



SMEs in the Aeronautical supply chain:

Lessons learnt by SCRATCH in FP7 Aeronautics

SCRATCH achieved results in servicing aero SMEs

FP	Year	SCRATCH submitted proposals	SCRATCH accepted proposals	SCRATCH Rate of success	remarks
4	1998	13	7	0,54	Craft
5	99/00	16	7	0,44	CPs
5	2001	8	6	0,75	CPs*
6	2003	12	6	0,5	CPs*
6	2004	20	7	0,35	CPs**
6	2005	19	3	0,16	CPs***
7	2007	17	3	0,17	CPs***
7	2008	17	0	0	CPs***

***SME evaluation panel**

**** SME mixed evaluation panel**

***** No SME evaluation panel**



THE AERO SUPPLY CHAIN

➤ Capacity supplier

the supplier offers a supplement of working capacity to the AC manufacturer (in a speciality area of the AC manufacturer)

➤ Speciality supplier

the supplier offers a technical know-how missing at the AC manufacturer (**global offer** from first design to final manufacturing with share of development cost)

Suppliers offer VS AC Manufacturers in the 80's



CAPACITY

- Aerodynamics (including propulsion integration)
 - Structure (Structures, doors, fuselage nacelles/pylons, stabilisers, windows wings...)
 - Prospective (and pre-projects)
 - Safety
 - Performance
 - Certification
 - Flight tests
 - Manufacturing
 - Integrating
 - Airworthiness
 - Product support
 - Cabin arrangement
- Systems:
 - Air conditioning
 - Auto flight controls
 - Communications
 - Electricity
 - Fire
 - Flight controls
 - Fuel
 - Hydraulics
 - Ice and rain
 - Indicating/recording
 - Landing gears and brakes
 - Lights
 - Navigation
 - Oxygen
 - Pneumatics
 - Water and waste
 - Auxiliary power

SPECIALITY

Equipment

Power Plant

Suppliers offer VS AC Manufacturers in 2008

CAPACITY

- Aerodynamics (including propulsion integration)
 - Structure (Structures, doors, fuselage, nacelles/pylons, stabilisers, windows, wings...)
 - Prospective (and pre-projects)
 - Safety
 - Performance
 - Certification
 - Flight tests
 - Manufacturing
 - Integrating
 - Airworthiness
 - Product support
- Cabin arrangement

Systems Architects

SPECIALITY

- Systems:
 - Air conditioning
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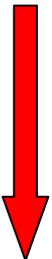
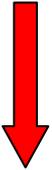
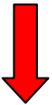
Equipment

Power Plant



The trend for SPECIALITY SMEs versus EU Aeronautical RTD programmes

- **Up to FP5**, SPECIALITY sub-contracting SMEs could apply to 100% of the EU offer
- **In FP6** SPECIALITY sub-contracting SMEs could apply to only 50% of the offer (STREPS)
- **In FP7** the only part open to SPECIALITY sub-contracting SMEs is provided by Level 1, which corresponds to 30% of the EU offer in Aeronautics.





ANALYSIS PERFORMED BY EURO INTER

**On successful SMEs in the 32 CP L1 + L2
in FP7 call 2 Transports Aeronautics**

**Number of SMEs applications :
125 for 37,1 €M (18% of EU funding)**

**but speciality SMEs
amount to 4% of EU funding**

*Euro Inter remark: speciality SMEs have the smallest share
even if in majority in the supply chain*



Few at no support to Speciality RTD in Aeronautics: what is at risk now on ?

- 1- Delocalisation of speciality manufacturing
- 2- Delocalisation of innovative SMEs
- 3- Collapse of the European network between SMEs and Universities