



City of
Peterborough

To: Members of the Airport Strategic Initiatives Committee
From: Kyle Bruce, Manager, Airport Administration
Meeting Date: September 26, 2024
Report: Farnborough Business Development Mission, Report ASIC24-005

Subject

A report to provide information regarding a business development mission at the Farnborough International Airshow in Farnborough, England.

Recommendation

That the Airport Strategic Initiatives Committee approve the recommendation outlined in Report ASIC24-005, dated September 26, 2024, of the Manager, Airport Administration as follows:

That Report ASIC24-005 and the presentation be received for information.

Executive Summary

- The Peterborough Airport's Business Enablement Team attended the Farnborough International Airshow, resulting in new business leads and industry connections. Key discussions included opportunities with aerospace manufacturers, UAV service providers, eVTOL(Electric Vertical Take-Off and Landing) air taxi developers, Downsview Aerospace Innovation & Research, and the National Research Council of Canada.
- The mission highlighted the Airport's strategic advantages, including infrastructure, proximity to Toronto and Ottawa, proximity to colleges and universities which appeal to companies in Maintenance, Repair, and Overhaul (MRO), research, and training.
- Emerging trends in sustainable aviation, eVTOL, and workforce shortages align with the airport's focus on innovation, offering future opportunities to attract businesses and expand its role as an MRO, testing, and development hub.
- Recommendations in the 2022 Airport Master Plan were validated and reinforced the need for further development of Peterborough's workforce and aviation infrastructure to meet industry demands.

Background

Overview

The Farnborough International Airshow is a globally recognized biennial event held at the Farnborough International Exhibition and Conference Centre. It brings together the

entire aviation and aerospace industry to learn, network, and conduct business. The event hosted over 1,500 exhibitors from 48 countries, filling one million square feet of exhibition space, and attracted 80,000 attendees over four trade visitor days. Deals valued at over £81.5 billion (\$145 billion CAD) were signed during the exhibition.

The show focused on six key themes: space, defense, sustainability, innovation, future flight, and workforce development. It provided valuable industry insights and showcased advancements in technology and emerging trends, aligning with Peterborough Airport's strategic emphasis on innovative and sustainable aviation.

The event ran from July 22 to 26, 2024. It was attended by the Airport's Business Enablement Team: Dustin Gervais, Airport Manager, Loomex; Jamey Coughlin, Director of Business Attraction, Expansion and Retention, Peterborough and Kawartha Economic Development; and Kyle Bruce, Manager of Airport Administration.

Attendance resulted in multiple active leads, a better understanding of the Peterborough Airport's niche. Attending the Farnborough International Airshow in partnership with the Ontario Aviation Council was an effective way to network and connect with industry professionals across Ontario and Canada.

Goals

The Peterborough Airport's Business Enablement Team had the following goals in attending the 2024 Farnborough International Airshow:

1. Business Development: To meet with potential tenants, collaborators and leads.
2. Trend Research: To identify opportunities and challenges that can be leveraged for aviation and aerospace economic development.
3. Customer Discovery: To identify businesses and associated opportunities within various sectors of aviation and aerospace.
4. Strategy: To build on the 2022 Airport Master Plan and further refine the Airport's strategy.

Business Development

Peterborough and Kawartha Economic Development used LinkedIn advertising focused on industry and event-related keywords, with ads geo-targeted to Farnborough and London during the event. Research FDI was hired for lead generation outreach before the show. PKED was also successful in a CanExport funding application to cover costs of lead generation and some of the teams travel expenses.

Leads were not aerospace sub-sector specific but did prioritize interest in North American expansion within 12 to 36 months. Potential collaborations in training, education, innovation, and green aviation were included in the outreach.

The lead generation resulted in 9 pre-booked meetings. In addition, 6 leads were identified at the show itself. Of the 15 leads, 11 can be considered live.

A. Active Discussions:

- Ontario based aerospace parts fabricator, technology and MRO firm
- US aerospace hydraulic component manufacturing seeking a Canadian operation
- UK Unmanned Aerial Vehicles (UAV) service provider
- International Engineering Consulting Firm
- European prefabricated building firm seeking a Canadian operation

B. Requested more information/long term consideration

- UK aerospace parts manufacturer (requires serviced industrial land)

- European gear manufacturer seeking a North American sales and service location

C. Developmental

- Discussions with Electric Vertical Take-Off and Landing (eVTOL) Air Taxi manufacturer about MRO, and pilot training
- Additional collaborations and partnerships with Ontario Colleges
- Canadian aircraft manufacturer exploring new MRO site
- Potential partnerships with National Research Council Canada regarding hydrogen aircraft and supporting infrastructure
- UK based hydrogen powered aircraft research

Key connections were established with Downsview Aerospace Innovation & Research (DAIR), the National Research Council of Canada (NRCC), Centennial College / Environmental and Related Technologies Hub (Earth District).

Staff attended an Ontario Aerospace Council dinner with 150 industry professionals representing 60 businesses and agencies. Speakers included Bombardier's Vice President Pierre Sein Pyun, Ontario's Minister of Economic Development, Job Creation & Trade Vic Fideli, Federal Minister of Innovation, Science and Industry François-Philippe Champagne and the Federal Minister of Transport Pablo Rodriguez.

Additionally, the Manager of Airport Administration, attended a Canadian Aerospace Industry reception at Canada House in London, which was attended by over 200 officials and international business representatives. One other airport and four municipalities from the Ontario and Quebec Aviation Clusters attended the event.

Trends:

- The Aerospace and Aviation industry faces a significant employment gap, from pilots to maintenance technicians. Peterborough's pipeline and area educational institutions were a frequently asked question. Workforce is a significant consideration that can drive relocation decisions and development of new facilities.
- The Aerospace sector and airports are undergoing a massive shift to decrease carbon emissions and improve performance. Battery electric, hybrid, hydrogen and green fuels technologies are maturing quickly.
- Refueling and charging infrastructure requirements at airports will change. Airports have an opportunity to evolve into power generation hubs, potentially supporting electrical demands, and facilitating hydrogen fuel production.
- Air traffic has rebounded from the COVID19 pandemic disruptions. Established aerospace hubs and airports are busy seeing significant passenger and commercial traffic. While a positive sign for the economy, high traffic airports present challenges for Maintenance, Repair and Overhaul, research and development and other airport users.
- In the next decade, air taxi services, using new Electric Vertical and Take Off Aircraft will be integrated into the aviation mix. Both technology and regulations are maturing rapidly. There will be more aircraft, operating more routes and enabling both new hubs and on demand services.
- Unmanned (both automated and remote controlled) aircraft are transforming military, logistics, and environmental monitoring and security. In the UK, a 'drone skyway' has been established to test and develop beyond the line of sight and long-distance delivery of critical medical supplies, including plasma and organs for transplants.

Customer Discovery

Customer discovery involves assessing potential customers' needs, behaviors, and pain points. Real-world insights can inform product development, ensuring that the solution addresses genuine customer needs.

Customer Segment	Problems, Desired Gains or Jobs to be Done	Potential Peterborough Airport Solution
European Unmanned Aerial Vehicle (UAV/Drone) and other aviation and airport technology companies	Canadian location for testing and demonstrating Sell new technology solutions for airports	Package, price and promote the airport as a location to test, demonstrate and market new technology. Pre-approve programs and permits for UAV flights and develop a flight path with Kawartha Lakes or Northumberland Airports.
Electric Vertical Take-Off and Landing (eVTOL) Operators & OEMs	Pilot Training Maintenance Bases Flight Hubs	Offer eVTOL pilot training at existing or new flight schools. YPQ is within range of Billy Bishop Island Airport and Pearson to serve as a maintenance hub. YPQ could be passenger hub for connections to GTA or connections to rail.
OEMs and MRO companies	Existing locations have too much traffic, rising rents and insufficient workforce. Will locate operations closer to training hubs.	Attract, develop or partner to offer aircraft maintenance and repair training programs at YPQ. Offer additional lots for MRO businesses to lease.
Aerospace supply chain companies that don't need airside and want to <u>purchase</u> lots.	Canadian location for business Close to, but not in the GTA	Not a fit for Airport. Additional services or partially serviced employment lands needed.

Strategy

The following summary highlights key strategic elements and considerations.

1. The 2024 Farnborough International Airshow mission reinforced and instilled sector recommendations made in the 2022 Airport Master Plan. Those being the following:
 - MRO and Aerospace Manufacturing
 - Flight Training
 - Emerging Technologies
2. Meeting workforce demands has become a major challenge for MRO companies, particularly in areas with high costs of living. Regions that build strong talent pipelines, with industry partnerships, are more likely to secure future business opportunities. Peterborough Airport has the potential to become a key training hub, supported by educational institutions and industry collaborations.

Developing Peterborough's high school aviation programs, and new post-secondary MRO training at Peterborough Airport, could attract more employers.

3. The emerging eVTOL and air taxi technology and operators may be years away from passenger service in Canada. The Airport should undertake discussions with Billy Bishop Island Airport and airlines to explore how Peterborough Airport can support the industry.
4. There is potential to generate revenue by packaging the airport as a location and platform to support the testing, development and marketing of new aerospace and airport technology. Peterborough Airport is appealing for companies looking to enter the North American market that need a location to showcase, certify and demonstrate.
5. Approaching the Airport as an asset and an enterprise (as opposed to lots and infrastructure) resonated at Farnborough. Future outreach and promotion should involve Airport Management, Operations, and Economic Development.

Strategic Plan

Strategic Pillar: Growth & Economic Development

Strategic Priority: Position the City as a destination of choice for claiming its fair share of innovative business and people in Ontario.

Aligns with the strategic pillar of growth and economic development by positioning the airport's infrastructure for future development. Regional partnerships will create opportunities to establish the City as a leading destination for attracting innovative businesses and talent in Ontario.

Budget and Financial Implications

There are no budget and financial implications associated with this report.

Conclusion

The Farnborough International Airshow provided valuable business development opportunities for Peterborough Airport, leading to multiple active leads and industry connections. The mission reinforced the airport's strategic advantages and alignment with emerging trends in aviation and aerospace. By continuing to position the airport as a business asset and fostering workforce development, Peterborough can attract new employers and partnerships. Future outreach should build on these successes to further enhance the airport's role in innovation and economic growth.

Attachments

Appendix A: Farnborough Business Development Mission

Submitted by,

Kyle Bruce
Manager, Airport Administration

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Recap:

Farnborough Business Development Mission

Report ASIC24-005

Overview

- Globally recognized biennial event at the Farnborough International Exhibition and Conference Centre in Hampshire, England.
- Brings together the entire aviation & aerospace industry to learn, network, and conduct business.
- Key themes:
 - Space, Defense, Sustainability, Innovation, Future Flight, Workforce Development

1500

**Exhibitors from 48
Countries**

80K

**Attendees over four
trade visitor days**

\$145

**Billion in Deals Signed
During the Show**



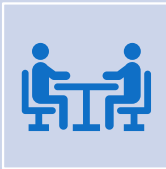
Photo Credit: Farnborough
International

Trip Objectives



Business Development:

Meeting potential tenants, collaborators, and leads



Trend Research:

Identifying opportunities and challenges for economic development



Customer Discovery:

Clarifying ideal customers and solutions



Strategy Development:

Building on the 2022 Airport Master Plan



Business Development Initiatives

PKED's Marketing Approach

- LinkedIn advertising strategy
- Geo-targeted ads
- Research FDI lead generation
- CanExport funding for cost-sharing

Outcomes

- 9 pre-booked meetings
- 6 additional leads identified
- 11 live leads
- Active discussions and potential collaborations



Active Discussions & Leads

Active Leads:

- Ontario-based aerospace parts fabricator, technology, and MRO firm
- US aerospace hydraulic component manufacturer
- UK Unmanned Aerial Vehicles (UAV) service provider
- International Engineering Consulting Firm
- European pre-fabricated building firm

Requested More Info/Long-term Consideration:

- UK aerospace parts manufacturer
- European gear manufacturer

Developmental Leads:

- eVTOL Air Taxi manufacturer
- Additional collaborations with Ontario Colleges
- Canadian aircraft manufacturer
- UK-based hydrogen-powered aircraft research

Networking & Key Events

Ontario Aerospace Council Dinner:

- Attended by 150 professionals from 60 businesses and agencies.
- Key speakers included Bombardier's VP, Ontario's Minister of Economic Development, and federal ministers of Innovation and Transport.
- Offered valuable connections for Peterborough Airport with industry leaders.

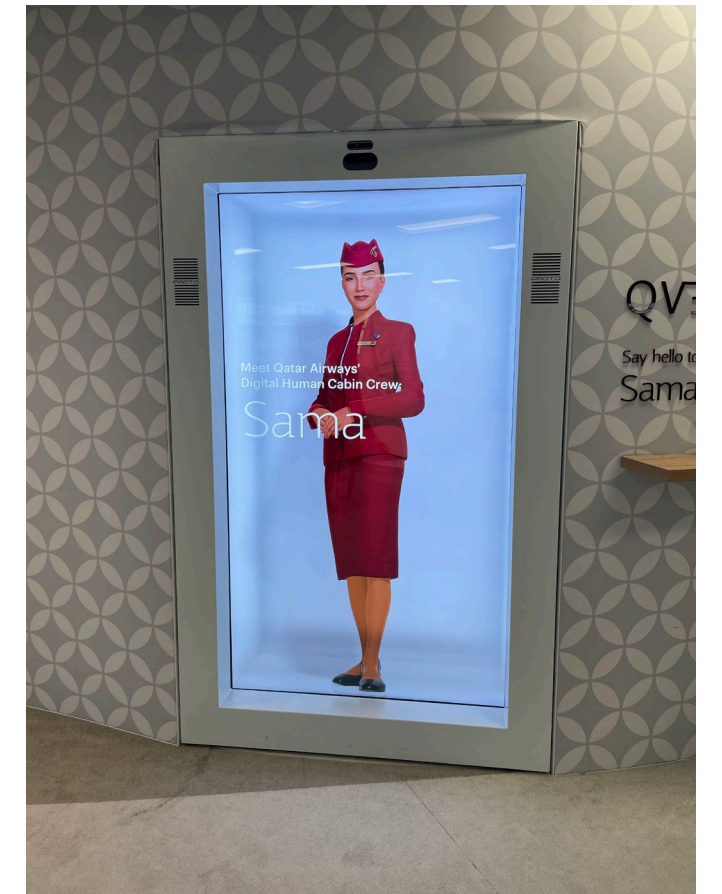
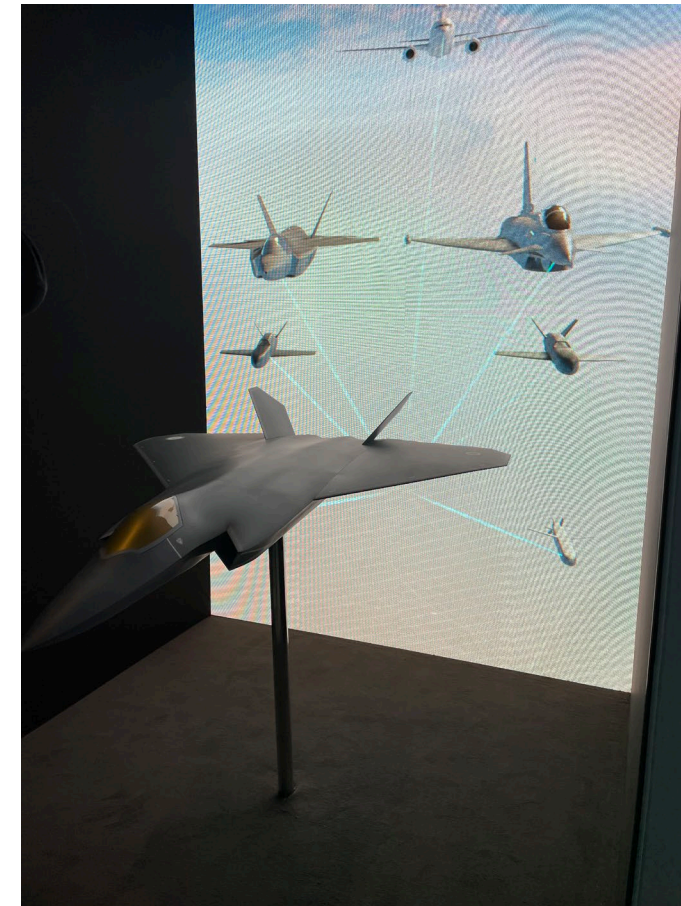
Canadian Aerospace Industry Reception:

- Over 200 officials and international representatives attended at Canada House, London.
- Participants from one other airport and four municipalities in the Ontario-Quebec Aviation Clusters were included.
- Provided strategic networking opportunities for Peterborough Airport.



Key Trends Identified at Farnborough

- **Employment Gap:** Workforce challenges in the aerospace sector
- **Sustainability Shift:** Advancements in green technologies
- **Infrastructure Evolution:** Refueling and charging infrastructure
- **Air Traffic Rebound:** Implications for MRO and R&D
- **Emerging Technologies:** eVTOL and UAV developments



Customer Discovery Insights

- European UAV/Drone & Aviation Tech Companies
- eVTOL Operators & OEMs
- OEMs & MRO Companies
- Supply chain companies



Strategic Implications

- Reinforcement of 2022 Master Plan:
 - Focus on MRO, Flight Training, and Emerging Technologies
- Peterborough Airport's Strengths:
 - Ideal geography and uncontrolled airspace
 - Workforce development as a critical factor
 - Potential to become a training hub
 - Revenue generation opportunities through tech testing and development



Conclusion & Next Steps

Summary of Key Takeaways:

- Strengthened sector strategy
- Enhanced industry connections
- Identification of growth opportunities

Proposed Actions:

- Further discussions with key industry players
- Exploration of partnerships and collaborations
- Continued focus on workforce development and training programs



Thank You!