AVIC BUYS LONDON-BASED AIRCRAFT CABIN INTERIOR SUPPLIER

News / Finance



With AIM purchase aviation firm continues program of snapping up niche specialists

Chinese aviation firm AVIC International Holding Corp has completed the acquisition of AIM Altitude, a Britain-based aircraft cabin interior supplier, for an undisclosed amount, from the London based private equity firm TowerBrook.

AIM Altitude, based in Bournemouth in southern England, has three production bases in the United Kingdom and sales presences in the US, Hong Kong and Saudi Arabia, with more than 1,100 employees globally.

Xu Tongyu, vice-president of AVIC International, said AVIC will use its strength to help AIM Altitude expand its product range and grow geographic reach. This includes plans to supply galleys and other interior products to the new Airbus A330 completion center in Tianjin and the new B737 completion center in China.

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.

Negotiations for the deal started a year ago, when AVIC International, in an attempt to strengthen its cabin interior and galley capability, found AIM Altitude, after looking through all potential acquisition targets in this niche sector globally, Xu said.

Mark Edwards, CEO of AIM Altitude, said he is looking forward to the start of a journey where his firm can leverage AVIC's global strength and wide existing customer relationships to expand internationally.

Liu Xiaoming, Chinese ambassador to the UK, added he hopes the deal would further improve AVIC's global competitiveness and broaden AIM Altitude's reach.

He highlighted the UK's long aviation industry history and underlined that China's is fast growing, despite being a newcomer.

Chris Rudd, a professor of mechanical engineering and pro-vice-chancellor at the University of Nottingham, said the acquisition will bring great benefits to both parties.

"The relationship means immediate access for AVIC to a whole generation of experienced design and fabrication engineers," he said.

AIM Altitude's experience on a much wider range of composite applications including aircraft fairings?structures which produce smooth outlines and reduce drag?would help boost AVIC's fast-growing composites division and complement the enormous investments that have been made in its fabrication facilities in Beijing.

"It will also bring welcome investment to AIM's UK operations as well create a secure platform for future business in China's lucrative domestic airline growth," Rudd said.

AVIC has steadily grown its presence globally through both acquisitions and research and development partnerships with Western universities.

The company, for instance, has a research collaboration with the University of Nottingham on composite materials, one with Imperial College London on materials and aircraft design, and another in place with the University of Manchester on graphene technology.

AVIC's overseas buying spree in recent years has seen the firm buy Continental Motors Inc, a US aircraft engine manufacturer, Thilert AG, a German aircraft piston engine manufacturer, Align Aerospace, a US manufacturer of aviation standard parts, and Aritex, a Spanish supplier of automatic aircraft assembly lines.

Howard Yu, a professor in strategic management and innovation at IMD Business School in Switzerland, said the latest acquisition highlights AVIC's strategy well of playing catch up with the world's top commercial aviation firms, through piecemeal acquisitions of small firms with niche specialties.

"The aviation industry is an oligopoly, currently dominated by a few big dominant Western players, which tend to be skeptical of working with Chinese partners through mergers, therefore there isn't an obvious target for AVIC to buy," said Yu.

"What AVIC needs to do is to acquire smaller niche firms and then stitch all the expertise together to give itself more broad set of expertise."

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.

SOURCE: CHINA DAILY
ARTICLE LINK:
https://ut.50skyshades.com/news/finance/avic-buys-london-based-aircraft-cabin-interior-supplier

© 2015-2026 50SKYSHADES.COM — Reproduction, copying, or redistribution for commercial purposes is prohibited.