

BRAZIL'S EMBRAER: FROM STATE-OWNED ENTERPRISE
TO GLOBAL LEADER

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EMBRAER: From State-Owned Enterprise to Global Market Leader

Abstract

This case study analyzes the evolution of EMBRAER from its inception as a state-owned producer of military aircraft in 1969, to its privatization in 1994, the development of an extensive line of business jets in the 2000s, and the introduction of the larger 170-to195 family of jets in 2002 to its present day rank as the world's third-largest commercial aircraft producer after Airbus and Boeing. The case focuses on strategic decisions made by EMBRAER to break into the very competitive global commercial aircraft industry dominated by a small number of large players. It explores issues relating to national and corporate competitive advantage, R&D investments, market positioning, and the emergence of new global players from emerging economies that challenge the hitherto supremacy enjoyed by European or North American firms.