

Company Profile: Bombardier Inc.

Leader in Transport Technology

In the summer of 1982, the New York Metropolitan Transportation Authority announced that it had awarded Bombardier Inc. of Montreal a contract, with an indexed value of one billion Canadian dollars, for the manufacture of 825 subway cars. This order, the largest ever obtained by a Canadian company on the export market, was the fruit of long negotiations during which Bombardier had vied with two major competitors, one French, the other American. The order also marked the entry of Bombardier into the exclusive club of large international firms.

The performance of Bombardier is arresting, especially when it is considered that the company has been involved in the mass transit sector only since 1974.

But its tee-off in that sector had been a master stroke. At the time the City of Montreal was feverishly preparing to welcome the 1976 Summer Olympic Games. It planned to extend its metro (subway) system and, as a result, procure new subway trains. Bombardier picked up the contract after being assured the manufacturing rights under license for the French technology of the rubber-tired subway cars used for the first phase of the city's metro system inaugurated shortly before the opening of Expo '67.

This experience became the pivot of the Bombardier group which, already the world's foremost manufacturer of snowmobiles, henceforth would become also renowned in the public transit sector.

From snowmobile to LRC train

The story of the company began in a small garage shop in Valcourt, a rural community mid-way between Granby and Sherbrooke in the Eastern Townships of Quebec. The founder of the company, J. Armand Bombardier, was an avid inventor. After having cut his inventive teeth on mechanical toys, he decided the time had come to replace the horse and sleigh with automotive snow vehicles that would enable his fellow citizens to escape the long months of winter imprisonment. In 1935, he invented a revolutionary control-wheel model and a type of tracked vehicle which led, two years later, to the assembly-line manufacture of a seven-passenger winter vehicle. Those were the first steps on the path to success. In the years that followed, other models of commercial vehicles, including an industrial tractor, a power-driven circular saw for clearing bushwood, and other vehicles for use in forest and mining exploitation, came off the assembly lines of the Valcourt plant.

Then, in 1959, came the invention of the snowmobile, the celebrated *Ski-Doo*, which rapidly became extremely popular in Canada and the United States, introducing a new winter sport onto the world scene. The word *Ski-Doo* forged its way into common usage long before the neologism "snowmobile" was invented.

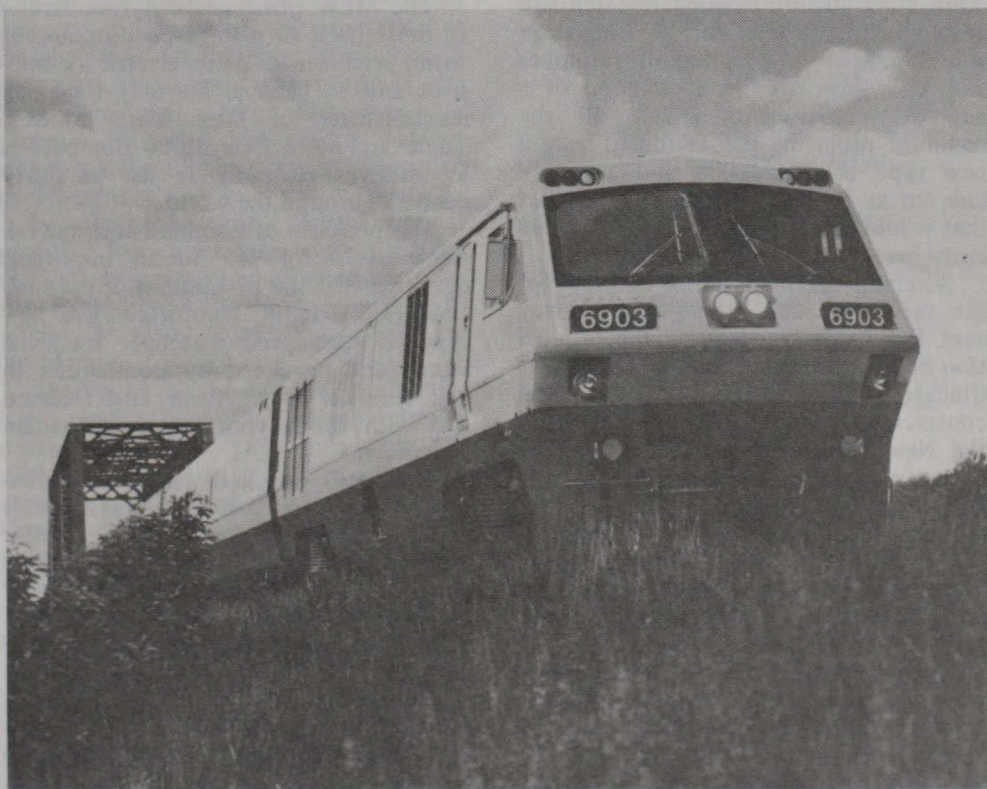
Snowmobile sales doubled every year, and the number of competitors grew. In the early 1970s, the first signs of a declining market appeared. Of the hundred or so snowmobile manufacturers that had sprung up, only six now remained, with Bombardier still in the lead. It was at this time, in order to avoid dependency on a single product and a single market, that the company sought to diversify its production.

The management of Bombardier, which by that time had become a solidly established firm, took a decision that was to orient the company's future. While continuing to ensure Bombardier's world leadership in the manufacture of snowmobiles, it decided to use its assembly lines to introduce the *Can-Am*, an off-road motorcycle that would also make its mark.

The motors used for the snowmobiles and motorcycles were manufactured in Gunskirchen, in Austria, by the Rotax company and Bombardier decided that it would be profitable to buy that firm. But as the Austrian firm also had a plant that manufactured streetcars for the city of Vienna, Bombardier found itself suddenly involved in the public transportation industry. It was the beginning of a new era: the Bombardier group had come into being.

All this happened at the time when the energy crisis was leading public authorities to rethink their public transportation facilities. Bombardier had its new vocation mapped out. The contract for the supply of the Montreal metro cars would give it the opportunity to prove its know-how and adaptability. The company had the human resources and the facilities; all that was lacking was the technology.

Management had the resourcefulness to adopt a method of operation that had proved highly successful in other countries — notably in Japan and Germany. They bought the technology from those who had it and manufactured under



Bombardier Inc., Mass Transit Division, Boucherville, Quebec, Canada will supply 10 additional LRC trains to VIA Rail commencing in early 1984, bringing the VIA fleet to 31 locomotives and 100 coaches.

The LRC train is a cost-effective high-performance train designed for speeds up to 125 mph (200 kmph) for operation on existing North American tracks.