

Private jets quickly becoming the must-have status symbol

(SINGAPORE) If you have money and want to flaunt it, mansions, limousines, and yachts are no longer enough. For the super rich of Asia, owning a private jet has become the ultimate status symbol.

Executive-jet makers aiming to woo Asia's growing ranks of billionaires and multi-millionaires were out in force at the Singapore Airshow, which drew to a close over the weekend.

Brazil's Embraer had Jackie Chan's personal Legacy 650 jet - with a unique white, red, and yellow livery inspired by a mythical Chinese dragon - flown here for the trade fair.

The Hong Kong-born martial arts movie star, who has a massive following in China, was appointed this month as the company's first-ever brand ambassador. Chan's 13-seat plane, which has a list price of US\$31.5 million, was one of several executive aircraft put on display by exhibitors including Canada's Bombardier and US-based Gulfstream Aerospace Corp.

'Asia-Pacific, as you all know, is a market that is growing very, very nicely,' Embraer president Ernest Edwards, whose company also makes commercial planes, said at the airshow.

Asia now has the world's second-largest concentration of millionaires after the United States, with China and India producing them at a dizzying rate, according to a study by Merrill Lynch Global Wealth Management and Capgemini.

Jet makers are catering to the so-called 'ultra high net worth' individuals and families with investable assets of at least US\$30 million. Their number rose to 23,000 in Asia in 2010, the report said, while US business magazine Forbes estimates that China alone has close to 150 billionaires.

An entry-level Phenom 100 from Embraer starts at US\$4.055 million - a trifling sum, relatively speaking, for the target customer. Embraer expects that US\$40-48 billion worth of executive jets will be sold in Asia in the next 10 years - half of them in China.

The company delivered its first executive jet in Asia to an unidentified customer in 2004 and now has 40 of them in operation in the region.

Not to be outdone, Gulfstream has opened a sales office in Beijing and set up a joint venture to operate a business jet service centre in the Chinese capital's international airport.

It will thus be the first private jet company to offer maintenance, repair, and overhaul services for its customers in China, said Mark Burns, president of Gulfstream Product Support.

'In the long run, we see this expansion of our service capability as essential to maintaining our No 1 position in the Chinese market in terms of market share and reputation,' he said.

Gulfstream said almost half of its orders in the third quarter of 2011 came from the Asia-Pacific region and more than 40 of its planes are now being used in China.

Most recently, Gulfstream received a firm order for 20 jets from China's Minsheng Leasing firm in October last year.

Jostling for a piece of the Chinese pie is Hong Kong-based Sino Jet, a specialist business aviation firm started in May last year by Chinese businesswoman Jenny Lau, a former private banker.

Her company, hired by superstar Chan to take care of his jet, offers a variety of services to its clients ranging from plane maintenance and sourcing of air crew to flight scheduling and in-flight meals. -- AFP