



Hongkong Jet's acquisition of Asia Jet in late 2016 affirmed its market-leading position and ambition within APAC's executive jet industry en route to its goal of becoming a holistic, one-stop shop service provider to discerning clients and corporations

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APAC Aviation in the Ascendancy

As a part of the HNA Group and a subsidiary of Deer Jet Co. Ltd, China, Deer Jet (Hong Kong) Business Jet Management Limited - trading as: "Hongkong Jet" - is firmly en route to achieving its ambition of becoming a holistic, turnkey market leader in the APAC executive jet market.

Established as a Hong Kong Corporation in 2009 before obtaining

an HKCAD AOC in 2011 - as well as Part 145 maintenance approval a year later - the business has evolved in a budding industry that only comprised of four business jet operators in Hong Kong at the time of inception. Today, Hongkong Jet can proudly say it has been part of a revolution that now culminates in almost 30 such aircraft management companies.

Chief Executive Officer, Denzil White introduces: "The early development of

Hongkong Jet focused on obtaining a full suite of services including aircraft management, flight operations/dispatch, maintenance, and charter services.

"With this in place and the ability to provide clients with a safe and efficient service, the focus switched to growth, achieving economies of scale and offering clients with service excellence. We have been fortunate in this regard and are proud of the fact that we

have achieved year-on-year growth in excess of 25 percent per annum over the past three years."

Expanding one's portfolio and offering perspective as well as simply from a revenue point of view, each and every investment and business diversification has been with the Company's original vision in mind: to be a market leader and the most respected, integrated business aviation services provider throughout Asia-

Pacific and beyond.

"The mission is for our passionate team of experts to provide clients with a safe, personal, proactive and professional service, which consistently exceeds expectations," White continues. "In order to achieve the mission statement, we adhere to the following basic principles; placing safety above all else, followed by service excellence, sustainability and profitability.



Denzil White,
Chief Executive
Officer

We have instilled a safety culture throughout the organisation and are proud of the fact that we were one of the first, and one of only four, business jet companies in APAC to have been awarded with the prestigious IS-BAO III safety rating from IBAC – International Business Aviation Council.

In order to achieve these success parameters and to provide clients with expert services at the right price, Hongkong Jet has invested in subsidiary companies such as Asia Jet and UAS to capitalise on their economies of scale and strong brand reputations to match its own.

White affirms: “Our parent company, Deer Jet, manages and operates approximately 55 jets in China so there is no need for us to prospect for clients in this market. With our focus principally outside of China we purchased the award winning charter Company in Asia Jet and established a JV business jet management and charter company in Kuala Lumpur,

Malaysia to be a springboard into establishing our presence in the SE Asia Market.”

Service capabilities

Hongkong Jet established its aforementioned company in Guernsey called Business Aviation Services Guernsey Limited in early 2017 (BASG) to further compound its proactive expansion ambitions; the acquisition quickly becoming the second company to obtain a 2-REG AOC (Aircraft Operating Certificate) which was presented by the regulator to Mr White in April this year at ABACE17 in Shanghai. It is also the first Guernsey operator to be approved by EASA (European Aviation Safety Agency) in September, 2017 as a Third Country Operator license holder (TCO).

Ultimately, this means that while Deer Jet China, primarily, is taking care of the Chinese mainland market and Chinese outbound travel needs, Hongkong Jet can look to expand

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across APAC, Europe and even further afield via acquisitions and through suitably viable commercial agreements with approved partners.

A joint venture with a subsidiary, Berjaya Vacation Club Sdn Bhd of the Berjaya Group (MYX: 3395), in Malaysia complemented with an active sales team based in its offices in Subang International Airport, Kuala Lumpur epitomises the ethos further and forms just one small strand of an overall capital expenditure philosophy which continues to take the business to new heights.

“The digital age is upon us and many off-the-shelf platforms are available to simplify the business, provide big data, and offer online charter reservations with very short response times,” White offers as an example on the technology front. “Most of these products however only focus on individual aspects of business aviation, such as safety dispatch, charter or maintenance. I believe that there is an

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The Honkong Jet Management Team

**DENZIL WHITE,
CHIEF EXECUTIVE OFFICER**

With more than 25 years’ experience in business and commercial aviation, White was one of the co-founding partners of ExecuJet and was instrumental in growing this business to a highly respected international company; managing, operating and maintaining more than 150 business jets. In November, 2014 Denzil joined Hongkong Jet as the Chief Operating Officer and in June, 2015 was appointed as the Chief Executive Officer. He assumed the CEO role of BAS Guernsey Limited, a wholly owned subsidiary of Hongkong Jet, when the Company was duly incorporated in Guernsey and issued with an Aircraft Operating Certificate under 2-REG.

**DAVE YIP,
CHIEF OPERATING OFFICER**

Yip began his aviation career as a Maintenance Planner with HAECO in 2000 before leaping into business aviation in 2006 as an Engineering Support Manager at Metrojet, the pioneering Hong Kong based business aviation management company. Dave joined Hongkong Jet as Director, Business & Programme Support in July, 2011. He was one of the earliest to join the Company and with his invaluable engineering knowledge, Dave has been contributing selflessly to Hongkong Jet ever since; ultimately being promoted to COO in Q1, 2017.

**MIKE WALSH,
CHIEF COMMERCIAL OFFICER**

Originally from the UK, Walsh is a 21-year veteran within the global aviation industry. Aside from being in charge of all commercial business development activities of BAS Guernsey and its AOC from a charter prospective, Walsh also serves as CEO of Asia Jet and CCO of Hongkong Jet. He has worked previously in Europe, USA, Russia CIS, and the Middle East markets with Air Charter Service PLC before moving to Asia-Pacific in 2007. He joined Asia Jet in 2009 and helped it become a leading recognised and award-winning regional charter brokerage and aircraft management Company. He is an active member of AsBAA (Asian Business Aviation Association), sits on the organisational committee of the ABACE Show with NBAA, and is also an active participant in the American Chamber of Commerce, British Chamber of Commerce and Irish Chamber of Commerce transport committees.

opportunity for someone to integrate everything into one platform spanning all of the business jet services; but in particular, CAMO, maintenance, operations, charter and finance.

“Deer Jet China launched at ABACE17 a Chinese language-based app which has proved popular with clients, offering many of these products and services through a touch of a button. Two particular products in Deer Jet Care Plus and the Deer Jet FBO membership Card highlight the parent Company’s ambitions to keep evolving to its clients’ needs to stay one step ahead of its competitors. I myself have observed the entire HNA Group philosophy and the strategy for



“The mission is for our passionate team of experts to provide clients with a safe, personal, proactive and professional service, which consistently exceeds expectations.”



Quality and safety in equal measure



several years now has been focused on the importance of the digital medium; and we collectively hope to be able to leverage such technology and big data sharing for our international clientele in the near future too, realising the economies of scale such a service provider Group of Companies can offer.

“Equipment- wise we have also recently invested in a new safety platform called Sera and are investing internally in conjunction with Deer Jet to provide data frames for interpreting the downloads from aircraft flight data recorders.”

Inevitably, the Company’s fleet is updated on a continuous basis, often in line with its acquisitions; the addition of the Boeing B787 Dream Jet and a new Gulfstream G650ER comprising just two of the most recent additions to the fleet. White highlights the importance of the likes of the Asia

Associated companies:

- HNA Group Co. Ltd
- Deer Jet Co. Ltd
- Hongkong Jet
- Asia Jet
- Asia Jet Partners Malaysia Sdn Bhd
- Business Aviation Services
- Guernsey Limited (BASG)

Jet and UAS acquisitions in order to expand the business’s remit and capabilities effectively and efficiently.

“There is not always sufficient time to grow organically, so when the opportunity strikes and the company cultures are aligned, one needs to consider mergers and acquisitions, and we are very pleased to have, overnight, expanded our service capabilities to include worldwide trip support and business jet charters,” he confirms.

A complex business

In Hong Kong, the Company currently accounts for 25 percent of the market, but when combined with Deer Jet China, it is the largest business jet operator in APAC by fleet size, revenue and headcount. This alone signifies the importance of the group structure it has been able to build.

And of course, within each and every department of each and every company,

the significance of a strong human resource strategy is paramount.

“With the rapid increase in management companies in Hong Kong, there is a great deal of employee movement between management companies. We have however been very fortunate in this regard and despite restructuring and some inevitable attrition during the Asia Jet integration process, most of our key staff have been with the Company in excess of five years,” White enthuses. “We recently lost two employees; one returned within a couple of months and the other after a couple of weeks.

“Dealing with people is nevertheless a complex business and we are not immune to losing staff. However, we like to consider employees as part of the Hongkong Jet family and offer them long-term career opportunities.”

Similar challenges can be found across areas of supply chain

management too as with a compliment of 11 different aircraft types, it is impossible to keep a significant spares holding in-house.

Instead, the Company relies on the manufacturers to provide parts as and when they are needed, and this is just one of many industry nuances that Hongkong Jet is having to monitor and negotiate in order to remain at the top of the sector.

“From a business jet perspective, Hong Kong is a dying city,” White concludes. “100 years ago, major cities were defined by having a major harbour. Today megacities are defined by having multiple airports within easy commuting distance of the city centre. In the case of London and New York they have 10, but Hong Kong has only one airport which is limited by take-off and landing slots; particularly for business jets which are given the lowest priority unfortunately.

“A lack of understanding - from airport operators who typically deal with commercial schedule airlines - of the value of our sector to the wider economy and the flexible nature of business jet users increases the problem. They don’t seem motivated to want to help to solve the issue, but instead try to put a band aid on a complex issue and hope it will go away or at least have kicked the can down the road.”

This is why diversification and international expansion is so important, and as Hongkong Jet looks to consolidate in Hong Kong and Malaysia in order to leverage opportunities further into APAC and beyond, the business can be safe in the knowledge that the holistic, one-stop shop nature of its portfolio will lend itself to a global clientele in search of services that cater for the full lifecycle of business jet ownership. ■