

SAC ELEVATOR BRIEFING

Swiss Aviation Consulting (SAC) Newsletter No. 11

In this issue:

- European Business Aviation 2021
- SAC Business Review
- Portrait: Jim Lichlyter

Dear valued reader,

We are starting into a new year that is still filled with uncertainties in the middle of the much discussed Omicron wave sweeping across the winter plagued Northern hemisphere. But 2022 is also marked by strong optimism that the pandemic situation will calm down and not block the aviation specific recovery processes of last year's second half.

We are among those believers after a very dynamic November and December that kept our industry busy, backed by some SAC analyses of last year's business aviation activities and structures that you will find in this Newsletter. Enjoy reading – the full version with more insights is available on our webpage.

Did you know? European Business Aviation 2021 at a glance.

Looking back at 2021, we are confident to predict that business aviation is emerging stronger from the crisis than before. In spite of the overall European business aviation activity in 2021 being behind that of 2019, the strong performance in the second half of last year proves the upward trend and provides us with an optimistic outlook.

The summer 2021 saw a surge in activity with up to 90'000 business aviation flights both in July and August. Light Jets held the majority of these flights with 38%, and this category was able to record the largest growth with up to 35% compared with August 2019. Turboprops also were able to boast a large growth with a 30% increase in traffic. Regarding Mid-Size Jets, July and August saw a growth in traffic between 16% and 31% compared with the same months in 2019.

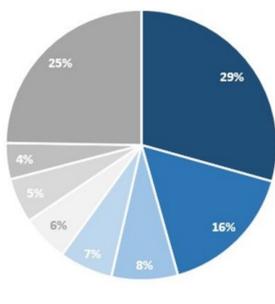
Business jet traffic had, by June 2021, already reached the activity levels of 2019 again - and by the peak of summer, it's activity managed to soar to a remarkable 25% growth over August 2019. Meanwhile, the airline industry was still struggling at a negative 36%.

Especially the commercial business aviation segment experienced a strong push, with an increase in traffic of 37% in August compared with the same month in 2019. The share of commercial business aviation flights in 2021 was at 62% gaining another 6% market share over the non-commercial operations.

Realizing the increase of charter requests, Swiss Aviation Consulting took a closer look at the mid-size and super mid-size business jets that are currently available for charter in the European Union, United Kingdom, Switzerland and Norway.

Split of Mid-Size / Super Mid-Size Charter Capacity by A/C Type

- There are currently about 392 Mid-Size and Super Mid-Size business jets available for charter (approximately 14% of all registered business jets in EU/CH/UK/N)
- Nearly one third of the 392 jets are of the Cessna Citation 560 models.



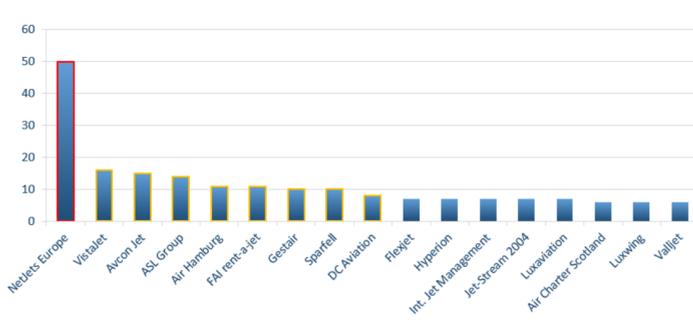
Source: Amstat, JetNet, Official websites of operators
Date of analysis: 02.12.2021

392 A/C in Total

- Excel 560XL/XLS 560/XLS+560 [29%; 115]
- Challenger 300/350 [16%; 64]
- Citation Latitude 680A [8%; 31]
- Learjet 60 [7%; 25]
- Legacy 500/Praetor 600 [6%; 22]
- Learjet 45 [5%; 21]
- Citation Sovereign/+ 680 [4%; 17]
- other (super) mid-size jets [25%; 97]

Number of (Super) Mid-Size A/C per Operator for Charter

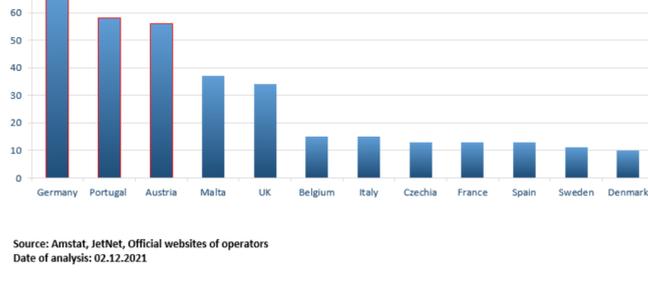
- NetJets Europe holds a 13% market share in the Mid- and Super Mid-Size segment, with 50 of their aircraft being jets of the types Citation XLS, Latitude and Challenger 350 (the three most widely used mid-size models in Europe)
- There are a total of 125 operators in the region providing charter service with Mid- and Super Mid-Size business jets



Source: Amstat, JetNet, Official websites of operators
Date of analysis: 02.12.2021

Number of (Super) Mid-Size Business Jets per European Country

- Almost half of all available Mid- and Super Mid-Size jets are based in Germany, Austria and Portugal
- The 68 available jets in Germany are divided among 21 operators



Source: Amstat, JetNet, Official websites of operators
Date of analysis: 02.12.2021

Note: The full study of the European Business Aviation Structures, Activity Levels and favoured routes is available and ready for download on the Swiss Aviation Consulting webpage (www.swic.aero) or as a PDF.

SAC Business Review

European Cooperation

Swiss Aviation Consulting was engaged by a Greek client to provide comprehensive support for the acquisition and operation of a Falcon 2000 in the Baltic region. The support services include transaction advisories, Aircraft specific life-cycle management tasks, crew setup, value appraisal, safety & compliance audits and continuous operations monitoring. The services are built on a long lasting cooperation.

ATR 72-600 Delivery to Client

Swiss Aviation Consulting completed another ATR 72 project, delivering the Aircraft from Malaysia to our client in Europe. This exciting project covered technical representation during the heavy maintenance check in Malaysia, Airworthiness Review Recommendation to the competent authority, flight planning & operations of the flight in accordance with Part 125 regulations, export documentation, customs and immigration clearance.



The aircraft departed Malaysia on the 6th of January and flew via Chennai and Muscat to Europe where further tasks are waiting for Swiss Aviation Consulting before the Aircraft can be returned to service again.

Service Enhancement Valuations

We are delighted to announce that we have added an in-house ASA Accredited Senior Aircraft Appraiser (American Society of Appraisers).



ASA is the top-notch industry standard. Obtaining the Senior Aircraft Appraiser requires 5 or more years of experience as an appraiser and further academic requirements and appraisal training courses are required. SAC offers desktop, extended desktop, and full aircraft valuations. Our appraiser has conducted over 250 valuations covering a variety of fixed-wing and rotary-wing assets including damage and insurance cases.

Aviation Finance Training Programme to BPMB

Swiss Aviation Consulting was appointed to conduct a seminar for the MALAYSIAN DEVELOPMENT BANK (BPMB). It was held in order to empower the bank in Aviation Financing and Aircraft Asset Management. The session covered several crucial topics for any financial institution embarking on an aircraft finance programme. Among the topics were:

- Aircraft Asset Management and Documentation
- Aircraft Financing Structures
- Redelivery Management
- Risk Transfer Insurance
- Maintenance Reserves Programme



The seminar was conducted by Mr Ahmad Faris and Mr Simon Diggelmann for the banks head department and managers. All the best to MALAYSIAN DEVELOPMENT BANK (BPMB) on your new journey in expanding your wings for new ventures and development.

Meet the SAC Team



Name:
Jim Lichlyter

Job Title:
Associate Partner, North America

Location:
Marco Island, FL, USA

Jim, what is your background and what competences and experience do you have?

"I started my career as an A&P Technician. I also became a Private Pilot and was faced with the decision of which path to follow. I received an opportunity to become a Flight Engineer with a Part 121 Freight Airline which led to a Flight Engineer opportunity with a Part 125 VVIP operation where I became the Director of Maintenance. I began consulting in 2009 and working with SAC in 2011. Consulting led me to a full time DOM opportunity with a US based Fortune 100 company for six years and introduced me to the very interesting world of helicopters. In 2019 I decided to relocate to southwest Florida and return to consulting."

What do you like about your work?

"No two days are the same as the saying goes. You never know what the next phone call or email will bring. Even the routine tasks such as a pre-buy inspection bring different dynamics and challenges. I also enjoy visiting different flight departments and learning how they operate, how they choose to address their particular challenges."

What do you enjoy doing when you are not working?

"Relaxing with my wife and friends in the SWFL lifestyle, maintaining a daily exercise routine and having time to visit our kids and grandkids spread across the country."

What has been your favourite project so far?

"I really enjoy project management with the necessary attention to detail and continual problem solving that is inherent to any project. Last year I was asked to represent the seller during a pre-buy and over the course of two months worked with the seller, buyer and MRO to get the work completed and the aircraft to closing. The seller was pleased the PPE costs were controlled within their expected budget and the buyer was pleased enough to ask me to assist them in future transactions which I have been able to do on a couple of occasions. A very satisfying result."

Where is your favorite place in the world?

"Obviously home, the USA, the first place that comes to mind, however; even though my career has allowed me to travel a good part of the world there are several places I've yet to see like New Zealand, Australia, South Africa and the western countries of South America."

[SAC Flyer Aircraft Financing and Lessor Community](#)

Copyright © 2022, All rights reserved.

Swiss AeroHoldings Ltd, Rothstrasse 9, 6331 Hünenberg, Switzerland
www.swic.aero

[Unsubscribe from this list](#) | [Privacy Notice](#)