

SECTORUPDATE

RVL NEWS

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RVL GROUP PLANS FOR INCREASED CARGO CAPACITY

RVL Group plans to announce an exciting increase in its cargo capability for 2021 which will allow the growing airline to offer more capacity for existing and new customers. The East Midlands Airport-based airline has seen at first-hand how extraordinary circumstances - Covid-19 and Brexit - caused an increase in demand for air cargo capability. Companies which had previously not even considered air, are now seeing the time and efficiency advantages it brings and are snapping up existing capability.

"Our customers have been asking us for greater capacity and that is exactly what we will implement in January," said RVL's Head of Business Development, David Lacy. "We shall make a full announcement shortly."

RVL Managing Director Dave Connor added: "Everyone at RVL is enormously excited by the opportunities that we anticipate in 2021 and beyond, and anticipate new business and accelerated company growth as a result."

ALL EYES ON AVIATION'S ELECTRIC FUTURE

Electric airplanes could do us a world of good. They could reduce emissions and more economically move people from one place to another, all more cheaply than those traditional aircraft powered by fossil fuels.

Weighed down by engineering challenges and without any big investments from airlines, electric flight has remained a quixotic experiment for decades. Now that's changing. Private companies have put in the research to overcome those engineering issues, building planes that cost and emit less, finally making electric airplanes

attractive for airlines and feasible for the masses. By 2035, the aviation industry could be 25 per cent electric or at least hybrid, the investment bank UBS estimates. If these companies are successful, they will eliminate a huge proportion of the direct emissions for most commercial aviation, in the process transforming how humans move around the planet.

But to do that, these companies have to move their innovative planes from prototype to commercial runways to 30,000 feet – no small challenge.

SEASON'S GREETINGS FROM RVL

After a year full of trials and tribulations for every one of us, here's to a peaceful and optimistic Christmas and New Year to all our clients and contacts – past, present and future – from all at RVL Group.

ROAD TO RECOVERY: VIRGIN ATLANTIC TO SELL ITS DREAMLINERS



Virgin Atlantic is to raise up to £70 million by selling and leasing back its two Boeing 787 Dreamliners. The deal was made with the aircraft lessor Griffin Global Asset Management, in partnership with the private US investment firm Bain Capital. The proceeds from the sale-and-leaseback could also be used to pay for some of the debt after the airline's recapitalization completed in September.

"This financing opportunity allows us to pay down debt and improve our cash position going into 2021," said a Virgin Atlantic spokesperson. "Passenger and cargo flying continued throughout November and following our Black Friday sale, we have seen encouraging demand for travel at Christmas, Easter and Summer next year."

The company hopes that the deal will help to secure Virgin Atlantic's future for at least 18 months and save 6500 jobs. The company aimed to cut as much as £280 million in costs, as it has retired older aircraft, including seven Boeing 747s. ([Link: AeroTime Hub](#))

UK RELAXES RESTRICTIONS ON BUSINESS FLIGHTS INTO UK



The Government has announced a limited number of exemptions for passengers arriving into England, including for business travellers who meet a set of required criteria.

Business people are exempt from the 14-day self-isolation period as long as they are undertaking specific activity related to their business. They can only meet with other people as required for that specific activity.

The exemption will also apply to domestic and international performing arts professionals, TV production staff, journalists, and recently signed elite sportspeople. The Government said this was to ensure that industries that require specific, high talent individuals who rely on international connections can continue to complete their work.

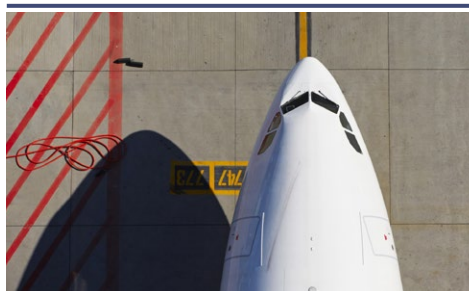
The British Business General Aviation Association (BBGA) has welcomed the move. Sean Raftery, BBGA board member and managing director of Universal Aviation UK, said: "This will help restore confidence for many business travellers looking to do business in the UK and buoys the UK economy as we ready to Brexit." ([Link: Business Airport International](#))

BEST PRACTICES FOR COVID-19 MARKET STIMULATION

The International Air Transport Association (IATA) has called on governments to add market stimulation measures to the support they are giving to keep aviation financially viable. Such measures would encourage travel while systematic testing protocols enable a safe reopening of borders.

Since the onset of the COVID-19 pandemic, governments have helped airlines survive the crisis with approximately \$173 billion in various forms of financial support.

More support will be needed in the form of financial stimulus, says IATA. Many of the support packages are running out, but industry losses continue to mount. "Financially viable airlines will be needed to lead the economic recovery from the depths of the COVID-19 crisis. Government



support of \$173 billion has helped many survive. With potential to safely reopen borders and revive travel with testing, governments will need to add measures that stimulate demand. Such targeted initiatives will help generate revenues, avoid adding debt to airlines, and immediately generate economic activity across the value chain," said Alexandre de Juniac, IATA's Director General and CEO. ([Link: IATA](#))

AIR CANADA INTRODUCES BIOMETRIC BOARDING

Air Canada has become the first Canadian airline to offer its customers aircraft boarding via facial biometrics. The technology is now available for customers departing San Francisco International Airport (SFO) and there are plans to roll it out for customers at other US airports where the airline operates.

Biometric boarding enables customers to present themselves at the boarding gate, have their photo taken, which is then validated and confirmed to their passport document details and photo which are already captured via the US Customs and Border Protection's (CBP) Traveler Verification Service. In a matter of seconds, CBP's biometric facial comparison service will automatically compare the new photo of the traveller to images that the traveller has already provided to the government, such as passport and visa photos. ([Link: Travel Industry Wire](#))

FACTS AND FIGURES

\$128.5 million: Amount raised by firms building small electric aircraft capable of vertical take-off and landing (eVTOL) in 2018

\$1.2 trillion: Amount US households spent on ground transportation and conventional air travel in 2018 (pdf)

\$180 billion: Amount the aviation industry spends each year on jet fuel

2.5%: Share of global emissions produced by the aviation industry

8.2 billion: Air travellers per year expected in 2037, according to the International Air Transport Association

200: Electric aircraft estimated to be under development since 2019, up one third from a year earlier ([Link: Quartz](#))

RYANAIR CHIEF PUTS RIVALS ON NOTICE WITH BIG BOEING JET PURCHASE



Ryanair has a plan to thunder back from the air travel slump, grabbing airport space while its weakened rivals are still in retreat.

The Irish discount airline will use the 210 737 Max jets it is getting from Boeing over the next four years – an average of one a week – to expand across Europe, Chief Executive Officer Michael O’Leary said in an interview.

“Those airports in Amsterdam, in Spain, in Italy, in Germany where they’ve seen huge capacity reductions, we’re out there today in active negotiations,” the 59-year-old chief executive officer said. “Airports will be looking to us to recover their traffic.”

Europe’s most valuable carrier is using its financial strength to go on attack before its competitors can recover. Air traffic cratered this year after the coronavirus crisis stifled demand, and airlines are focused on saving cash. While large plane purchases are off the table for most, Ryanair last week topped up its Max order by 75 jets. [\(Link: AJOT\)](#)

AIR CARGO RECOVERY CONTINUES AT A SLOWER PACE IN OCTOBER

The International Air Transport Association (IATA) released October data for global air freight markets showing that air cargo demand continued to improve but at a slower pace than the previous month and remains below previous year levels.

Global demand, measured in cargo tonne-kilometres (CTKs), was 6.2% below previous-year levels in October (-7.5% for international operations). That is an improvement from the 7.8% year-on-year drop recorded in September. However, the pace of recovery in October was slower than in September with month-on-month demand growing 4.1% (1.1% for international).

Global capacity, measured in available cargo tonne-kilometres (ACTKs), shrank by 22.6% in October (-24.8% for international

operations) compared to the previous year. That is nearly four times larger than the contraction in demand, indicating the continuing and severe capacity crunch.

“Demand for air cargo is coming back – a trend we see continuing into the fourth quarter. The biggest problem for air cargo is the lack of capacity as much of the passenger fleet remains grounded. The end of the year is always peak season for air cargo. That will likely be exaggerated with shoppers relying on e-commerce, 80% of which is delivered by air. So the capacity crunch from the grounded aircraft will hit particularly hard in the closing months of 2020. And the situation will become even more critical as we search for capacity for the impending vaccine deliveries,” said Alexandre de Juniac, IATA’s Director General and CEO. [\(Link: IATA\)](#)

SAF NOW FLOWING AT LONDON LUTON

Sustainable aviation fuel – SAF – is now available at Luton Airport, the London hub joining San Francisco in California in having a permanent supply of SAF provided by Signature Flight Support.

“We’re filling aircraft right now – thousands of gallons a day, every day – at SFO and LTN to meet the growing market demand,” said Tony Lefebvre, Signature’s COO. “SAF is the cornerstone of aviation’s answer to environmental responsibility. Creating an affordable alternative to traditional jet-A is vital to ensuring we’re able to help our customers reduce their carbon footprint.” He added that the company, the world’s largest FBO operator, plans to add SAF capacity at other locations over the coming year as well as making a commitment to fuel all private and business aircraft at SFO with blended SAF starting in the first quarter of 2021. [\(Link: AIN\)](#)

HEATHROW TO WELCOME JUST 22.6 MILLION PASSENGERS THIS YEAR

Heathrow airport has released its latest traffic and financial figures, with losses widening to £1.5 billion during the first nine months of 2020. The London hub is now forecasting to welcome just 22.6 million passengers this year, and 37.1 million in 2021.

The figures compare to 81 million travellers passing through the airport in 2019, with Heathrow blaming “the second wave of Covid and slow progress on introducing testing by the UK government to reopen borders with ‘high risk’ countries”.

Heathrow recently lost its title as Europe’s busiest airport to Paris CDG, and said that Amsterdam Schiphol and Frankfurt are now “close behind”. [\(Link: Business Traveller\)](#)