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## Asia on show - ABACE 2018

"This year's ABACE, held under bright, clear skies and in new facilities, reflected the enthusiasm, growth and potential for business aviation, not just in China, but across Asia and beyond," said National Business Aviation Association (NBAA) President and CEO Ed Bolen. He was speaking at the end of this year's Asian Business Aviation Conference and Exhibition (ABACE), which was held in Shanghai from 17 to 19 April.

This optimism comes in the wake of China's threatened 25% tariff hike on imports of US-manufactured aircraft with empty weights of 15 to 45 metric tons. The tariffs, announced in response to the Trump administration's own tariff proposals, are likely to impact Gulfstream Aerospace in particular should they be implemented.

This year's ABACE attracted some 175 exhibitors, of which 40% were from the Asia-Pacific region. The static display featured 30 aircraft, including Gulfstream's new G500 and G600 which made their show debuts alongside the flagship G650ER and G280 – all of these would fall within the weight category subject to the proposed tariffs.

A feature of this year's event was the presence of high-ranking Chinese government officials during the opening and panel sessions. These panels returned to the challenges continuing to face business aviation in China, as well as examining the future of autonomous passenger drones, in-flight digital security, carbon off-setting and new routes through Asia.

While there have been positive official steps to improve operations in China, there remain problems including access to airports, flight and landing slot approvals, altitude and airport restrictions, and cabotage and approval delays in operating foreign-registered aircraft – including those registered in Hong Kong and Macau – domestically within China.

## Growth in Asia Pacific bizjet fleet

The Asia Pacific business jet fleet posted net growth of 2.1% in 2017, for a net increase of 24 aircraft to a total of 1,179, according to the latest regional report issued at ABACE 2018 by Hong Kong-based consultant Asian Sky Group. Imports amounted to 115 business aircraft (54 new and 61 pre-owned), while 91 business jets left the region, largely drawn by the US appetite for quality used aircraft. The analysis confirms that China, Australia, India and Hong Kong continue to boast the largest bizjet fleets, with a combined 804 aircraft – 68% of the regional total. Interestingly, the Asia Pacific fleet is the world's youngest, with over 50% of the fleet aged between five and 10 years. In terms of registration, some 21% of aircraft in the regional based fleet are registered in the US, a figure that is only surpassed by the 22% that are held in mainland China under B-marks.

## Jet Aviation buys Hawker Pacific

Jet Aviation, the business aviation services subsidiary of US multinational General Dynamics, announced just prior to ABACE that it is to purchase competitor Hawker Pacific. The deal, valued at \$250 million includes Hawker Pacific's substantial MRO, ground handling and FBO network across Asia Pacific and the Middle East, as well as its stake in the Shanghai Hawker Pacific Business Aviation Centre at Shanghai's Hongqiao airport – the venue for ABACE. Hawker Pacific CEO Alan Smith said: "We believe the company's acquisition by Jet Aviation represents an excellent outcome for Hawker Pacific's investors, employees and customers. It builds on our strong values and passion for exceeding our customer's expectations and I, on behalf of the management, am confident that the combination of the two companies will create a clear leader in the aviation space."

## European business aviation flights dip

European business aviation flights in March 2018 declined by 3.6% overall compared to the previous year, according to the latest data from Hamburg-based analyst WINGX Advance. Business jet flights increased by some 0.4% YOY, while charter activity grew by some 6% but there was a 10% fall in private flights. WINGX managing director Richard Koe said: "The fall-off in activity this month bucks the recent growth trend. This may reflect some wavering in the economic outlook, especially in the UK, but it may also be a specific effect such as the earlier Easter holiday this year. This month still had growth in AOC/Charter, especially in business jets, in contrast to the marked fall in Private missions."

## VistaJet results soar

Announcing its results for fiscal year 2017, Malta-based programme and charter specialist VistaJet, reported a 22% rise in flight revenue, which drove a 28% increase in EBITDA. VistaJet also saw growth in flight hours in all of its core markets, spearheaded by the US, which posted a 39% increase over 2016. Thomas Flohr, VistaJet's founder and chairman, said: "2017 has been another record year. Along with taking market share from full and fractional ownership in all the core markets, including the largest market in the world – the US – we reinforced our position as the brand of choice for the world's leading business leaders and entrepreneurs."

## 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 away from the owner's home jurisdiction can be 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.

## Textron puts Cessna Citation Hemisphere on hold

Textron Aviation has suspended the twinjet Cessna Citation Hemisphere project. The decision, announced by chairman and CEO Scott Donnelly during an investor conference call, is due to the well-publicised problems with the Safran Silvercrest engine, which had been due to power the new model. Problems with the engine were also cited as the reason for Dassault's cancellation of its Falcon 5X project earlier this year. The Hemisphere, which was first announced before the 2015 NBAA, would be Textron's first large cabin aircraft. It is has been designed to accommodate 12 passengers, with a range of 8,334km (4,500nm).

## Qatar Airways invests in JetSuite

Qatar Airways announced it has taken a minority stake in US corporate charter operator JetSuite. The California-based carrier operates a fleet of Embraer Phenom 100 and CitationJet CJ3. The investment extends to its sister company JetSuiteX, which operates a fleet of Embraer ERJ135 on 'semi-private' regular flights on under-served routes on the US West Coast. Qatar Airways joins New York-based JetBlue Airways, which will be increasing its investment and will also codeshare on JetSuiteX flights. The new investment is expected to facilitate faster expansion of the JetSuite and JetSuiteX fleets, as well as extending the latter's route network.

## Night flying restrictions give a boost to London Southend

The introduction of annual summer night flight restrictions at London Luton and Stansted means that the Stobart Jet Centre at Southend will be the capital's only FBO facility that is available 24/7. The new restrictions will apply from 1 June to 30 September at both airports and will be in effect from 23:00 to 07:00 at Luton and 23:00 to 06:00 at Stansted. Stobart Jet Centre managing director Stephen Grimes said: "We have invested heavily in making our facility the most comfortable and efficient to use for our VVIP passengers and it is already being recognised by operators as one of the easiest for access into London. With aircraft parking space for as many as 12 BBJs, the convenience of Southend Airport for central London is going to be enhanced further when we are the only FBO that can facilitate operators, with aircraft of all types, at night during the busy summer period."

## Corporate aircraft news

US manufacturer Gulfstream Aerospace announced during ABACE that it had delivered the 300th example of its flagship G650ER since the first was handed over in December 2012. President Mark Burns said: "The continued popularity and demand for the G650 affirms its position as the leader in the ultra-long-range segment. The aircraft amassed an impressive backlog of orders when we announced it in 2008, and that backlog is still strong today. The introduction of the G650 was a turning point – not just for Gulfstream, but for the industry as a whole. We set out to change the game, and ultimately, we did just that."

With the initial delivery slated to take place before the end of this year, Boeing Business Jets first BBJ Max 8 – registered N329BJ – flew from Seattle Boeing Field to Georgetown, Delaware, to be fitted with auxiliary fuel tanks, which will give the aircraft a range of 12,300km (6,640nm). This marked the first 'flyaway' for the new version of the BBJ. The manufacturer is understood to hold 20 orders for the BBJ Max marques.

Reno-based manufacturer Aerion Corporation confirmed – at the Corporate Jet Investor conference in Dubai – that the AS2 supersonic business jet (SSBJ) remains on schedule to make its first flight by 2023. It is expected to receive FAA certification by 2025, with customer deliveries to begin shortly after.

Canadian manufacturer Bombardier announced that it has extended the range of its new flagship Global 7000 by 555km (300nm). The model will now have a range of 14,260km (7,700nm) at Mach 0.85, which surpasses that of the G650ER at 13,890km (7,500nm) and will make a multitude of city pairs possible – including Singapore to San Francisco and Hong Kong to New York. The flight test programme for the new model is at an advanced stage with certification and first deliveries due in H2 this year.



## AIRCRAFT FACT FILE \\\

Airbus A340-200



### CATEGORY

Heavy jet

### MANUFACTURER

Airbus, multi-national

### ENGINE

4 x CFM Intl. CFM56-5C turbofans

### LENGTH

59.40m

### WINGSPAN

60.30 m

### RANGE

12,400 km

### MAX. SPEED

914 kmh

### SEATING CAPACITY

261 in airline service

### NO. OF CREW

2

### MAXIMUM TAKE-OFF WEIGHT (MTOW)

260,000 kg

### DESCRIPTION

The Airbus A340-200 is the smallest of the European manufacturer's four engine suite of long-range commercial airliners. The A340 project was announced in 1987 and the first example was delivered to German carrier Lufthansa in February 1993. That same month, the airline also took delivery of the first larger -300. The A340 was designed to offer airlines an aircraft suited to long haul routes with smaller loads for which the larger Boeing 747 and MD-11 would be simply too large.

The A340-200 was not a commercial success with a total of just 28 examples delivered. Of this tally only eight remain in service today without exception with governments, air forces or VVIP operators. The -200 suffered in comparison with the -300 because of its limited capacity, large wingspan and performance enhancements made to its larger sistership. A single example of the -200 was modified by Airbus as the A340-8000 with more powerful engines, higher MTOW and increased fuel capacity to offer a range of 15,000km.