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LABACE returns as Brazilian bizav traffic grows

The Latin American Business Aviation Conference & Exhibition (LABACE) made a welcome return to São Paulo's Congonhas airport for the first time since 2019. The event resumed to mark its 17th edition from 9 to 11 August, after a two-year absence for the Covid pandemic and against a backdrop of significant growth in business aviation in Brazil.

A good measure of the strength of the market can be seen from the bizav flight data compiled by specialist analyst WINGX. The figures are striking, even allowing for caveats about improved flight tracking coverage due to the expansion of ADS-B networks. In the first eight months of this year, WINGX recorded 38,574 business aviation operations in Brazil, a 38% increase on the 28,040 recorded in the same period in 2021. The year-to-date traffic figures for 2022 were also 174% higher than pre-pandemic levels in 2019.

The first day of this year's LABACE got off to an unexpected start when the site had to be evacuated just five hours into the show as a strong gust of wind caused extensive damage. Winds of 38 knots caused a large section of the roof of the Dassault Aviation chalet to be tossed on to two aircraft – there were no injuries and only surface damage to the displayed machines.

LABACE 2019 took place as Brazil was coming out of its deepest modern recession but, after a two-year gap because of the pandemic, LABACE 2022 posted near record attendances and a host of new exhibitors keen to exploit the recent government decision to permit fractional ownership. "The best ever", was Leonardo Fiuza's verdict, speaking as both chairman of organiser ABAG and president of TAM Aviação Executiva, which sold eight aircraft during the show.

LABACE also reflected a seismic change in Brazilian infrastructure as a host of airports have moved from public to private ownership and new facilities have been opened to cater to bizav. Major OEMs underlined their expectations of the local market with a hefty presence in the static display. Dassault Aviation exhibited both the Falcon 8X and Falcon 2000LXS, while Gulfstream exhibited both the G500 and G650ER.

Airbus Corporate Jets analyses the US bizjet fleet

Analysis of industry data produced by Airbus Corporate Jets (ACJ) has revealed that 14,632 private jets – or 62.5% of the entire global fleet – are registered in the US. The analysis naturally focused on 'heavy or long-range' jets, a sector in which ACJ has a growing suite of aircraft and which represents some 37.5% of the total. Sean McGeough, Head of Airbus Corporate Jets North America, emphasised this point by stating: "With our ACJ TwoTwenty and its compelling proposition of ultimate comfort with superior economics, we are well positioned to capitalise on this growth."

Drilling down into the analysis reveals some interesting data. In addition to the 'heavy or long-range' category, 20.5% of the entire global fleet are listed as 'midsize', 36.5% as 'light jets' and just 5.5% as 'very light jets'. McGeough said: "Because of the huge size of the US and its importance on the global stage, over one-third of private jets registered in the country are categorised as heavy or ultra-long range, which is where we focus. We expect to see strong demand from owners of private jets looking to upgrade to newer models, and we are seeing more potential first-time buyers of larger private jets."

European bizav traffic seeing a late summer slowdown slowing

In the latest tranche of traffic data produced by Hamburg-based analyst WINGX, it is clear that European business aviation is echoing the downward trend already evident in North America. The month of August saw European bizav traffic fall by 6% over 2021 levels. While this remains 18% ahead of pre-pandemic August 2019, the trend is downward as the peak holiday season comes to an end.

It would appear that strong traffic levels at the beginning of September 2021 are not being replicated this year. Traffic levels in Germany, Switzerland and France were all down by more than 10% over the same period last year. Some of the continent's busiest airports, including Farnborough, Nice, Geneva and Paris Le Bourget, showed notable declines in September traffic although Biggin Hill, Luton, Istanbul and Milan Linate bucked that trend.

WINGX MD Richard Koe said: "Europe is seeing a steeper drop in the last few weeks, especially in central Europe. The current gain compared to 2019 is around 15% and we would expect that to ebb downwards towards parity during the rest of the year as various headwinds start to limit demand for business jets."

AVIATION SERVICES HUB:

Aviation finance

The new and used corporate aircraft market continues to function despite Russia's invasion of Ukraine and the continuing impact of the Covid pandemic. There has been a huge growth in demand in some sectors and geographical areas, and buyers continue to seek finance for these transactions. RANA has built up relationships with a number of banks, finance houses, leasing companies and groups of individual investors that have demonstrated an appetite for investment in the corporate aviation sector.

Lenders will look at a number of different factors and each has its own criteria for acceptance, in addition to loan to value ratios and the length of term of any potential deal. These criteria may include: the maximum age of the aircraft; whether it is new or pre-owned; the book value of the aircraft; the jurisdiction of the aircraft's registration; the proposed operational plan for the aircraft or the type and nationality of the client. Any such financing is of course viewed on a strictly case-by-case basis with tailored terms and conditions.

Contrasting fortunes for registries as new Channel Island DCA appointed

The UK Channel Islands have been without a Director of Civil Aviation (DCA), covering both Guernsey and Jersey, since November 2020 when the last incumbent was dismissed for "gross incompetence". This has now been rectified. John Nicholas, who has previously held several senior positions in the UK CAA, has been appointed to the role for an initial period of six months. This can be extended to three years if the governments of both islands agree. Nicholas will take up his post in mid-September.

The appointment comes at a time of uncertainty for the Jersey Aircraft Registry (JAR), which is currently under review. Jersey announced its decision to set up its own registry in 2012 after negotiations with Guernsey to establish a joint Channel Islands register failed amid some acrimony. First launched in 2015 (and relaunched in 2020), JAR currently contains just one active aircraft – a Cessna CitationJet CJ4.

By contrast, the Guernsey-based Channel Islands Aircraft Register, which opened in 2014 and is marketed as '2-REG', has registered some 831 aircraft all told. While its corporate jet register continues to grow, it has found a ready niche and specialises in registering commercial airliners that are dormant between leases. It has focused on the volume of transactions – currently running around 30 per month – rather than the number of aircraft on the register at any one time.

French minister backs bizjet curbs

France's Transport Minister Clément Beaune called for the introduction of restrictions on the use of corporate jets. In an interview with French daily newspaper Le Parisien, he said: "We have to act to regulate flights on private jets. There can't be a means of individual comfort at a time when the President's campaign [to reduce the carbon footprint] requires everyone to make an effort." The minister promised to raise the issue at the next meeting of EU Transport Ministers, which is scheduled for October. It is understood that he will be pushing for a number of measures, including a ban on flights on route pairings that are well served by rail or scheduled airlines and introducing higher taxes for bizjet flights.

Pre-owned sales fall as inventory shrinks

The number of pre-owned business jets available for sale has fallen from 1,008 in August 2021 to 673 in August 2022, according to US market analyst Jefferies. And with fewer aircraft available, sales of pre-owned aircraft have necessarily dropped by a third over the same period. Jefferies said the available inventory now represents just 2.7% of the total bizjet fleet, covering all ages and categories of jet aircraft. As expected, younger aircraft are the first to be sold, so the proportion of older aircraft on the market is also growing. Overall list prices have also increased by 20% over a year ago.

Corporate aircraft news

This month marks a very significant landmark for engine manufacturer Honeywell Aerospace. It is the fiftieth anniversary of the introduction of its first purpose-built turboprop bizjet engine – the TFE731. Since its introduction in 1972, more than 13,000 examples of the engine have been produced, of which 9,400 remain in service. Together, these engines have amassed some 108 million flying hours. While other contemporary competing engines owed their lineage to powerplants for military aircraft, the TFE731 was purpose built by Garrett AiResearch – which was later merged with Honeywell – to provide a reliable engine that could offer the growing bizjet market with sufficient range to fly transcontinental in the US. TFE731 engines continue to power Dassault Falcon 900, Gulfstream G150 and Bombardier Learjet models, among others.

Fractional specialist NetJets was forced to pause new light jet sector sales during the summer of 2021 due to massive over demand. Following new aircraft deliveries and increased crew numbers, the company has now launched a lease programme for companies and individuals covering 25 hours of annual flying time. For a 36-month commitment, the programme guarantees access to lease a NetJets' light jet with 24 hours notice. The operator expects to take delivery of more than 80 new aircraft this year to help meet overall demand as the industry emerges from the pandemic.



AIRCRAFT FACT FILE \ \

Van's RV-9A



CATEGORY

Light single piston

MANUFACTURER

Van's Aircraft, USA

ENGINE

1 x Lycoming O-320 piston

LENGTH

6.22 m

WINGSPAN

8.50 m

RANGE

1,140 km

MAX. SPEED

317 kmh

SEATING CAPACITY

2

NO. OF CREW

1

MAXIMUM TAKE-OFF WEIGHT (MTOW)

794 kg

DESCRIPTION

The Van's RV-9 is the first 'homebuilt / kit' aircraft that we have featured in the Aircraft Fact Files section of Airborne. Based in Aurora, Oregon, manufacturer Van's Aircraft offers aircraft in kit form. The RV-9 design made its first flight in December 1997 and was introduced to the market three years later. More than 1,200 kits have since been produced. The RV-9 features a tail wheel, while the RV-9A, pictured here, offers a nosewheel.

Designed by Richard VanGrunsven (hence the 'RV' designation) the RV-9 and 9A shared similar characteristics to five earlier models – each were single seat, light handling aircraft with notable STOL (short take-off and landing) capabilities. The RV-9 features a two-seat cabin and is designed as a longer-range touring aircraft, eschewing the aerobatic capabilities found in earlier models. One of the key selling points of the two-seat RV-9A is the ease of construction from kit form. It features pre-drilled rivet holes that greatly reduce the time required to assemble the aircraft.