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## China's New Rich Help Propel Private Jet Market, but Regulations Slow Growth

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The Chinese private jet market is heating up and carrying the global industry even as it lags elsewhere.

China's strong economy has created a crop of businessmen who are now purchasing executive jets, the ultimate success symbol, [according to an Associated Press \(AP\) report](#) published on NPR.

There were 90 registered executive jets in China at the end of April 2011, with 10 jets delivered since the start of January, according to Justin Lee Firestone, managing director of Firestone Management Group. "That's significant in any scenario, especially considering the global economy" is still sagging, Firestone told the Associated Press. "Those numbers are explosive."

The AP reported that restrictions on civil aviation are slowing the growth of the executive jet industry in China, however, including the following rules:

- Private jets registered in China must be operated by one of five license companies. In the U.S., most companies with private jets have their own corporate flight departments.
- The Chinese military controls 70% of the country's airspace, leaving 30% to civil aviation. That contrasts with the U.S., which allows 70% of its air space for civil needs.
- Civil flights in China must fly fixed routes, increasing traffic and delays because they cannot detour around bad weather.
- There is a shortage of Chinese pilots (though private jet owners turn to foreigners or to commercial airline pilots for help, the shortage nevertheless can affect schedules).
- There remain a limited number of slots for private flights at Chinese airports, making it more difficult for executives to make last-minute plans.

But the country is beginning to accommodate the rise in private jets. The Associated Press reported that just a few years ago, flight paths had to be submitted at least a week in advance to the authorities. Today, flight paths can be submitted anywhere from three days to just a few hours ahead of time.

Private jets sales will likely continue to rise as companies and regulators realize that such aircraft are important business tools, according to the article. "Boardroom folks are saying we have a chance to use a business tool to reach clients and factories. On a single day we can go to multiple locations and have productivity gains," Firestone told the Associated Press. "A few years ago they were saying: Hey, I have a private jet. I can go on vacation."

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