

**January 2010** – With nearly €37 billion in turnover (2008), 134,000 employees and €2.4 billion in R&D spending, the French aerospace industry is a European leader. As a result of the longstanding presence of Airbus, France boasts a broad network of companies specializing in premium aerospace equipment. International collaboration is strong in the sector (40% of Airbus A-380 components are produced in the United States). CFM International is an excellent example of French-American industrial collaboration on CFM56 engines, which are highly popular among airlines.

The aerospace subcontracting industry, which relies on state-of-the-art technology, generates more than €10 billion in turnover, provides jobs for 80,000 people and encompasses a broad range of specialized equipment manufacturing, including engines (Safran), onboard electronics (Thalès Avionics), radio navigation systems (Safran and Thalès), civil aircraft interiors (C&D Europe, Camel Diam), missile and weapons systems for military aircraft (EADS, Thalès), and landing gear (Messier-Dowty, Hispano-Suiza).

As a result of alliances forged between SMEs in the aerospace subcontracting industry, some companies have recently been joining forces. At the most recent International Paris Air Show in Le Bourget, SMEs such as Meca'Com, AeroTeam, Induxial and Ingéliance held a joint exhibition. This ability to pool expertise is a key factor in France's appeal to foreign investors.

Technologies of the future are of vital importance to aerospace subcontracting. The aviation industry increasingly relies on composite materials, especially polymer materials used to develop new wing technologies for next-generation aircraft. The Japanese company **Toray**, for example, has opened, with its French partner Arkema, a production of carbon fibers in Aquitaine named Soficar, which now has over 200 employees and is subject to expand its business to meet the growing demand from the local actors including Airbus. On October 1, 2009, the aerospace subcontractor **Spirit AeroSystems**, headquartered in the United States, began constructing an assembly plant for composite components in Montoir-de-Bretagne, in the Loire-Atlantique *département* – an investment amounting to several tens of millions of euros.

The sustainable development goals set for the air transport sector under the Act of August 3, 2009 ("Grenelle I"), which specifies the measures to be implemented as a result of the French Environment Round Table Talks ("**Grenelle de l'environnement**"), include reducing fuel consumption by 50% per passenger-km, reducing carbon monoxide emissions by 80%, and halving noise pollution by the year 2020. The new technological challenges generated by these environmental requirements are expected to stimulate research and development.

Innovation clusters provide further advantages and make an important contribution towards aerospace research and development. 94,000 people, including 8,500 in research positions, work in **Aerospace Valley** (Aquitaine and Midi-Pyrénées regions) which is home to a large number of major international companies including EADS, Freescale Semiconductors, Goodrich, Honeywell, Rockwell Collins and Siemens. Companies in the **ASTech Paris Région** cluster (Ile-de-France) employ 100,000 people, accounting for the majority of R&D jobs in the French aerospace industry, and count major players among their number such as Dassault Aviation, Safran and Astrium. 35,000 people, 30% of whom are in research positions, work in the **Pégase** cluster (Provence-Alpes-Côte-d'Azur region), which brings together more than 250 aerospace companies.

"France boasts a network of companies specializing in producing Europe's leading aerospace equipment, thanks to the longstanding presence of Airbus and the recent creation of cooperative organizations (innovation clusters and alliances). This ability to pool expertise is a key factor in France's appeal to foreign investors," observes David Appia, Chairman and CEO of the Invest in France Agency.

**The Invest in France Agency (IFA)** promotes and facilitates international investment in France. The IFA network operates worldwide. The IFA works in partnership with regional development agencies to offer international investors business opportunities and customized services all over France.

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