



# Aerospace and Defenses

**The State of São Paulo has the largest aerospace hub in Latin America, located in the region of São José dos Campos. Among the three largest in the world, Empresa Brasileira de Aeronáutica (Embraer) and other companies operating in the sector develop in São Paulo processes and products for the segments of business and executive aviation, in addition to integrated solutions for defense and security.**

According to the Annual Report of Social Information (Rais) of the Ministry of Labor and Employment (MTE), Brazil has 136 facilities installed for aircraft manufacturing. Out of these, 99 are located in São Paulo (2012).

The characteristics of São Paulo stand out in the Brazilian aviation industry, which is evidenced by the figures from the Brazilian Institute of Geography and Statistics (IBGE). São Paulo accounts for 73% of local units, 95% of employed persons and 96% of the industrial transformation value (ITV) of the national aviation industry (IBGE – 2011). The aviation industry accounts for 7.6% of exports from São Paulo, with the European Union as the primary market, according to the Ministry of Development, Industry and Foreign Trade (MDIC – 2012).



## About Embraer

Operating in more than 80 countries on five continents, Embraer is the world's largest manufacturer of commercial jets with up to 120 seats. In the executive aviation segment, the Company expanded its global market share from 3.3% in 2008 to 15% in 2012.

With the most extensive and modern portfolio in the market, Embraer has delivered more than 650 executive jets to 50 countries, consolidating itself among the greatest powers of this industry.

Consolidating its central position in the domestic industry of defense material, Embraer Defense & Security offers a range of integrated solutions that includes C4I (Command, Control, Communication, Computer and Intelligence Center), advanced technologies in the production

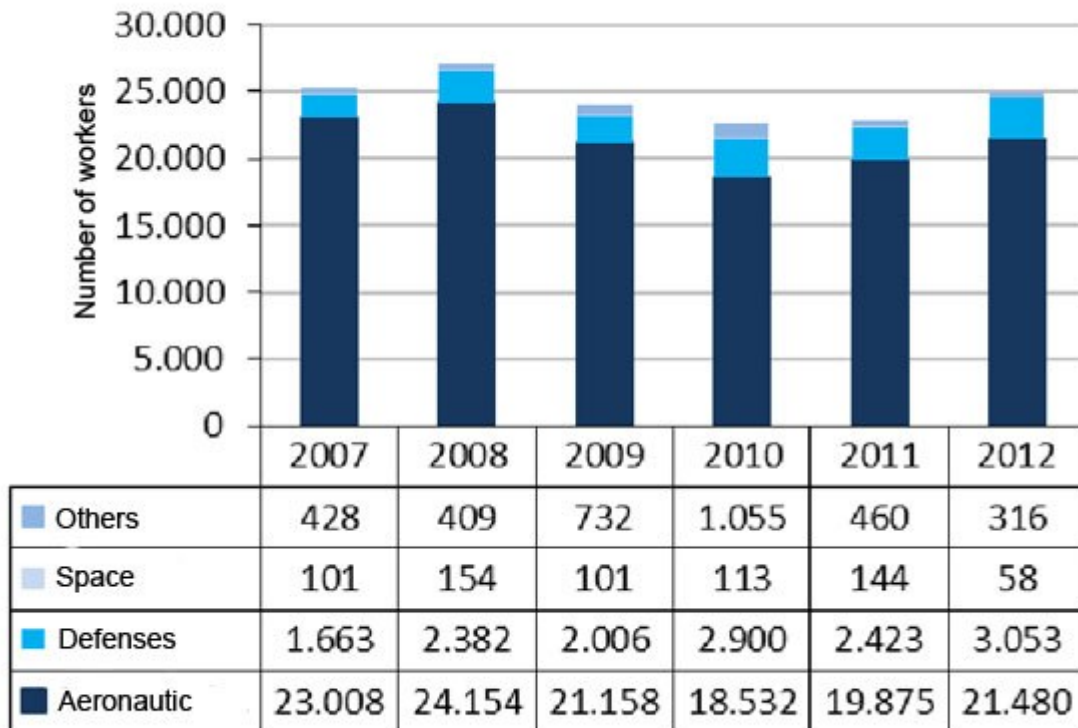
of radars, unmanned aerial vehicles (UAV), advanced information and communication systems, as well as military aircraft.

The company has five industrial plants with engineering, development and manufacturing activities in São José dos Campos (SP), Botucatu (SP) and Gavião Peixoto (SP), and two logistics centers in Taubaté (SP) and Campinas (SP) and a new service center in Sorocaba (SP).

Overseas, the Company has industrial units in the United States, Portugal and China, as well as its own service, maintenance and spare parts centers in São José dos Campos (SP), Fort Lauderdale (Florida – USA), Mesa (Arizona – USA), Nashville (Tennessee – USA), Windsor Locks (Connecticut – USA), China, France and Singapore.

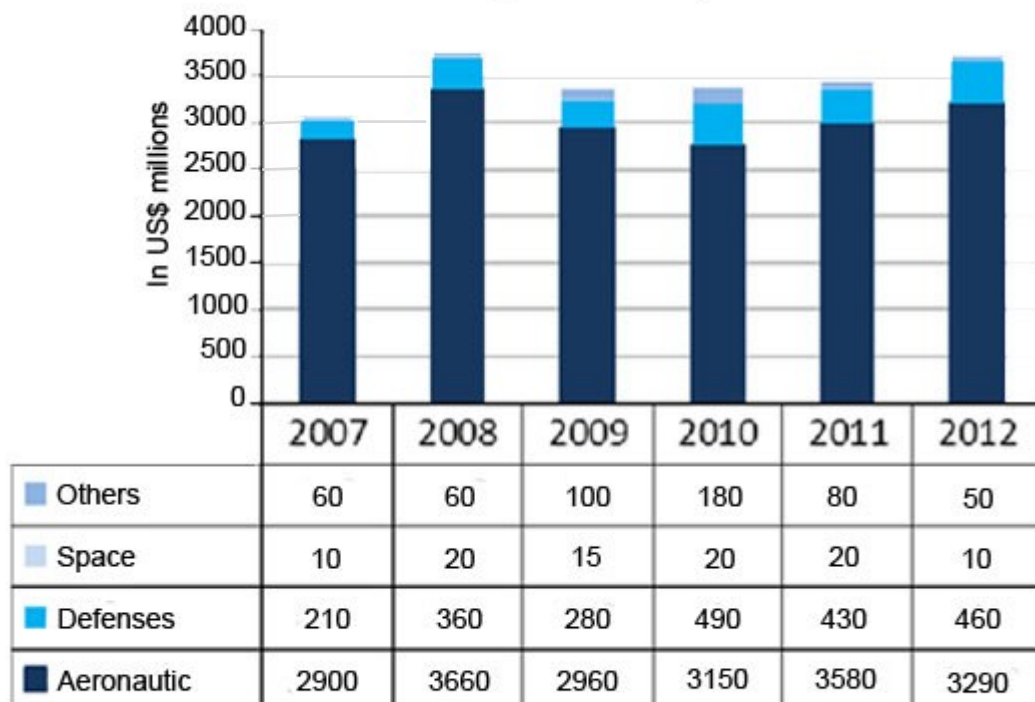
Airship fabrication (in US\$ thousand)										
Variables	Brazil					São Paulo				
	2007	2008	2009	2010	2011	2007	2008	2009	2010	2011
Total of liquid sales' revenue	4,890,207	6,214,496	4,950,601	5,146,882	5,172,108	4,787,566	6,089,617	4,784,027	4,932,585	4,989,202
						97.90%	97.99%	96.64%	95.84%	96.46%
Total of industrial activities' sales revenue	4,873,693	6,194,659	4,913,400	5,121,776	5,143,822	4,787,564	6,089,419	4,771,611	4,927,701	4,988,202
						98.23%	98.30%	97.11%	96.21%	96.98%
Total of non-industrial activities' sales revenue	16,513	19,837	37,202	25,106	28,286	42	198	12,415	4,883	769
						0.26%	1.00%	33.37%	19.45%	2.72%
Costs and expenses	4,950,177	5,923,157	4,863,229	4,786,702	5,343,944	948,908	5,806,668	4,706,594	4,579,379	5,238,851
						97.88%	98.03%	96.78%	95.67%	96.45%
Costs of industrial operations	3,207,516	4,287,527	3,377,852	3,145,495	3,201,270	3,138,956	4,216,131	3,293,985	3,009,939	3,132,010
						97.86%	98.33%	97.52%	95.69%	97.84%
Costs of raw material, auxiliary material and components	3,000,928	4,081,762	3,268,069	2,984,241	3,092,747	2,934,311	4,208,340	3,185,056	2,849,914	3,027,770
						97.78%	98.30%	97.46%	95.50%	97.90%
Gross value of industrial production	4,911,260	6,421,838	4,682,469	5,062,123	5,438,050	4,812,509	6,317,585	4,544,640	4,859,005	5,278,434
						97.99%	98.38%	97.06%	95.99%	97.06%
Industrial transformation value	1,703,743	2,134,311	1,304,618	1,916,628	2,236,781	1,673,553	2,101,453	1,250,654	1,849,066	2,146,424
						98.23%	98.46%	95.86%	96.47%	95.96%

### Jobs on the aerospace industry in Brazil



Source: Brazilian Aerospace Industries' Association

### Revenue of the Brazilian aerospace industry



Source: Brazilian Aerospace Industries' Association

### Local Productive Arrangement

Known as **Brazilian Aerospace Cluster**, the Aerospace Local Productive Arrangement, coordinated by the Department of Economic Development, Science, Technology and Innovation (SDECTI), in partnership with the Center for Competitiveness and Innovation Cone Leste Paulista (Cecomi), promotes the synergy between companies in the Brazilian aerospace industry, as well as their national and international competitiveness.

### Research and Development

#### Technological Institute of Aeronautics (ITA)

Training of higher education professionals in specialties focused on aviation. The institute holds undergraduate, specialization, university extension and postgraduate courses.

#### São José dos Campos Technology Park (PqTec)

Site covering 188 thousand square meters, with 36 thousand square meters of built area, intended for scientific and technological production. It includes technology-based companies, a School of Technology (Fatec) and the future Light Structures Laboratory of IPT.

#### National Institute for Space Research (Inpe)

Agency of the Ministry of Science and Technology, which operates in the fields of atmosphere and space science, space applications, meteorology, engineering and space technology.

#### Light Structures Laboratory (LEL)

Center under Development by the Institute of Technological Research (IPT) intended for the provision of infrastructure aimed at all stages of the production of lightweight composite structures for aircraft applications.

#### Department of Aerospace Science and Technology (CTA)

Sector of the **Brazilian Air Force** that coordinates efforts in the areas of technology, education and aerospace activities.

#### Institute of Aeronautics and Space (IAE)

It develops research and development activities in the aerospace field. With emphasis in the areas of materials, sounding rockets, war systems, aeronautical systems, atmospheric sciences, flight test and aerospace components.

#### Institute of Advanced Studies (IEAv)

It practice studies and research in various areas of pure and applied sciences, such as: high-energy physics, nuclear physics, plasma physics, atomic and molecular physics, optical physics, laser, development of software and digital electronics.

#### Institute of Industrial Promotion and Coordination (IFI)

The institute is responsible for the military and space certification of the aerospace industry, standardization programs, metrology, industrial quality and technology transfer, in addition to being accredited to provide the ISO 9000 certificate to the industries.






#### Flight Test and Research Institute (Ipev)

Execution of flight test activities, staff training and coordination of the crew of CTA in the training and development of administrative support missions.



Investe SP has supported the settlement of the new service center of Embraer, in Sorocaba. In the spotlight, Phenom 100, best-selling business aircraft in Brazil

### Why invest in the Aerospace sector in São Paulo?

-  Presence of production units of Embraer and others companies in the industry.
-  Largest worldwide manufacturer of commercial aircraft with up to 120 seats.
-  It hosts the main suppliers of parts and services in Latin America.
-  It concentrates the Brazilian Aerospace Cluster, with technology-based incubators.
-  It offers modern study and research centers focused on the aerospace industry.

### Contact us

We would like to invite you to learn more about the reasons that make the State of São Paulo the right choice for your business. Investe São Paulo is always ready to serve you promptly, efficiently and free of charge. Check out how this Investment Promotion Agency can assist your project by visiting our website [www.investe.sp.gov.br](http://www.investe.sp.gov.br) or contact us by email: [investesp@investesp.org.br](mailto:investesp@investesp.org.br).

Last update: 12/09/2013