



Investing in India

Fast facts

Company: Kaman UK Limited

Industry: Aerospace

Target Market: India

UKTI Services: Overseas Market
Introduction Service

www.kaman.com



UK Trade & Investment helped Kaman UK to find a Joint Venture partner in India. As a result, two multi-million dollar contracts have already been secured with several others under discussion.

The Kaman Corporation employs over 5000 people, in over 250 locations around the world. In July 2008, the corporation acquired British company Brookhouse Holdings, changing its name in February 2011 to Kaman UK Limited. Since it was founded in 1951, Brookhouse had developed a niche area of expertise in the manufacture of carbon and glass fibre parts for the aerospace and defence industries. The company's expertise covers design and build of composite aerospace structures, composite tooling, and ground support equipment.

Before its acquisition by Kaman, Brookhouse had decided to focus its UK business on increased production of high-end parts, creating more jobs at its facility in the North West of England. Some of the complementary composite products that go into its products would be manufactured by a partner overseas.

Having investigated several countries, India emerged as the best option overall.

"We considered setting up in Malaysia, Singapore, Thailand, China and India," says Richard Thorley, Director of Strategy & Development at Kaman UK. "We found that India offered all the advantages of high level technology expertise, less expensive cost base and a legal system that we are comfortable with in terms of IP protection and general Company Law. India's domestic defence aerospace market is significant, and its commercial market is growing, offering potentially huge opportunities for us. However, setting up and operating overseas is a daunting prospect for even a large business. We felt that having on board a local partner with established facilities would help us to get it right."

Partnering up

In August 2010, Brookhouse commissioned an Overseas Market Introduction Service (OMIS) through the North West team of UK Trade & Investment (UKTI), to help identify a suitable local Joint

Venture partner who could help to get it established in India. The company gave UKTI a tight brief. The OMIS report was to identify businesses who were already engaged in the aerospace and defence sectors, preferably with some involvement in or knowledge of carbon fibre and glass fibre, who would be interested in forming a Joint Venture.

UKTI came back with details of around 12 potential matches, all of whom it had already approached directly on Brookhouse's behalf.

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Richard Thorley, Director of Strategy & Development at Kaman UK

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The company then shortlisted five based on their technical knowledge, and, with the help of UKTI's teams in Mumbai and Bangalore, made plans for Richard to visit them in November 2010.

“All the local businesses that UKTI identified for us were in the right range in terms of their size and quality,” says Richard. “They set up meetings and factory visits for me with the five we felt were most suitable, enabling us to see what they do and how they operate in practice. UKTI's knowledge of the local market was invaluable, making my trip as productive as possible. There's no way I would have been able to set up a large number of visits as quickly or efficiently as UKTI did. Also, since I wasn't familiar with India, it was reassuring to have someone from UKTI on the ground to guide me. They really looked after me while I was there, and even accompanied me to some of the meetings.”

Joint Venture

Following Richard's successful trip, Brookhouse (by then known as Kaman UK Limited) decided to partner with one of the companies identified in the OMIS, Kineco, based in Goa. Detailed negotiations got underway in early 2012, and the two signed an operating agreement in September 2012.

The Joint Venture already has multi-million dollar contracts in place on two major Original Equipment Manufacturers' programmes and continues to bid

on a number of projects in the global commercial and defence aerospace market.

“Our Joint Venture with Kineco is uniquely positioned to bring the benefits of Western ownership, strong corporate governance and sector expertise, along with local business knowledge and an attractive cost base,” says Richard. “It's early days still, but the level of customer interest that we are seeing is already enormous. I would have no hesitation in recommending other UK businesses to use UKTI's services, and we would certainly use them again ourselves. You really only get one chance to break into a new market, and you want to get it right. Having UKTI on board to hold your hand and support you along the way makes all the difference.”

The UK and India

India is the UK's second largest export market in the developing world after China.

India's economy is one of the fastest-growing in the world, with a rapidly expanding consumer class. The UK has strong ties with India, and UK companies are well positioned to take advantage of this growing export and investment market.

Liberalisation of the economy continues, with trade barriers largely removed, and the role of the private sector is gradually increasing, including in areas that have been dominated by the public sector in the past.

For further information about business opportunities in India, please go to www.ukti.gov.uk/india

Helping you access international markets

Doing business in another country can be a challenge, so it's good to know that UK Trade & Investment is there to help you succeed.

Through a range of unique services, including participation at selected trade fairs, overseas missions and providing bespoke market intelligence, UK Trade & Investment can help you crack foreign markets and quickly get to grips with regulations and business practices overseas.

UK Trade & Investment's Overseas Market Introduction Service (OMIS) is a flexible business tool, letting you use the services of our trade teams, located in our embassies, high commissions and consulates across the world, to benefit your business.

A service package could include:

- Market, sector advice
- Analysis of market entry strategies
- Support during overseas visits
- Identification of possible business partners

UKTI was delighted to support Kaman UK Limited in its investment overseas.



To find an advisor in your chosen market and begin your own success story now, scan this code with your smart phone, visit www.ukti.gov.uk/trade or email enquiries@ukti.gsi.gov.uk

UK Trade & Investment is the Government Department that helps UK-based companies succeed in the global economy. We also help overseas companies bring their high-quality investment to the UK's dynamic economy. We provide companies with the tools they require to be competitive on the world stage.