

The monthly newsletter of RegisterAnAircraft.com – the Aviation Division of The Sovereign Group

VistaJet deal makes history

VistaJet, the Austrian block charter corporate jet operator, announced on 27 November that it had agreed a \$7.8 billion deal with Canadian manufacturer Bombardier – the largest single transaction in the history of corporate aviation.

The deal involves 56 Global aircraft of various marques with options for a further 86. Deliveries of the new aircraft will begin in early 2014 and run through to the end of 2017. The company intends to use the aircraft to expand operations in markets, including Russia and China, where it has seen huge substantial growth in demand.

Thomas Flohr, VistaJet's chairman and founder, said: "This order is the most significant milestone for VistaJet and is a testimony to our successful strategy that focuses on global coverage. Our customers need to fly point-to-point across the globe, and in many instances at short notice."

Specifically the order comprises: 25 Global 5000, with options on a further 40; 25 Global 6000, again with options for a further 40; and a further six Global 8000 with options for a further six.



EU 'stops the clock' on ETS

We have reported at length on the opposition by governments around the world to the European Union's Emission Trading Scheme (EU ETS), which many regard as a unilaterally imposed carbon tax on aircraft. We are therefore delighted to report that the EU has backed down after both houses of the US Congress passed legislation prohibiting US-registered aircraft from participating in the scheme.

In what it characterised as a 'gesture of goodwill', the European Commission (EC) confirmed that it has now 'stopped the clock' on the scheme – for a period of one year – for flights that originate or terminate outside the EU. The EC hopes the International Civil Aviation Organisation (ICAO) can agree an alternative global scheme at its Assembly meeting in late 2013. Unfortunately the scheme will remain in place for intra-EU flights.

San Marino Register launches

We reported back in the October edition of Airborne that San Marino, the Italian enclave that is the world's smallest and oldest republic, was to promote its aircraft registry to corporate aircraft owners. The registry's official state opening took place on 7 November and will be launched to the industry at Middle East Business Aviation show (MEBA) in Dubai.

The government of the tiny micro-state has signed an agreement with US-based Aviation Registry Group (ARG) to run and promote the registry on its behalf. It will target owners in developing markets such as China and Russia and will aim to compete on price with jurisdictions such as the Isle of Man. The registry will only accept private aircraft and will not permit Italian-based craft.

RANA SERVICE CENTRE:

Corporate Ownership

The carefully planned use of a corporate structure – or a special purpose vehicle (SPV) – can offer distinct advantages to the owner of private aircraft or other types of aviation asset. Significant potential benefits include enhanced levels of confidentiality, access to corporate limited liability, cost mitigation and the simplification and ease of future sales.

The Sovereign Group has a wealth of corporate services experience and can establish structures in jurisdictions worldwide, taking close account of the aircraft's country of registration and the owner's place of residence. RANA can recommend appropriate jurisdictions and corporate structures according to the requirements and restrictions of particular registries and can tailor such structures for asset protection, including tax and succession planning.



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Airshow China 2012

The biennial Airshow China was held at Zhuhai from 13 to 18 November. Although not specifically geared to the corporate market, this year's event featured a number of significant announcements and initiatives of interest to the sector.

Perhaps the most eye-catching headline was the unveiling of a new home grown corporate jet programme by **Aviation Industry Corporation of China (AVIC)**. The company displayed a scale model of a design – known as the 'China New Generation Business Jet' (CNGBJ) – on its stand at the show. The company claims it will be "a high-end large business jet with long range, a large cabin and high cruise speed." AVIC goes on to note that the aircraft will feature full 'fly by wire' technology, new powerplant and innovation in cabin design.

Cessna announced with much fanfare that it is setting up a joint venture with **China Aviation Industry General Aircraft (CAIGA)** to undertake final assembly and marketing of Citation XLS+ aircraft in China from a manufacturing plant in Zhuhai. The Chinese plant will also deal with interior completion and delivery to Chinese customers.

In another significant announcement, **Airbus Corporate Jets** confirmed the first sale of an ACJ319 with sharklet winglets to a Chinese client.

Corporate Aircraft News

After receiving Federal Aviation Administration (FAA) and Israeli certification at the end of August, **Gulfstream** confirmed that it had delivered the first G280 to a US customer on 14 November. Delivery of the first of the flagship G650 is also said to be imminent.

In another significant programme landmark **Bombardier** announced that it recently delivered the 200th Challenger 605 super mid-size jet. The first 605 was introduced in early 2006 as a development of the 604.

Embraer's new mid-size Legacy 500 made its first flight on 27 November. The aircraft flew for one hour and 45 minutes from the manufacturer's plant at São José dos Campos in the state of São Paulo. Embraer test pilot Mozart Louzada said the maiden flight was "a success, precisely according to plan. In fact, it was flawless." The aircraft, the first mid-size jet to feature full 'fly by wire' technology, is expected to have received certification and commenced deliveries by the end of 2013.

AIRCRAFT FACT FILE:

Piaggio Aero P180 Avanti II



CATEGORY:

Turboprop

MANUFACTURER:

Piaggio Aero, Italy

ENGINES:

2x P&W C PT6A-66 turboprops

LENGTH:

14.41 m

WINGSPAN:

14.03 m

RANGE:

2,795 km

MAX. SPEED:

737 kmh

SEATING CAPACITY:

Up to 9

NO. OF CREW:

1 or 2

MAXIMUM TAKE-OFF WEIGHT (MTOW):

5,239 kg

DESCRIPTION:

The P180 Avanti II has a unique appearance and other factors which set it apart from the competition. The aircraft is the world's fastest corporate turboprop aircraft. According to the manufacturer it offers the cabin of a mid-size jet with the speed of a light jet. In addition Piaggio claims that the aircraft is 40% more fuel efficient than competing jet aircraft in the same category. The aircraft is nicknamed 'The Catfish' owing to its fixed forward wing and twin engines in 'push' configuration.

The first prototype of the original P180 Avanti flew in 1986 with FAA and Italian certification granted in 1990. The Avanti II was certified by US authorities in November 2005 and offers updated engines, improved avionics and a small increase in maximum speed.

The team at RegisterAnAircraft.com and The Sovereign Group would like to send all 'Airborne' readers Season's Greetings and our best wishes for 2013