

“...AN OPEN ECONOMY WITH SUPPORTIVE CENTRAL AND LOCAL GOVERNMENT.”

Kurt Snyder, Pratt & Whitney

When US\$7.5 billion aerospace engine powerhouse Pratt & Whitney was looking to acquire a network of maintenance hubs around the world it took some time to find suitable businesses. There were plenty in the Northern Hemisphere, but not so many in the Southern Hemisphere. To serve the Asia-Pacific area in particular, they eventually chose a New Zealand operation over others in the region.

Pratt & Whitney, part of the vast US\$37 billion United Technologies Corporation, was looking for aero engineering workshops with global reputations for excellence and innovation. The company found what it needed in Christchurch. Pratt & Whitney established its joint venture, Christchurch Engine Centre, with Air New Zealand Limited in 2001. Engine overhaul work previously done at Pratt & Whitney's facility in Columbus, Georgia was moved to New Zealand.

“Christchurch offers a highly skilled workforce, low business costs, an English-speaking environment in the Asia Pacific region and a good education system,” says Pratt & Whitney's Kurt Snyder. Such is the expertise of the Christchurch Engine Centre that it counts among its clients international companies like global transportation giant Federal Express.

Less than four years after the Pratt & Whitney joint venture was signed, the Christchurch Engine Centre has significantly expanded its operations. In December 2004, it opened a state-of-the-art engine maintenance facility to service the new IAE V2500 engine. Christchurch Engine Centre and Pratt & Whitney are already marketing this facility to airlines around the world, particularly in the Asia Pacific region.

“Jim Robinson, Pratt & Whitney's then Head of After Market Services and the first champion of the Air New Zealand Engineering Services joint venture, told me: ‘The guys in Christchurch have an awful lot to teach us’,” says Investment

New Zealand's Investment Manager Guy Tapley. Tapley says a smaller corporate operation like the Christchurch Engine Centre is able to offer innovation and flexibility as well as tremendous expertise. Pratt & Whitney's Kurt Snyder says another important aspect of the CEC joint venture was doing business in “an open economy with supportive central and local government.”

Investment New Zealand played a coordinating role throughout negotiations. And when the post-September 11 aviation industry slump threatened the joint venture in its early months, both New Zealand central government and Christchurch City council provided financial support and help as intermediaries to facilitate a workable and long-lasting solution.

The V2500 project is unlikely to be the end of United Technologies Corporation's involvement with New Zealand. Based on the positive experience Pratt & Whitney has had in Christchurch, UTC partners are looking at new opportunities for further developments.

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