



ABACE PREVIEW

News / Business aviation



This year's Asian Business Aviation Conference & Exhibition (ABACE) should provide important insight into the extent business aviation can pin its aspirations on emerging markets such as China. As it has in the past, the Shanghai Hawker Pacific Business Aviation Service Centre at Shanghai Hongqiao Airport will host the show, which takes place from April 12 to 14. The slowdown in the Chinese economy and uncertainty in its stock market have inevitably raised concerns about a possible softening in demand for business aircraft and services.

The event, staged in partnership with the Shanghai Airport Authority (SAA) and co-hosted by the National Business Aviation Association (NBAA) and the Asian Business Aviation Association (AsBAA), is described by the organizers as Asia's premier business aviation event. Since its launch in 2012, ABACE has grown each year and now attracts 8,500 attendees from 51 countries, with 187 exhibitors from 19 countries and nearly 40 aircraft on static display at the 2015 event. China accounted for 75 percent, other Asian countries 7 percent and North America 12 percent. The visitor statistics for last year's event show that 44 percent of attendees were executive management (owner, founder, chairman, CEO, president, managing director, partner, CFO, COO or vice president) level.

Since the April 2015 show, AsBAA has introduced membership levels for small businesses and individuals, "to open greater support to the wider industry." It says the two new membership levels start at \$500 per annum and "open up marketing support, expert advice and networking opportunities to smaller players in bizav in Asia."

Noted AsBAA chairman Charlie Mularski, "As a representative body for the entire industry, we

need to ensure that the benefits of membership are accessible to all. With the introduction of ‘small business’ and ‘individual’ membership tiers, I hope that we are making that commitment a reality.”

The association said it had a good year in 2015, hosting “several successful events across the region.” For example, it hosted its first ever industry awards, as well as safety events and “a series of meetings across Mainland China, Hong Kong and Southeast Asia.”

AsBAA co-vice-chairman Kevin Wu said, “We are proud of the last 12 months at AsBAA; we have come some way in engaging the authorities to support our industry. (See box.) The work we have collectively done as a membership community has raised the awareness of the benefits of bizav, which in turn is making a difference—and means more focus in Asia by our partners at NBAA.”

Wu added that “AsBAA is here to make a difference to businesses big and small. In 2016 we will continue to deliver networking, training and events, but also to create business opportunities for all players in the industry, and generate awareness of our wider economic benefits.”

“We hope that 2016 is the year that more industry players get involved and support AsBAA—which means supporting the industry as a whole,” commented co-vice-chairman David Best. “Membership is not simply access to a series of marketing tools and other opportunities, but it’s a recognized ‘badge of honor’ for bizav businesses. As an association we all work to a detailed and stringent code of conduct.”

GROWING SHOW

In late January the organizers of next month’s event said there were “several indications that this year’s event will be the largest yet, drawing exhibitors and attendees from throughout the Asia-Pacific region and around the world.”

Chris Strong, NBAA senior vice president of conventions and membership, noted that work continues to optimize the show’s footprint, including reconfiguring the layout of the exhibit area at host facility Shanghai Hawker Pacific Business Aviation Centre.

“We’ve expanded the exhibitor pavilions this year to deal with the anticipated growth,” Strong said. “In fact, we have already sold more exhibit spaces so far this year than our total figure for ABACE2015, and we are still three months out.

“We’ve also had a number of indoor exhibitors expand their presence at ABACE2016, including regional companies such as Gama Aviation Asia-Pacific and Sino-Jet,” he added.

ABACE2016 also will offer an expanded static display area on the ramp at Shanghai Hongqiao International Airport to accommodate the diverse range of business aircraft being shown. Approximately 40 airplanes and helicopters will be on display.

ASBAA LOBBYING SUCCESS

Following negotiations with the Zhuhai Municipal Government, Zhuhai Airport Authority and the CAAC, a temporary Business Aviation Port was established on January 1 at Zhuhai Airport for non-scheduled business aviation movements. It allows the occupants of foreign business aircraft to enter and exit China via the temporary Business Aviation Port at Zhuhai Airport. The agreement is renewable after six months.

AsBAA said in a statement that the move was “very encouraging” and indicates “more support from the local authorities for expanding business aviation...as confirmed in an official statement

from the Hong Kong-Zhuhai Airport Management Company: ‘Zhuhai airport is pleased to offer assistance on the application of required flight routes for Hong Kong and Macao business aviation operators to and from our airport.’”

According to AsBAA, Hong Kong International, Macau, Shenzhen and Guangzhou airports have recently suffered capacity issues and are struggling to accommodate business aviation traffic, which is growing at an average annual rate of 14 percent. “There are often issues in being able to offer a mixed fleet solution for scheduled and non-scheduled operations at these major hubs, especially during daily and weekend peak periods.”

More drop-offs and pick-ups will now be possible subject to slot availability, when overnight parking is restricted or not available at these major airports. “Locally based crews in Hong Kong can easily commute via the Zhuhai ferry services that run regularly in the meantime with a further one hour approximate drive to pick up their aircraft that is parked there. Door to door is a 2.5-hour commute from Discovery Bay or Tung Chung, but once the bridge opens this commute will be reduced to 1.5 hours or less,” according to the association.

“We’re enormously proud that our hard work lobbying on behalf of our members, related partner associations and wider industry stakeholders has paid off,” added AsBAA chairman Charlie Mularski. “We expect the changes that will follow this announcement to significantly increase overall efficiency and business opportunities in the region and can be the start of a coordinated approach to the congestion issues we have faced in the PRC.

“Looking ahead to when the bridge opens, we expect to see huge demand for employees commuting from either side of the bridge, especially for crews or operational staff. This is good news not just for business aviation, but also for the wider economies and job prospects in the region,” he noted.

The developments are also set to benefit the general aviation industry. Smaller aircraft and rotorcraft are typically not welcomed at major international hubs such as Hong Kong and Macau or Shenzhen; however, Zhuhai will now accept these aircraft for arrival and departure to regional domestic airports or smaller international airports in the region for the first time. This is a positive move and will attract more income from leisure destination travel.

AsBAA said that the new development could position Zhuhai as a hub for innovative companies, flight schools, MRO and engine facilities and more activity for the region. “The need for easily accessible and cost-effective facilities in close proximity to Hong Kong, Southern China and Macau to conduct heavier maintenance checks for both commercial and non-commercial aircraft and helicopters has been apparent for a number of years. This paves the way for more interest to support the growing fleet of aircraft in the region,” according to AsBAA.

16 MARCH 2016

SOURCE: AIN

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