

Volume I, Part 9: Global Express

by Anthony Theis

World Aircraft Sales Magazine's asset evaluation series continues this month with a look at the Bombardier Global Express. As usual, the evaluation is presented in such a way that readers can grasp meaningful, but easy to understand information on its market value history. The goal is to give our readers highly useful applications so they remain informed.

Each featured aircraft is presented with a United States patented graph called JetTrack®. A proprietary program established in 1987, JetTrack® tracks price history, trends and transactions as a simple means to predict the value of your asset.

JetTrack® is broken up into two separate graphs in order to give you the best logical way of determining prices and trends. The top graph represents a history of true asking prices over a ten year period or since the inception of the aircraft (these prices do not represent new OEM deliveries). The bottom graph represents how many aircraft were for sale at the beginning of the month and how many remained for sale at the end of the month.

The clear picture between the two graphs is a linear understanding of the trends and prices. Since prices correlate with supply and demand, the graphs give you a simple understanding of the peaks and valleys. Not only can you predict the value of your asset, but you'll also know the best time to sell or buy.

Simple to use and uncomplicated, you stay ahead of the market with the latest pricing information that's precise and accurate. Best of all, you'll see what happened 10 years ago, five years ago, and what to expect for the future.

GLOBAL EXPRESS

It wasn't very long since the late 1990s introduction of Bombardier's Global Express. Nevertheless, the aircraft has built a reputation for itself since, and is today widely accepted by the industry as a remarkable Ultra Long Range aircraft.

You might expect to find 'issues' with any newly designed airplane – and the Global Express wasn't an exception. The Global Express originated from a design at Bombardier, who had purchased Canadair. Indeed, Canadair had been manufacturing a very similar design for its regional aircraft range. Therefore, the aforementioned problems were merely a matter of completion issues and not so much a fundamental problem with the overall design of the airplane.

Initial completion issues on the Global Express during the early serial numbers such as extended delays, the fitting of the woodwork, and electrical problems to name a few, were resolved as the airplane evolved. Bombardier was able to streamline its completion facilities allowing each facility to gain experience with the aircraft.

The company also listened to customers through its M&O customer seminars on the types of problems that needed to be resolved. Thus, Bombardier didn't take the issues lightly and put a lot of hard work into ironing them out, to offer a high quality airplane.

With the early airplane issues eliminated, more and more operators have recognized that the Global Express stands to be a luxury, high-comfort, long-range aircraft that you would expect to see on today's market. It took time to build awareness for this product, though – especially given the fact that the Global Express didn't have a predecessor

like some of its competitors, including the Gulfstream V (GV).

Adding to the increasing industry awareness of this particular aircraft is its overall improvement in value. The Global Express offers a more oval cabin than the GV, with a foot extra width, which will appeal to some operators, depending on specific mission requirements.

With just over 150 Global Express' built since the late 90's, the average price is up nearly 6% since the last half of 2004, when the average price was \$35,000,000 with a total of between two and six for sale daily. At the end of the second quarter of this year, the average price was about \$37,000,000 with a daily average of just five for sale around the world.

The average time that a Global Express is on the market this year has been just 60 days. This again compares with the Gulfstream V, which has seen similar trend characteristics, but has remained on the market for an average 75 days.

When it comes down to choosing between these two aircraft, it tends to be a matter of personal requirements – particularly regarding cabin needs (as mentioned above). Questions such as 'what type of floorplan do I need; what type of amenities can I get; how much room do I need?' can be the distinguishing factor.

There's a great deal of involvement in making the choice between these two airplanes considering the type of price level involved. You'll need to have a clear picture of your mission profile and needs before making that choice.

➤ More information from Central Business Jets, Inc; Tel: +1 952.894.8559; Website: www.cbjets.com

BASIC COMPARISONS TABLE:

	RANGE (AT AVERAGE CRUISE SPEEDS)	SPEED (KTAS)	CABIN VOLUME(CUBIC FT)	MAX. ALTITUDE	AVERAGE FUEL BURN(GAL/HR)	D.O.C.(USD)
GLOBAL EXPRESS	5,800	470	2,150	51,000	551	\$2,230
GULFSTREAM V	5,800	470	1,670	51,000	538	\$2,315

1. The average D.O.C uses \$2.50 USD /gal.

2. Range is calculated using max fuel on board with IFR reserves.

3. Total D.O.C costs are derived from operator feedback and include airframe & engine inspections, life limited components, fuel burns, engine, APU, and avionics reserves.

Source: Central Business Jets JETCOST®REPORT

Global Express

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