



USAIRE NEWS – December 2009

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DEAR FRIENDS AND COLLEAGUES

On November 27 we held our traditional **Thanksgiving Dinner**. We had the honour to welcome **Admiral Edouard Guillaud, Chief of staff at the French Presidency** with his spouse who had accepted to preside over this event. With more than 260 guests, an irresistible festive framework at Cercle Interallié in Paris we were bound to have an outstanding moment together.

Col. Michel McGurk of the US Embassy explained us the origin of this very particular holiday in the United States and the importance of this day for the families and friends. With emotion and multiple personal souvenirs, he made us share the particular Thanksgiving ambiance as felt and lived by American families.

Later in the evening we had the pleasure to celebrate this year's USAIRE Student Award and to welcome numerous very talented Students. This year's award showed an even higher level of participation than in prior years and a never reached level of creativity and quality of the essays we had received.

The evening was concluded by a warm speech delivered by Admiral Guillaud, stressing the necessity to entertain enthusiasm and dynamics with the upcoming generation of future engineers and managers in order to maintain our industries in movement and progress. USAIRE was encouraged to maintain its activities stimulating the US – European understanding in our industries.



The awarded students and the student award partners and organizers around Admiral Edouard Guillaud

RECENT EVENTS

USAIRE Conference by José Abramovici of CALYON on 18 November 2009

Wednesday, 18 November 2009: We had the pleasure to welcome **José Abramovici**, Head of Aviation & Rail Finance Group within CALYON for a Working Breakfast.

Mr. Abramovici is a reputed expert in the field of Aircraft Finance. We were particularly interested in his conference, as the financing aspect is one of the critical elements in the current economic crisis. Mr Abramovici confirmed that in his perception, the current crisis is the most important the Airlines sector and the attached financing institutions have ever experienced. The financing sector has been deeply shaken and its structures have profoundly changed. The risk adversity and the cost of financing have led many classical players to definitively quit. Only a dozen banks (out of more than 30) remain in the genuine airline financing business today and focus on few, low risk or well established “core” airline customers. New banking entrants are expected to slowly take over the role of some of those who have disappeared, in particular “sovereign” banks of China or Middle East.

With regard to recovery perspectives for the industry, Mr. Abramovici believes that the market is today structurally in a much worse situation than e.g. in 2001. In his mind the recovery will be slower than in prior crisis periods and the market should reach an offer/demand balance only by 2013. The delivery quantities by the classical aircraft manufacturers are therefore expected to slow in the coming years.

The difficulty to obtain financing for down payments will weigh on the capacity of airlines to place new orders. The financing business will mainly focus on export credits and remain risk adverse.

This insight into a not very well known facet of the aircraft business was extremely instructive for the participants and we thank again Mr Abramovici for his participation to this working session.

STUDENT AWARD

This year' Student Award was sponsored by the French Minister of Defence Hervé Morin.



The awarded students

The first prize (two return tickets to Hong Kong offered by Cathay Pacific, a Toughbook offered by Panasonic, a EUR 1,000 check offered by USAIRE and one year subscription at Air & Cosmos and Aviation Week & Space Technology) was handed over by Michel Dubarry and Andreas Loewenstein to **Alain-James Palisse**, student at Sciences-Po Paris, currently working as a trainee at the French Embassy in... Beijing!

Our second prize (two return tickets to NYC offered by Air France, a Toughbook offered by Panasonic and the usual contributions from USAIRE and our media partners) was given to **Simon Van Den Bussche**, who is a Belgian engineering student from KU Leuven University.

Antoine Ausseur (Sciences-Po Paris) and **Guillaume Fournier** (Supaero) arrived third and won respectively a 6-month internship at Eurocopter and Airbus. **Vincent Desnos** and **Emmanuel Bignon** (ISAE-Supaero) arrived fourth and won an A380 flight simulation session at the Airbus facility in Toulouse.

Last but not least, a Special Prize was handed over to **Arnaud Bassil**, student at ESTACA, who deserved particular reward for his original and out of the box paper.

All were offered gifts by Panasonic, Air & Cosmos, Aviation Week and USAIRE.

To all, welcome to the USAIRE Academy and special thanks to the Student Award partners, including Thales and CapGemini Consulting. At the end of the ceremony, **Admiral Guillaud**, Personal Chief of Staff of President Sarkozy announced the 2010 Student Award topic:

"New comers, new technologies, new offers: what will the aerospace industry look like by 2025?"

UPCOMING EVENTS

Thursday 14 January, 2010 at 12 noon at **Le Cercle de l'Union Interalliée** (please note that it will not take place at the usual place !!). We will have the privilege to welcome as our guest speaker **Jeffrey P. Bialos**, partner at Sutherland Asbill & Brennan, former deputy Under Secretary of Defense for Industrial Affairs who will be speaking on "*The evolution of the transatlantic defense market and the implications for U.S. national security policy*". What is the degree of access U.S. firms can achieve in European defense and security markets, and to what degree can European firms access the equivalent U.S. markets? What are the effects of the European Union, as distinct from separate European nations, on the defense and security markets at the prime and lower tiers of industry?



Andreas Loewenstein
USAIRE President