

Covid-19 - brisk and brutal changes to bizav

The Covid-19 pandemic has had a massive impact on virtually every aspect of life in almost every part of the world but for the business aviation sector, given the 'hobbling' of both international and domestic travel with wide ranging and severe restrictions that have grounded swathes of aircraft, it has been brutal.

Traffic numbers

According to alarming data published by analyst WingX Advance, European business aviation departures in March fell by 34% against the same period last year, while US traffic fell similarly by 30%. The introduction of wholesale travel restrictions and the closure of borders explains the fall. In its latest Traffic Tracker Europe, the EBAA recorded an overall fall in European bizav traffic of 71% over 2019. As countries and US states begin to ease restrictions, WingX Advance weekly figures have also begun to show some growth up from a trough in the early part of the month as charter operators in particular have begun to respond to demand while commercial airline services remain grounded.

Furloughs, delays, cuts and casualties

As we reported in last month's Airborne, most OEMs have been forced to furlough staff in an effort to reduce costs during the pandemic. Neither have operators been immune. The European subsidiaries of fractional specialist NetJets, NetJets Europe and Executive Jet Management have all reduced their workforces by 25%. It is further understood that the wider group plans to reduce new aircraft deliveries this year – from around 60 to 25. At the same time, US charter operator JetSuite announced that it had grounded its fleet of 12 Phenoms and furloughed most of its crew. A week later, on 28 April, the company announced that it had filed for Chapter 11 bankruptcy protection. Finally, the European Commission has announced a delay to the 7 June deadline for ADS-B equipage. The new deadline of 7 December has won the support of the EBAA in view of the difficulties operators are experiencing during the pandemic.

Responses

Following on from the Luxaviation and VistaJet initiatives we reported last month, London Biggin Hill airport has launched a recovery package to assist operators in resuming business once restrictions are lifted. 'Return to the skies' applies to based or visiting business aircraft and will allow operators to maintain airworthiness and crew training for a set fee. OEM Dassault has provided a Falcon 8X and Falcon 900 to the French Ministry of Defence to supply logistics and medical support for Covid-19 control activities, including the transport of medical teams worldwide. Charter and membership specialist Wheels Up has launched 'Meals Up' with other partners, which aims to provide ten million meals to Americans facing hunger during the pandemic.

Events

Following the cancellation of EBACE and Farnborough already this year, the organisers of Latin America's largest bizav event, LABACE, have announced a delay rather than cancellation to this year's event. Scheduled for 11 to 13 August, it is hoped that the event will be held before the end of the year with the date yet to be confirmed.

The AirVenture fly-in convention, due to be held at Oshkosh, Wisconsin, from 20 to 27 July has been cancelled this year and will roll over to 26 July to 1 August 2021.

Q1 deliveries

Q1 deliveries and delivery estimates have reflected the escalating pain of Covid-19:

Gulfstream – Delivered 23 aircraft (20 large cabin and three midsize bizjets) compared to 34 in Q1 2019. Owing to supply chain issues and travel restrictions, it has cut its projected annual deliveries from 150 to 125 to 130.

Textron Aviation – Delivered 23 Citations and 16 turboprops, compared to 44 of each group in the same period last year.

Bombardier – Delivered 26 bizjets (including six Global 7500s) in Q1, a slight increase from the 24 in Q1 2019. This improvement in performance is directly due to a ramp up in production of the Global 7500.

When travel planning goes wrong...

An abortive attempt by ten UK passengers to reach a villa in the South of France in early April underlined the need to adhere to travel restrictions. The group had travelled on a chartered Embraer Legacy from London to Marseille, where they were due to transfer by waiting helicopters to a rented villa. Although the flight was permitted to land in France, their onward transfer fell foul of restrictions allowing limited circulation close to homes and a ban on non-essential travel. All of the passengers were forced to leave – nine on the Legacy back to the UK and one to Germany on a new charter. The helicopter operator was also fined for breaking restrictions.

AVIATION SERVICES HUB:

Aviation consultancy

Accurate, up-to-date and comprehensive information is a key requirement for making the right decisions in respect of sourcing, owning, registering and operating an aircraft. RANA's specialist aviation consultancy service can draw upon a considerable breadth of knowledge across both the corporate and commercial aviation markets, which is coupled to our established links with authorities, manufacturers, service providers and operators worldwide.

The spectrum of our expertise encompasses: technical and performance specifications of competing aircraft models – from small pistons and turboprops through the whole range of corporate jets to commercial airliners; research and detailed reporting on the operational history of individual airframes and operators both private and commercial; the registration and ownership requirements of registries worldwide; and the most suitable and efficient corporate structures for holding aviation assets.

Corporate aircraft registers - the numbers game again...

Once again we have undertaken our annual review of the aircraft under registry with a number of jurisdictions popular for the hosting of corporate jets and airliners. The data has been compiled by RANA from both official and unofficial sources.

This year, as in 2019, the San Marino Aircraft Registry (SMAR) has continued its impressive growth. It is clear that the SMAR continues to build on a strong reputation for customer service, effective marketing, wide acceptance of crew and technical standards, competitive costing and clear rules and regulations. SMAR's success has seen aircraft being transferred from other competing registries such as Bermuda, Cayman, Malta and the Isle of Man.

Again, the UK Crown Dependencies have offered differing performances. The Isle of Man's registry remains high profile and popular, but has seen a small fall in the both bizjets and airliners under registry. By contrast, 2-REG, the Guernsey registry continues to expand its fleet of bizjets while maintaining its large market share of the registration of commercial airliners between leases. The neighbouring island of Jersey's registry has remained very much in the doldrums as plans to relaunch into an arguably saturated and limited market have once again come and gone.

Malta's registration of bizjets, largely through the vehicle of AOCs established by corporate and charter operators attracted by tax incentives and ease of process, has recorded limited but steady growth. As an aside, the island's commercial airliner register has undergone exponential growth as Ryanair and other European airlines have sought to re-register members of their fleets in Malta.

The table shows the figures as at February 2019/February 2020 (or latest available).

Registry	Corporate Jets	Corporate Airliners
Aruba (P4)	32/29	27/27
Bermuda (VP/VQ-B)	82/77	38/39
Cayman (VP-C)	126/134	42/43
Guernsey (2)	27/35	9/6
Ireland (EI/EJ)	11/12	2/3
Isle of Man (M)	249/234	35/29
Jersey (ZJ)	1/1	0/0
Malta (9H)	141/143	31/32
San Marino (T7)	118/139	20/24

Corporate aircraft news

German manufacturer Dornier confirmed that its prototype New Generation Seastar CD2 twin turboprop amphibian made its first flight on 28 March. The original Seastar was designed in the 1980s but failed to go into production. The Seastar CD2 can seat up to 12 passengers, although a VIP cabin seating up to seven will also be available. It is understood that the manufacturer expects certification by the end of 2020 with service entry in the early part of next year.

On 7 May, Lufthansa Technik took delivery of the first Airbus A350-900 for VIP conversion. The aircraft is the first of three that have been ordered by the German government's Special Air Mission Wing.

As part of its plan to deal with the Covid-19 crisis, Embraer has reached an agreement with the main Brazilian labour unions that will guarantee jobs while allowing the company to introduce furloughs, reduced hours and salary cuts for a period of between 60 and 90 days. The company continues with bizjet production and deliveries from its facilities in the USA.

Savannah-based Gulfstream Aerospace announced on 4 May that it is to lay off staff and close its Las Vegas service centre. This decision came despite an earlier commitment to maintain full production and introduce cost-cutting measures across the business. The firm admitted that these measures had not been sufficient.

Gulfstream has confirmed that it now has three G700 test vehicles in service as part of the testing process. The G700 is expected to enter service in 2022.



AIRCRAFT FACT FILE \\\

Airbus Helicopters H135



CATEGORY

Helicopter

MANUFACTURER

Airbus Helicopters, multi-national

ENGINE

2 x Safran Arrius 2B2 / P&WC PW206B turboshafts

LENGTH

10.20 m

ROTOR DIAMETER

10.20 m

RANGE

635 km

MAX. SPEED

287 kmh

SEATING CAPACITY

7

NO. OF CREW

1

MAXIMUM TAKE-OFF WEIGHT (MTOW)

2,910 kg

DESCRIPTION

Without doubt, the H135 is a bestseller. More than 1,350 examples of this light twin have been sold and are in service with some 300 operators in over 60 countries. Known originally as the Eurocopter EC135, the helicopter made its first flight in February 1994 and entered service two years later. Over the years the H135 has been produced in a number of variants designed to fulfil very different missions. Currently, Airbus offers the ACH135 – a marque specifically designed for the corporate/VIP market. The manufacturer promotes the design's performance, manoeuvrability and comfort as major selling points to customers who are keen to "maximise every minute of their travel time".

According to Airbus Helicopters' publicity: "The H135 is known for its endurance, compact build, low sound levels, reliability, versatility and cost competitiveness. The H135 comes with the lowest operating and maintenance costs in its class. This twin-engine helicopter can perform different missions, and can land almost anywhere."