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FLIGHT

DAILY NEWS

ISSUE 2

MEBA, Dubai, February 1 2007

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KESTREL ON HIGH AT MEBA

MEBA scored a world debut with the first appearance at an air show of the Farnborough Aircraft Company's Kestrel on the static park yesterday.

The Kestrel could become a true Middle Eastern aircraft as the company is at a late stage of discussion with Abu Dhabi-based GAMCO to build the aircraft once it is certificated - probably in late 2009.

Local newspaper reports suggested that the deal has already been concluded but speaking at the show yesterday, FAC commercial director Richard Blain said the discussions were ongoing.

GAMCO were involved in producing some of the composites and sheet metal used in the prototype that is on display here.

"We are very excited of the idea of working towards completing a whole aircraft in Abu Dhabi," Blain said. "We would want to see a build up of the involvement through the certification process which will probably happen in the United States and then see more of the work done here."

GAMCO has opened a large new FAA-certified composite repair facility at its base at Abu Dhabi airport and the Kestrel would be an ideal project for the company.

The changing dynamics of the Middle East market bodes well for the Kestrel. The aircraft will typically carry five passengers plus a pilot and has proposed performance figures that will comfortably match many of the VLJ (very light jets) air taxis that are planned.



NAS in \$50m Gulfstream GIV-SP deal

Saudi's National Air Services (NAS) is to buy two Gulfstream IV-SPs for its NetJets Middle East programme in a \$50 million deal announced at MEBA yesterday.

The finance is being provided by The Royal Bank of Scotland (RBS) which has developed a \$14 billion commercial aircraft-based business in the last six years.

RBS entered the aircraft leasing business in 2001 in a "counter-cyclical move" and built a \$12 billion aircraft leasing business, said Donal Boylan, head of RBS Aerospace and Defence. At the same time, it has developed a \$2 billion corporate aviation business.

"The RBS has already demonstrated its commitment to corporate and VIP aviation in the (Middle East) region, with a number of aircraft financed and several others in the pipeline," said Boylan.

"Both NAS and RBS expect this market to grow significantly over the next five years and, by working together, we look forward to enjoying and important share of that growth."

NAS, already the largest and fastest-growing private aviation company in the Middle East, is committed to expanding its fleet by 75 aircraft in a \$2 billion expansion programme. It is also launching a low cost carrier - NAS Air - in Saudi Arabia with a planned initial fleet of 19 160-180 seat aircraft.

Expansion

Taher Ageuel, chief executive of NAS said at MEBA yesterday: "This agreement marks another significant step in the ongoing expansion of National Air Services. We continue to diversify our business portfolio and move into new markets, and the acquisition of two new long-range Gulfstream business jets will further those dual aims."

He added: We are extremely pleased to make this announcement during MEBA, one of the region's premier industry events, and in partnership with RBS, a global leader in commercial and corporate aircraft finance.

"Indeed, we see this agreement as just the first in what we expect will be a long and mutually beneficial relationship."

MEBA Visitors

Official numbers for MEBA first day showed 1,637 visitors passing through the doors.

LET'S WORK TOGETHER



Sheikh calls for more co-operation in the Middle East

Alan Peaford

The president of Dubai's civil aviation authority opened yesterday's MEBA conference with a call for greater co-operation and renewed responsibilities for aviation infrastructure.

His Highness Sheikh Ahmed bin Saeed al Maktoum told a packed conference hall that civil aviation authorities throughout the GCC states need greater co-operation toward open skies policies "to free up the market, increase competition, generate new opportunities and deliver greater success."

Sheikh Ahmed told delegates that open skies will boost regional economies which in turn will bring greater benefit for the booming business aviation market.

"Middle East business aviation growth has been fuelled by economic success - but as much as being a product of success, business

aviation could be a further economic driver," he said.

As chairman of Emirates Group, Sheikh Ahmed, was quick to acknowledge that the expansion of business aviation will produce challenges for scheduled carriers. "In meeting the challenge, scheduled carriers will have to excel in premium products, in attractive flight timings, improved flight dispatch, enhanced loyalty programmes and wider route networks," he said.

Development

"But we should view business aviation not as competition, but complementary with ample scope for product development between the two. Business aviation mostly links destinations that scheduled carriers cannot serve. It is mostly short haul business with only nine percent of flights being 2,000km or more."

Sheikh Ahmed said he was looking forward to

new initiatives including a heli-link air taxi service between Dubai and Abu Dhabi.

At the conference yesterday it was predicted that the region's charter business will double over the next five years and account for 40% of the total Middle East business aviation market.

Hundreds of delegates - many prospective business jet users and purchasers - heard from industry experts how many options there are for the industry.

Changing demographics in the region suggest there will be increased demand for smaller jets and even turboprop aircraft. "We have to take into account the international trends toward the emergence of heli-taxis and the advent of the very light jet - developments aimed at providing convenient and efficient transportation - aviation on demand. These developments will be enthusiastically taken up in this region," Sheikh Ahmed said.

HEADLINES

Golden hello for refurbished aircraft JV

A new joint venture to bring business aviation services to the Middle East has been launched at MEBA.

Jet Innovations (stand C-312) was developed by Hadid International Services and member-based Jet Fleet International. The company is offering a complete solution for purchasing a second hand aircraft that has been refurbished to as good as new for US\$4.5m

Emerging

"This is a new kind of emerging market in the Gulf," says Chris Pearson, managing director of Jet Fleet International, "and we are offering a total solution for purchasing an aircraft."

Currently there is large market in grey charters and Pearson believes "these users are familiar with the advantages of business aviation and are great potential clients."



Chris Pearson (left) and Imad Kadoumi with golden service.

The launch product is the Golden Falcon. Jet Innovations sources viable used Falcon 20s and renovates the aircraft so that engines are Stage 3 compliant, feature new flat panel avionics, all major inspections and a new plush eight-seat interior.

"We did some extensive research and decided on the Falcon 20 as the base

because it is has a large comfortable cabin, costs are reasonable and with our improvements it offers very good value," says Pearson.

Jet Innovations has selected US Michigan based Alternative to complete the upgrades.

Purchasing an aircraft is the first step, however without a flight crew or

ground support it acts as an expensive gatekeeper. Jet Innovations key offering is that it can reduce the ground and operational support costs through its relationships with Hadid and Jet Fleet International.

The system that Jet Innovations is creating allows clients access to reduced operating costs, as

could be found on a lease-back scheme to large charter organisations.

Because of the buying power offered through the Hadid network and Jet Fleet International clients are able to reduce costs to a similar level to those found in a much larger flight department.

"We see our main competitors as the manufacturers themselves and fractional ownership groups," says Pearson.

This package can be compared to fractional ownership schemes which offer the same benefits, "with fractional groups, clients are not guaranteed to fly in their aircraft all the time and also share the ownership. Our solution offers the same advantages without the disadvantages."

The first aircraft is currently undergoing the 'Golden' conversion process and is due to be complete in four to five

months. Typically the process should take five to six months. "We want to deliver to the market the most cost effective solution and believe the Falcon 20 offers the most effective combination of price, capability and comfort." Says Pearson. Completion times are expected to be reduced slightly as demand grows, part of the plan calls for there to be an aircraft on the ground and completed. The reasoning is to reduce lead times and in principle it is possible to fly-away the same day.

Pearson believes there will be an initial surge of interest and orders as people become more familiar with the availability and advantages of business aviation in the next three to five years. "We feel that manufacturer backlogs will also play a part because we can offer a fast temporary solution whilst a client awaits delivery of a new aircraft."



Gulfstream growing in the Gulf.

Gulfstream 'still growing' in demanding market

Gulfstream is at MEBA with three aircraft and a near-50% share of the growing Middle East market, the firm said at the show yesterday.

"The Middle East and Europe are our biggest markets outside of the USA," says Robert Baugniet, Gulfstream director of corporate communications.

"We find this market to be an extremely sophisticated market," he says. "Customers here know exactly what they want. They expect the highest levels of service."

Baugniet says that business aviation in the Middle East region is growing and he "sees no reason" why it would not continue to grow.

He added that Gulfstream has a 49% share of the Middle East market place, which translates into 77 aircraft, mainly of the larger cabin, longer range types. However, Gulfstream does not include Boeing or Airbus business aircraft in its calculations.

The American firm is gearing up for two anniversaries: this year marks 40 years of long-range, large cabin history at its Savannah, Georgia plant and in 2008, it will have been 50 years since the first flight of the GI.

Baugniet says that Gulfstream continues to study the very light jet market although it has no intention of entering it. "We are keeping an eye on the VLJ market but it is purely professional interest. We don't intend to enter it."

Asked about Gulfstream's plans for new models, Baugniet would only say: "We are looking at large cabin (aircraft) and mid-cabin (aircraft)."

Mustang makes first sale in Middle East

The VLJ revolution is beginning in the Middle East.

Wallan Aviation (Stand C215), Cessna's representative in the Middle East, has placed the region's first order for the Cessna Citation Mustang very light jet. The order worth over \$10m covers five aircraft, with deliveries scheduled to start in 2008. One of the ordered aircraft is a confirmed sale to an undisclosed Middle Eastern client.

Although Cessna delivered its first Citation business jet around 20 years ago, its aircraft have only found acceptance in the region since 2000.

Evolved

"In recent years, business aviation in the Middle East has evolved from a lifestyle accessory into an invaluable tool for business," says Saad Wallan, chief executive of Wallan Aviation.

"The Citation line is benefiting particularly from a growth in regional trade," says Wallan. The past two years have been particularly positive for Cessna, with nine deliveries in 2006 alone including a mid-size



Citation Mustang: \$10m order covers five aircraft.

Sovereign, a super-light XLS and CJ2, CJ3 and Bravo light jets. The manufacturer has an installed fleet of 28 Citations representing 9% of the market, and sees more demand for smaller jets. "There is definitely a niche market for the entry-level Mustang from owner flyers and small businesses.

For us we are considering the Mustang to join our charter fleet," Wallan says.

This order for Mustangs will signify the first presence of a VLJ in the Middle East. Although arguably, Raytheon's Premier IA is closer to the light jet category.

The Mustang is a capable

performer and offers a range of 1,150nm (2,130km) with club seating for four. It bridges the gap between the Citation jets and the turboprop aircraft. With acquisition costs around \$2.5m, it is a viable option for many smaller businesses that can benefit from business aviation.



John Curry:
personal touch.

Small show is perfect for Gulfstream, says Curry

There is an aircraft in the static display that is a little bit special; it is the first Gulfstream GV to enter commercial service back in 1998 and has been brought here by G5 Executive (stand C410).

The G5 brought here is serial number 517 and not only is it the first to enter commercial service it is also the fleet leader for total flight hours – an impressive 10,746 hours. Its closest competitor for flight time is, by comparison, a meagre 7,435 hours.

G5 Executive also has a G550, sn 5004 is also the fleet leader for total flight time – 4,061 hours and entered service in 2003, the next closest competitor is 2,449 hours.

G5 Executive COO John Curry says, “MEBA is an opportunity to support our friends and reinforce our position. It is in an exciting location and the best aspect of its newness is the small size, it means we can be more personal with visitors.”

G5 currently operates a fleet of six aircraft, four Gulfstreams and two Embraer Legacy 600s. “Looking forward we have a BBJ due in the summer, and in the second quarter we are expecting another brand new Legacy.” says Curry.

Boeing's ten-year vision for VIPs

The Middle East will play a key part in the fortunes of the Boeing 747-8 VIP aircraft, Steven Hill, president of Boeing Business Jets said at MEBA yesterday.

The private aviation variant of the latest version of the 747 will be allocated an average of two production slots a year for the first ten years of production, he said.

“There are exactly two dozen 747s in private aviation today and most of them are in the Middle East,” said Hill. “There is a very

good replacement market for existing customers but there is also a good market for new customers.”

Last year Boeing announced orders for four 747-8 VIP aircraft in the Middle East, two of them to an operator not currently operating older versions of the type.

“My guess is that about two thirds of the (existing 747 VIP) aircraft are here in the Middle East and will eventually be replaced by the 747-8,” said Hill.

“We fully intend to do two a

year for the next ten years.”

Boeing has also been active placing VIP versions of the super long range twin the 787, securing four sales to the Middle East in 2006. However, the overwhelming order book for the new aircraft means that any new orders now won't be delivered until 2014.

It's a challenge, he admitted, but his sales team is offering potential customers a range of “creative solutions” to meet their needs until a 787 is available.

Choice the key to Skyjet member card

Bombardier Skyjet International announced yesterday the launch of its next-generation ‘Jet Member’ card ‘offering unprecedented levels of travel freedom to discriminating customers’ in the Middle East.

“In creating the Jet Member card, our objective is to remove as many of the restrictions to charter travel as possible.

Freedom

It will offer customers throughout the Middle East the complete freedom to travel the way they choose, when they choose, and as far and wide as they choose, no strings attached.” says Judith Moreton, managing director, Bombardier Skyjet International.

Moreton spoke at yesterday's conference outlining how the cards work. Primarily, it allows users an ‘a la carte menu’ which lets them choose the full range of services and features on one of four different categories of Learjet, Challenger and Global business jets, or choose and pay for only



Bombardier's Judith Moreton and Jahid Fazal-Karim.

those options important to them. Hourly rates vary according to requirements for model or type, availability, extent of notice,

ground services and payment options. However, cardholders are able to add or modify any of their options at will.

“This card offers flexible blocks, and also allows a customer to purchase the exact number of required hours, with no minimums, and flexible contract periods” Moreton said.

The cardholder, if flying between Dubai and Istanbul, would only pay for the stipulated flight time, with no extra costs for fuel surcharges or additional fees associated with holding times often associated with busy airports. In addition, if you book a same-day return using any of the 5,500 plus airports and 930 plus aircraft, a 20% discount is offered.

Benefit

A notable benefit for customers utilising more than 25 hours is the access to exclusive privileges and benefits such as special offers on luxury brands, invitations to prestigious events, access to yachts and even aircraft upgrades.

Bombardier says that if you are an existing Jet Membership cardholder, the option is available to stay with the existing plan for an unlimited period, or switch to the new card.

Oasis and NAS sign five-year aircraft deal

Oasis International leasing of Abu Dhabi and National Air Services (NAS) of Saudi Arabia have signed a Memorandum of Understanding (MoU) for the acquisition and financing of commercial and private aircraft over the next five years, it was announced at MEBA yesterday.

The two firms have already implemented the first phase of the multi-faceted arrangement, recently announcing the acquisition of six aircraft, valued at \$130 million.

The acquisition covers an Airbus A319 airliner and a A319 Executive (already delivered), two Gulfstream IV-SPs and two Raytheon Hawker 800XP aircraft.

Under the terms of the deal, NAS will have the option to purchase the aircraft in future.

Oasis chief executive Gordon Dixon said that the MoU was significant for the firm which is the leading commercial aircraft finance company in the region and which has recently entered the regional business aviation financing sector.

ExecuJet to open new Dubai FBO

ExecuJet Aviation Group (Stand C211) has seen a significant growth of its services and capabilities since opening the doors of its new facility a year ago.

Adding to the current services of private and business air transport solutions, incorporating aircraft sales, aircraft management, aircraft charter, aviation services and aircraft maintenance, is the opening of a brand new FBO facility at Dubai International Airport.

The official opening is expected this month.

“Our state of the art facility has been well accepted by the market and the new FBO can only add to this,” says Niall Olver CEO ExecuJet. “In terms of fleet management growth, we are now the biggest fleet operator of business jets in the region outside of Government entities.”

The facility in Dubai has ramp space for two Bombardier Global Express XRS or Global 5000s, two Bombardier Challenger 604s and two Bombardier Learjets.

Raytheon girls are brightening up the Daily deliveries



While there has been a lot of attention on the models on the static park, a lot of eyes were focused on different models bearing the Hawker Beechcraft brand.

These were the distribution girls bringing you your Flight Daily News every morning.

The girls, in their bright red flying suits have become legendary for brightening up air shows around the world thanks to the sponsorship of the Raytheon Aircraft Company.

Flight Daily News

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Printing: Atlas Printing Press

Flight Daily News is produced for the Flight Group, part of Reed Business Information by Aerocomm Ltd. +44 1375 427014
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Dana charts new territory

Dana Executive Jets (Stand C224) is at MEBA to raise public awareness. It is a freshly launched venture and plans to commence charter operations at the beginning of April this year.

Initially it will operate a Gulfstream GV and a Hawker 800, with the business model calling for additional aircraft every six months.

"We are keen to commence operations, and will also add to our offerings with aircraft management, FBO services and MRO facilities," says Tahir Iqbal, operations director.

Looking forward, Iqbal also adds that Dana is not just focusing on the Middle East but ascertains to become an international service and is certainly interested in EBACE this year.

Economy boost from Williams

Engine maker Williams has this week released additional details on its new engine aimed at the Very Light Jet market, specifically for the Piperjet - the Williams FJ33-3AP.

The company says it expects a 4% fuel economy improvement over previous versions of Williams engines in its class and that it is based on the 3,000-lb-thrust FJ33A presently used aboard Cessna's Citation CJ3 and the forthcoming Grob SPn but de-rated to 2,400 lbs of thrust.

Majestic set for Learjet launch

Majestic (Stand C137) is newly formed local venture and is here at MEBA promoting itself to the public as an executive aviation and luxury travel service.

It is expecting to receive its AOC in six-months time, however it will commence operations with its first aircraft, a Bombardier Learjet 60 which should be operational in two-weeks time.

Its business model calls for a further two aircraft acquisitions by the end of the first year and include a Challenger 604.

How I flew into MEBA in the Kestrel prototype

Phil Nasskau arrives at the show in style, in the cockpit of the prototype Kestrel.

I had the opportunity to join the Kestrel team as they positioned the aircraft from Abu Dhabi to Dubai for yesterday's opening of MEBA.

The prototype aircraft features advanced aerodynamics, modern composite construction and married to a powerful and reliable PT6 engine.

Stepping up to the aircraft on the Abu Dhabi tarmac it looks the part and my hopes that the old saying 'if it looks right, it'll fly right' would come true. Stepping up into the cabin the big red experimental sticker contrasts against the plush leather interior.

The Kestrel has amassed over 100 hours of flight-

testing to date. The prototype's PT6 pushes an astonishing 1,250shp and as Richard Blain, commercial director of Farnborough Aircraft Corporation Ltd, and our pilot in command, lined us up on runway 13, a slight variable but predominantly tailwind of ten-knots - relatively light - the acceleration was noticeable even with the throttle being gently increased.

Retract

For this flight we were not able to retract the landing gear as a new hydraulic system had been fitted, and needed further testing.

Richard handed me control at 7,000ft and about



170kts. The controls felt sturdy and our cruise power setting was about 65%. The ailerons felt slightly heavy in the roll but overall it was simple, and I never struggled to stay ahead of the aircraft.

We were cleared direct to

the Dubai VOR and started descending. The descent was very simple as the power lever was brought back slightly and she descended nicely. We were vectored in towards the ILS for runway 30R, and as we

were cleared to descend to 2,000ft and start our approach, I handed control back to Richard for an uneventful landing.

As we landed at Dubai, there was a small queue of commercial traffic. Once cleared we were given taxi instructions,

Rule

Although applying the old rule, never taxi faster than you want to hit something, Dubai ATC were a little less understanding and insisted we increase speed as we were holding up the commercial traffic.

We completed our trip in the static park, ready for MEBA visitors to look at the aircraft that could soon be a regular part of the Middle Eastern business aviation market.

Gulfstream's G550 training is launched

Emirates CAE Flight Training (ECFT) launched the region's first ever Gulfstream G550 business jet training programme and welcomed its first customers, it was announced at MEBA yesterday.

The latest dimension to the ECFT training portfolio - designed to make Dubai the training hub of the region - was signed at a ceremony held after the official opening of MEBA yesterday.

Signed

His Highness Sheikh Ahmed bin Saeed Al-Maktoum, chairman and chief executive of Emirates Airline and Group, signed an agreement for the Gulfstream G550 full-flight simulator and associated training equipment with



CAE's Jeff Roberts and His Highness Sheikh Ahmed sign the deal.

Jeff Roberts, CAE group president, Innovation, Civil Training & Services.

They also signed a five-year exclusive contract with Chris Crum, chief executive of Royal Jet of Abu Dhabi, for its flight crew to train

on the Boeing 737 BBJ and the Gulfstream GIV and Gulfstream G400 full-flight simulators.

In announcing the launch of the Gulfstream G550 training programme, Roberts welcomed its first

two customers, G5 Executive Airline and Jet Aviation.

G5 Executive chief executive Peter Fried and Jet Aviation senior vice president Business Development & Corporate Strategy Dave Paddock were present for the signing with ECFT.

The companies' flight crews will start G550 CAE Simfinity-based classroom training and FAA/JAA Level D Gulfstream 550 full-flight simulator training in March.

Says Jeff Roberts: "The addition of this latest Gulfstream Business Jet programme will allow ECFT to better serve our current base of more than 150 customers by providing a 'closer to home' training solution to all G550 operators from Europe, Middle East, Africa and Asia."

Avinode charter search is world class

Avinode (Stand C310) offers a simple online access system to find aircraft charters worldwide - Avinode Marketplace; according to Avinode 2,500 aviation professionals use the service daily to charter flights worldwide.

Its marketplace site offers real-time availability, instant pricing, flight time calculation and picture gallery for charter aircraft worldwide. It claims that at its disposal are approximately 80% of the European charter fleet and 700 US charter aircraft.

"We see a great demand from our charter buyers looking for aircraft in the Middle East region, where Dubai obviously is the most requested destination and departure airport. The great thing about Avinode is that a new aircraft or operator instantly gets worldwide exposure towards aviation professionals and charter buyers have instant aircraft availability and quoting at their finger tips," says Niklas Berg, managing director, Avinode.

The system allows for very quick implementations of changes to aircraft and availability, with operators able to change its fleet almost instantaneously.

Avinode's marketplace is only available to air charter professionals and is using MEBA to promote its system to potential new clients.

Winglets boost Hawker performance

Adding winglets to a Hawker 800 or 800XP could save money on fuel burn, add range and cruise higher.

Aviation Partners Vice President Sales, Gary Dunn is at MEBA and says: "Market interest in our business aircraft blended winglet program is at an all-time high. We see a steepening of the curve in orders and anticipate doubling our installed fleet of blended winglet Hawker 800 and 800XP in 2007."

Dunn says operators of Performance Enhanced 800SPs and 800XP2s are saving up to 7% in fuel burn, flying 180nm farther, cruising 18kts faster and achieving 2000ft higher initial cruise altitudes. "An 800XP2, with Aviation Partners patented Blended Winglets, gets better performance numbers than a new Hawker 850XP," he says.



Winglets interest is at an all-time high