

Runup to MAKS Air Show Littered With Broken Deals

By [The Moscow Times](#)

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The Defense Ministry won't be buying AW139 helicopters from Italian company Agusta Westland.

A legal uproar around the VIP version of Sukhoi's SuperJet 100 and major military aviation contracts, both concluded and collapsed, line the way to Russia's premiere air show MAKS, set to begin on Aug. 27.

On Tuesday, Deputy Defense Minister Yuri Borisov said the ministry had canceled plans to purchase 35 AW139 transport helicopters from British-Italian company AgustaWestland at a cost of up to \$700 million.

The Defense Ministry considers the helicopters too expensive, Itar-Tass reported.

The loss of the contract could prove a major setback for HeliVert, the joint venture between Russian Helicopters and AgustaWestland that launched an assembly plant in the town of Tomilin, just south of Moscow, last year.

HeliVert has so far assembled and launched two AW139s.

Besides attracting potential orders from the military and a number of private buyers, Prime Minister Dmitry Medvedev employs two AW139 helicopters to ferry him to and from his suburban residence and the White House, Vedomosti reported.

HeliVert still has potential buyers and is progressing according to plans, a Russian Helicopters representative said, though the company “continues to count on a shift in attitude” from the defense ministry.

Meanwhile, a VIP edition of the Sukhoi SuperJet 100 passenger aircraft designed specially for state arms export agency Rosoboronexport and being preened for its appearance at the MAKS air show later this month has become embroiled in an intellectual property suit.

American company Aero Management is suing SuperJet manufacturer Sukhoi Civil Aviation in a New York circuit court on charges that exhibiting the VIP SuperJet’s dolled-up interior at MAKS would violate Aero’s copyright, Kommersant reported.

Aero signed a \$6.3 million contract to build the interior last year, but Sukhoi says that the contract was terminated when they discovered that Aero would not complete a replica of the interior in time for MAKS.

Sukhoi had already developed preliminary designs prior to the arrangement with Aero, a company spokesman said, adding that one possible color scheme was exhibited at a British air show in 2012.

Despite the lawsuit, the VIP SuperJet will be shown at MAKS, reportedly bearing a Rosoboronexport logo, although the agency’s \$30 million purchase of the plane is yet to be confirmed.

The mass-market SuperJet 100, currently the only civil aircraft produced in Russia, has had a difficult time in 2013, losing a \$900-million order in March when Indonesian carrier Kartika Airlines went under.

But its fortunes may be changing in Indonesia thanks to Sky Aviation, which received its second SuperJet on Wednesday and has announced plans to expand its flight networks across the island using the Russian planes, Prime reported.

Sukhoi’s military division has also had some good news, signing a major contract last week to build 12 Su-30MK fighter planes for Vietnam.

The fighters will cost Vietnam about \$450 million, a source close to the negotiations said, RIA Novosti reported.

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