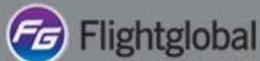


Cookies on our website



Our website uses cookies, which are small text files that are widely used in order to make websites work more effectively. To continue using our website and consent to the use of cookies, click away from this box or click 'Close'

close X

[Find out about our cookies and how to change them](#)

WINGPOINTS[®]

REWARDS PROGRAM



BUY FUEL.
EARN POINTS.
SCORE CARGO.


[JOIN NOW](#)
[Privacy & Cookies](#)
[Find out about pro »](#)
[Sign in Pro](#)
[Home](#) | [News](#) | [Aircraft](#) | [Jobs](#) | [Airspace](#) | [Images](#) | [Cutaways](#) | [Historic](#) | [Air Shows](#) | [Shop](#) | [Products](#) | [More »](#)
[News](#)
[Business Aviation](#)
[Companies](#)
[Completions](#)
[Safety and Security](#)
[Operations](#)

Business aviation set to take off in China

By: [GHIM-LAY YEO](#) SINGAPORE

05:00 25 Feb 2011

Source: [FLIGHT INTERNATIONAL](#)

Last June, [Bombardier's](#) then managing director for business aircraft in China, Jason Liao, decided to leave the airframer and start his own company. Now chairman of the China [Business Aviation](#) group, Liao caters to a growing group of potential business jet owners in China, helping them to zoom in on the right business aircraft to purchase.

Since its inception in late July, Liao's company has closed seven transactions and he expects business to continue growing strongly in the years ahead. "I could not be more bullish about the Chinese market," he says.

Liao's career move is a vote of confidence in the growth potential for business aviation in China, set to be the world's fastest-expanding aviation market in the years to come. A market forecast released by Bombardier last year estimates that 600 business aircraft will be delivered in China from then until 2019, taking the total fleet size to about 700.



© Billypix

Dassault Falcon delivered three jets in China in 2010, and is due to make at least seven deliveries this year

In figures published in January, business jet consultancy Firestone Management Group says there are 116 business aircraft registered in China, including [Hong Kong](#) and [Macau](#). Firestone Management is headed by Justin Lee Firestone, formerly Hawker Beechcraft's president for Asia Pacific.

Of the 116 aircraft, 86 were manufactured less than 10 years ago, says the group. Growing affluence in China, as well as greater knowledge of business aircraft, will propel sales and grow this number further.

Subscribe to:

FLIGHT

INTERNATIONAL

[Latest news in a list »](#) | [Latest news RSS feed »](#)

More on this story:

[Shanghai Hawker Pacific Business Aviation Centre traffic up 43% in August](#)
(17/09/12)

[FLIGHT TEST: Third way: a flight test of the Falcon 7X's EVS/HUD](#)
(26/04/11)

[Hawker Pacific looks to China for more FBO offerings](#)
(08/03/11)

[Asian Aerospace special](#)
(25/02/11)

[China's MRO firms gear up for fierce competition](#)
(25/02/11)

Industry Resources



Industry Resources

Get the latest news from the aviation industry [Learn More](#)

To support the demand, airframers have devoted more resources to serve the growing customer base in the region. [Dassault Falcon](#) set up a sales and marketing office in [Beijing](#) last year, on top of existing offices in Hong Kong and [Kuala Lumpur](#). Its vice-president for international sales Jean-Michel Jacob describes the market in China as "booming".

"The activity here is growing fast... we had an incredible 2010, and we expect to have an extraordinary 2011," he says. Dassault Falcon delivered three jets in China in 2010, and is due to make at least seven deliveries this year, says Jacob.

Bombardier plans to open a regional support office and parts depot in Hong Kong in the first quarter of this year. "Our network for Asia Pacific will be centred in China and supported by satellite support offices throughout the region," says David Dixon, the airframer's regional vice-president for sales in Asia Pacific.

Hong Kong-based TAG Aviation Asia, which has seen a 20% increase in enquiries over the last six months, now manages a fleet of 20 aircraft, up from 13 in mid-2010. Last year, it signed a memorandum of understanding with Shenyang-based maintenance provider and charter operator First Mandarin group to begin a joint venture to operate mainland China-registered aircraft. It hopes to make a further announcement on the partnership later this year, says TAG Aviation Asia's director of business development Jolie Howard.



© Bombardier

Bombardier plans to open a regional support office and parts depot in Hong Kong in the first quarter of this year

Aside from growing demand for business jets, changes in government policies and attitudes in China have encouraged the industry to develop further. Recent improvements in infrastructure have also given business jet manufacturers more reasons to be optimistic.

Until as recently as 2010, government regulations and backward infrastructure were cited as stumbling blocks hindering the growth of business aviation in China. Business jet manufacturers and charter companies pointed to facilities shortages, airspace regulation issues and lack of knowledge about business aviation as challenges faced in China.

Since then, players in the industry have gained a more positive outlook, in part buoyed by developments in 2010. Late last year, Chinese authorities announced plans to open parts of the country's low-altitude airspace to private aircraft to help promote the growth of business and general aviation. A fleet of private helicopters started trial flights in the southern province of Hainan in January, and reports indicate that China aims to roll out a network of general aviation infrastructure and services in the country by 2020.

Bombardier's Dixon says this "suggests a move towards growth for our industry in that region", adding: "In the past few years we've certainly seen some very positive developments that suggest a bright future for our business."

[Gulfstream](#), while acknowledging that there are "always challenges in fast-growing regions", says: "We see a responsiveness on the part of regulators to open more airspace, ease flight plan filing requirements and take other steps to enhance the usefulness of business aviation."

Compared with five years ago, the lead time required to obtain a flight permit for business aircraft now has improved vastly, says TAG Aviation's Howard.

"For primary airports like Beijing and [Shanghai](#), we can get it very quickly, sometimes even within 24h. Five years ago, you'd have to wait seven days," she adds.

Infrastructure for business aviation has also improved in recent years. Most recently, China's Deer Jet opened the first fixed-base operation in southern China at [Shenzhen Bao'an International](#) airport. Earlier last year, Hawker Pacific and its joint venture partner, the Shanghai Airport Authority, opened an FBO at Shanghai's [Hongqiao](#) airport.

Gulfstream expects more of such facilities in the region in the future. "Service providers are anticipating growing business aviation activity and are building to meet the demand," it adds.

Jeff Anastas, Hawker Beechcraft regional vice-president for north Asia, believes that the growth of infrastructure in China is "occurring at rates much faster than previously seen in the same regions". And with the growing number of new airports being built in China, older facilities potentially become available for business aviation, says Bombardier's Dixon.

Political will is also seen by players as likely to help advance the market in China, the government having made explicit plans to encourage growth in business aviation.

[Cessna's](#) vice-president for international sales Trevor Esling says: "The Chinese have the capacity to accelerate market development significantly and will be less burdened by bureaucracy when a clear path is determined by the authorities".

But while industry players agree that China has moved forward significantly in easing regulations and boosting infrastructure, they caution that much work still remains to be done before the country's market reaches the same level of maturity as that of the US and European counterparts.



© Gulfstream

Popular models in the Chinese market include the Gulfstream G450 and G550

BAA Jet Management's managing director Ricky Leung says that FBOs in China tend to focus more on luxurious fittings than functionality. For example, one of the country's FBOs requires business jet owners to get passports stamped in the airport's main terminal because it is not equipped with customs, immigration and quarantine facilities. "The infrastructure is still quite raw, and at an infant stage," says Leung.

As the business aviation market in China begins to grow, aircraft manufacturers have reported high interest levels, particularly in the bigger-capacity business jets. "They want the bigger aircraft that can carry more people, and fly on regional routes such as between Beijing and [Jakarta](#), and [Mumbai](#)," says Dassault Falcon's Jacob. "Potential buyers here have the capacity to buy all sizes of aircraft and companies that can afford it usually decide to buy the big jets."

Popular models in the Chinese market include the [Gulfstream G450](#) and G550, the Bombardier Global family and the Falcon 7X, says Liao, who expects this trend to continue in the next few years.

Cessna's Esling says that the popularity of bigger business jets in China puts it in the same category as other markets such as Russia and the Middle East. "The market is developing on a top-down basis, with the long-range, large-cabin market showing good levels of demand," he adds.

However, some manufacturers believe it is only a matter of time before demand for smaller and midsized jets begins to grow as well. "Ultimately this demand will filter down to midsize and smaller

business jets, so that although the business jet market in mainland China is still relatively small right now, the market potential in this \$4-\$5 trillion GDP market is substantial in the medium to long term," says Esling.

Hawker Beechcraft's Anastas puts it this way: "People have learned that one does not need an intercontinental jet aircraft costing \$45 million to fly from Beijing to Shenzhen. They can instead do the same flight in the same comfort in a jet costing a third of the price."

He adds: "As people become more educated regarding the benefits of private aircraft ownership, we see more aircraft being purchased that fit their specific mission needs."

Products & services



[Analysis & research](#)



[News and alerts](#)



[Special reports](#)



[E-newsletters](#)



[RSS feeds](#)



[Blogs and comments](#)



[Advertiser information](#)

News Channels

[Aircraft](#) | [Aerospace](#) | [Aviation](#) | [Airlines](#) | [Military](#) | [Business Aviation](#) | [MRO](#) | [General Aviation](#) | [Space](#) | [Airports](#) | [Engine and propulsion](#) | [Flight tests](#) | [Accidents and incidents](#) | [Flightglobal blogs](#) | [E-newsletter](#)

Data & research channels

[Flightglobal Pro](#) | [ACAS](#) | [MiliCAS](#) | [HeliCAS](#) | [Flightglobal Insight](#) | [ICAO](#) | [Capstats](#) | [Airport charges](#)

Profiles & Directories

[Aircraft profiles](#) | [Interactive business jet guide](#) | [Civil sims census](#) | [Commercial aircraft directory](#) | [Engines directory](#) | [JP Fleets](#) | [Military sims census](#) | [MRO directory](#) | [UAV directory](#) | [Industry resources](#)

Jobs & Training

[Browse by job role](#) | [Career advice](#) | [Jobs by email](#) | [Jobs search](#) | [Recruiter services](#) | [Training courses](#) | [Browse by discipline](#) | [Training recruiter services](#)

Images, historic & forums

[Air show & event images](#) | [Cutaway drawings](#) | [Member galleries](#) | [Image store](#) | [Historical images](#) | [Historic magazine archive](#) | [Atlas aircraft tracking](#) | [AirSpace Forums](#)

Events & air shows

[Airline Strategy Awards](#) | [Air shows](#) | [Conferences](#) | [Exhibitions](#) | [Flightglobal Achievement Awards](#) | [Flightglobal Events](#) | [Flightglobal Webbies](#)

[Jobs at RBI](#)
[Flightglobal branding](#)

[About us](#)
[Contact us](#)
[Sitemap](#)

[Disclaimer](#)
[Terms and conditions](#)
[Privacy policy](#)

