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A 'new normal' - Covid-19 forces change on business aviation

A new and challenging 'normal' is beginning to emerge for business aviation, as aircraft traffic increases, countries begin to relax travel restrictions and parts of the sector, such as charter operators, see a spike in demand.

All bizav operators are having to adapt their procedures to keep crew and passengers safe from infection. From maintaining social distancing to ensuring the thorough cleaning of aircraft, there are clear rules that will have to be followed and that will increase costs. In addition, flight permits, health declarations, passenger entry restrictions and possible quarantine requirements must all be factored in when planning flights. As an example, some operators are insisting that passengers must pass temperature checks before boarding aircraft and that passenger personal data has to be collected two weeks in advance of travel.

Operators are having to adapt to significant changes in procedures – from a lack of hotels for overnight crew layovers, to changes in the availability of in-flight catering and ground services from FBOs. All operators are now having to invest in new cleaning procedures and in personal protection equipment (PPE) for staff as a matter of course.

Covid-19 strategies for recovery - positivity wins

A webinar jointly organised by Aviation Week and the European Business Aviation Association (EBAA) on 27 May brought together some of the leading European business aviation players to discuss how the sector is faring, when it might recover and what that recovery will look like. Moderated by Aviation Week Editor-in-Chief John Morris, the key message was one of optimism despite the many challenges, which was born out of a recognition of the strategic importance of the sector. This was emphasised throughout the discussion – whether in terms of the well-documented upswing in the use of business aircraft to get clients home before lockdown restrictions were imposed, or the enquiries reported by VistaJet from clients who have never previously considered using business aircraft. EBAA chairman Athar Husain Khan described business aviation as “an enabler, not a perk” in his closing remarks.

The most contested area of discussion was the likely timing of a recovery. Both panellists and remote participants agreed to disagree on the question of how quickly business aviation would return to pre-crisis levels. Their responses were fairly evenly split with 22% opting for six months, 35% for one year, 25% for two years and 18% favouring more than two years. There was broad agreement, however, that the crisis would lead inevitably to consolidation; smaller operators were expected to struggle in a much changed market in which clients would typically favour large and trusted companies that could demonstrate strength, depth and reliability.

UK introduces quarantine rules

At the same time as beginning a gradual easing of domestic lockdown restrictions, the UK government introduced new quarantine rules. From 8 June, almost all arrivals into the UK must register their contact and travel details and then quarantine at a designated address for 14 days after arrival. The announcement of the imminent introduction of the restrictions led to a clear spike in business aircraft movements in advance of the deadline.

Business traffic beginning to claw its way back

Business aviation traffic levels are improving but there is a long way to go to return to pre-crisis levels, according to data analyst WingX Advance, which has been monitoring business aviation traffic throughout the Covid-19 pandemic. The figures are stark. Some 2,800 aircraft were active globally on a daily basis during May – roughly 48% of the normal figure. This compares favourably however with commercial airline traffic which remains 85% down. By 26 May, the rolling daily average had climbed to 7,100 global flights – up 87% from the absolute low benchmark in mid-April. The North American market has witnessed the strongest recovery with traffic at 48% of 2019 levels. In Europe traffic remains at just 40% of the previous year, with Asia, at 47%; Africa, at just 50%; South America, at 66%; and Oceania, holding up at 72%.

The improvement in business aircraft traffic is in stark contrast to that of scheduled airlines, which show aircraft movements at just 15% of normal volumes. The reasons for this uplift have been variously attributed to increased charter demand, the lack of available commercial flights and a reluctance to travel through commercial terminals and on airliners during the pandemic. An analysis of the aircraft used indicates that the most robust sector has been the turboprop and piston fleet, with some growth in small jets. The weakest demand remains for large cabin aircraft.

AVIATION SERVICES HUB: Aviation insurance

Sovereign Insurance Services (SIS) is a fully licensed, independent general insurance intermediary, based in Gibraltar. The strength of the Sovereign brand combined with the expertise and experience of the SIS team has enabled it to build relationships with leading insurers throughout the world. With direct links to specialist underwriters based in London and elsewhere, SIS can provide wide-ranging bespoke insurance cover for owners of fixed-wing aircraft and helicopters. The team further offers market insight, expertise and competitive pricing, together with efficient and professional claims' handling. Specialist aviation insurance covers the full range – from public liability through to hull insurance for new or used airframes. The SIS team will quote on all types of aviation asset – from corporate jets and turboprops, general aviation aircraft and helicopters to FBOs, flying schools or commercial passenger or freight operators. SIS also specialises in areas such as Kidnap & Ransom insurance, which may be of interest to aircraft owners and operators.

Aerion firms up design for AS2

Aerion Corporation announced that its AS2 supersonic business jet was on course to enter service in 2026. The AS2 has changed significantly since the concept was first announced six years ago as a larger redesign of the Aerion SBJ project, which was unveiled in 2007. Aerion has confirmed that the 12-seat trijet aircraft will now feature a delta wing, reworked empennage and a new lengthened engine nacelle. It also confirmed that the aircraft's length has been shortened to 44.17m, with a wingspan of 24.08m. Initially partnered with Airbus on the project, Aerion switched to Lockheed Martin in 2017 and then Boeing in 2019. Reno-headquartered Aerion further announced that it will build a manufacturing facility at Melbourne International Airport in Florida.

One Aviation creditors seek liquidation

One Aviation, producer of the Eclipse 550 business jet and under development Eclipse 700, entered Chapter 11 bankruptcy protection in October 2018. It was then acquired by Citiking International, a US entity backed by Chinese investors, but a court-imposed deadline to exit bankruptcy by 1 December 2019 was not met. A number of unsecured creditors are now seeking to liquidate the company under Chapter 7. The manufacturer failed to deliver any aircraft in 2018 and 2019, and is understood to have debts in the region of \$200 million. A decision is expected this month.

Dassault adapting and on track with Falcon 6X

French manufacturer Dassault Aviation briefly suspended business jet production in March and early April to adapt its processes to cope with health and safety restrictions brought about by the Covid-19 pandemic. It has confirmed that it is now back on track and development of its new Falcon 6X twinjet is on schedule for a first flight early next year. Executive VP Civil Aircraft Carlos Brana said the company's priority was to "emerge from the crisis in a strong position". The Falcon 6X was first announced in 2018 and is expected to enter service in 2022. It will accommodate up to 16 passengers with a range of 10,200km. As first intimated in February, the company also expects to unveil a new 'future Falcon' later this year.

Corporate aircraft news

Gulfstream Aerospace confirmed that its G600 twinjet had received certification from European regulator EASA on 11 May. This move clears the way for deliveries to European customers to begin. FAA approval was received in June 2019. Gulfstream President Mark Burns said: "The Gulfstream G600's technology, high-speed performance, and efficiency will serve the intercontinental European business traveller well. We are excited to get this aircraft in the hands of customers throughout the continent."

The Gulfstream G280 twinjet has added two more city-pair speed records to the more than 70 it currently holds. Earlier this year, a G280 flew from Burlington, Vermont, to London City in the UK in 6hrs 10mins, and from Kahului, Maui, to Phoenix in 4hrs 57mins. The average cruise speed for both trips was Mach 0.83 (1,017kmh).

Brazilian manufacturer Embraer Executive Jets delivered fewer aircraft in Q1 2020 than in the same period last year. A total of nine aircraft were handed over this year – five Phenom 300E, one larger Praetor 500 and three Praetor 500. This compares with 11 aircraft delivered in Q1 2019 – two Phenom 100, six Phenom 300, two Legacy 500 and one Legacy 650.

Pilatus Aircraft, headquartered in Stans, Switzerland, had a record-breaking year in 2019. According to its annual report, the manufacturer delivered 83 PC12NG turboprop singles, along with 40 PC24 'super versatile' twinjets and 11 PC-21 military trainers. The firm acknowledged the likely impact of the Covid-19 crisis, however, stating: "The pandemic has pitched us – and many others – into a period of severe turbulence requiring constant fact-based adjustment of our chosen heading"

A partnership comprising Kestrel Aviation Management, Pierrejean Vision and Camber Aviation Management has agreed to develop a corporate cabin for the Airbus A220 (formerly Bombardier C Series). The proposal features seven cabin zones – three fixed and four variable.



AIRCRAFT FACT FILE \ \

Boeing 737-200



CATEGORY

Heavy jet

MANUFACTURER

Boeing, USA

ENGINE

2 x Pratt & Whitney JT8D-7/-9/-5/-17 turbofans

LENGTH

30.53 m

WINGSPAN

28.00 m

RANGE

4,800 km

MAX. SPEED

876 kmh

SEATING CAPACITY

130 in airline service

NO. OF CREW

2

MAXIMUM TAKE-OFF WEIGHT (MTOW)

58,100 kg

DESCRIPTION

The Boeing 737-200 was in production between 1967 and 1988. By the time of the last delivery a total of 1,114 examples of this short/medium haul airliner had been produced. As the world's airlines replaced their fleets with more efficient models, a small number of 737-200s entered service as corporate/VIP aircraft with entities and governments including the US Air Force, the Indonesian Air Force and the government of Niger. The 737-200 was a stretched version of the original 737-100. United Airlines was the first airline to place the aircraft into service in April 1968, following its certification by the FAA four months earlier.

An updated version, the 737-200 Advanced, entered service with Japan's All Nippon Airways in May 1971. This offered improved aerodynamics, more powerful engines, additional range, and increased fuel capacity. Fewer than 40 737-200s remain in service today, mostly serving in remote areas of Indonesia and Canada - many in freight or combi roles.