



AVIATION AND
AEROSPACE
COMPONENT
MANUFACTURING

LEADING SEKISUI AEROSPACE TO NEW HEIGHTS

BY KELSEY CASSELBURY

Daniele Cagnatel

President and CEO / SEKISUI Aerospace

A longtime aerospace executive, Daniele Cagnatel, president and CEO of SEKISUI Aerospace, played a key role in leading SEKISUI through acquisitions, pandemic challenges, and investments in new technology. Under his leadership, the company has strategically pivoted to emerging not just as a manufacturer but also a leader in those technologies, positioning itself for future growth and innovation.



700+
Employees

Renton,
Washington
HQ

NASDAQ: SKSUF
Stock



DANIELE CAGNATEL'S ROLE AS CEO

of SEKISUI Aerospace is, as he puts it, a “story in two chapters.” After spending his entire career at GKN Aerospace, a tier one aerospace supplier, Cagnatel joined the private equity group Liberty Hall, which had acquired AIM Aerospace in 2016. The group “gave me the opportunity to integrate the newly acquired businesses, develop a new strategy centered around technology

and integration, and hire and develop a team capable of bringing the company to new heights and scale it for growth,” he shared.

In other words, he was just the right person to head AIM Aerospace as Liberty Hall acquired Quatro Composites, a supplier of highly engineered advanced composite structures, components and assemblies to the aerospace industry, as well as medical and industrial market. His goal: Create one company with a strong brand, looking at how their technologies could be leveraged to differentiate themselves in the market.

But the acquisitions weren't complete. Within two years, SEKISUI Chemical Group—a giant Japanese

“Every so many years, a new [aerospace] platform comes to market that generates opportunities for R&D, technology, and eventually supply or new parts.”

DANIELE CAGNATEL
PRESIDENT & CEO / SEKISUI AEROSPACE

manufacturer and designer that wanted to enter the aerospace market—purchased AIM Aerospace, and Cagnatel officially became CEO of SEKISUI Aerospace in November 2019.

Months later, COVID hit.



THE FRUITS OF THE PANDEMIC PIVOT

Before the pandemic, SEKISUI Aerospace was doing 90% of its business as a commercial aerospace company—but it needed to pivot. “We spent time during COVID to invest significantly in the company, thanks to SEKISUI Chemical,” Cagnatel said. “We changed our portfolio and invested in a number of technologies.”

Those included the Unmanned Aerial Vehicle (UAV) market, as well as the emerging Urban Air Mobility (UAM) market, with the electrification of flight. The company also spent a significant amount of time on research, development, and design engineering. This period of transformation was crucial in redefining SEKISUI Aerospace’s market positioning and technological capabilities.

Thanks to this time of investment, SEKISUI Aerospace has strategically positioned itself to meet the evolving

“You can’t have a company culture that is a statement. Culture has to be lived every day and is defined by what leaders do and don’t do, and what leaders tolerate and don’t tolerate.”

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PRESIDENT & CEO / SEKISUI AEROSPACE

needs of the aerospace market, which “needs to change dramatically,” the business executive said in an interview with CEO North America, though he added that it’s not happening now and “probably not going to happen for a while.”

With the rise of urban air mobility and electrification of flight, SEKISUI Aerospace is poised to offer comprehensive solutions. “We step in not just to offer parts, but also design services, consultancy, and manufacturing of components,” Cagnatel said. The company’s ability to adapt and innovate has begun to yield positive results, and now it’s seeing the fruits of their labor.

SHORT- AND LONG-TERM IMPROVEMENT GOALS

Looking ahead, Cagnatel has clear strategies for growth and improvement within SEKISUI Aerospace over the next three to five years. “Our strategy is to follow the product life cycle,” Cagnatel emphasized.

This involves engaging as a technology partner during the design phase and maintaining a presence throughout the product’s life. “Right now, our focus is very much on the new markets of UAVs, UAM, electrification of flight, and some ground vehicles for military systems,” he said.



“Everybody’s got the same level of importance; it doesn’t matter where you sit in the organization.”

DANIELE CAGNATEL
PRESIDENT & CEO
SEKISUI AEROSPACE

In the next 12 to 18 months, Cagnatel identifies two critical areas for improvement: people and technology. “People’s engagement and strong ethical values generate the culture in the company,” he stated, and that culture is half the value of the business. The workforce is changing, with many of the long-term workers leaving and a fresh group coming in—and they’re slightly different than before. You

have to know how to communicate with them, Cagnatel said, and you have to listen to them.

But you truly see the culture of a company when things start to get rough, he added. Does the company and its people remain engaged? Is it inclusive? Is it analytical? Is it value-oriented? If you don’t have that, he said, achieving operational results becomes a massive struggle.

In the past, the organization was centered around the processes and set up to manage those processes within a value stream. Now, SEKISUI Aerospace is reorganizing and retraining its teams to focus on a product, so that teams of employees of all levels are engaged in the culture of delivering and owning the quality of the product.

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“If we can get to that, now you have a culture of people looking after the product, looking after its safety and quality, and that ultimately means looking after the customer,” Cagnatel explained.

There’s also the matter of technological advancements, particularly in digitalization, which is where Cagnatel said the aerospace manufacturing industry has been left behind. “The manufacturing world, especially in aerospace, is very old-fashioned,” he said. “If you look at the organization of a manufacturing unit in Aerospace today, it’s identical to how it was in 1980.”

However, digital technologies “are changing at a phenomenal speed,” Cagnatel said. Although it doesn’t automate or make the way you do business better, it does change it. “There is a huge amount of value to be extracted in connecting the digital world to manufacturing,” Cagnatel noted in the magazine interview, adding that companies that can use the technologies to reshape their businesses are going to be extremely competitive.

WHAT SETS SEKISUI APART

SEKISUI Chemical, as a worldwide group, distinguishes itself through its global capabilities, but Cagnatel sees its aerospace business defining itself in three ways: the people and its cultural alignment, its sustainability focus, and an emphasis on solving technical problems.

SEKISUI AEROSPACE HONORS

- **2018-2023:** Global 100 Most Sustainable Corporations in the World, Corporate Knights
- **2022:** Aerospace Company of the Year, Pacific Northwest Aerospace Alliance
- **2021:** Success Partner, Spirit Aerosystems
- **2020:** Aerospace Company of the Year, Aerospace Futures Alliance
- **2019:** Excellent 10 Award, Economic Development Board for Tacoma-Pierce County



First, business executives see it as their responsibility to look after their people. That means holding them accountable and performing well—but not putting undue pressure and stress on them to achieve financial results.

Second, SEKISUI emphasizes 17 global sustainability targets and

consistently ranks at one of the Global 100 Most Sustainable Corporations in the World—and the company takes that very seriously, Cagnatel said. “That drives a lot of what we want to do, from the technology that we develop to the way we manage our factories to the way we treat our people,” he explained.

SEKISUI AEROSPACE COMPANY VALUES

						
SAFETY FIRST Don't walk by	EXCELLENCE Be the best at what you do	DIGNITY & RESPECT Treat others as you want to be treated	INTEGRITY Do what you say	TRUST Lean on the team	ENGAGEMENT With team members and customers	PASSION Give your best



“Open communication, digital tools, clear intent, and planning has been absolutely fundamental, and cost hopefully is a positive result of that.”

DANIELE CAGNATEL / PRESIDENT & CEO / SEKISUI AEROSPACE

AT A GLANCE

- 30+**
years of aerospace industry experience
- 700+**
employees
- 50+**
moving production lines
- 500,000+**
square feet of manufacturing space
- 300,000+**
parts a year

Three Centers of Excellence:

- Renton, Washington
- Sumner, Washington
- Orange City, Iowa

Finally, and more specifically to SEKISUI Aerospace, is that the company now sees itself not as a manufacturer, but as a place to solve technical problems. Instead of being dependent on a customer that owns all of the technology, such as Boeing, SEKISUI now focuses on being the driver of that technology.

RELATIVELY SMALL, BUT GETTING MIGHTIER

SEKISUI Aerospace partners with around 20 key suppliers that work only with its division, and not with other departments within SEKISUI Chemical Group. According to Cagnatel, they see partnership as more than just the cost aspect—it’s the result, not the driver. “If you drive your supply chain for cost and punish them for cost, what you’re going to get is cost—and that’s short-lived,” he said.

Instead, the business executive sees partnership in terms of reliance, reliability, safety, quality, and strategic

thinking. It’s about putting strategic planning in place where “we could help them, and they can help us.” SEKISUI Aerospace aims to keep a steady capacity planning in its suppliers’ facilities and their own to make sure neither is plagued with shortages “left, right, and center.”

However, he noted that this can be challenging because in the scheme of SEKISUI Chemical, the aerospace division is relatively small. The spend it has with the suppliers—which are also suppliers for other, larger companies such as Boeing and Airbus—is “challenging for us to leverage,” Cagnatel said. “We have to be very present in order to have our voice heard.”

THE FUTURE OF AEROSPACE

There’s no denying that being in the aerospace business is “extremely exciting,” as Cagnatel put it. People need to fly, and the technological challenge of putting electric vehicles in the air is “phenomenal.”

“There’s going to be a great need for new technologies, new materials, new ways of thinking,” he shared. “Aerospace traditionally moves slowly, but there’s going to be an acceleration.”