

# MRO MANAGEMENT<sup>®</sup>

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## **Aircraft painting**

Inside and out

**Boeing 747**

Going, but not yet

**Aircraft recycling**

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Zap to track

# Broad brush

Air Livery is celebrating 21 years in business and, pushed by new investors, is experiencing rapid growth. **Ian Harbison** reports

Julien Duffen, Managing Director of UK-based Air Livery, explains how the company was originally established in 1992, at Southend Airport. However, in 2007 it acquired Sprayavia, based at Norwich International Airport, and moved its headquarters there in the following year. Despite the move, it retained the original facility, which is still in operation, along with another at East Midlands Airport. In 2009 it opened a brand new facility at Manchester Airport capable of handling Airbus A330/340 and Boeing 747-400 and 777. However, in the same year, Duffen's previous business partners announced their intention to retire, so the search began for replacement investors.

In early 2010, Air Works Engineering, the leading Indian MRO, with capability for handling Airbus A320/A330, ATR 42/72 and Boeing 737 Classic/NG and 777-200, as well as business jets and helicopters, acquired an 85% stake in the company. The relationship between the two companies had started two years previously with a joint venture to build a modern paint facility at Hosur airport near Bangalore, India, capable of handling a Boeing 757-200 or an Airbus A321.

Since the acquisition, Duffen says, the new majority owners have been pushing for expansion. The first step was taken in September 2009, with the opening of a new single bay facility, capable of taking an A321, at Bratislava, Slovakia. The site was chosen to take advantage of lower costs and to reduce

ferry flight times for customers in Eastern and Central Europe, as well as Russia/CIS. In addition to this, another important consideration was its location next door to Austrian Technik Bratislava (ATB). Parent company, Austrian Airlines, has been a major customer since 2007 and is not far away in Vienna, minimising ferry distance. At the same time, ATB has produced a steady flow of Fokker 70/100 work. In fact, utilisation in the first year has been 85%. He adds that Manchester is running in the "high 90s", with only two vacant slots in the last two years.

This is just the latest example of the company's strategy of choosing locations close to an MRO base for its facilities. Norwich has KLM UK Engineering nearby and Southend can call on ATC Lasham and Inflight. ▶

A typical, complex, one-off scheme, painted by the Norwich facility (all photos: Air Livery)



**Table 1: Air Livery facilities**

Location	Paint bays and size
<b>United Kingdom</b>	
Norwich	2 x 757, 1 x regional jet
Manchester	1 x A330/A340/747
Southend	1 x 737-700
East Midlands	1 x A321
Cambridge	1 x C-130
<b>France</b>	
Chateauroux	2 x A330/340 1 x A320/757 1 x ATR/Falcon
Toulouse	2 x A320, 1 x ATR
<b>Slovakia</b>	
Bratislava	1 x A321
<b>India</b>	
Hosur	1 x 757/A321

(Source: Boeing)

Based aircraft can produce additional work, with Southend also having easyJet. Finally, Manchester has several charter operators, with the number of international scheduled carriers flying into the airport an advantage for nose-to-tail contracts.

Perhaps the most important development occurred at the start of 2013, when Air Livery took over French company Aero Technique Espace (ATE), which is based in Chateauroux

and Toulouse. The largest facility in the company, it has just added an additional bay for third-party and military work. At the time of the sale, Vivek Gour, Chief Executive Officer, Air Works, said: "ATE is a strategic acquisition for Air Works. It will provide Air Livery not only access to world class hangar facilities in Europe, but also add green aircraft painting to its portfolio of services. ATE is a qualified vendor for green aircraft painting for Airbus and ATR. We hope to further develop these relationships and increase our service footprint with both OEMs."

Paul Woods, Vice President, Sales and Marketing, explains that ATE has great experience painting brand new aircraft off the line in Toulouse, but the steadily increasing production rate at Airbus meant that extra capacity was required at another location. Chateauroux is in central France, so not too far away. In fact, it is even closer to Dassault, in Bordeaux-Merignac, from where Falcon business aircraft are ferried in, the company having OEM approval for painting.

With a network of paint bays (see Table 1), Air Livery now has the capability to allocate customer aircraft to the best placed location, based on slot availability and distance. Each facility is autonomous, with its own management and quality control, though overseen by a General Manager and

Operations Director in Norwich. Purchasing is also centralised in Norwich. Air Livery has good relationships with all the major paint suppliers – AkzoNobel, Mankiewicz and PPG Aerospace for commercial aircraft and Sherwin Williams for VIP and business aircraft. He says the company is aggressive on pricing, having the advantage of using large quantities, but deliveries are usually made individually for each project. This avoids tying up capital in large amounts of stock but, inevitably, operational requirements can mean that aircraft booked into paint slots may have to remain in service or alternatively be delayed due to maintenance.

The choice of paint system used normally rests with the customer. There has been a gradual adoption of basecoat/clearcoat, which is getting towards 50% of the customer base. Although, Duffen notes, it is the low cost and charter operators that are leading the way, due to being more aware of the weight and time benefits, over more traditional airlines. He adds that, for Air Livery, using this system saves a day in process time, which adds up to more slots over the year. It is also replacing decals for special schemes, as the quick drying (2 hours), compared to high solid content paints (7 hours), means complex designs can be completed in a competitive time and with a better finish. The company is



The Manchester facility is a single bay hangar capable of handling up to a 747-400

neutral on the type of paint used – with the three drivers being: customer specification, OEM approval for first application, and AMS3095 approval for repainting. The use of chromate free primers is also becoming more common.

As touched on earlier, a side-line business for Air Livery is the painting of military aircraft. Chateauroux and Manchester have Airbus Military approval and can be used for the A330 Multi-Role Tanker Transport, while a paint bay at Cambridge is normally used by Marshall Aerospace for Lockheed C-130 Hercules.

The next development stage is likely to take place at Norwich. The airport has teamed up with Wrenbridge, a commercial property specialist, to form a joint venture company tasked with developing a 79,000m<sup>2</sup> site for hangar and office space, to the north east of the main runway. Air Livery will lead the first phase by leasing a new purpose-built facility on a 14,900m<sup>2</sup> site, with five bays each capable of handling a 757-300 or A321. This is

intended to be operational in July 2015 after a nine-month build. In preparation, Air Livery, in cooperation with Norwich City Council, has started an apprenticeship scheme for 12 trainees each year, aimed at producing skilled labour at the right time. Woods explains that recruits to the one-year course will already have basic car painting skills and the training will adapt that knowledge to the particular requirements of the hangar environment.

Although much of the staff in the UK is young, Woods notes in passing that it is becoming more difficult to recruit suitable candidates. The company does not use contract staff and he has always resisted recruiting from outside the UK, but he says the experience with Bratislava has changed his mind. He adds that Chateauroux has well established staff, but retirements are gradually becoming an issue.

One side effect of the move to the new facility will be an inevitable consolidation of the company's workload, but no final decision



The paint shop at Hosur in India is available for Air Livery's 80% owner, Air Works Engineering

has been taken on whether any closures elsewhere will be required.

There are still opportunities for expansion in other regions or areas, concludes Duffen, including Asia and Eastern Europe (for access to the Russian market). The company could increase its portfolio by setting up a new facility itself, or alternatively through acquisition. ■

# ABOVE AND BEYOND



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