

PEOPLE

The NAS contract boost for Raytheon Aircraft Company comes as the company is completing the deal to become the Hawker Beechcraft Corporation – under the ownership of global financial giant Goldman Sachs and Canada's Onex Partners.

Jim Schuster, the president of RAC talks to Alan Peaford.

Q: The agreement to sell Raytheon Aircraft Company was announced on December 21st. Where are we now with the deal?

A: For clarity sake, Raytheon has agreed to sell the business to a subsidiary of Goldman Sachs and Onex Partners. The deal still has to go through a full regulatory process. We are saying publicly that we will close during the first half of 2007. Until then we remain part of Raytheon Company.

People forget how long these things take but it is a process with well defined requirements. We are not anticipating any unusual issues.

Q: Is it frustrating being unable to move forward.

A: Not at all, we are very excited. All of the hard work and progress achieved from people of Raytheon Aircraft Company is really paying off. We're going to have experienced partners that are really committed to the growth and success of this business. They are investing in all of us not just buying a business. They are investing in a team they have confidence in and the timing couldn't be better.

Markets both in North American and internationally are as strong, or even stronger than they have ever been. The market in the Middle East and India is particularly exciting. The growth prospects for general aviation is extremely encouraging for all of us. We look at those markets as areas we are committed to and will expand our presence in.

This new ownership structure is not the end of a process but the beginning. Our success will be in terms of growth. If we grow then we create opportunities.

Q: How do you see the new business driving growth then?

A: Growth drivers are consistent

FACE THE FACTS WITH...

JIM SCHUSTER

priorities for us. We have six clear drivers. Being cost competitive remains very important. We need to drive the cost pressure particularly in the international market place with new competitors entering the market.

We need to deliver the highest quality products in the industry and put a stronger emphasis on support and customer services. We have made wonderful progress in this area over the last three years. We know because our customers are telling us so.

We need to introduce new products into the market place with great reliability, on time and on budget and we have to expand out international footprint in terms of landed presence in important international markets and that we intend to do.

Finally we have to continue to attract committed and talented people. This has been a major strength of ours for some time.

Our people, operating under the Hawker and Beechcraft umbrella, have both a sense of pride and heritage. Regardless of who owns us we see ourselves as either Hawker or Beechcraft and everything that goes with those wonderful brands

Q: So will there be a big difference from being part of such a major corporation?

A: It will be different no longer being part of a large corporation segment, but as a stand alone company we'll be close to being on the Fortune 500 list. The main point for us is to seize the moment and capture the oppor-

tunity that comes with that change. It will require us to think and act differently. Translate to being faster, more responsive, proactive and so on. We're responsible for the direction of the business and people's sense of it being "our" company becomes even stronger.

Q: There was a huge investment in the Hawker 4000 and it took a long time achieving certification. It seems ironic that the company is being sold just as the aircraft's potential is being realised.

A: One of the benefits for new ownership structure is that those investments have been made – another dimension of the great opportunities that exist here. The Business has made tremendous progress with significant opportunities and created a great situation for investors.

Q: The current management team stays in position, does this mean it is business as usual?

A: A major part of investment is in our people. You can build a building and buy equipment to put in it, but putting together the culture, talent and commitment that we have here is not something you can easily put together. In order to remain cost competitive we will continue to evaluate what we make where we make it, what we buy and where we buy it. And we'll keep tweaking that to make certain we keep cost structure in line.



'This new ownership structure is not the end of a process but the beginning'

Jordan eyes premium services on Dubai debut

Jordanian Private Jets Services (Stand C226) is exhibiting in Dubai for the first time, and hopes to promote its variety of "premium services" for business aviation users in the Middle East, as well as promoting Jordan's

airports for private jet operators as a viable option for overnight stops or for MRO services.

At its core, JP Jets offers ground handling services and air charter.

"The market in the Middle East

has evolved, and with such a development came the need for a rapid evolution of the industry in the region.

And even though the recent business aviation activities are considered to be highly efficient

in the Middle East, the future promises an even greater level of service." Says Nader Manna, general manager.

Manna believes that "specific countries in the Middle East have the lion's share in the business

aviation industry" but it is not concentrating on specific countries or regions but the industry as a whole. It wants to increase interest from operators, owners and potential clients to use its services.

PEOPLE



MY VISION FOR MEBAA

Ali Ahmed Al Naqbi is the founding chairman of the Middle East Business Aviation Association (MEBAA) and vice president finance & administration, Amiri flight, UAE. He talks to Liz Moscrop about his hopes for the Association.

Last year was a busy one for Ali Ahmed Al Naqbi. In addition to his busy day job and duties as a Royal Jet board member, he became founding chairman of MEBAA.

He says, "I've been embroiled in business aviation since I was 17 years old. I loved aircraft since school and in that respect for me there was no difference between airlines and business aviation. I have thought about establishing an association for a long time and am very proud of bringing MEBAA to the region."

Initially MEBAA will focus on five main goals - setting up a data-bank of industry data; sharing perspectives and best practices; achieving effective communications strategies; improving members' welfare through training and conferences and establishing a regional industry code of conduct.

Al Naqbi believes that MEBAA's formation is a natural progression for the Middle East, "Business aviation in the region is growing. The number of private jets has increased rapidly since 2000. The amount of aircraft here is growing. Today there are maybe 370-380 aeroplanes in the region. That may double over the next six years. It

is about time we had an association to represent the industry; to talk with one voice to the media, governments, business communities and in front of the world."

Al Naqbi attributes the rapid growth to a desire to travel easily, not only on intercontinental routes. "Sometimes there are no direct flights. It can take two or three days to go anywhere flying on airlines because of connections. For businessmen and women time is money. With a private plane you can breakfast in Dubai, go to Bahrain, and return and sleep with your family overnight."

Uncomfortable

Travelling internationally is also a concern for many. "Our position as operators is really at the centre of trade. After 9/11 it is uncomfortable travelling commercially with all the investigations and queries en route. With a private charter people can prepare in advance - have their names scanned prior to departure, then have their luggage taken straight to the aircraft."

One of the chief challenges to over-

come in the Middle East is coordinating air traffic control. There are 19 regulatory authorities, which raises safety and planning concerns.

Al Naqbi is aware there will be hurdles ahead, but says that the fact MEBAA is a group of operators will help smooth the path.

"Our objective is to represent the needs of our members. We recently managed to obtain a permit for operators to fly over certain areas during Hajj. We are the only association to talk to an authority that is not representing just one operator."

He adds, "We will continue to talk about traffic rights to civil aviation authorities to make it easier for business aviation to be recognised as a major player. There are lots of agendas to talk about."

Today there are 30 members and the goal is for that number to swell to 100 by the end of 2007 and to 300 by 2012, capturing around 65% of operators in the region. Al Naqbi is bullish about MEBAA's prospects, "That is a big number, but look at other associations, some of which have been going for six years and struggle with members."

Major's children in need appeal to Middle East

While most people attending MEBA are here in the hope of adding to their organisation's profit - one man has an entirely different mission.

He is here hoping to find support from the Middle East business aviation community to support a good cause that also has ramifications for the historic aviation industry.

The man is Alex King and his organisation is the King Air Foundation.

The Foundation has fully owned the first ever Beechcraft King Air

since 1985. The aircraft with serial number LJ-1 came off the production line in September 1964.

The Foundation hopes to raise at least US\$100m by restoring the aircraft and then performing an around-the-world flight using celebrity pilots, as well as attending major airshows, corporate events and various aviation schools.

"We hope to be recognised and supported by the regional business aviation community in our mission of using aviation to save and improve the lives of children in

need," says Alex Major, executive director of the King Air Foundation.

The aircraft has just started to undergo restoration; however, the Foundation still needs funds to get the King Air flying ... and raising funds for the good causes. At present confirmed benefactors, amongst others, are St. Jude Children's Research Hospital, the Christopher Reeve Foundation, the Progeria Research Foundation and the foundation is looking to find suitable good causes in the Middle East area.

"We feel we have a unique oppor-

tunity to appeal to the Middle East's business aviation community to back what is truly an international and heartfelt initiative" says Major.

MEBA organisers Fairs & Exhibitions has started the ball rolling by donating booth C422 for the Foundation's use.

"By supporting this initiative we are hoping to act as a catalyst for the Middle East's business aviation community to demonstrate its commitment to social responsibility," says Alison Weller, director aerospace, Fairs & Exhibitions.



Alex Major: Appealing to the Middle East.

A HANDY TIP: The respectful and deliberate two-handed handshake is preferred in China, the Western one-handed method can be found nonchalant and dismissive...

It's who you know...

關係

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