



## AIRBORNE

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## 'Deal' or 'no deal' Brexit - bizav urged to be prepared

UK Prime Minister Boris Johnson is flying to Brussels for dinner with EU Commission President Ursula von der Leyen, as this edition of Airborne goes to digital press, in a last ditch attempt to keep the trade deal talks alive even as we hurtle toward the end of the Brexit transition period on 31 December.

And while a whole host of operators, industry lobby groups and service providers have been urging the bizav sector to make preparations for a 'no-deal' scenario – an outcome that Luxaviation UK CEO George Galanopoulos described as “catastrophic for the UK’s aviation industry” – the consensus is that there has been very little real guidance.

The Air Charter Association (ACA) has urged its AOC members to take steps including securing all EASA third-country operator approvals necessary to ensure that they can continue to offer charters to EU member states after 31 December. Similarly, tax specialists have urged owners and operators to ensure that they are familiar with all importation, customs duties and VAT obligations for what will be two customs territories from 1 January 2021.

## New UK quarantine regulations

The UK government announced, on 5 December, that it was exempting a large number of business travellers from the requirement to quarantine for 14 days if they are travelling from a country outside the approved travel corridors. In broad terms, this exemption covers those travelling on business to deliver “significant economic benefit to the UK”, and also includes some performing arts professions and sportsmen. Sector groups have praised this move, which is likely to offer a boost to the beleaguered bizav sector as many of these travellers will be using business aircraft.

## Positive five year pre-owned bizjet forecast

Business aviation has begun to stabilise from the effects of the pandemic, according to the latest industry outlook from aircraft brokerage specialist Jetcraft, which expects to see 10,183 pre-owned transactions worth \$48.8 billion in value over the next five years to 2024. In releasing its ‘5-Year Pre-Owned Business Aviation Market Forecast’, Jetcraft said it predicted that pre-owned transaction volume and value would recover to steady growth during the five-year period, in spite of the challenges this year, reaching 2,271 transactions worth \$11.1 billion annually by 2024. Despite temporarily reduced activity in 2020, the report said, the World Trade Organisation projects trade volume will rebound in 2021. Another key driver in business aviation transactions is the increase in the number of ultra-high net worth individuals (UHNWIs), which is set to grow by 5% per annum until 2024.

## VBACE - a virtual NBAA-BACE

The National Business Aviation Association (NBAA) held its first Virtual Business Aviation Convention & Exhibition (VBACE) on 2 December following the cancellation of this year’s physical NBAA-BACE in Orlando in October. Over 170 exhibitors – including all major OEMs and service providers took part in the event. VBACE hosted a 3D interactive exhibition floor, networking through one-to-one video meetings, displays of services, and a host of keynote speeches and educational sessions which were all designed to mirror the physical event as far as possible.

## Global bizav traffic down 17% YOY

The figures are bleak. In its latest weekly Global Market Tracker, specialist analyst WingX Advance reports that the YoY decline in bizav flights was 17% down on November 2019 – a total of nearly 60,000 flights. Although this compares favourably with the commercial airline sector, which was some 50% down, the headline confirms the stark reality of the impact of the Covid-19 pandemic. The figures, flattened by increased restrictions in Europe were bolstered by seasonal upsurge in North America.

With Europe facing a ‘second wave’ of infections, activity is struggling with some countries seeing noticeable declines compared with November 2019 – the UK was down by 50%, Italy by 36% and Germany by 30%. Bucking the trend were Russia, Greece and Turkey where the number of flights has actually exceeded those of last year. In terms of airports, Paris Le Bourget is notable for having seen a 51% decline in traffic. Charter activity in Europe is at 82% of November 2019 levels.

The overall trend in North America was boosted by traffic levels in the US around the Thanksgiving holiday at the end of November. US traffic was just under 10% down on the same period last year. Canada’s Thanksgiving saw bizav flights recover to 94% of their 2019 levels.

## AVIATION SERVICES HUB: Corporate ownership

Leveraging the Sovereign Group’s wealth of experience in the provision of corporate services, RANA offers ownership solutions that are tailored specifically to aviation assets. We can recommend appropriate jurisdictions and corporate structures to provide asset protection, including tax and succession planning, as well as advising on the requirements and restrictions of particular registries.

The carefully planned use of a company structure – or special purpose vehicle (SPV) – can provide a number of distinct advantages to the owner of private aircraft or other types of aviation asset. Access to corporate limited liability and enhanced levels of confidentiality are the most obvious, but a company structure can also provide significant potential benefits in respect of estate planning, as well as simplifying any future sale of the asset, resulting in savings of time and cost. Sovereign will establish structures in jurisdictions worldwide that are best suited to the owner’s place of residence or domicile and the aircraft’s registration and intended usage.

## Falcon 6X in virtual rollout

In a reflection of the current realities forced on the industry by the Covid pandemic, Dassault Aviation unveiled its new super-midsized Falcon 6X twinjet online. The ceremony, held in the Charles Lindbergh Hall at its plant at Bordeaux-Mérignac on 8 December, was the first of its kind to be broadcast to the world live via Youtube.

During the launch, Dassault Aviation Chairman and CEO Éric Trappier highlighted a key feature of the all new design, a roomy fuselage that underscores the description of the 6X as an “ultra widebody Falcon” – in fact the 6X features the largest cross-section of any purpose-built business aircraft. The aircraft can seat up to 16 passengers in three cabin areas and offers a range of 10,186km (5,500nm). Efficiency of the design is also highlighted through the use of the new Pratt & Whitney PurePower PW812D engines. The aircraft boasts a maximum of mach 0.90 (1,103kmh). The first flights of the Falcon 6X are scheduled for the early part of 2021, with certification and service entry in 2022.

## Event cancellations and relocations

As a result of the ongoing Covid-19 pandemic, organisers of a number of leading events have announced cancellations or relocations from usual venues.

The biennial Paris Air Show, scheduled for 21-27 June 2021, has been cancelled “in light of the uncertainty linked to the current Covid-19 health crisis.” The next event will be held in June 2023.

Having originally rescheduled the MEBAA 2020 show in Dubai from December 2020 to February 2021, the Middle East & North Africa Business Aviation Association has now confirmed its cancellation. The next event will be held in Dubai in December 2022.

Organisers of the Annual General Meeting of the World Economic Forum (WEF) announced in October that it was to be moved to Lucerne-Bürgenstock in May from its usual venue in Davos-Klosters in January. It has now been completely relocated and will be held in Singapore, from 13-16 May 2021, before returning to its usual Swiss home in January 2022.

## Corporate aircraft news

In August, Textron Aviation announced a new upgrade to its hugely popular King Air 350 and 350ER. The manufacturer delivered the first example of the new King Air 360 to a US customer at its Wichita facility on 11 November. The 360 offers new seats, improved cabinetry and a choice of five new interior colour schemes for the redesigned cabin. It also offers new auto throttles and a digital pressurisation system. The 360 received FAA certification in October.

Savannah-based Gulfstream Aerospace has confirmed that it is on track to see its new flagship G700 enter service in 2022. The manufacturer now has five test vehicles in service as it works towards certification – the fifth having recently joined the programme. Colin Miller, Gulfstream SVP Innovation, Engineering and Flight noted that “we’re preparing for certification” as the aircraft has undergone a whole host of pre-certification tests.

The Piaggio P.180 Avanti twin turboprop first flew in 1986. The worldwide fleet of 246 aircraft has now passed the landmark of one million flight hours.

The US Federal Aviation Administration (FAA) has confirmed that it has lifted the grounding order for the Boeing 737 Max family of aircraft, while the European Aviation Safety Agency (EASA) is expected to follow suit next month. The aircraft faced worldwide grounding following two crashes involving 737 Max 8 aircraft of Lion Air and Ethiopian Airlines in October 2018 and March 2019 respectively. The task of getting the fleet of Max aircraft into service is huge – with modifications and flight crew training at its heart. The grounding naturally affected BBJ versions of the 737 Max.

**The team at Sovereign’s aviation division and the worldwide Sovereign Group would like to send seasonal greetings to all readers of Airborne, as well as our best wishes for 2021**



## AIRCRAFT FACT FILE \ \

de Havilland DH.104 Dove



### CATEGORY

Classic airliner/transport

### MANUFACTURER

de Havilland, UK

### ENGINE

2 x de Havilland Gipsy Queen 70.mk3 pistons

### LENGTH

11.96 m

### WINGSPAN

17.37 m

### RANGE

1,420 km

### MAX. SPEED

370 kmh

### SEATING CAPACITY

11

### NO. OF CREW

2

### MAXIMUM TAKE-OFF WEIGHT (MTOW)

4,060 kg

### DESCRIPTION

The de Havilland DH.104 Dove was the first newly designed British commercial airliner to fly after the end of World War II. The Dove was designed for short haul routes and is considered to be a real post-war success story as more than 500 examples were produced between 1945 and 1967. The aircraft saw service worldwide and was developed through a number of variants – including the Devon (pictured) with the British Royal Air Force, the Sea Devon with the Royal Navy and the Dove 2, which was the dedicated executive transport version.

The prototype of the Dove flew for the first time on 25 September 1945 – the 25th anniversary of the de Havilland company. The first example entered service with Central African Airways in December of the following year. The Dove was designed to fulfil a requirement to replace the earlier and ageing de Havilland Dragon Rapide and to compete with other former military aircraft, such as the Douglas DC-3, which were being placed with commercial operators.