](#).

"It's very early days in the cabin environment, but there's always the passenger expectation of a cabin experience that matches what they have on the ground. There's also a limited number of channels that can transmit in UHD, but I think bespoke [sporting] events could help recoup the

investment costs,” commented Valour Consultancy’s Craig Foster.

On the busy exhibition floor, Coralie Wigg, director, [Starling Aerospace](#) Interiors was showcasing a new in-house designed berthable divan and hi-lo table combination. “We developed the divan with Ethiopian as the launch airline, and they have it as a role change kit so it goes in the front end instead of first class, with a curtain kit. We’ve already delivered a second one to a corporate leasing company currently flying with a rock band,” she said.

Wigg noted that the UAE and Saudi Arabia remain the top performing markets and that presence at AIME sees the company “come away with a really good contract every year.”

Renewed commitment to interiors was also highlighted by Tim Garvin, Vice President sales for [Regent Aerospace](#) Corporation, who said: “Interiors seem to be at the forefront of every airline CEO’s mind, and keeping them in top shape. I think there is more focus on the passenger right now with cabin comfort.”

Myles Hobbs, head of sales Middle East for [Muirhead](#), agreed, and remarked: “We are showcasing examples of how leather can be used in an economy class setting on wide-bodied aircraft. Airlines in this region are extremely brand and appearance-oriented and we are seeing more interest in this as [they] are driving costs savings. Plus wear and tear, functionality and cleaning are major issues with fabric seating.”

Hobbs also talked about new market opportunities, and was one of several exhibiting companies looking at opportunities out of Iran, as he explained: “It’s definitely an emerging market, with a huge population with domestic passports and around 40% with international passports. They have been using very old aircraft, but that’s changing with new aircraft orders from Iran Air and Iran Azeman for example.”

For MRO-focused exhibitors such as Bahrain based cargo airline [Texel Air](#), niche market opportunities are the way forward, as CEO, Fraser Currie, explained: “We’ve applied for our Part 145, which is in final legal approval, and we want to offer maintenance services up to A Check for the Airbus 300 and Boeing 737 family, to small family-type aircraft businesses in the region; where we see good potential.”

[Diehl Aerosystems](#), a second-time exhibitor, is looking at retrofit opportunities. “It’s a new direction for us to approach customers directly, as we are first of all an OEM supplier; but we see huge demand for retrofitting in the coming years with the market cooling down a little and carriers like Etihad delaying delivery of new aircraft.

“We are also talking to local companies in the UAE as we are in the process of establishing our own presence here with warehousing, logistics and customer support.”

Janow from the *Aviation Week* events team is also hoping to expand international pavilion presence for 2018. “We’re trying to get more country pavilions and perhaps bring in an Asian delegation,” she said.

Samantha Douarin, Aerospace Project Coordinator for [Business France](#), who is responsible for the French pavilion, said she believes that uniting country expertise is invaluable, as she explained: “French companies in the MRO sphere are very innovative and can offer a lot. We have 12 companies here from the Toulouse region and 23 participants in total. Companies partner with us as this further strengthens exposure for France.”

For Alexis Gabillon, president, ADHETEC, which produces specialist adhesives for external liveries and

technical markings, the exhibition is the perfect awareness platform as it looks to extend its portfolio with other major regional carriers, smaller airlines and MRO service providers.

Another French pavilion exhibitor, Air Cost Control, has been coming to the MRO show for 10 years. Said business development manager, Christine Durand: "It's very important for us to be here and see our partners as well as support the Dubai office. We have also just taken our first step into Asia, and opened an office in Singapore with the objective of growing business in that market."