

TION & CORPORATE SERVICES



July 2017

Isle of Man Aviation Conference flies

at full capacity

The 7th Annual Isle of Man Aviation Conference, held on 22 June at the Villa Marina complex in Douglas and supported by Isle of Man Aircraft Registry, attracted 153 delegates from 13 different countries, representing 89 different companies.

Despite (or because of) well-documented industry challenges, this year's event was over-subscribed for the first time. Brexit was the hot topic and not just in respect of the agenda. Although programmed to open the event, the island's Chief Minister Howard Quayle was unable to attend because he was called away to Brexit talks in London.

The conference was chaired by Stewart Lapayowker of Lapayowker Jet Counsel and included three panel sessions and several presentations by high profile speakers. Simon Williams, the island's Director of Civil Aviation provided an update on the registry, which included planned Cape Town implementation from 1 January 2018 and his thoughts on allowing AOCs ("we're not saying never but ...")

Marc Bailey, CEO of British Business and General Aviation, reviewed the European market and, of course, the potential impact of Brexit. Richard Koe, Managing Director of industry analyst WINGX Advance, provided a detailed overview of new business models – from booking platforms to operators offering 'all you can fly' deals and hours' programmes and their impact on the established charter and AOC market in Europe and further afield.

The Isle of Man Aircraft Register -

ten years on

During his presentation to the Isle of Man Aviation Conference, Simon Williams the island's Director of Civil Aviation announced a major rebranding exercise for the aircraft registry as this year marks the registry's tenth anniversary since its launch on 1 May 2007. Since then, the registry has clocked up a succession of awards and made a very significant impact on the corporate aviation sector – not just in terms of numbers registered, but in respect of customer service and regulatory oversight. Williams expressed his pride as the registry celebrates "ten years of safety and service". The numbers are impressive too. Latest data records a total of 951 aircraft registered, of which 440 remain active. The register is now the sixth largest corporate registry in the world and the second largest in Europe (representing some 15% of the total registered fleet).

Biggin Hill traffic soars

London Biggin Hill airport expanded its opening hours from 1 May this year and the move has resulted in an immediate increase in traffic. The facility has posted a 21% increase in business flights since the revised opening hours came into force. A request to extend operating hours was originally given approval in principal by Bromley Council in March 2015. A Council consultation attracted an unprecedented 41,711 responses, of which 31,500 (76%) residents registered their support for the proposals. The airport is now open from 06.30 to 23.00 hrs, Monday to Friday, and 08.00 to 22.00 hrs at weekends and bank holidays. Biggin Hill promotes its proximity to the centre of London and its ease of connection to the City. Development Director Robert Walters said: "Introducing extended operating hours has been the right decision and shows our commitment to offering our customers unrivalled flexibility and service." FOLLOW US! 🕒 @RegisterAnAcft 🙆 @Register_An_Aircraft

Pre-owned prices slide

London corporate aircraft broker Colibri Aircraft has undertaken analysis of asking prices for six models over the three years from April 2014 to April 2017. The conclusions are stark. The average fall in asking price over the period was some 35% – \$13.7 million sliding to \$8.9 million. The survey looked at prices for a trio of Cessna Citations (the Mustang, CJ2 and Excel) along with the Learjet 45, Global XRS and Gulfstream G550. In addition to a fall in asking price, available aircraft are remaining unsold for longer – from 345 days in April 2014 to 391 in April this year. The greatest falls in price were recorded for large cabin aircraft; the average price for a Global XRS, for example, fell from \$31.3million in 2014 to \$20.36 this year – a drop of 34.9%.

European traffic continues to build

Hamburg-based industry specialist analyst WINGX Advance has posted monthly statistics that again demonstrate continued improvement in European business aviation traffic levels. The total number of departures in June was up by some 2.7% YOY. This equates to an overall increase for 2017 of 3.1% over the first half of last year (an increase of 12,000 flights). This increase over June 2016 comes in spite of the 'bounce' in movements in June last year caused by Euro 2016 being held in France. Of particular note is the growth in traffic in Southern Europe with Spain and Italy posting increases of around 10%. Charter activity to Mediterranean hotspots, including the Balearics, is seeing a surge in growth, a trend that is likely to continue over the summer.



RANA SERVICE CENTRE: 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 away from the owner's home base jurisdiction can be many and various and it should 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 be 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.

AIRBORNE

VistaJet continues to "disrupt business aviation"...

Specialist operator VistaJet continues to grow rapidly and increase its market share worldwide, particularly for its hours-based programmes, according to performance statistics for the first half of this year. The number of new Programme clients increased by some 61% over the same period last year. Programme membership also accounted for 63% of the firm's revenues from April to June. The company also confirmed that it recorded an industry leading customer retention rate of some 91%. VistaJet now offers a fleet of over 70 exclusively Bombardier aircraft, which suggest that an increasing number of HNWIs and corporations are eschewing owning their own aircraft in favour of purchasing an hours-based programme with the company. VistaJet recently abolished all positioning fees and places emphasis on its customer service, aircraft availability and the consistency of product across its fleet.

easyJet hooks up with Signature

Low cost carrier easyJet has teamed up with FBO Signature Flight Support in a bid to take its well-known 'Speedy Boarding' product to a new level. Passengers using the airline's services out of London Luton Airport will be now be able to check-in and board their flight from Signature's 'ultraluxury' facilities and then transfer directly to the aircraft by limousine. The service costs £475 each and £120 per additional passenger travelling on the same booking. Andrew Middleton, easyJet's head of ancillary revenue, said: "While easyJet will always be famous for our low fares and fantastic on board service, for some passengers this a chance to combine those things with a VIP experience for their loved ones and we think it will be particularly popular for those celebrating a milestone birthday, anniversary or other special occasion or for those travelling on business."

'All You Can Fly' launches in Europe

Surf Air, the California-based 'all-you-can-fly' membership programme, has commenced operations in Europe. The company's first flight was a service from London Luton to Ibiza on 23 June using an Embraer Phenom 300. The company intends to focus operations during the summer with flights to Mediterranean destinations using both Phenoms and PC-12 turboprop singles. The company charges an initial sign-up fee plus a monthly charge of £1,750 for unlimited travel on its routes. Its initial routes will cover Zurich, Ibiza, Nice, Cannes, Munich and Milan.

Corporate aircraft news

The twin-engine Dassault Falcon 5X flew for the first time on 5 July. The project has suffered significant delays since it was first unveiled at the NBAA on October 2013. The initial flight was carried out by a prototype using a 'preliminary version' of the Safran Silvercrest powerplant but design issues with the new engine have caused the lengthy hiatus in the programme. The Falcon 5X will continue the flight-testing and development programme and is now expected to receive certification and enter service in 2020.

US-based Nextant Aerospace, which specialises in the remanufacture of business jets, has unveiled its next project. After enjoying significant success with the reworked Beechjet/Hawker 400 as the Nextant 400XT and XTi, the company has now launched work to upgrade the Bombardier Challenger 604. The upgraded version will feature the Pro Line Fusion avionics suite, slated for certification in 2018. The programme will be offered in conjunction with Rockwell Collins, the avionics producer.

On 8 June, Textron Aviation marked the delivery of the 2,000th example of the Cessna Citation CJ aircraft. The landmark aircraft was a Citation CJ3+ handed over to a US customer at the company's plant at Wichita, Kansas. Just five days later the manufacturer rolled out the first production example of the Cessna Citation Longitude. The aircraft is expected to enter service by the end of this year.

Swiss manufacturer Pilatus Aircraft handed over the 1,500th turboprop single PC-12 on 30 June. The aircraft in question was delivered to the Australian Royal Flying Doctor Service (RFDS) and will be used to support its role in providing medical assistance to remote areas of the country. This aircraft joins a fleet of 33 examples flown by the RFDS. The PC-12 was first unveiled at the NBAA in 1989.

AIRCRAFT FACT FILE \\

Ilyushin IL-62M



CATEGORY

Heavy jet

MANUFACTURER

Ilyushin Design Bureau, Russia

ENGINE

4 x Soloviev D30-KU turbofans

WINGSPAN
43.20 m
MAX. SPEED
920 kmh
NO. OF CREW
5

MAXIMUM TAKE-OFF WEIGHT (MTOW)

165,000 kg

DESCRIPTION

The Ilyushin IL-62 first flew in 1962. The aircraft was the Soviet Union's first long range jet airliner and its design was distinctive. Although given the NATO codename 'Classic', the aircraft became known as the 'VC10ski' owing to clear similarities to the British Vickers VC-10, which first flew in the same year. It was to take another five years before the IL-62 first entered passenger service and it was assigned its first intercontinental route (from Moscow to Montreal) late in 1967.

The IL-62M was first unveiled to the West at the Paris Air Show in 1971. This upgraded version had new Soloviev turbofans (replacing the original Kusnetsov powerplant) and offered greater fuel capacity and an improved containerised cargo hold. Production of the IL-62M ceased in 1994. The IL-62 and IL-62M were used as head of state transports by some 14 countries. As might be expected, the largest user of the VVIP salon version was the Russian government. A very small number of IL-62M remain in service.