

City Rivals

Asian Aerospace decamps to Hong Kong next year, but can it rival Singapore's cachet?

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They don't have sports teams to brag about, but there is no bigger city rivalry in Asia than Singapore versus Hong Kong.

Now they can add air shows to their rivalry.

After years of squabbling with the government over a move to a better location, co-organizers of the 26-year-old Asian Aerospace—Reed Exhibitions and Singapore Technologies Engineering—split up last October.

Reed, which owned rights to the Asian Aerospace name, began searching for a new venue. Last week it announced that the renamed Asian Aerospace International Expo and Congress has landed at the AsiaWorld-Expo complex adjacent to Hong Kong International Airport. The first show will be Sept. 3-6, 2007.

After the split, Singapore's government moved quickly to lock up participation for its 2008 show, now renamed the Changi International Airshow. Making early commitments were Airfoil Technologies International, BAE Systems, Boeing, Eurocopter, Lockheed Martin, Northrop Grum-

two weeks after Asian Aerospace. In addition, the Dubai air show is in November.

China has two national shows, both backed by the Civil Aviation Authority of China and China Aviation Industries (AVIC), the country's government-owned network of manufacturing and design centers. In alternate years to Beijing, there is the Zhuhai exhibition, which offers the most complete look at China's civil and military aircraft. Located across the Pearl River Delta from Hong Kong, Zhuhai was inaugurated for flying displays that Beijing couldn't offer.

Western officials are skeptical that China's powerful industry will suppress its commitment to its own national shows in favor of the Hong Kong exhibition. Many of them view Hong Kong as just another exhibition compelling some sort of attendance out of courtesy to local customers.

Hong Kong and Singapore vie with each other for Asia's premier conferences and conventions. But there is little question that Singapore has a much broader base as an aerospace capital. Singapore's Economic Development Board scours the world looking for aerospace talents and provides economic incentives to encourage them to locate there.

As a result, many of the biggest names in aerospace have services support, manufacturing and repair operations in the Lion City, as Singapore is known (see p. 62). Pratt & Whitney alone has 3,000 employees on the island. A company official expressed a common sentiment when he said it would be unthinkable for Pratt to leave the Singapore show.

HONG KONG IS A TOP finance, shipping and tourism center, but its aviation footprint is limited. It has one of Asia's premier international airports for both passenger and freight services. Cathay Pacific Airways is a consistently profitable and well-regarded international carrier, just as its rival Singapore Airlines is. Dragonair gave Hong Kong a top-drawer regional carrier before most of Asia understood what the term meant. But so did SilkAir in Singapore. Now Hong Kong Express is providing an early test of whether small-jet regional services can find markets in Asia.

Hong Kong Aircraft Engineering Co. vies with Singapore Aircraft Engineering Co. for a worldwide customer base in maintenance, repair and overhaul (MRO) services. Rolls-Royce, Cathay's preferred powerplant provider, runs a ma-



The new Changi East site doesn't increase exhibition space so much as it makes it more efficient. It also makes getting to aircraft displays a walk, not a hike.

man, Raytheon International and Rolls-Royce International. AsiaWorld-Expo Chairman Mike Rowse said Asian Aerospace is in keeping with Hong Kong's position as a "two-way platform for companies wishing to access the mainland of China, and for mainland companies to launch themselves to the international marketplace."

To what extent any of that takes place is a big question, however. Next year's air show calendar includes Paris in June and Aviation Expo/China, a nonflying display in Beijing, just

major overhaul joint venture with Haeco. But Rolls also is in business with SIA Engineering.

Beyond that, Hong Kong has none of the aerospace manufacturing industrial leadership that Singapore has worked to establish, nor does it have a military that provides a natural base for weapon system displays as the Singapore show does. Since China provides Hong Kong's defense and foreign policy, the city would need Beijing's permission to bring in military displays. Perhaps reflecting that, Asian Aerospace's organizers emphasize that theirs is a civil show and conference.

AIR SHOWS IN ASIA are extremely territorial. Nationalist feelings among its manufacturers, which at this stage are relatively small players, are easily bruised. The importance of Singapore's exhibition has never been that it attracts major manufacturing exhibitions from throughout Asia; it doesn't. Asian manufacturers, many government owned, want the spotlight to shine on them in their own national shows. They consider attending exhibits in Europe or the Middle East because they are neutral territory.

Only in one area does the Singapore air show display Asia's aviation business rivalries, and that's in MRO. In that regard, it is a bigger exhibition than even Farnborough and Paris, the industry's premier exhibitions. That's because Asia has such powerful MRO competitors, including Ameco-Beijing, the Lufthansa-Air China joint venture, Haeco and its affiliate in China, Taikoo Aircraft Engineering Co. (Taeco), and Singapore's own SIA Engineering and ST Aerospace. That's not to forget such U.S. independents as Nordam or original equipment manufacturers with repair centers in the region, such as General Electric, Pratt & Whitney and Goodrich.

As they contemplated carrying on with their air show after Reed's pullout, the Singapore government shied away from selecting "Singapore Air Show" as the logical name for their new show, even though that's what it's commonly called. Their concern was that such bold branding with a national identity might offend neighbors that run their own shows, all of which have a lower industry ranking. Such niceties may seem silly to Westerners, but not to Asians. Hence the selection of Changi International Airshow as the official name. For most who attend, it will be the Singapore air show, a fact its government backers happily accept. They get the branding without any offense. ☉