Turbine aircraft deliveries slipped in 2012
by Curt Epstein

While the business aviation industry greets each morn- ing with the positive economic news with cautious optimism, continuing financial indecision made 2012 another depressed year for turbine aircraft deliveries, according to the General Avi- nation Manufacturers Associa- tion (GAMA), which released its year-end delivery totals last month. Last year general avi- nation reached a milestone of sorts, according to GAMA chairman Brad Mottier. For the first time, he noted, shipments to North American buyers in all three airplane segments—turboprops and pistonss—dipped to 50 percent. “This signifies the more global nature of GA sales as reflected in our member companies’ sales, which are expanding their operations globally to better manage and service their products,” he told the audience.

While 2012 saw a modest increase in overall airplane shipments, the lowest-end non-pressurized turboprop segment accounted for all of the gains, as overall billings decreased by nearly one percent, from $19 billion to $18.9 billion. The business jet and pressurized turboprop segments saw a year-over-year decrease of approximately 4 percent.

“While the 2012 shipment and billing data were mixed, the numbers don’t reflect the amount of development work in progress in general aviation,” said Mottier. “GE Aviation’s turboprop president and general manager for business and general aviation. “The general aviation segment is poised for resurgence in the next few years as these new technologies achieve certification and enter the market.”

Business jet manufacturers handled over 672 aircraft last year, 24 fewer than the previous year and the lowest tally since 2004, when the airframers delivered 591 aircraft. Those delivery totals were buoyed by a fourth-quarter push during which more than a third of the year’s bizjets were handed over. The decrease in deliveries was fueled by the shutdown of Hawker Beechcraft’s business jet line. The manufacturer delivered 20 fewer jets last year than it did the previous year.

Among the major business jet builders, only Dassault saw a year-over-year increase in the number of aircraft delivered, handing over six more Falcon 7Xs and two more 2000LS in 2012 than it did in 2011 to offset a decrease in 900LXs. The number of deliveries in 2011 was fueled by the shutdown of Hawker Beechcraft’s business jet line. The manufacturer delivered 20 fewer jets last year than it did the previous year.

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While Dassault matched its previous year’s delivery total, thanks to a fourth-quarter flurry that saw its customers take delivery of 53 jets, more than half the Brazilian OEM’s 2012 output. While its light Phenom 100 saw a sizable decline in deliveries, the larger Phenom 300 and Legacy 650 made up the difference.

In North America, the remaining dedicated business aircraft manufacturers experienced minor erosion. Cessna handed over two fewer jets last year than it did in 2011 for a little more than 1-percent change, the largest swing being with the Citation Mustang. The airframer delivered five fewer of the VLJ’s year-over-year.

Bombardier was off its 2011 performance by 14 aircraft, and the Canadian manufacturer delivered nine fewer Challenger 605s in 2012 than it did the previous year, it made up for the deficit by delivering 11 more Challenger 300s than it did the previous year. It delivered a total of 179 aircraft, more than one-third of them in the fourth quarter.

Gulfstream began deliveries of two new models in last year’s fourth quarter: the super-mid- size G280 and the ultra-long-range, large-cabin G650. While the company did not meet its early predictions for the number of G650s it would deliver in 2012, the boost was enough to increase its year-over-year large-cabin delivery totals by five. As the company handed over six more Falcon 2000s than it did the previous year, the gains, as overall billings increased in overall aircraft deliveries, resulting in a change to its previously listed 2011 final delivery totals.

GAMA is now including Boeing and Airbus twin-aisle 747-8 and ACJ330 deliveries in its standard reporting rather than noting them in a footnote. However, the association chose not to include them in its billings calculations because the disproportionate cost of these bizliners could skew the entire general avi- nation industry’s billing totals. For example, the eight private 747-8s that Boeing delivered in 2012—valued at nearly $2 billion alone—would account for more than 10 percent of the entire industry billings for the year. Those eight aircraft, however, paved the way for a 50-percent increase over Boeing’s delivery tally the previous year, while Airbus handed over one fewer private jet last year than it did in 2011. Embraer delivered five of its E190-derived Lineage 1000s and E-Jet shuttles in 2012, two more than it did the previous year.

Turbo prop Deliveries

Last year’s better-than-10-percent increase in turboprop deliveries (580 compared with 526 in 2011) can be attributed to GAMA’s recent inclusion of agricultural aircraft manufacturers such as Air Tractor and Thrush, which have seen an upsurge in their business world- wide. When those and other non-pressurized models are filtered out, a 6.3-percent decrease in deliveries year-over-year, with none of the manufacturers exceeding their 2011 delivery totals. Hawker Beechcraft—which at press time had just emerged from bankruptcy protection with its turboprop business intact—delivered 85 King Airs last year, down slightly from the 92 it handed over in 2011. Italian manufacturer Piagg- gio saw a drastic downturn in Avanti II deliveries last year, handing over five of the turboprop twins compared with 14 in 2011. “It was a year that we saw a number of deals not come together in terms of timing,” said Piaggio president and CEO John Bingham, “but already in 2013 we have seen a much enhanced interest in our aircraft and a much higher level of prospects.”

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