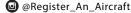
SEPTEMBER 2016

FOLLOW US!





LABACE 2016 battles heavy weather in Brazil

The 13th LABACE, the annual Latin American Business Aviation Conference & Exhibition opened at São Paulo Congonhas Airport just nine days after the closing ceremony of the Olympic Games in Rio de Janeiro. While the Olympics provided some memorable moments (not least for the record-breaking Team GB), the Games also reflected the wider problems facing the host nation.

LABACE was held against the backdrop of an economy contracting at an alarming rate, a substantially weaker currency and political turmoil with the impeachment of President Dilma Roussef. Business traffic at Brazilian airports has fallen by an average of some 25% over the last two years. Local manufacturer Embraer has also announced a plan to cut its workforce and cut its delivery forecast for executive jets.

While visitor numbers to the show were similar to 2015 (at just under 10,000), the number of exhibitors was nearly 40% fewer and the static park was substantially smaller with just 43 aircraft on display. Setting aside the contraction, all the major manufacturers were exhibiting, with Dassault's flagship Falcon 8X making its show debut. There were, however, very few orders announced despite Brazil's position as the third largest business jet market in the world.

Leonardo Fiuza, chairman of show organiser ABAG, struck an optimistic note at the opening of the show by reminding visitors that "crisis always brings the opportunity for change" – it remains to be seen how quickly that change can come about.

EASA Part-NCC comes into effect

The new EASA Part-NCC (Non-Commercial Complex) regulations finally came into force on 25 August. The new rules place obligations on all non-commercial operators of "complex motor-powered" aircraft – fixed wing aircraft with an MTOW in excess of 5,700kg or rotorcraft weighing above 3,175kg. Part-NCC is designed to oblige non-commercial operators – those without an Air Operator Certificate (AOC) – to demonstrate that they have systems in place to implement and monitor regulatory safety and operational standards.

The regulations will apply where aircraft are either registered in an EASA state – that is all 28 EU member states, plus Iceland, Norway, Switzerland and Liechtenstein – or where the operator is established or resides in an EASA state, even if the aircraft is registered elsewhere. It will also affect "third country" operators from the rest of the world who operate aircraft into Europe.

Piaggio and the future of the Avanti

A press release issued by Piaggio Aerospace on 28 July caused anxiety for owners and operators of the Avanti Evo twin. The statement referred to a new "industrial plan" that would see the manufacturer focus mainly on military programmes. The company cited the fact that it had been "severely impacted by the contraction of the business aviation market" as the reason for this shift of focus. The company announced on 24 August that CEO Carlo Logli was stepping down with immediate effect to be replaced by an interim head. Logli had sought to reassure owners by confirming that the company would continue the Avanti programme and its support.

WINGX Business Aviation Monitor -The August numbers

The latest analysis of European business aviation shows a disappointing further year-on-year decline in August. According to the Business Aviation Monitor produced by specialist analyst WINGX Advance, there were a total of 74,689 business aviation departures in Europe during August, a 0.9% decrease against the same period last year.

The figures for Western Europe maintained the limited growth seen over the last few months with particular strength in some markets – including the UK, France, Spain, Belgium and Ireland. The problems in Eastern Europe however remain. Russian traffic continued the substantial falls of recent years – Moscow airports posted a decrease of 13.9% over the same week in August last year. In Turkey, the decline was even more dramatic with a 27% drop in flights, equating to 750 fewer departures.

While jet activity saw the largest falls in demand, there was limited recovery in the turboprop sector with some sectors (notably Athens to Mykonos) reflecting increases in excess of 50%. Finally, of the 10 busiest business aviation airports in Europe, just three – Cannes, Farnborough and Rome Ciampino – did not register a decline in traffic. The impact of unpredictable events was put into stark relief. Nice, for instance, saw an 8.3% drop in traffic following the terrorist attack in the city on 14 July.

RAN. Regist

RANA SERVICE CENTRE:

Registration

There is no "one-size-fits-all" aircraft registry. A number of new registries have been launched over the last few years, with more in the pipeline. Many existing registries have also made changes to their offering. Each is aiming 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.

New Saudi safety code in force

New safety rules, which were published by Saudi Arabia's General Authority of Civil Aviation (GACA) on 1 March, were brought into force on 1 September following a six-month grace period. They will have far-reaching implications for owners and operators of aircraft in Saudi Arabia, both air carrier operated airline aircraft and privately operated corporate jets.

The rules require that aircraft that are registered in Saudi Arabia should be operated under a GACA approved air operator's certificate (AOC) in respect of commercially operated aircraft, or an operator's certificate (OC) in respect of privately operated aircraft. They are designed to counter illegal charter flights by private aircraft - the so-called "grey market" which has been recognised as a problem in Saudi Arabia and the wider region for some time.

It is not yet clear how the regulations will be applied in respect of foreign non-commercial operators of foreign-registered private aircraft that are based in, or regularly visiting Saudi Arabia. Aircraft that are registered outside Saudi Arabia, but which are leased to or ultimately owned by individuals or entities that are resident in Saudi Arabia may be affected.

Learjet to go on the market?

A recent investment analyst report noted that it is "increasingly plausible" that Canadian manufacturer Bombardier may look to sell Learjet. The analysis by Cowen and Company points to the challenging light jet market and the manufacturer's substantial debt burden. Bombardier's Chairman and CEO Alain Bellemare noted during an investment call in August that the firm is "addressing Learjet's position due to significant pricing pressures." The only in-production models of the Learjet are the 70 and 75, but the company derives significant revenue maintaining other models already in service. The company delivered just six Learjets in the first half of this year. The company has confirmed that it is shifting a number of workers from Learjet to other programmes at its Wichita facility in Kansas, along with a limited number of redundancies.

VistaJet on a high

Programme and charter specialist VistaJet reported impressive growth for the first half of 2016, with traffic up by 23% and passenger numbers up by 20% over the same period last year. The operator also boasted its best ever quarter in the three months from April to June with over 3,000 new annual programme hours sold. The firm operates an all Bombardier fleet of over 65 aircraft ranging from the Global 6000 to the Challenger 350, with some 56 of these registered in Malta.

Corporate aircraft news

Following the all-new G500's European debut at the 2016 Farnborough International Airshow in July, Gulfstream's G500 and G600 programmes are both progressing. Four G500s are being used for the current flight test programme and FAA certification is due next year. The first flight of the G600 may also take place before the end of this year, according to sources close to the manufacturer, with certification in 2018 and service entry a year later.

In a further landmark for the programme, Textron Aviation announced, on 23 August, that initial ground engine tests of the Honeywell HTF7700L turbofans on the Cessna Citation Longitude have been completed. The Longitude's first flight is due in the next month with service entry expected for O3 2017.

On 15 August, Brazilian manufacturer Embraer celebrated the first delivery of a Legacy 450 to US fractional ownership specialist FlexJet. The aircraft joins the larger Legacy 500 in the operator's fleet, the first example of which was handed over in September 2015. The operator expects to have five Legacy 450s in service by the end of this year.

Russian manufacturer Sukhoi Civil Aircraft recently unveiled the SportJet a VIP version of the Superjet 100 airliner specifically designed to transport professional sport teams. Sukhoi recently displayed a full-size cabin mock-up of the aircraft at the Olympic Games in Rio de Janeiro. The SportJet joins the SBJ Sukhoi Business Jet, which is currently in service with several operators including Comlux. The Royal Thai Air Force recently received two examples.



AIRCRAFT FACT FILE \\

Sino Swearingen SJ30-2



CATEGORY

Light jet

MANUFACTURER

Sino Swearingen Aircraft, USA

2x Williams International FJ44-2A turbofans

LENGTH WINGSPAN 14.26 m

RANGE MAX. SPEED

4,626 km 850 kmh

SEATING CAPACITY NO. OF CREW

MAXIMUM TAKE-OFF WEIGHT (MTOW)

6,123 kg

DESCRIPTION

The SJ30-2 received FAA certification in October 2005 having first flown in 1996. This followed a protracted development period since the initial concept of the SA30 FanJet was unveiled by Ed Swearingen nearly 20 years earlier. The SJ30-1 first flew in early 1991 and was displayed at that year's Paris Air Show but the programme ran into financial difficulties before being rescued by Sino Swearingen - a joint venture between the US manufacturer and Taiwanese investors.

After a small production run and following successive refinancings, name changes and eventual bankruptcy, a new company emerged as SyberJet Aircraft in 2011. Later aircraft were designated as the Syberjet SJ30-2 and featured a lengthened fuselage and increased wingspan compared to the original design of the SJ30-1. The SJ30-2 was designed to be more efficient than competing aircraft in its class and offers a 'sea level' cabin set to 41,000ft (12,500m). A total of eight aircraft were produced.