OEMs shift focus from new models to current ones

by Meredith Saini

At this year's Heli-Expo in Orlando, the major manufacturers racked up $732 million in new orders—up 18 percent from the $620 million in deals signed in Dallas last year—and they did it without having anything markedly different to offer. This increase was despite a decrease in attendance of almost 2,000 people from last year, to 14,806. Many companies indicated that they are expending most of their available resources to keep up with existing demand and bulging order backlogs, with little left over for new product development.

"Feeling comfortable is the first sign [that you could] lose," Eurocopter CEO Lutz Bertling told reporters at an opening-day press breakfast. "We need to make sure that we don’t overheat." As a result, in terms of product announcements, this year's show was somewhat more sedate than last year's, where Bell Helicopter unveiled its 417 single with much fanfare. At this year's event the company announced that it had canceled the project, with only about 12 percent trading up to larger, more capable equipment.

Manufacturers Feel Production Squeeze

Honeywell released its annual outlook on the market for turbine-powered civil helicopter purchases on the eve of the show, forecasting some 3,500 new deliveries over the next five years. Most of the nearly 1,000 flight departments that responded to the company's survey of their purchase plans said they expected to replace older helicopters in the same size, capability and price class, with only about 12 percent trading up to larger, more capable equipment.

With a $14.5 billion backlog and sales up 50 percent last year, Eurocopter remains the market leader and one of several manufacturers hoping to profit from the projected demand for new helicopters.

"We will not let customer support suffer because we need the spaces to build new helicopters," Bertling said. Turbomeca CEO Emeric d'Arcimoles echoed the sentiment, telling AIN that demand for loaner engines has been increasing by about 7 percent per year as customers push more hours onto their growing fleets.

Turbomeca produced 979 new helicopter engines last year and is expanding its presence in North America to support burgeoning demand from manufacturers including American Eurocopter, which has a contract with the U.S. Army to build more than 300 copies of the UH-72A light twin-engine helicopter, a variant of the civil EC 145. A Turbomeca spokeswoman said the company planned to announce the location of its new North American plant within a few weeks of the show.

AgustaWestland CEO Giuseppe Orsi reported an order backlog of $11.23 billion for the Italian manufacturer, with new orders valued at more than $5 billion. Recent new business includes orders for 110 copies of the single-engine Koala A119 from 55 customers in 18 countries, plus new orders for 48 more helicopters announced at the show. Orsi said AgustaWestland is making a concerted effort to "get close to the customer" by increasing the number of its customer information centers, distributors and support facilities to 200 by the end of 2009.

At this year's Heli-Expo, AgustaWestland announced an upgrade to its AW119 light single to be dubbed the AW119 Ke, for Koala enhanced. The Ke will be priced "slightly higher" and feature a 286-pound increase in max takeoff weight.

Continued on page 90

Salute to Excellence Awards

HAI's Salute to Excellence awards celebration was held in the Grand Ballroom of the Rosen Centre Hotel on March 2. The winners, listed below, were honored with a short video recognizing their achievements and contributions to the industry and society.

- Aviation Maintenance Technician Award, Ron Gilroy
- Aviation Repair Specialist Award, Richard Wolfgang
- Igor I. Sikorsky Award for Humanitarian Service, Crew of Helicopter ER-MHH (Alexey Ostapenko, Oleg Pazynitch, Alexander Islev, Barry Shepherd and John Funnel)
- The Joe Mashman Safety Award, Scott Baxter
- Outstanding Certified Flight Instructor Award, Mel Schiller
- Agusta Community Service Award, New York City Police Department Aviation Unit
- Eurocopter Golden Hour Award, Crew of HH-65C CG6553 (Lt. Brian Waring, Lt. Patrick Lineberry, AET2 David Fanelli, AST1 John Isbell)
- Excellence in Communications Award, Mike Reyno and Linda Reyno
- Helicopter Maintenance Award, Glen Cornett
- MD Helicopters Law Enforcement Award, Monica McIntyre
- Lawrence D. Bell Memorial Award, Wanda Lee Rogers
- Robert E. Trimble Memorial Award, Kenneth Eichner, posthumous
- Pilot of the Year Award, Dale Weir
The three new orders Sikorsky announced at the show might pale in comparison to those its European counterparts publicized at the show, but the Stratford, Conn., manufacturer remains confident about its prospects for the future, especially in the military sector. At last year’s show, Sikorsky CEO Jeffrey Pino said he was optimistic that by Heli-Expo 2007, Sikorsky would be the helicopter manufacturer with the highest total revenue. While that goal proved elusive, Sikorsky did claim that it logged a record year last year, with $3.2 billion in revenue—up from $2.8 billion the previous year.

Pino said the company’s strategy for maintaining an on-time production schedule includes shifting completions work away from the main plant in Stratford. Keystone Helicopter Holdings, which Sikorsky acquired in December 2005, now handles all S-76 completions at its West Chester, Pa., facility. “Our supply chain revolves around deciding what’s important to us, which is final assembly, flight dynamics and flight test, and moving the rest of that stream out of here,” Pino told AIN in a pre-show interview. “If the aviation industry decides to change its supply chain, it takes six months to a year. It’s a tremendous up-cycle for the whole industry.”

In recent years, MD Helicopters has been mentioned frequently in discussions about supply chain problems. “MD can sell—and has sold—all that we can build,” company CEO Lynn Tilton told AIN. “It is the procurement of parts in sufficient magnitude and at fair prices that has been a continued challenge.”

At a press conference held during the show, Tilton said MD plans to deliver 48 helicopters this year even as it continues to struggle with supply-chain bottlenecks. “It’s not a one-year fix. It’s not a two-year fix. This is a five-year turnaround.”

**New Technology on Display**

Although the focus of this year’s Heli-Expo clearly was on sales and production of existing helicopter models, signs of new technology were visible on the show floor. One of the more prominent of these was Honeywell’s integrated primary flight display (IPFD) featuring a synthetic vision system (SVS) designed specifically for helicopters. Phoenix-based Honeywell introduced...
its fixed-wing IPFD at the Farnborough Air Show last July, outing it as the first “forward fit” (as opposed to retrofit) high-end SVS product on the market.

Product manager Sergio Cecutta told AIN that while night vision goggles (NVGs) and infrared enhanced vision systems (EVS) are excellent for providing increased situational awareness, he said these sensor-only systems do not deliver the precise visual cues required by helicopter pilots flying down low in conditions of marginal visibility.

The main difference between Honeywell’s helicopter IPFD and its fixed-wing application is the display database. The helicopter IPFD is designed to render the real-world combinations of pitch and motion that are not possible in fixed-wing aircraft, such as a negative pitch on take-off and climb.

Also, the helicopter terrain database features contour lines that are much closer together, with a resolution of six arc-seconds compared with 24 for the fixed-wing version. The database will contain 108,000 obstacles 100 feet and higher, including Gulf of Mexico and North Sea oil platforms. The development system now being flown in a Honeywell AStar also accepts pilot inputs of obstacles and waypoint designations using GPS lat-long coordinates. (To watch a video of the system in action, visit www.aintv.com.)

AIN learned that Sikorsky and avionics integrator Thales are discussing plans to incorporate SVS into the Thales TopDeck avionics suite in Sikorsky’s new S-76D. Sikorsky named Thales as its avionics provider for the S-76D in 2005. Certification of the aircraft is expected next year, but it remains unclear whether an SVS solution will be available by then.

FLIR Systems of Portland, Ore., introduced a new low-cost thermal camera system called the EVS3. Environmentally sealed and priced at less than $15,000, the EVS3 uses a high-resolution vanadium oxide infrared detector to produce real-time thermal enhanced-vision imagery that can be displayed on multifunction or secondary aircraft displays that have auxiliary inputs. The product should be available this summer.

In response to the increasing use of NVGs, Sky Connect of Takoma Park, Md., introduced its new NVG lighting-compatible satcom dialers. The units are designed for use in cockpits where components must meet strict guidelines for illumination while NVGs are being worn.

The FAA made a hard sell at Heli-Expo to offshore oil operators that will soon have the opportunity to receive unprecedented traffic and weather information in the cockpit via ADS-B (automatic dependent surveillance-broadcast) technology—if they equip their helicopters with special equipment that can receive and display the information.

“If you put this equipment on your airplane, you will get priority service—like an HOV lane,” said Rick Castaldo, an FAA engineer working closely with FAA ADS-B program manager Vincent Capezuto. “Aside from the air traffic benefit, this will help you manage your resources,” he added.

Castaldo assured those attending the Heli-Expo briefing that ADS-B will continue to be funded through its maturity. The FAA’s budget for the program through 2008 is $80 million, with private industry expected to contribute at least that much to the joint effort by providing the physical locations where the agency will install its equipment.

The FAA plans to award a contract in July for the deployment of the necessary infrastructure, which includes up to 16 communications stations and 26 automated weather sensors that will be located on offshore oil and gas platforms.

According to HAI, there are 650 helicopters in the Gulf supporting more than 5,000 offshore oil and gas platforms. These operators have historically been left to their own devices to keep track of aircraft and obtain weather information, using radio relays from other aircraft or cellphones.

A Notice of Proposed Rulemaking (NPRM) is expected to be published in September, requiring all aircraft to use ADS-B by 2020 as part of the FAA’s Next Generation Air Transportation System. A final rule on the NPRM is expected in 2009. Castaldo said the FAA expects about 25 percent of the nation’s aircraft will be ADS-B ready by 2014.

HAI Professional Education Series

According to HAI, more than 500 people participated in this year’s Professional Education Series, which began on February 24.