



EVOLVING CHINA'S INDUSTRY, ONE JET AT A TIME

INTERVIEW WITH **MR. CHANG QIU SHENG,**
AMBER AVIATION CHAIRMAN

Interview by Litalia Yoakum



Having played a key role in bringing the first Gulfstream jet to China, obtained one of the country's first air operator's certificate (AOC) and established the first privately-owned aircraft management company in China through Business Aviation Asia (BAA), Mr. Chang Qiu Sheng has always been at the center of the evolution of China's business aviation industry.

In 2017, his determination to develop the industry and further his own experience will once again emerge with the launch of his new business aviation management company: Amber Aviation.

"I graduated from college in 1989 and immediately started my career in the operations center of Air China," says Mr. Chang, explaining when his 30 plus years of experience in the industry began. "At that time the Beijing Airport had no ground handling service for business jets, which caused a lot of chaos. The Civil Aviation Administration of China (CAAC) then asked Air China if they could start a new branch, specializing in business jets, which would include government-related flights. I was asked to lead the team."

Working with the state-owned company taught Mr. Chang the ins and outs of the business jet sector from ground handling operations to government flights, including special flights for foreign dignitaries. During his time with Air China, he served as General Manager of Beijing Air China Aviation Service Corporation from 1997-2001 and Deputy Director of the company's VVIP flight office from 2001-2003. His final

role with the company was Assistant General Manager of the Business Jet unit, from 2003-2006.

In 2003, he engaged in a transaction that would pave the way for Gulfstream to become the market leader in the Greater China region today. Mr. Chang's involvement in bringing the first Gulfstream aircraft, a G-IV, to Mainland China proved to be a pivotal move.

"This was a very complex process," recalls Mr. Chang. "Because there was no previous experience, the government would take it as very troubling work. I didn't know much about the document application process. I knew we had a duty to help Gulfstream get the required documents and certificates, which eventually made a big contribution to the future development and sales of Gulfstream aircraft. All other OEMs would have to face the same barriers and go through the process Gulfstream had already passed through. This helped Gulfstream occupy the Chinese market."

Shortly after this feat, Mr. Chang took on another monumental task. In 2004, a Japanese client came to the Air China Business Jet unit, in hopes of importing his Bombardier Learjet 45 into Mainland China. Just

as the effort to bring in the country's first Gulfstream was troublesome, so was this transaction, in dealing with the China Customs. This would turn out to be the first business jet imported into China, as well as the first aircraft Air China Business Jet would manage.

As the years moved by, Mr. Chang continued to learn about the industry, just as he was helping to develop it. What stuck in his mind though was that one must keep up with the changing market and it's needs - one needs to keep moving forward.

As the years moved by, Mr. Chang continued to learn about the industry, just as he was helping to develop it.

Finally, in 2006, an opportunity presented itself that would trigger a new company, with a new strategy. "A business friend, based in Hong Kong, was selling a Gulfstream 200 to a local client," explains Mr. Chang. "I came to present myself to manage his jet. After our conversation, the client said: 'Why don't you set up your own business jet management company and I will invest the money.' He asked how much I needed and he agreed."

Looking back, Mr. Chang, now an industry veteran, finds this conversation to be unbelievable. This 'leap of faith' led to the establishment of Business Aviation Asia (BAA), in Shenzhen, miles away from Air China Business Jet's headquarters in Beijing. The

company ended up with three shareholders, one of which was Shenzhen Airlines. Mr. Chang and his team were therefore ready to begin operations in April 2007, the local carrier provided credibility to the business jet company, which was little known in the region.

The air operator's certificate (AOC), which took less than a year to obtain, was one of the first in Central and Southern China for a business jet management company.

"Before BAA began to make profit in 2011, I was faced with a tough decision," explains Mr. Chang. "At that time, our Hong Kong base operated N-registered aircraft, while the Mainland team managed the B-registered aircraft, however, both suffered losses. The team in Hong Kong provided advanced service quality, but safety control management of pilots, maintenance and operations, was what the Shenzhen team excelled in. I then made a decision, which would assure safety and quality service. I put all aircraft in one operational center and lowered the cost."

After coming to understand the market and the industry more and more, Mr. Chang continued moving forward in the progressive way he had adapted. His team prided itself on continuous aircraft maintenance, preventing bigger issues in the long run, quality service that saw the clients' interest held in high esteem, and that they were now a team full of experts.

In a move to offer more to its clients, BAA announced in April 2016 a collaboration with one of the largest business jet companies in the world, offering fractional jet ownership. The partnership was one Mr. Chang was familiar with, as his former company Air China had been in talks for a similar partnership in China, before the project was halted. For Mr. Chang, the Chinese market was becoming more aware and more educated, which in his mind equated to a need for more options. This collaboration was intended to provide those options, serving the local needs.





Before Mr. Chang had the chance to see this new partnership flourish though, he was once again faced with uncertainty regarding the direction the company was going. As new outside investors joined BAA, the company began to experience more disagreements amongst shareholders. Mr. Chang began to feel not enough time and effort was being spent solving the problems the company faced.

Throughout his career, Mr. Chang has always believed that investing and focusing on significant issues such as safety will pay dividends in the long-run. "There must be a strong safety foundation," says Chang.

Knowing the industry and the market are growing, he is now ready to provide the local market with personalized products.

Ready to take on a new endeavor has made way for Amber Aviation, where Mr. Chang, taking the position of Chairman, will also bring onboard several key industry veterans to work with him. Mr. Chang is confident the team, which has about 10 years of experience working together and has formed a unique bond, will be the core of this new company.

Knowing the industry and that the market has matured, Chang is now ready to provide the local market with personalized products, including a fly sharing program.

"The problems I faced before will be solved with Amber Aviation," says Chang. "Amber Aviation will be like a supermarket with a lot of products at various prices. You can buy all or a single product. We will have different management models and you can pick the one you like. You can hire your own pilots and flight attendants if that is what you wish. Amber Aviation will develop a tailored product specific to each of its clients."

In previous years, aircraft owners have often accepted any product offered, but with education and awareness, owners have a better idea of what they want. "Amber will satisfy whatever need and request a client poses." The one factor Amber Aviation will continue to control is safety, "the standards of which can't be changed by clients."

Founded in February 2017, Amber Aviation will cater to HNWIs and large corporations, providing a highly customized management service including charter services, aircraft sales, consulting and maintenance. Based in Shenzhen, the new company boasts an experienced management team, with a solid understanding of regional regulations and laws. Amber Aviation's dedication toward safety, its team knowledge, financial strength and ideal geographic location will provide the base to develop with the market and deliver unsurpassed service to all clients.