

## Brazilian closes gaps in line-up

### EMBRAER

Light jets will change the mix of products at this ambitious group, reports **Kevin Done**

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Embraer, the Brazilian aerospace group, is making big strides towards joining the front rank of the world's leading private jet makers.

The grant last month of type certification for the Embraer Phenom 100 by Easa, the European aviation safety agency, has paved the way for the introduction of the Brazilian very light jet into European operations for the first time. It will enter use in air taxi operations being offered by start-up Jetbird.

Jetbird is aiming to become a pan-European private jet airline and will be the European launch customer for the Phenom 100. It is aiming to start commercial operations in September initially focused on the German market with its first base at Cologne/Bonn airport. It expects to have 10 aircraft operating by the end of the year.

Embraer is using the experience and expertise it has built up during the past 15 years in developing regional commercial jets to build an imposing presence in business aircraft. It has already overtaken its Canadian rival Bombardier to become the leading maker of regional jets and has developed an ambitious strategy for capturing a significant share of the corporate jet market.

Embraer's first foray into business aircraft was focused on

derivatives of its regional jets with the Legacy 600, a super mid-size jet, and Lineage 1000 in the ultra-large category.

It has raised the stakes with the development of a new family of aircraft at the bottom end of the market, the Phenom 100 VLJ and Phenom 300 light jet.

It is also moving fast to close other gaps in the product offering, however, with the development of a new family of midlight and midsize business jets, the Legacy 450 and 500, which were presented to the market last year and are expected to start entering into service from late 2012.

Despite its determined forays into new market segments – it also announced last month it was launching the development of the KC-390 military transport aircraft backed by a contract with the Brazilian airforce – Embraer, like its rivals, is feeling the impact of the global economic downturn.

It is cutting more than 4,200 jobs or around 20 per cent of its workforce. At the end of January it had a workforce of 21,350.

It has cut its forecast aircraft deliveries for 2009 by 10 per cent to 242 from the previous guidance of 270 given in November. (A year earlier in November 2007 it had forecast production of 315-350 aircraft for 2009). It is also reducing planned capital investment to \$350m from the \$450m forecast in November.

The number of aircraft deliveries is still set to rise this year to 242 from 204 in 2008, but the mix will be very different with Phenom jets, which require much less work than larger business and commercial jets, accounting for around 110 of the deliveries, up from just two late last year.