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Events, dear boy, events - global Covid-19 challenges

The late Harold Macmillan, when asked what was the most difficult thing about the job of being the Prime Minister, reportedly answered: "Events, my dear boy, events". The fact that he may not actually have uttered these exact words really doesn't matter. It would have been impossible to predict, even three months ago, that within just a few weeks a global pandemic would bring the world's biggest economies to a standstill and force governments to introduce draconian measures to restrict people's freedom of movement and association. Never before have events seemed quite so dramatic and fast moving.

As this is written, the current Prime Minister Boris Johnson lies in intensive care, along with many others worldwide. Airborne has to focus on the challenges to the business aviation sector and with the situation changing from minute to minute, what is included can only be a matter of record.

British business aviation

Marc Bailey, CEO of the British Business and General Aviation Association (BBGA), said on 27 March: "I would suggest that in a couple of weeks we will be in full grounded mode across the sector and I don't see that changing." Bailey added that bizav operators will be hard-pressed by servicing debt and cash flow issues and that many, like the commercial airlines will not survive. Like other industries, bizav operators will have to offer staff unpaid leave, a period of furlough or lay-off.

Bizav flying

In stark terms, bizav flying plunged worldwide during March. According to data produced by WINGX Advance, activity in Europe fell by 34% and in the US by 30%. As travel restrictions became blanket by the end of the month, the decline accelerated with falls in excess of 50% YOY. The figures for April are expected to be far worse.

Events...

Because of Covid-19 the corporate aviation event schedule has fallen apart as events are either postponed or cancelled. The European Business Aviation Convention & Exhibition (EBACE) and the popular Isle of Man Aviation Conference will next be held in 2021, while the Farnborough International Airshow will not returning until 2022.

VistaJet's global offering

In the midst of the global Covid-19 pandemic there are many examples of what the BBC has described as "solidarity and generosity". Thomas Flohr, founder and chairman of bizav group Vista Global has provided another. He has offered Vista's worldwide fleet of 115 aircraft to governments and medical organisations to help repatriate stranded citizens, transport medical supplies and personnel during the crisis while regular cargo capacity is at full stretch. Flohr added: "It's not only the aircraft, it's really the global infrastructure and the expertise and technology to make sure that in these difficult times the permits and the logistics are under control." The company emphasised that it had put all necessary safety and security measures in place for both the aircraft and crews operating the flights.

VistaJet's first Global 7500 (appropriately registered in Malta as 9H-VIS) left Montréal-Trudeau International Airport on 25 March for delivery to Malta. The aircraft, the first of up to six joining the VistaJet fleet will, according to company publicity, "unlock the world with the largest and longest range business jet."

Sala report focusses on illegal charter market

The UK Air Accidents Investigation Branch (AIB) published its much-anticipated report into the crash of the Piper PA-46 Malibu, which took the lives of footballer Emiliano Sala and pilot David Ibbotson. The significant headline of the report is that the flight was operated illegally on a commercial basis. "Neither the pilot nor aircraft had the required licences or permissions to operate commercially," it found. It also found that the flight should have been operated under FAA Part 135 because it was a charter flight for which the pilot was to be paid a fee. This would have required David Ibbotson to have a Commercial Pilot Licence (CPL), which he did not have.

Following publication of the report the European Business Aviation Association (EBAA), the British Business and General Aviation Association (BBGA) and the Air Charter Association (ACA) stepped up their calls for governments to take the issue of illegal charters more seriously. In a joint statement they said: "EBAA, BBGA and The ACA will intensify their efforts to fight against the issue of illegal charter flights. This practice threatens passenger safety and gives legitimate providers a bad name, while undermining their financial viability...The focus needs to shift to establishing clarity on what defines a private operation and a commercial operation. Compounding the concern is a lack of clarity on the definition of an illegal charter, but also on who has what responsibility when operating or booking flights."

AVIATION SERVICES HUB:

Aircraft registration

It may be a cliché, but there is no 'one-size-fits-all' aircraft registry. A number of new registries have been launched over the last few years and more are in the pipeline. Many existing registries have also made changes to their offering. Each is seeking to attract owners and operators of corporate aircraft – a comparatively small but highly lucrative market – with what they consider to be a unique selling point.

The reasons for registering an aircraft outside the owner's home jurisdiction are many and various, and it should always be remembered that what might be an appropriate register for one client may not be suitable for another. All credible registries must be able to offer outstanding service, cost efficiency, flexibility in terms of acceptance of aircraft and crew standards, as well as providing security, confidentiality and political neutrality. Some may also offer potential tax savings and the benefits of asset protection and limitation of liability through corporate ownership.

US registration under the spotlight

The US Government Accountability Office (GAO) was asked by House US National Security sub-Committee to carry out a review of aircraft registration by the Federal Aviation Administration (FAA). Its recommendations could fundamentally change the way that aircraft are registered and the data required before a registration can be completed.

Headlined the “FAA needs to better prevent, detect and respond to fraud and abuse risks in aircraft registration”, the report focuses on the need to address risks from abuse of the current system. It provides a number of detailed case studies highlighting the links to what it describes as “illegal activity”. The GAO looked at aircraft registration data from 2010 to 2018.

The key finding is that the FAA “generally relies on self-certification of registrants’ eligibility and does not verify key information”. It goes on to take aim at non-citizen owner trusts, among others, when it adds: “The registry is further vulnerable to fraud and abuse when applicants register aircraft using opaque ownership structures that afford limited transparency into who is the actual beneficial owner.” The main recommendation of the report is: “The Administrator of FAA should collect and record information on individual registrants, initially including name, address, date of birth, and driver’s license or pilot’s licence, or both ... The Administrator of FAA should collect and record information on legal entities not traded publicly – on each individual and entity that owns more than 25% of the aircraft; for individuals: name, date of birth, physical address, and driver’s licence or pilot’s licence, or both; and for entities: name, physical address, state of residence, and taxpayer identification number.”

Luxaviation’s helping hand

In an effort to assist smaller operators and assist the wider bizav sector during the Covid-19 pandemic, Luxaviation – Europe’s largest business aviation group – has set up the European Business Aviation Solidarity Initiative (EBASI). EBASI will place the firm’s financial, procurement and administrative resources at the disposal of other sector operators for an initial period of three months. Luxaviation Group CEO Patrick Hansen said: “As a major player in business aviation, we take our responsibility towards our clients, partners and the wider industry very seriously ... The initiative allows (smaller operators) to focus their limited resources on keeping their clients and assets safe, which is paramount to keeping the industry as healthy as possible.” Hansen also called on the European Business Aviation Association (EBAA) to join the initiative by helping to set up a “guarantee fund” to assist operators in difficulty.

Corporate aircraft news

Bombardier announced on 24 March that it will temporarily suspend aircraft production along with other work (including rail work) at most of its plants in Canada as a result of measures implemented by the governments of Ontario and Quebec to slow the spread of Covid-19. It is understood that the suspension will last initially until 26 April. A substantial number of employees in both Canada and its service centre in Wichita will be furloughed during the suspension.

In similar vein, Textron Aviation announced that it will furlough the majority of its US employees for four weeks, with the furloughs being staggered over a 10-week period from 23 March to 29 May. In a statement, the company added: “This decision will allow us to do our part in mitigating and containing the spread of the Covid-19 through social distancing, while continuing to support our customers.”

Tamarack Aerospace Group has received approval for its reorganisation plan and will now be able to emerge from bankruptcy protection after filing on 7 June last year. The Idaho-based manufacturer of ‘Atlas’ active winglets for CitationJet Models CJ1, CJ2 and CJ3, was the subject of emergency airworthiness directives issued by the FAA and EASA that effectively grounded aircraft equipped with the winglets.

On 27 March, Embraer confirmed that it has received certification for a number of enhancements to its Phenom 300E from Brazilian, US and European regulators. The upgrade package includes new PW535E1 turbofans offering both an increase in speed and enhanced range. The aircraft is now also equipped with 4G connectivity and enhanced avionics along with a new Bossa Nova interior.



AIRCRAFT FACT FILE \ \

Sikorsky S-92A



CATEGORY

Helicopter

MANUFACTURER

Sikorsky Aircraft, USA

ENGINE

2 x General Electric CT7-8A turboshafts

LENGTH

20.88 m

ROTOR DIAMETER

17.17 m

RANGE

998 km

MAX. SPEED

306 kmh

SEATING CAPACITY

19

NO. OF CREW

2

MAXIMUM TAKE-OFF WEIGHT (MTOW)

12,568 kg

DESCRIPTION

The Sikorsky S-92A has been described as “a beast of a helicopter” – with good reason. The large and distinctive S-92A has found favour with commercial and military operators worldwide and has also found a ready market as a head of state transport with a number of governments. Most notably, in 2014, Sikorsky was awarded the contract by the US Navy for the S-92 to replace the fleet of ‘Marine One’ presidential transports. The VH-92A is scheduled to enter service in 2021.

After a number of delays, the S-92 programme was officially launched at the Paris Air Show in 1995, with the aircraft making its first flight in December 1998. The S-92 received FAA certification in 2002 and EASA approval followed two years later. The S-92A is the standard commercial variant and is available in a number of different versions – as a high-end passenger transport and as a utility craft that is well-suited to offshore oil drilling mission support, featuring a whole host of safety features.