CZECH CABINET APPROVES INVESTMENT DEAL WITH GE AVIATION

News / Finance, Manufacturer



The Czech government approved a deal with GE Aviation on Wednesday for an investment in a new turboprop engine plant that will cost an estimated 350 million euros ($384.76 million).

"The Czech government today approved cooperation with GE Aviation," Industry Minister Jan Mladek said on Twitter. "Aviation engines will be developed, examined and produced in the Czech Republic."

GE Aviation announced plans in January to build a new turboprop development, test and engine production headquarters in the Czech Republic, creating more than 500 new jobs, but some details remained to be worked out with the Czech government.

The Czech Republic was one of several European locations that GE had been considering for the new plant, which will manufacture GE's advanced turboprop engine powering Textron Aviation Inc.'s new single-engine turboprop aircraft.

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

GE Aviation, the aircraft engine unit of U.S. conglomerate General Electric, will be eligible for investment subsidies.

GE Aviation announced last November it had teamed up with Textron to produce an all-new turboprop aircraft and engine for the general aviation market, part of an effort GE expects will generate more than $1 billion in annual engine sales by 2020.

GE Aviation said its so-called advanced turboprop engine takes aim at a widely used engine by United Technologies unit Pratt & Whitney known as the PT6, which has dominated the market for 50 years, producing 51,000 units.

GE said then it planned to invest up to $1 billion in the project, including $400 million for the new European factory.

A GE spokeswoman had no immediate comment on Wednesday.

Production should start up by 2022 with output seen at 400 engines a year before growing to 600 annually in 2026, CTK news agency reported. At least 500 jobs will be created in the next 10 years.

($1 = 0.9097 euros)

28 JULY 2016

SOURCE: REUTERS
ARTICLE LINK:
https://ut.50skyshades.com/news/finance/czech-cabinet-approves-investment-deal-with-ge-aviation

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