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## Corporate aircraft registers - the numbers game

The San Marino Aircraft Registry (SMAR) continues to grow and add aircraft at an ever-increasing rate. Strong customer service, effective marketing, clear rules and regulations, acceptance of crew and technical standards and attractive costs are all factors fuelling this expansion.

SMAR's success is the most significant trend identified in Airborne's analysis of the numbers of corporate jets and airliners registered across a number of aircraft registries. The data, compiled by RANA from official and unofficial sources, shows that San Marino has attracted a number of re-registrations away from the Isle of Man and other traditional 'offshore' registries, as well as 'onshore' jurisdictions including Germany and Austria.

The Guernsey-based 2-REG registry continues to show steady growth, while also maintaining its market lead in the re-registration of commercial airliners between leases, but the Jersey registry (JAR) is just not taking off. Malta, powered by the registration of aircraft on AOCs by corporate and charter operators attracted by a favourable tax regime and ease of process, continues to expand.

The table shows the figures as at February 2018/February 2019 (or latest available). N.B. 'Corporate Airliners incl. Legacy 600/650, Challenger 850.

Registry	Corporate Jets	Corporate Airliners
Aruba (P4)	27/32	25/27
Bermuda (VP/VQ-B)	93/82	42/38
Cayman (VP-C)	124/126	40/42
Guernsey (2)	18/27	7/9
Ireland (EI/EJ)	12/11	1/2
Isle of Man (M)	273/249	34/35
Jersey (ZJ)	1/1	0/0
Malta (9H)	131/141	19/21
San Marino (T7)	84/118	18/20

## VistaJet snaps up JetSmarter

Vista Global, the Dubai-based aviation group launched last September by VistaJet founder and CEO Thomas Flohr to spearhead consolidation in the business aviation market, has acquired JetSmarter, the Florida-based digital booking service for seats and charter flights. The purchase, for an undisclosed sum, fulfils Vista Global's strategy to create a "global On Demand digital marketplace". Flohr said: "Today's acquisition is an important milestone for Vista Global – accelerating and executing our vision of digitising the entire private aviation offering. Customers today want speed, reliability and value, which in today's world is only possible with technology. Vista Global's reach and infrastructure will take JetSmarter to the global stage to fully realise its potential. JetSmarter's technology will digitalise Vista Global's market-leading customer offering to Programme Members and On Demand customers."

## ADS-B Out compliance

Flight tracking service FlightAware is now producing a monthly ADS-B Out compliance report in advance of the looming FAA deadline of 1 January 2020. According to its data, a total of 68% of US registered turbine aircraft (11,455 airframes) were compliant with the new requirement. The report breaks down detailed figures for aircraft models, which reflect comparatively low levels in older designs – 31% for Gulfstream III, 38% for Learjet 31 and 47% for Falcon 20.

## Bizjet market outlook is 'sluggish'

The bizjet market received a downbeat assessment from JETNET IQ, the aviation market research and strategy forecast specialist. Speaking at an NBAA conference in Fort Myers, Florida, managing director Rolland Vincent said: "We expect orders to soften this year...Market optimism is also coming off its peak in mid-2018." Vincent blamed lower oil prices, the Brexit "fiasco", higher interest rates and the lessening impact of US tax reforms as direct inhibitors of growth. He went on to add that owners are retaining aircraft for longer periods, moving away from a five-year replacement cycle. Average fleet age is therefore increasing 'dramatically'. He also noted that a sizeable number of older aircraft will be retired due to the looming FAA deadline for ADS-B Out on 1 January 2020.

## European bizjet traffic slowing

Overall business aviation movements rose in March by just 0.7% YOY, according to the latest data produced by Hamburg-based analyst WINGX Advance, but this increase masked a decline in business jet traffic. For Q1, traffic rose by 0.6% over the same period in 2018. Spain saw the largest Q1 growth, with traffic increasing by some 9%, but this was due solely to gains in turboprop and piston aircraft. In terms of bizjet traffic, large jet flights increased by 2% while activity for small and midsize jets fell by 2%.

## AVIATION SERVICES HUB:

Ownership structures

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 for asset protection, tax and succession planning, as well as advising on the requirements and restrictions of particular registries.

The correct use of a company structure – or special purpose vehicle (SPV) – can offer 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 inheritance tax and succession planning, as well as simplifying any future sale of the asset, resulting in savings of time and cost. Sovereign can establish structures in jurisdictions worldwide that are best suited to the owner's place of residence, domicile, the aircraft's registration and intended usage.

## The Saudi market faces continuing challenges

The Saudi International Airshow – the first such event in the Kingdom – took place at Thumamah Airport near Riyadh from 12-14 March. Designed to further Saudi ambitions to gain a greater share in the Middle East aviation market as it seeks to diversify the economy away from oil, the show took place in the shadow of the Khashoggi affair and in the wake of much-publicised crackdown on corruption.

Commentators suggest that the Saudi corporate jet fleet will continue to reflect very slow recovery after its marked contraction over the last three years. OEMs have reported interest in the raft of new models coming to market and their strong presence as exhibitors would tend to reflect that confidence and wider growth in the Middle East-based fleet.

There are approximately 155 aircraft were in the Saudi fleet in 2017, with an average age of 15.5 years. The fleet reached a peak of around 170 aircraft in 2015, before dipping in 2016 and 2017. A number of Saudi aircraft were grounded as part of the anti-corruption purge.

## Aircraft Interiors Middle East

Aircraft Interiors Middle East (AIME) returned to Dubai World Trade Centre on 11-12th February 2019 for its tenth edition. The event provides an ideal platform for suppliers and solution providers to meet with representatives of airlines, corporate jet owners, operators and their supply chain. Attendees included KLM and Air France, in addition to those from Etihad, Emirates and Oman Air.

With Emirates and other GCC airlines leading the way in terms of investment in innovations for passenger comfort, they represent a key driver for industry growth is aircraft orders. Exhibitors at AIME showcased their products and services with an array of aircraft interior features, ranging from lighting and seating to textiles. Other products showcased included flooring and galley equipment from both returning companies and those who exhibited for the first time in 2019. (Credit – Paul Arnold, RANA, Middle East).

## Corporate aircraft news

Embraer completed flight tests as part of the certification programme for the Praetor 600 model on 11 March. The super midsize twin Praetor 600, and smaller Praetor 500 were announced at the NBAA in October 2018. The 600 is based on the Legacy 500 and features new winglets, additional fuel capacity as well as a more powerful Honeywell powerplant. The 600 is scheduled to receive certification and begin customer deliveries by the end of H1 this year. The 500, an upgrade of the Legacy 450, is due to enter service by the end of the year.

In a further landmark for the Brazilian manufacturer, Embraer announced the delivery of the 500th Phenom 300 on 25 March. The aircraft was handed over at the company's facility in Melbourne, Florida. The Phenom 300 entered service ten years ago.

The worldwide grounding of Boeing's 737 MAX commercial airliner following two fatal accidents – the first in Indonesia last October and a second in Ethiopia last month – has not directly impacted the BBJ MAX 8 programme. The first aircraft to enter service is currently undergoing lengthy cabin outfitting after delivery.

French manufacturer Daher unveiled the Model Year 2019 version of its TBM 910 single-engine very fast turboprop aircraft at Florida's SUN 'n FUN International Fly-in and Expo. The latest definition features Garmin G1000NXi avionics, an automatic icing detection system, new seats and additional cabin connectivity and power ports.

Bombardier's flagship Global 7500 set a new US transcontinental speed record on 17 March – covering the 3,994km from Van Nuys, California, to Teterboro, New Jersey, in three hours and 54 minutes. The aircraft cruised at Mach 0.925 (1,133km) for two hours.

Only 12 days later, Gulfstream's G650ER set a new record for the longest business jet flight in history as it flew from Singapore to Tucson, Arizona, in 15 hours and 23 minutes. The aircraft covered the 15,518km (8,379nm) at an average speed of 961kmh.



## AIRCRAFT FACT FILE \ \

### Gulfstream G280



#### CATEGORY

Super midsize jet

#### MANUFACTURER

Gulfstream Aerospace, USA

#### ENGINE

2 x Honeywell HTF7250G turbofans

#### LENGTH

20.30 m

#### WINGSPAN

19.20 m

#### RANGE

6,667 km

#### MAX. SPEED

1,029 kmh

#### SEATING CAPACITY

10

#### NO. OF CREW

2

#### MAXIMUM TAKE-OFF WEIGHT (MTOW)

17,960 kg

#### DESCRIPTION

The super midsize twin G280 is a direct competitor to the Bombardier Challenger 350, Embraer Legacy 500 and Cessna Citation X+. The G280 was designed as a 'clean sheet' replacement for the popular G200 (formerly known as the Astra), which was in production from 1999 through to 2011. The G280 was originally known as the G250 but this name was changed in 2011 because of the negative connotations of '250' in the Mandarin language. China is one of the target markets for the aircraft.

The project was originally announced in 2008 with production carried out in Israel under licence by Israel Aircraft Industries. The aircraft made its first flight in December 2009 and received full certification from both Israel and the US FAA on 4 September 2012. In comparison to its forerunner G200, the G280 is essentially a new design featuring a new wing, an extended cabin with four additional windows and a T-tail. The aircraft is powered by the Honeywell HTF7250G offering reduced emissions and lower noise levels.