

## Covid-19 and the business aviation industry

As the Covid-19 outbreak continues to spread globally, sparking emergency measures worldwide and the worst stock market rout since the 2008 financial crisis, it was perhaps inevitable that the coronavirus story would headline this edition of Airborne. As this edition goes to press, Italy has just extended its emergency measures, which include travel restrictions and a ban on public gatherings, to the entire country.

In terms of the public face of business aviation, exhibitor numbers for the biennial Singapore Air Show held in mid-February were down 8% with a number of big name OEMs withdrawing or scaling back their participation, while the Asian Business Aviation Convention & Exhibition (ABACE) 2020 – scheduled for early April in Shanghai – has been cancelled altogether.

In Europe, the AERO Friedrichshafen trade show, which was scheduled for 1 April in Germany, has been postponed – so the big question is now whether an event on the scale of EBACE, scheduled for 26 May in Geneva, can go ahead. On 28 February, the Swiss government introduced a ban on gatherings of more than 1,000 people until 15 March. It remains to be seen whether this will be extended. The Geneva International Motor Show has already been cancelled, so EBACE organisers are monitoring the situation very closely.

With drastic cuts to many scheduled airline services in January, some private aircraft charter operators, particularly in Asia and more recently in Italy, reported an increase in demand. There are however issues for those operators and their crews, particularly as more and more countries impose travel restrictions. The shutdown in China has also severely affected the aircraft part supply chain. Given the impact of Covid-19 on business confidence, any increased demand for business travel may be short-lived and the long term ramifications may be severe.

## UK to exit EASA

UK Secretary of State for Transport Grant Shapps confirmed, on 6 March, that the UK will withdraw from membership of EASA after the transition phase of Brexit ends on 31 December this year. It is understood that the UK Civil Aviation Authority (CAA) will then assume responsibility for new aircraft type certificates and airworthiness approvals. Shapps said: "The powers will revert to the CAA, who are probably one of the world's leading regulators and the expertise will need to come home to do that, but we'll do it in a gradual way."

## Wheels Up buys Gama Aviation Signature

US membership charter specialist Wheels Up is continuing its buying spree. Having purchased charter operators Delta Private Jets and Travel Management Company last year, together with tech platform Avianis, it has now confirmed the acquisition of Gama Aviation Signature (Gama Aviation LLC). As a result, Wheels Up becomes the second largest private aviation company in the US – behind NetJets – with a fleet of over 300 owned and managed private aircraft, and will be the largest Part 135 operator in terms of hours flown. Gama Aviation has in fact operated the Wheels Up fleet of King Air 350i and Citations since the company's launch seven years ago.

## Bombardier to focus on business aviation

Following feverish industry speculation over its future and its large burden of debt, Canadian manufacturer Bombardier has confirmed that its sole focus will now be on business aviation. This major change of strategy commenced with the company's withdrawal from the commercial aircraft business with the sale of the C Series airliner to Airbus and the Q400 programme to Viking Air.

On 17 February, Bombardier further announced the proposed sale of its rail unit – Bombardier Transportation – to the French multinational Alstom. Valued at \$8.2 billion, Bombardier President and CEO Alain Bellemare described the sale as "transformational". "Today marks an exciting new chapter for Bombardier," he said. "Going forward, we will focus all our capital, energy and resources on accelerating growth and driving margin expansion in our market-leading \$7 billion business aircraft franchise."

Following the asset and programme sales, the business will be left with an aircraft manufacturer employing some 18,000 staff with an order backlog of \$14.4 billion. Bombardier predicts that it will deliver at least 154 aircraft this year – a figure driven higher by the increase in production of its new Global 7500 flagship and an anticipated growth in the large cabin market. The company delivered 142 aircraft in 2019.

## AVIATION SERVICES HUB:

### Aviation finance

The new and used corporate aircraft market continues to function in the face of economic uncertainty and buyers continue to seek finance for these transactions, with growing demand in some sectors and geographical areas. 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.

## Dassault working on new Falcons

In a recent press briefing, Dassault CEO Éric Trappier confirmed that the company is working on the preliminary design of a new Falcon, which will be launched later this year. The new design is rumoured to be a medium-long range concept with a wide cabin cross section but Trappier would only confirm that its mission will be "different to the 6X". He also announced that the first fuselage of the new Falcon 6X has been assembled and that the aircraft is expected to make its first flight early in 2021, with service entry the following year.

## Avionics sales hit annual US\$3 billion

According to data released by the Aircraft Electronics Association, worldwide sales of avionics in business and general aviation rose to US\$3.005 billion in 2019. This figure represents an increase of 10.2% over 2018 and over 55% (US\$1.657 billion) covered retrofits; the majority of this can be attributed to the works needed to make aircraft compliant in advance of the FAA ADS-B out mandate which came into force on 1 January this year. The figures show 74.1% of the total sales were in the US and Canada.

## Billings & deliveries flying high

Business aircraft deliveries in 2019 were valued at US\$23.5 billion according to data presented at the annual 'State of the Industry' press conference by the General Aviation Manufacturers Association (GAMA). This figure compares to US\$20.6 billion in 2018. 2019 saw total deliveries of some 2,658 units – an increase of 9.3%. The highest percentage rise (16.4%) was seen in the piston aircraft sector, while bizjet deliveries reached their highest point since 2009 with 809 units, a 15.1% uplift over 2018. Taking the shine off these figures, however, turboprop deliveries fell from 592 in 2018 to 525 last year – a decrease of 11.3%.

## Corporate aircraft news

In a St. Valentine's day gift to an expectant industry Gulfstream's new flagship G700 made its first flight on 14 February. The first flight, from Savannah Hilton Head Airport in Georgia, lasted two hours and 32 minutes. The aircraft was unveiled during NBAA-BACE in Las Vegas in October last year and is expected to receive certification and enter service in 2022. The G700 will be Gulfstream's largest aircraft and with the longest range. It is powered by two Rolls Royce Pearl 700 engines and the published range is currently 13,890km (7,500nm).

During the first week of February, French manufacturer Daher delivered the 300th TBM 900 series turboprop single. The TBM940 was delivered to US customer Dr Ian Fries, a Senior FAA HIMS Aviation Medical Examiner, and is the fourth TBM series aircraft he has owned over a period of 20 years. The landmark aircraft was delivered in a bespoke livery created by Scheme Designers.

In other developments Daher has confirmed that several new features are to be introduced on 2020 versions of both the TBM910 and 940. Both models will offer interior improvements including leather and material finishes. In addition, the TBM940 will be equipped with HomeSafe, an emergency autoland system, which will become standard moving forward.

The first Airbus ACJ320neo – registered G-KELT – has been delivered to UK-based VVIP charter operator Acropolis Aviation following interior completion at AMAC Aerospace in Basel. The aircraft will be based at Farnborough and can accommodate up to 19 passengers.

Following a much-publicised fire on a Cirrus SF50 Vision on 27 December 2019 during which the aircraft was substantially damaged, the FAA issued an emergency airworthiness directive on 14 February following a Cirrus service bulletin. According to the manufacturer, the cause of the fire was "a potential malfunction of the audio interface circuit card, which can result in excessive heat generation." According to Cirrus, 97% of aircraft were modified to comply with the service bulletin within seven days of issuance.

Textron Aviation is offering a G5000 avionics upgrade package to owners of Cessna Citation Excel and XLS aircraft that are currently equipped with the original Honeywell Primus 1000 suite. The G5000 avionics sets is standard equipment on the latest Citation Latitude, Longitude and Sovereign+ models.



## AIRCRAFT FACT FILE \\\

Airbus A340-600



### CATEGORY

Heavy jet

### MANUFACTURER

Airbus, multi-national

### ENGINE

4 x Rolls Royce Trent 556 turbofans

### LENGTH

75.36 m

### WINGSPAN

63.45 m

### RANGE

13,980 km

### MAX. SPEED

913 kmh

### SEATING CAPACITY

475 in airline service

### NO. OF CREW

2

### MAXIMUM TAKE-OFF WEIGHT (MTOW)

381,018 kg

### DESCRIPTION

The Airbus A340-600 commercial airliner is the largest version of the once popular A340 series. With the advent of more fuel-efficient twin engine aircraft the A340 has been gradually retired by most of the world's major airlines. The A340-600 was designed to replace first generation Boeing 747 airliners and was launched in December 1997 together with the smaller-500. The -600 made its first flight on 23 April 2001 and it entered service on 1 August 2002. The A340-600 is longer than both the Boeing 747-400 and Airbus A380. An HGW (High Gross Weight) version of the aircraft received certification in April 2006. The A340-600HGW was powered by Rolls Royce Trent 560 engines and boasted an increased MTOW and larger fuel capacity.

Several examples of the A340-600 and -500 are in use as VVIP aircraft. The A340-600 illustrating this piece (4K-AI08) operates as a presidential transport for the government of Azerbaijan and wears what some consider to be the most striking livery of any large VVIP airliner.