Subic Bay is alternative to Hong Kong hassles

by Charles Alcock

Continued overcrowding and access problems at key Asia Pacific airports such as Hong Kong International mean that Subic Bay in the Philippines is well placed to serve as a business aviation hub for the region, according to Aviation Concepts, which last year opened an FBO there. The Guam-based company has seen growth in its aircraft charter, sales and management operations from Subic Bay, but president and CEO Terry Habeck also wants to attract other operators to use the FBO as a convenient and cost-effective staging post for trips into the region.

The former military air base at Subic Bay is about 80 minutes’ flying time from Hong Kong, where growing airline traffic means that slots and parking space for business aircraft are very constrained. According to Habeck, it can take up to five days to get permission to land in Hong Kong and then operators face large bills for landing, handling and parking fees. Landing approvals for Subic Bay can be secured in just a few hours and costs are a fraction of those at the region’s larger airports. Technical stops there can be completed in just 45 minutes.

Aviation Concepts has just over 161,000 sq ft (15,000 sq m) of hangar and office space at Subic Bay, with plenty of scope to expand its existing handling and line maintenance service. Another advantage of the location is that the airport is a Freport, making it easy to import aircraft, parts and fuel without being subject to costly and time-consuming importation process.

According to Habeck’s estimates, an aircraft that would incur total fees of $6,000 at Hong Kong would pay only around $600 at Subic Bay. As of press time, the cost of jet-A fuel was approximately $1.50 per gallon less at Subic Bay than at Hong Kong. Hangar space is available at Subic Bay for around $5,000 per month. Habeck claimed that aircraft parked outside in Hong Kong can be damaged by corrosive chemicals emitted into the atmosphere by nearby factories.

One potential driver of rising itinerant business aircraft traffic at Subic Bay is the growing numbers of super-yachts docking at the nearby marina. By comparison, Hong Kong also is becoming congested in terms of maritime traffic.

Charter Service Expansion

Meanwhile, U.S.-owned Aviation Concepts is continuing to expand both the cabin size and range of its charter fleet and has announced plans to add a Bombardier Global 6000 and a Boeing Business Jet in September 2012. The operation is approved to both IS-BAO and Argus Platinum safety standards. Here at the ABACE show in Shanghai, the company is displaying a Challenger 605 aircraft in front of the Bombardier chalet. The company already operates two other Global Express family models and a Gulfstream G550.

Aviation Concepts, which entered the Asia Pacific market back in 2001, also has just opened a new sales and marketing office in Hong Kong. Habeck said this will allow the company to service growing numbers of Chinese owners looking for a more convenient way to manage their aircraft.

In many cases, this means registering and basing them outside mainland China, where the tax and importation rules can still be prohibitively costly and cumbersome.

Habeck said that Aviation Concepts’ charter operations at Subic Bay is the growing numbers of super-yachts docking at the nearby marina. By comparison, Hong Kong also is becoming congested in terms of maritime traffic.

ST Aerospace expands into VIP completions business

by Thierry Dubois

Aeria Luxury Interiors (Booth H212) is the new name for VIP completions design specialist DRB Aviation, which last month was acquired by Singapore’s ST Aerospace group. The deal takes ST Aerospace, which is well established in maintenance, repair and overhaul (MRO) work, directly into the market for completing and refurbishing business and private aircraft.

ST Aerospace has established an MRO facility in San Antonio, Texas, where Aeria is headquartered. It is now converting one of its hangars in a VIP completions center there to provide room for its new U.S. subsidiary to grow. The facility, which should be ready to use by May 1, will include shops for cabinetry, upholstery and electrical work.

Projects Out for Bid

“We have already provided several quotations for cabin outfitting projects and have been shortlisted on two projects,” said Aeria’s completions general manager Ron Soret. The new hangar will be able to house aircraft up to the size of a Boeing 747-400.

DRB Aviation has previously worked on aircraft ranging from Bombardier Learjets to Boeing Business Jets (BBJs) and Airbus Corporate Jets (ACJs). “Sometimes we were responsible for the completion from A to Z, sometimes we just worked on design or certification,” company president Don Bell told AIN.

Soret believes that many Asian business aviation customers currently flying on conventional-size business jets, such as Hawkers or Gulfstreams, will progressively move to larger aircraft, such as ACJs and BBJs. In the future, Aeria may also have completion facilities in Asia but Soret estimated this will take “five years or more” to get established.

Presence in China

Meanwhile, in January, ST Aerospace received a license to establish an aircraft repair facility in Guangzhou, China. It is a joint venture with Guangdong Airport Management Corp., which has a 51-percent stake.

The new MRO facility is expected to begin operations in the second half of 2013, performing maintenance, repair and overhaul for Airbus, Boeing and McDonnell Douglas aircraft. For the most part, these will be airliners, but the operation could also provide support for VIP versions of the aircraft.