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Private jet firm leaves Seletar for Senai, Johor

But Singapore's aerospace park is still the premier hub, say observers

By KARAMJIT KAUR
AVIATION CORRESPONDENT

AN AVIATION company here is leaving for Johor's Senai Airport, but industry watchers are not too worried about the impact on Singapore's Seletar Aerospace Park.

Executive Jets Asia (EJA), which now operates four private jets available for charter flights and does aircraft maintenance, wants to expand its business, and has found in Senai a larger and cheaper space for its new regional headquarters.

The southern Malaysian state of Johor has long harboured ambitions of growing its aerospace sector, even as Singapore develops its aviation hub in Seletar to ride on the fast-growing Asia-Pacific aviation market, industry watchers say.

Seletar Aerospace Park will be completed by 2018, but not all of the more than 20 companies now operating there have publicly confirmed if they will stay or go.

While EJA's exit may not be the last, some industry watchers are sanguine about the effects on Singapore.

This is because Seletar has so far had bigger pulling power than Senai; it has attracted global big boys like engine makers

Rolls-Royce and Pratt & Whitney to set up shop there.

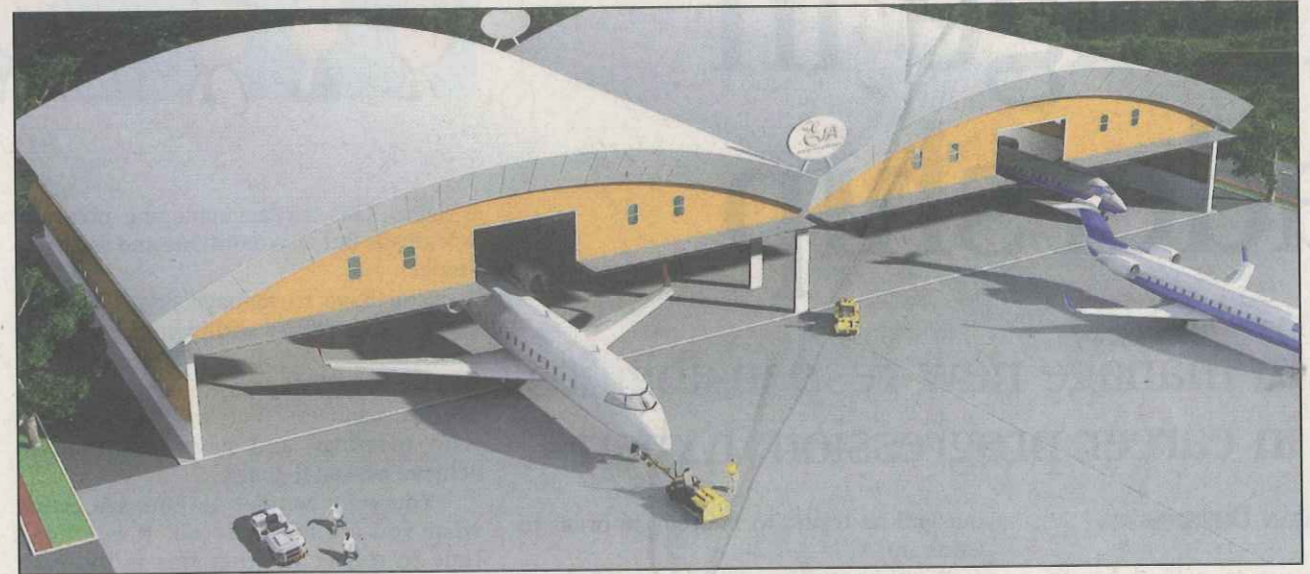
In the diversified aerospace industry, EJA picked the private-jet business, and has become the biggest such operator in Seletar in its six years in the trade; it has about 20 employees and plans to go public in a few years.

Mr Aloysius Tay, the chief executive officer of the Association of Aerospace Industries (Singapore), remarked that the private-jet business, though growing, is not a huge contributor to Singapore's aerospace industry, which is more geared towards commercial aircraft operations.

He added: "Every player is significant, of course, and when a company moves out, it takes with it a slice of the pie. This isn't a good thing, but the reality is that we operate in an international market, and we'll just have to work harder to attract other companies to fill the gap."

But even as EJA leaves, other companies are still picking Seletar. Last week, MAJ Aviation broke ground for its \$8 million facility there; when up in about a year, it will maintain, repair and overhaul light, privately owned planes.

A spokesman for JTC Corporation, which spearheads Seletar's development, said work is "progressing well and interest remains strong".



(Left) An artist's impression of Executive Jets Asia's hangar at Senai Airport, Seletar Aerospace Park (below left) will be completed by 2018, but not all the companies now operating there have confirmed if they will stay or go. PHOTOS: EXECUTIVE JETS ASIA, ST FILE



FACING REALITY

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Mr Aloysius Tay, the chief executive officer of the Association of Aerospace Industries (Singapore)

Meanwhile, EJA is looking forward to operating out of its RM40 million (S\$17 million) digs in Senai: The facility will house an office and storage building and a 6,600 sq m hangar, more than five times the size of its leased hangar in Seletar.

Chief executive Prithpal Singh cited "significantly" lower costs, ample room for expansion and direct runway access as key reasons for EJA's move.

He said: "Our new base and hangar will not only provide us with more space and facilities to maintain our own aircraft but also enable us to expand our business within the region's aviation industry."

The company plans to move into repairing and maintaining all aircraft types, interior refurbishment and repainting, and spare parts and logistics support for private jets; it will keep only a small office and base one jet here.

Chief executive of Senai Airports Terminal Services Mohd Sidik Shaik Osman said private jet owners in Senai now have to service their aircraft in Seletar, so EJA's presence in Senai will enable them to service their jets there, and for less.

Mr Singh believes Senai and Seletar could complement each other: "Seletar is attracting the big global players such as Rolls-Royce and Pratt & Whitney. For smaller players that want to expand, Senai with its lower costs is a better option."

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