

# THE SOGITEC/CAE ALLIANCE

*The cooperation agreement with the Canadian group comforts Sogitec in its technological choices.*

*And the crux is the opening of the civil market to a future Apogée machine called MaxVue™ Medallion.*

Sogitec has for long designed and produced synthetic image generators, and over the years has attained a level of technological expertise that is among the best in the world.

However, until now, Sogitec's market for this product range has been limited to France and associated with the export of French products (Dassault Aviation and Eurocopter essentially). Too limited a market, which explains the importance for Sogitec of "moving up a gear" by a strategic alliance with a major simulator manufacturer.

It very quickly turned out that the Canadian company CAE, the world's leading civil and military aircraft simulator manufacturer (see inset) was ideally complementary.

Indeed, Sogitec has excellent technology in the top-of-the-range military applications, whereas CAE has developed its technology for civil aviation simulators above all.

---

## A BALANCED ALLIANCE

---



The reciprocity of the two companies' skills thus justifies their coming together.

Both partners have a high technological level in image generating systems, whose architectures naturally favor the respective applications of each company, namely military for Sogitec and civil for CAE. This alliance allows Sogitec to increase the number of its military customers while finally penetrating the civilian market.

But do not be mistaken: this alliance is not that of a "medium-sized" and of a "very big" in the simulation area.

The structure is perfectly clear in this respect and the alliance is well balanced: Sogitec and CAE implement their design, production and marketing resources in the area of image generation.

This excludes any agreement concerning simulators.



Labo Photo Rennais

*Apogée medallion  
Virtual in-flight refueling.*

# E: A VISION OF THE FUTUR



Labo Photo Rennais

Whatever the case, the approach is clear: ensure the lowest possible cost price in order to maintain the required level of competitiveness and to achieve the necessary cash flow in the long term. A steering committee has already been set up and has just launched the first productions. And last but certainly not least, any product developed is fully and entirely owned by the two companies, irrespective of the side of the Atlantic on which it was developed. All these aspects demonstrate the determined attitude of the new alliance and favor the rapid achievement of its objectives.

Apogée / medallion *Virtual in-flight refueling.*

On the commercial front, CAE will market Sogitec's image generation machine Apogée under the name Medallion, while continuing provisionally to promote its own MaxVue™ machine for its civil applications.

At the same time, the two companies are undertaking a development plan to supplement the capacities of Apogée and "open" it to the civil market.

Lastly, in three or four years time they will jointly produce a machine for all civil and military markets.

## A REALISTIC AMBITION

The market analysis performed jointly by the two companies identified a top-of-the-range military simulation market in which the alliance intends acquiring a strong position.

Regarding the civil aviation market of which two-thirds should concern new simulators and one third the retrofitting of existing equipment, the two companies anticipate taking a clear majority share thanks to CAE's longstanding presence here.

Apogée / MAXVUE medallion

## THE WILL TO ACHIEVE RAPID SUCCESS



The industrial part of the agreement stipulates that Apogée and its North-American version Medallion shall also be produced in Canada.

Nothing has yet been cast in iron for the future jointly developed machine.

## CAE: PORTRAIT OF A WORLD LEADER

The world's leading designer and manufacturer of simulation systems for civil and military aeronautics, CAE Electronics Ltée belongs to the CAE Inc. group based in Toronto. With an annual turnover of one billion Canadian dollars, the group employs almost 9500 people, of whom 3200 are at CAE Electronics. This branch of the group makes 80% of its turnover on the export market, mostly in the USA, with civil simulators occupying a predominant position (62% of turnover as opposed to 13% in the military sector), thanks to customers like Boeing in particular.