

AIRBORNE

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Positive OEM Q2 deliveries - but issues remain

The Q2 delivery and order numbers are in and several of the big five OEMs have flagged up workforce and supply chain issues.

Gulfstream Aerospace delivered 22 aircraft in Q2 (17 large cabin and five mid-size G280), which is one fewer than in the same period last year. The Savannah-based manufacturer cited an FAA airworthiness directive that limited crosswind operations with the G500 and G600 as causing several customers to defer deliveries until a software fix is authorised.

Dassault, which reports half yearly rather than quarterly, delivered 14 Falcon bizjets in H1 – up from just six in the same period 2021. The French manufacturer reported buoyant business but noted ongoing supply chain issues created by the pandemic, as well as difficulties caused by the invasion of Ukraine, which resulted in a significant number of cancellations from Russian buyers.

Brazilian manufacturer Embraer delivered 21 bizjets in Q2 (two Phenom 100, ten Phenom 300, five Praetor 500 and four Praetor 600), an increase of just one unit over Q1 2021. For H1 however, deliveries are running at 29, compared to 33 in 2021.

Textron Aviation delivered 48 Cessna Citations in Q2, up from 44 in Q2 2021. In an investor call, the Wichita-based manufacturer cautioned that ongoing supply issues could delay some scheduled deliveries into 2023. The OEM made it clear that, while it was trying to increase production based on high demand, it was subject to problems with supply and personnel.

Canada's Bombardier handed over 28 aircraft in Q2, one fewer than Q2 2021. But its backlog now stands at USD14.7 billion – a 37% increase YOY. It maintains its forecast of 120 deliveries this year.

Canada to introduce 'luxury tax' on aircraft

The Canadian government is pressing ahead with implementing a new luxury tax on the sale or importation of select luxury items, which is to come into force on 1 September. The luxury tax applies to certain vehicles and aircraft priced above CAD100,000 and certain vessels priced above CAD250,000. It will be calculated at 10% of the full retail value of the vehicle, aircraft or vessel, or 20% of the value above the threshold, whichever is lower.

"The economic impact of the luxury tax will be significant and [has] not been studied with a comprehensive understanding of our industry," said Anthony Norejko, president and CEO of the Canadian Business Aviation Association.

Canada delays ADS-B implementation

Canada was due to follow the US ADS-B Out mandate, which has been in place since January 2020. The Canadian mandate was due to come into force on 23 February 2023, but this has now been delayed until 10 August 2023 for Class A airspace, 16 May 2024 for Class B and 2026 at the earliest for Classes C, D and E. The delay is being directly attributed by regulator Transport Canada to ongoing supply chain issues caused by the pandemic. The industry is suffering significant backlogs in the production, acquisition and installation of the requisite transponders and other avionics.

Bizav traffic - North America slowing

Last month was the busiest July on record for global bizav flights according to the latest data published by specialist data researcher WINGX Advance. Business aviation traffic was 22% higher for the first seven months of this year against the same period last year, 82% up on 2020 and 21% greater than pre-pandemic 2019. But not everything is positive.

North American bizjet and turboprop flights in July 2022 were 1% lower than July 2021. While traffic in the US fell by 0.4%, other territories recorded more striking falls – Mexico fell by 5%, the Bahamas was down 9.9%, the BVI by 12.5% and Sint Maarten by 21.9%. The decline in US traffic was most notable among Part 135 operations – non-scheduled charter flights – with some 4% fewer sectors in the last week of July compared to 2021.

The news in Europe was more cheering. Overall business aviation traffic figures for July this year were up 10% compared to the same month in 2021, making July 2022 the busiest on record for the continent. Remarkably, the figure was also 23% higher than July 2019, before the pandemic.

WINGX MD Richard Koe said: "The record market for business jet demand has obviously peaked, with the quickly softening charter market the lead indicator of lower utilisation to come." 2022."

AVIATION SERVICES HUB:

Corporate ownership

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

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

The heat is on... Impressions of Farnborough 2022

The first 'in person' Farnborough International Airshow (FIA) since 2018 took place during a week when England recorded its highest ever temperature. It may have been the hottest Farnborough on record, but the biennial show seemed less 'busy' than in previous years, while the lack of large commercial airliner orders (with a couple of exceptions) seemed to emphasise continued uncertainty.

While the exhibition halls and chalets were busy, the static displays were more limited than in previous editions. On a positive note, there was considerable attention and exhibition space given over to every aspect of sustainability – from sustainable aviation fuel (SAF) to electric and hydrogen powered designs.

In terms of business aviation, Gulfstream provided the star of the show; its new flagship G800 made its first overseas foray. The OEM further provided a line-up of G700, G650, G600 and G500 in the static display. Dassault also provided a Falcon 8X and a full-size cabin mock-up of its new Falcon 6X. Aside from these, the bizav profile was limited to Farnborough's usual steady stream of based and visiting bizjets using the facility before and after the truncated daily flying display.

RANA Director Brian T Richards, who visited the show on its second day, said: "This year's FIA certainly accurately reflected an industry emerging from the pain of the pandemic. The flying display could be used as a metaphor for this – muted and tentative, with onlookers harking back to more positive times."

Vista Global's growing membership

Vista Global Holding, the Dubai-based parent of programme specialist VistaJet, announced its H1 results. Membership growth hit 43% across the group as a whole. Membership numbers at VistaJet itself grew by 25%, while the number of programme hours sold was 27% higher than pre-pandemic 2019. The group acquired both Jet Edge and Air Hamburg during the first half of this year, bringing it an additional 100 aircraft. The group as a whole now boasts a fleet of more than 350 bizjets.

Corporate aircraft news

Gulfstream Aerospace's new flagship, the G800, is due to receive FAA certification and enter service by the end of Q3 2023. Following its first flight on 28 June, the demonstrator made its international debut as it headed from the OEM's plant in Savannah, Georgia, to fly to the UK for the Farnborough International Airshow. There it joined a suite of the US manufacturer's large cabin aircraft.

The G800 will eventually replace the popular G650ER and offers a benchmark range of 8,000nm (14,816km). Gulfstream president Mark Burns said: "To take the G800 on this transatlantic trip so close to first flight is extraordinary. Thanks to our strategic planning and the investments Gulfstream has made in our aircraft, we are able to fly the G800 with remarkable efficiency and bring the aircraft directly to customers early in the flight test programme, as we have in Farnborough."

European regulator EASA has given its approval for 6-degree steep approach operations by the Gulfstream G650 and G650ER. This will now permit the aircraft to operate from London City (5.5-degree approach) and other European bizav fields, such as Lugano. The approval is long overdue. Bombardier received the same permission for the Global 5000 and 6000 in 2013, following a rigorous training programme.

Textron Aviation has unveiled a variant of the Cessna Citation Longitude designed as a maritime patrol aircraft (MPA). The new variant will offer a range of 6,482km (3,500nm) with an eight-hour 'loiter capability'. The MPA variant offers beyond-line-of-sight fairing, a transmissive belly radome and electro-optical/infrared sensor lift.

US specialist manufacturer Winglet Technology has announced plans to offer its winglets to owners of the Cessna Citation Latitude under a supplemental type certificate (STC). The company has an active programme offering winglets for the Citation Sovereign and chose the Latitude because the two models share a similar wing and type certificate.



AIRCRAFT FACT FILE \\\

Auster J



CATEGORY

Classic transport

MANUFACTURER

Auster, UK

ENGINE

1 x de Havilland Gipsy Major 1 piston

LENGTH

7.21 m

WINGSPAN

10.97 m

RANGE

354 km

MAX. SPEED

203 kmh

SEATING CAPACITY

2

NO. OF CREW

1

MAXIMUM TAKE-OFF WEIGHT (MTOW)

907 kg

DESCRIPTION

This month's type is a real 'blast from the past', yet the accompanying photo was taken only earlier this month. The Auster J family of aircraft was designed and built in Lincolnshire in the UK and the first production aircraft was delivered in December 1945. The Auster J was designed as a light civil utility aircraft and the family comprised a host of different variants and became one of the most popular post-war British light aircraft. The Auster found popularity as a light trainer, freighter, as an agricultural utility aircraft and crop sprayer, in an aerial photography role and as a very light transport for individuals and companies.

Australia and New Zealand proved to be particularly strong markets for the Auster and the aircraft were transported engineless by sea and were fully assembled upon arrival. The J1N variant proved particularly popular as its Gipsy Major 1 powerplant provided greater power suited to the 'hot and high' conditions found in rural Australia.