

SPRING 2019

---

# BUSINESS AVIATION MAGAZINE

A portrait of Alexandria Colindres, a woman with long, dark, wavy hair, wearing a maroon top with small white dots. She is looking directly at the camera with a neutral expression. The background is a blurred green outdoor setting.

## Registering Success

ALEXANDRIA COLINDRES

• CHIEF OPERATING OFFICER •

THE REGISTRY OF ARUBA



# IT'S OUR BIRTHDAY

On this special 30th anniversary, we're toasting all our valued industry partners, clients and team members who have helped us soar for the past three decades.

Our old friend JESSI has taught us a lot over the years. Always strive to deliver the very best service. Protect owners from the high cost of maintenance. Be on call and ready for action 24/7. Never stop digging for new ways to transform the ownership experience.

Cheers!



*JESSI*



Cover photo: Michael Russell, Miami, FL



**MUNIR RAJA**  
CHAIRMAN

**MAX RAJA**  
PUBLISHER & CEO

**ANTHONY HARRINGTON**  
EDITORIAL DIRECTOR

**HARRIS KHAN**  
HEAD OF BUSINESS DEVELOPMENT

**MO BANKS**  
SALES MANAGER

**NOEL BARTON**  
CREATIVE DIRECTOR

**JANE STANBURY**  
GLOBAL LUXURY CORRESPONDENT

WWW.BIZAVLTD.COM

For all enquiries,  
please contact Max Raja  
at [max@bizavltd.com](mailto:max@bizavltd.com)  
or on +44 (0)203 865 3736

Printed in the UK by Premier Print Group  
Distributed by Asendia

## AND SO IT BEGINS, YEAH...

With the first quarter of 2019 now drawing to a close, we have a veritable treasure trove of interviews for you this issue.

The mood at this year's Corporate Jet Investors Conference was largely a buoyant one. Most of the delegates we talked to had moved their dials to "optimistic" rather than "cautiously optimistic" for 2019. There were some, like Nicholas Cerretani, Managing Partner at QS Partners, who thought that 2019 might well end up being rather short of delivering the record-breaking run that so many enjoyed in 2018. You can read his views in this issue.

Johnny Foster, the CEO of OGARAJETS, said that 2018 had delivered a bit of a mixed message for his company. It was a positive year, but the unit number of transactions was down, though overall revenues were up. In his view both measures are important and having one dip slightly was concerning. The company has increased its forecast for sales for 2019, over 2018, but it remains to be seen if the numbers prove to be achievable – this is, of course, always the case. But the doubt is there. There are some headwinds, Brexit being just one of them. Again, Johnny's views can be found in this issue.

JSSI have been great supporters of BAM and we would like to take this opportunity to wish Neil Book and his JSSI team a Happy 30th Anniversary. Without a shadow of doubt, there will be many more milestones for JSSI to celebrate down the road.

Jetcraft completing over 100 transactions in one year is also massive. Well done to Jahid Fazal Karim and the Jetcraft team for another huge year. We'll be watching with interest to see if Jetcraft can set the bar still higher as far as aircraft transactions are concerned.

The Embraer Praetor looks like another sensational addition to the Embraer Biz Jet family and it was nice to read that Embraer wrapped up certification flight testing of its new 3,900 nm super-midsize Praetor 600.

We're delighted to report that BAM's social media numbers have significantly increased. All interviews are available to read on Instagram, Twitter, LinkedIn and the BizAv Media website and they are garnering plenty of attention.

We're now all heading down the fast, homeward straight towards EBACE in May, where BAM will once again be hosting its famous EBACE After Party at the Maison Hobo, on Wednesday 22nd May. We already have some tremendous sponsors, but there is room for more. Please get in touch if you want to be part of one of the year's great branding events!



ANTHONY HARRINGTON

**BIZAV MEDIA LTD.**

BizAv Media Ltd is the holding company. Business Aviation Magazine, Max Raja Promotions, BAM Roundtable and Goldtree VIP are all subsidiaries of BizAv Media Ltd.  
BizAv Media Ltd. Copyright: © 2019. All rights reserved.



**Sundt Air**  
Executive Handling

**Safely serving you since 2004!**

**IS-BAH Registered Company**

**NATA Safety 1st Certified Professional Line Service Specialists**



Stavanger



**Sundt Air Executive Handling & FBO was established in Norway in 2004 with one mission:**

To bring experienced, high quality Service to Norway. Our passion for excellence is what inspires us and continues to drive us each day. We pride ourselves on our excellent customer service and have developed long-standing relationships with our clients as a result. In addition to all of the services we provide at our full service FBO, our team are all NATA Safety 1st Professional Line Service Specialists. We are also very proud to be an IS-BAH registered company. We invite you to come see for yourself what makes our Professional service different from the rest!

**Zero Accidents or Incidents!**





## Handling Supervision - Anywhere in Scandinavia!

Sundt Air Executive Handling will **supervise and support** any flights you have within Scandinavia. Our NATA Professional Line Service and Management teams are the **most experienced** and can assist in making every flight **seamless** from arrival to departure.

Frequency 134,175 Mhz, Oslo, Norway - ENGM Gardermoen Airport

Tlf + 47 64 82 02 00 | [handling@sundtair.com](mailto:handling@sundtair.com)

Frequency 134,175 Mhz, Stavanger, Norway - ENZV Sola Airport

Tlf + 47 40 04 10 10 | [svg.handling@sundtair.com](mailto:svg.handling@sundtair.com)







# Skylink

Skylink Services Ltd is part of the Skylink Group Companies. The company is well-established and provides ground handling services for General Aviation Aircraft in Cyprus. We began operations in 1992, filling the gap in the Executive Aircraft ground handling market at both international Airports of Cyprus, Larnaca and Pafos.

Larnaca International Airport | P.O.Box 43012, CY 6650 Larnaca, Cyprus  
 Tel +357 24 84 09 00 | Fax +357 24 66 58 05

## 24hr Operations

Tel +357 24 64 33 34 | Fax +357 24 64 35 99





- Flight Planning
- Overflight and Landing permits
- Ground Handling
- Fuel
- Weather and Notam services
- Hotel Accommodation

PHONE: +44 (0)8700 467777 | FAX: +44 (0)8452 800159

EMAIL: [OCC@flight-assist.com](mailto:OCC@flight-assist.com) | WEB: [www.flight-assist.com](http://www.flight-assist.com)

ARINC: HDQFA8X | AFTN: KLGWFJEO



02-UK

16:47

43%

flight-assist.com



## Services

Home / Services

Flight-Assist offers a full range of trip planning services covering everything from essential aircraft services right through to specific catering requests. We carefully select the handling companies that we partner with; working only with reputable, trustworthy and reliable businesses.

All services are available on credit once you have established an account; this removes the hassle of paying locally when time is precious or – in certain countries – carrying large amounts of cash.





# SHAPING THE FUTURE OF AVIATION

DESIGN

MATERIALS

VISUALISATION

SURFACING



AIRLANDER

WWW.DESIGNQ.CO.UK



DESIGN Q

GRAPHICS

BRANDING

ENGINEERING

PROTOTYPES

# SPRING

ISSUE 09 2019

**12** Entrepreneurial vision  
Alexandria Colindres, Chief Operating Officer at The Registry of Aruba, on the demands of a modern registry

**16** When bigger is better  
Benoit Defforge, President Airbus Corporate Jets on innovation in airframe design

**22** The art of management  
Lisa Peterson, Senior Vice President, Marketing and Digital Strategy at Gogo and some of the senior figures in the company on management strategy

**26** Building Big  
Bill Papariella, CEO of Jet Edge on building a 50 strong large jets fleet

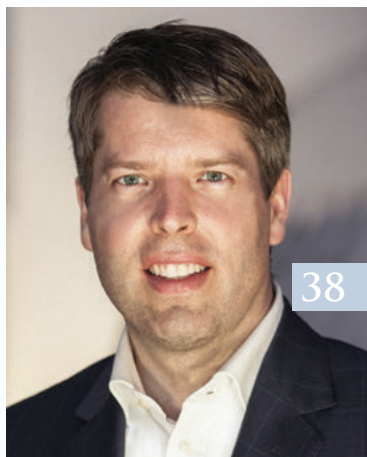
**32** The Right Stuff  
Brian Proctor, President and CEO, Mente Group, on surviving a random shooting and having a great year

**38** Growing the market  
Brad Nolen, Vice President, Markets and Strategy at Bombardier Business Jets on reaching as yet untapped areas of the market

**44** The dynamics of innovation  
Mike Caflich, CEO at Aircraft Performance Group on the importance of innovation in a dynamic, fast-paced sector

**48** Pre-owned on the turn  
Jay Mesinger, CEO and President of Mesinger Jet Sales, on developments in the pre-owned market

**52** Standing firm on value  
Johnny Foster, CEO, OGARAJETS, on the need to hold the line over fees



**58** Smoothing transitions  
Nicholas Cerretani, Managing Partner, QS Partners, on the retail aircraft brokerage for NetJets

**64** Steering complexity  
Andrew Broccoli, Co-Owner, AP Completion Services, on the challenges of managing aircraft completions and deliveries for clients



**66** Securing exceptional growth  
Shawn Vick, CEO, Global Jet Capital, on what it takes to grow at 20 percent a year

**70** Global Reach  
Claudio D'Amico, Business Area Director at Viasat on having the world's highest capacity satellites

**74** Art at the heart  
Howard Guy, CEO, Design Q on how design is an essential part of our lives

**76** It's a relationship thing  
Reflections on CJIC 2019

**78** City of Sails  
Auckland: City of Sails, by Jane Stanbury, BAM Global Luxury Correspondent

# First class aircraft registration

First privately managed  
CAT-1 aircraft registry, we  
are a center for excellence  
for the registration of  
private, corporate, and  
commercial aircrafts.  
Helping you fly since 1995.



The Registry of Aruba



theRegistryofAruba.com  
+1 305 471 9889  
info@P4registry.com

 **ABACE**  
@BOOTH **C313**

# ENTREPRENEURIAL VISION

Alexandria Colindres, Chief Operating Officer  
at The Registry of Aruba, on the demands  
on a modern registry

There are just two public/private partnerships in the world, as far as aircraft registries are concerned, namely, The Registry of Aruba and the San Marino Aircraft Registry. Both Registries come under the same holding company, Aviation Registry Group (ARG), run by the Colindres family.

The Registry of Aruba was established in 1995, and the San Marino Aircraft Registry in 2012. The latter is run by Jorge Colindres' eldest son, David, as President. The Aruba Registry is managed jointly by Colindres and his daughter, Alexandria.

The concept of a private/public partnership for aircraft registries was initiated by Jorge Colindres, present CEO and Chairman of both the Aruba and San Marino Registries. The basic concept is that the Ministry of Transport in the country concerned retains ultimate ownership, with their respective Civil Aviation Authorities (CAAs) holding regulatory control. The Ministry of Transport then contracts out the daily administrative work of the registry to the private side of the partnership, leaving Colindres and his team free to innovate and to bring forward new services to meet emerging market demand.





**Q: How was 2018 for the Registry of Aruba?**

AC: It was a really good year. We received many inquiries from the Asian market and are enjoying a great deal of exposure in Asia. I think what drove much of this was that we did a lot of personalized visits to a number of aircraft owners and operators in Asia through 2017. That kind of personalized approach is acknowledged in Asia.

You need to build a relationship of trust with your clients, they are not just customers, they are an extension of our family, they are what keep us going. Relationships have been the key to our success. As my father always says, “people do business with people that they like.”

**Q: Who was your first client from Asia?**

AC: Sino Jet was our first Hong Kong based client. They now have two aircraft on the Registry. Currently we have in addition to them, Business Aviation Asia, Aegle Aviation, Amber Aviation, plus, another that I cannot yet announce. This is a market where word of mouth recommendations carries a huge amount of weight, so we are very happy to see the momentum starting to build.

For us, Asia has been a very good market, not just with aircraft registrations, but also with maintenances facilities. We have been getting a great deal of validation requests from facilities in the region. Currently, Aruba has an agreement with the Hong Kong CAD, that allows for any P4 registered aircraft to carry out their maintenance at any Hong Kong CAD approved facility. We also have a similar arrangement with Singapore, the UAE and EASA. The Registry is working to gradually expand and develop these programs, but under considerable scrutiny and oversight. Our high standards must be emulated by the authority that is approving the MROs; we must ensure that they hold equivalent high regulatory maintenance standards.

We are always looking to develop new areas, especially areas that are sought after by our operators. When we see a recurring trend, then we begin to analyse that region and to study closely the standards of the relevant CAA in that area. If their standards match ours and it makes strategic business sense, then we will certainly approach their CAA to develop a similar agreement.

**Q: And other markets?**

AC: Europe continues to be a very important market for us and contributes probably around 40 per cent of our business, in addition to central Asia. Our largest commercially registered fleet is located in Kazakhstan, belonging to Air Astana, the flag carrier of the Republic of Kazakhstan. The client base in Europe is pretty well spread. We have a lot from Luxembourg, Geneva, Malta, several aircraft from the UK, and everywhere else.

**Q: What do you put these wins down to, given that there are other options for registering aircraft in Europe?**

AC: I think our speed of service is a very important selling point for us. We are very approachable as a client facing business, where other registries tend to be bureaucracies. We really focus on selling customer service, making us a good deal more accessible, as we are always on call for our client's





needs. We have, in the past, succeeded in registering an aircraft over the course of a single week-end. So, if you need the registration to be done quickly and efficiently, we have a proven track record in that respect.

**Q: So being nimble is key?**

AC: It really is all about being flexible and being able to meet the aircraft operator's needs. To do this, you need to have a solid team of regulatory inspectors and registration officers in place, with many accumulated years of experience. This is a key feature of what we bring to the table. Since we are a combination of a government and a private agency, due to this structure, we are able to incentivise our employees in order to better service our clients. Innovation and adaptation is also important in our industry, being able to work within the rules and regulations; while still providing customers with options for further acceptable mean of compliance that might be better suited for their operation.

**Q: You have always taken a particular interest in Women in Aviation. Are you pleased with the direction things are going?**

AC: I think I have seen a really positive change, recently. I see a lot more women in the industry, and a lot more women

speaking at conferences and there definitely seems to be more women assuming senior-level positions. Similarly, the women in the aviation industry are so extremely supportive of each other, I can't even begin to tell you how many of my female colleagues took time out of their schedules to offer me advice and guidance. All that makes me confident that things are moving in the right direction, certainly for younger women entering the industry today. On occasion you will still get that machismo attitude, and it is still largely a male-dominated industry, but it is changing, and particularly with the newer generation. Everything happens in time! I also feel that people have been really receptive to me. Some of that has to do with my family and the Colindres reputation, but overall people give me the recognition that fits with my role. After all, I'm not a newbie anymore! I've been in the job for six years now and I know my way around.

**Q: What do you see for the future?**

AC: The big thing at the moment is AOCs. Everyone is looking for better ways to manage their operation cost effectively and combat grey charter. Thus, commercial aviation is the way to go, since it allows you to charter your aircraft out and to keep it private when you want to or need to. Offering great cost saving advantages for owners and operators.

I also see the use of technology playing a bigger and better role in how civil aviation agencies ensure compliance with their regulations. As the industry grows and develops and our clients expand into different regions of the world, it is vital that CAAs understand and appreciate how technology can help bridge the gap between them and operators that are based a great distance away. |BAM

“We are very approachable as a client facing business, where other registries tend to be bureaucracies.

# CREATING WORLDS ABOVE THE WORLD

Benoit Defforge, President of Airbus Corporate Jets, on innovation in airframe design



**Q** : What is the role of Airbus Corporate Jets?

**A:** Airbus' focus has always been on delivering innovative airliners that deliver affordable and comfortable travel, and today it offers the world's most modern aircraft family.

At Airbus Corporate Jets (ACJ) we capitalise on this to deliver a better travel experience, through the widest and tallest cabins of any business jet and personalised customer care. Our *raison d'être* is delivering a "your world above the world" experience to companies, individuals and governments.

**Q:** What does the ACJ aircraft family comprise today?

**A:** Airbus' focus in recent years has been on revitalising popular, proven aircraft, such as the A320 and A330 families, as well as introducing new ones, such as the A350 XWB.

It is revitalising existing aircraft families by introducing new, fuel-saving engines and Sharklet wingtips that bring a 15 per cent fuel-saving - almost as much as a completely new aircraft - an approach called the new engine option (NEO).

“Airbus’ focus in recent years has been on revitalising popular, proven aircraft, such as the A320 and A330 families, as well as introducing new ones, such as the A350 XWB (pictured).

This is a huge improvement for airlines that translates into a leap forward in range on the corporate jet side – in addition to improved efficiency. It means that Airbus corporate jet customers can now fly even farther in the best business-jet cabins.

The A350 XWB is Airbus’ first aircraft family with a carbonfibre wing and fuselage, and comprises an A350-900 and an A350-1000. Carbonfibre is corrosion and fatigue resistant, reducing maintenance, as well as saving weight.

Airbus corporate jet customers thus have a modern and comprehensive family from which to choose, giving them the comfort that they want, in the size that they need.

**Q: Where are you with the ACJ320neo family?**

**A:** We delivered the first ACJ320neo to Acropolis Aviation of the UK at the beginning of the year, and it is now being outfitted with a VIP cabin by AMAC.

More than 600 A320neo Family aircraft are flying with airlines, but this

was the first corporate jet version and an important milestone for us.

We are now working on delivery of the first ACJ319neo, to K5 Aviation, in the coming months.

The ACJ319neo, flies eight passengers 6,750 nm/12,500 km or more than 15 hours, while the ACJ320neo transports 25 passengers 6,000 nm/11,100 km or more than 13 hours.

**Q: How does the ACJ320neo Family compare with large, traditional business-jets?**

A: ACJ320neo Family cabins are almost twice as wide as those of the large, traditional business-jets, with three times the volume, which means that you “live” in the aircraft rather than “fly” in it.

Widely separated cabin-zones mean that groups of people can be doing different things, without disturbing each other, and move easily around the cabin – unlike in traditional business jets.

Customers are pleasantly surprised that they can enjoy so much freedom in an aircraft similar in external size to traditional business jets, for about the same operating cost.

This is because the Airbus corporate jets’ airliner heritage and economy of scale enables more affordable spares and training, and because they hold their value better over time.

Larger groups – such as extended families or government delegations – can also fly together.

**Q: Where are you with the A330neo?**

A: In addition to new engines and Sharklets, the A330neo Family benefits from a big improvement in maximum take-off weight (MTOW). A330 MTOW at its introduction was 212 tonnes - today it is up to 251 tonnes, bringing more range and payload capability.

The A330 also has the distinction of being the world’s best-selling widebody family, with more than 2,100 orders to its credit<sup>1</sup> - more than any competing programme.

Airline A330-900 deliveries began a few months ago, and the A330-800 variant is in flight-trials.

Like all Airbus widebodies, the A330 Family delivers *nonstop to the world* range, and can fly 25 passengers 9,400 nm/17,400 km or more than 20 hours.

**Q: What is the status of the ACJ350 XWB Family?**

A: We know from extensive experience – having managed some 70 turnkey cabin completions – that interiors are crucial to customer satisfaction. We also recognised, from the start, that outfitting a carbonfibre fuselage posed new challenges, such as when drilling holes to attach walls and other furnishings.

Our solution is called Easyfit, and pre-equips the fuselage with brackets to which cabin elements can easily be attached. We also capitalised on the expertise of completion centres, such as AMAC, Jet Aviation and Lufthansa Technik, and standardised cabin-to-airframe system connections.

We have already won our first ACJ350 XWB order with Easyfit, which will join 250 or so A350 XWBs already in airline service.

The ACJ350-900 ULR<sup>2</sup> can fly 25 passengers 10,800 nm/20,000 km or more than 22 hours.

**Q: How are ACJ customers supported?**

A: Airbus supports more than 500 customers and operators around the world, flying over 10,000 airliners, through a global network of spares, training and advice centres.

ACJ operators benefit from this network, but also from tailored support. Such as a corporate jet customer-care centre (C4you) staffed by specialists, which provides a single point of contact.

<sup>1</sup>Total orders for the A330 and A340, which were launched as a joint programme

<sup>2</sup>Ultra-long range



GIVE YOURSELF PERMISSION TO  
DREAM AGAIN



LEATHER MADE TO MOVE.

The world's finest aviation leather delivered where you need it, when you need it.

LEATHER SINCE 1933

M O O R E  
— — & — —  
G I L E S

MOOREANDGILES.COM



“Airbus has its own design studio, enabling customised cabins truly tailored to the lifestyles, tastes and preferences of our customers.

Airlines can, and do, fly aircraft such as the A320 Family many times a day – which they can only do with inherently reliable aircraft – and ACJ customers benefit from this heritage.

They also fly their aircraft thousands of hours a year, unlike business jet operators, which may only fly a few hundred hours annually.

Customised maintenance programmes, tailored to the needs of ACJ customers, recognise this, extending check-intervals and adapting the work required.

And an ACJ Service Centre network has also been created, comprising Comlux America, HAECO Private Jet Solutions, Jet Aviation, Sabena technics, Sepang Aircraft Engineering (SAE) and ST Aerospace.

Airbus is also capturing more aircraft parameters to

deliver better predictive maintenance, through its Skywise offer. For an A320 Family aircraft, this means some 24,000 parameters, compared with the 400 or so available today.

**Q: What are Airbus Corporate Jets’ strengths?**

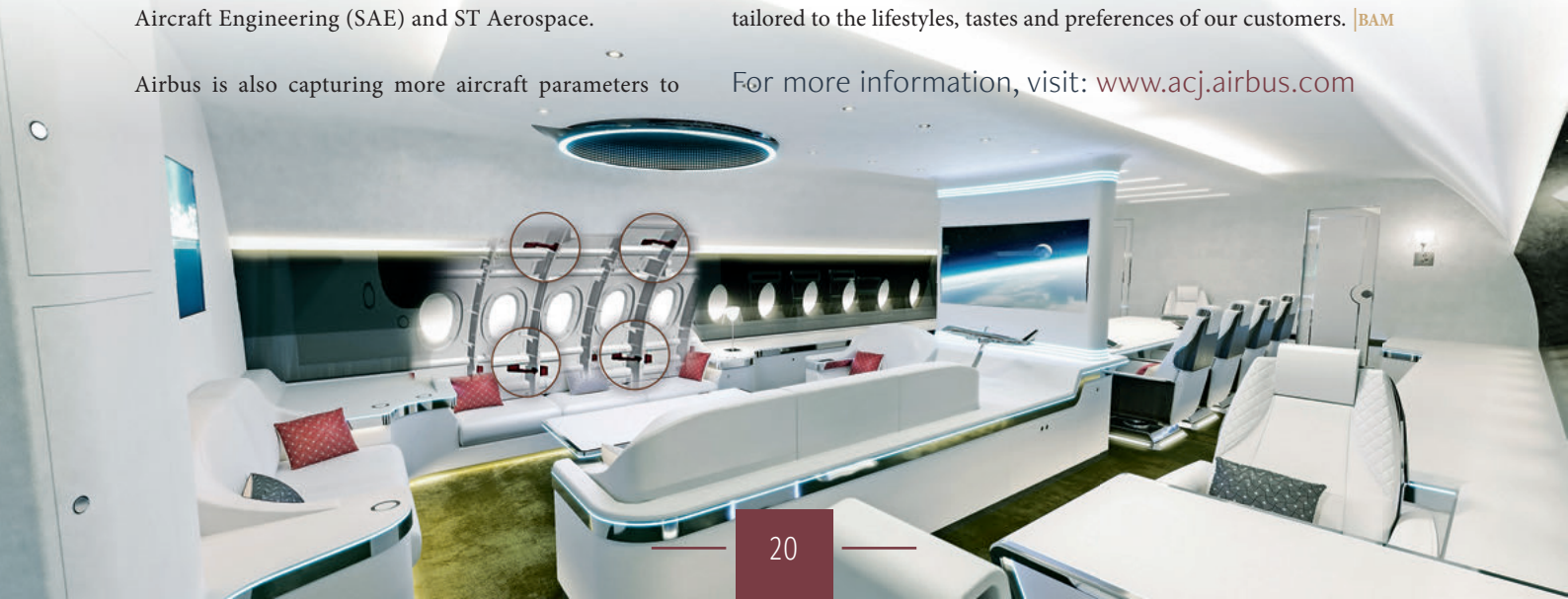
A: ACJ’s biggest strengths are its products and its people.

In addition, an ACJ Advisory Board, comprising senior representatives of Airbus operators, meets regularly, helping us to improve our products and to keep our focus on what is important to them.

Airbus is also unique in offering customers corporate jets and helicopters, which we call Business Aviation by Airbus. This is highlighted in a shared branding of ACJ and Airbus Corporate Helicopters (ACH).

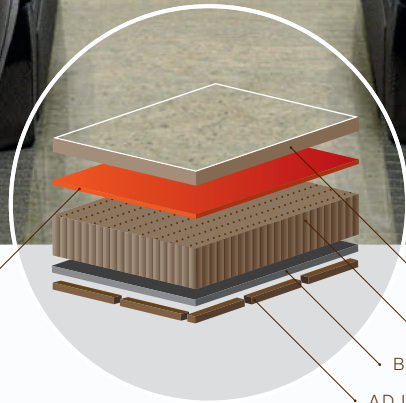
Finally, Airbus has its own design studio, enabling customised cabins truly tailored to the lifestyles, tastes and preferences of our customers. |BAM

For more information, visit: [www.acj.airbus.com](http://www.acj.airbus.com)



# HEATED STONE FLOORING

©PILATUS AIRCRAFT LTD



HEATING LAYER  
SURFACE TEMPERATURE  
82.4 ± 9°F (28 ± 5°C)

ULTRA THIN REAL STONE COMPOSITE  
HONEYCOMB PANEL  
BACKING & DAMPING MATERIAL  
ADJUSTABLE SPACER WITH HOOK & LOOP TAPE

Significant resilience • Hygienic in wet areas • Swift installation and dismantling  
Minimal maintenance costs • Custom surface finish • Luxurious appearance and comfort

**DRIVEN BY A PASSION FOR PERFECTION F/LIST DEVELOPS AND MANUFACTURES INNOVATIVE AND CUSTOMIZED SOLUTIONS FOR AIRCRAFT, YACHT & LUXURY RESIDENCE INTERIORS**

**EBACE STAND N° V115**

# F/LIST

F-LIST.AT



# THE ART OF MANAGEMENT

Lisa Peterson, Senior Vice President, Marketing and Digital Strategy at Gogo, and some of the senior figures in the company, on management strategy

**G**ogo is known for its ability to attract and retain top talent, we went behind the scenes with several of its people leaders to try to uncover the secret to their success.

**Q: You've been part of Gogo from the very beginning. How have things changed since those early days when you launched the company in 1993?**

**Andy Geist, Senior Vice President, Business Aviation Solutions:** During the last 25+ years we've been in business, connectivity has transitioned from being a "nice to have," to today where connectivity is a "must have." When we started, our emphasis was primarily on voice services. We've transitioned from voice to being very data centric and the demand for speed and global connectivity will only continue increase at an ever-increasing pace. That demand touches every aspect of all our lives, and it's just as prevalent in all aspects of business and commercial aviation as well.

**Q: What was it about Gogo's culture that attracted you?**

**Lisa Peterson, Senior Vice President, Marketing and Digital Strategy:** For me it was the combination of entrepreneurship and openness. There is clearly a culture that embraces innovation and encourages everyone to think outside the box – red tape and bureaucracy doesn't exist here. And what I've found since joining nearly three years ago is that it doesn't matter what your title or position is in the company, anyone at any level can put forth ideas and the best ideas will bubble to the top. Literally anyone can contribute ideas to innovate, save money or anything else. Gogo not only supports that mindset, we encourage it.

**Q: When you're looking to hire an engineer at Gogo, from a cultural standpoint what do you take into consideration?**

**Jeremy Tyler, Senior Director, Engineering, Product Development and Operations:** I like to describe Gogo as the perfect mix of a small-company environment with large-company goals. Even though Gogo has been in business for more than 25 years, it still feels like a startup. You can do just about anything here and at times we need input from everyone, but with the vision of achieving the goals of a large operation. I'm looking for someone who can do both, who can see a bigger vision, but who is also not afraid to get their hands dirty when necessary.





Andy Geist

“ We’ve transitioned from voice to being very data centric and the demand for speed and global connectivity will only continue increase at an ever-increasing pace”

**Q: The tech industry in general moves at a rapid pace, whereas aviation is more measured. Does that present challenges when you’re building your teams?**

**Jeremy Tyler:** Yes, it does, both on the hardware and software side of our operation. You can build something to work in lab, but to have the same result on a jet – that can be a difficult challenge. When we are writing software for a business jet, we have to think about reliability first and foremost. We have to ask: how do I build something to get to the next level of strategic development and then not have to redesign it? Personally, I love that challenge.

**Q: What are some of the challenges you’ve encountered at Gogo compared to other high-tech companies?**

**Lisa Peterson:** What’s different at Gogo, and in aviation in general, is the strong need for regulation from the FAA, which Jeremy spoke about. It’s all about safety and that’s a good thing. However, as a result, there’s a long process to follow when putting something new on an aircraft – especially something that has external antennas, and the hardware that has to be installed onboard. As a result, we operate at a different speed and pace than really any other high-tech sector – it’s slower and more deliberate in aviation.

Our advantage is that we’ve been a market disruptor from the beginning and we’re proud of the fact that we have continued to push innovation. Innovation is in our DNA and the latest example is the AVANCE platform. AVANCE is software-centric and that allows us to do so much more remotely rather than bringing an aircraft down so someone can physically go

onboard to make changes. Our systems are sentient to help with predictive maintenance as another example. We’ve watched other tech disruptors such as Tesla, Amazon and Microsoft and we’ve learned from their example and are now bringing that to aviation.

**Q: Do people have the perspective that aviation can stifle innovation?**

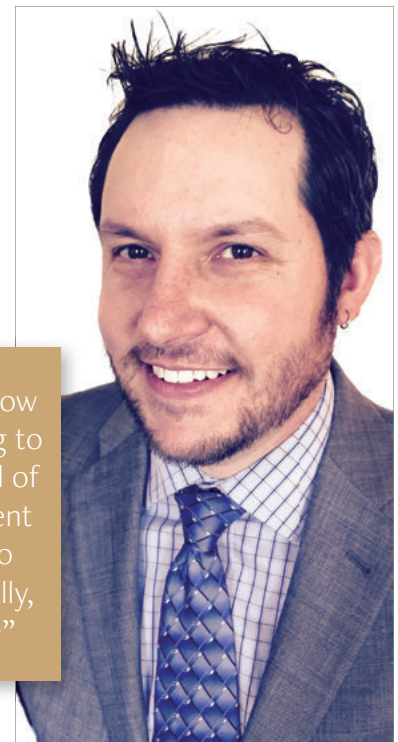
**Jeremy Tyler:** The aviation industry moves slowly, the FAA doesn’t adopt anything very quickly, and for good reason because they have to think safety always. The FAA is not in the business of adopting the latest “cutting edge” technological advancements. That means we have to do a lot of planning up front and then work closely with the FAA so they understand what we’re building and how it will operate on the aircraft. There is a lot of training that has to be done with our staff who come from outside aviation to understand that dynamic.

**Q: How do you ensure the systems Gogo develops and brings to the market will meet the demands of your customers?**

**Suzette Maisano, Director, Customer Operations:** We have a focus on the customer, and we want to look at everything we do from a customer’s point of view. Customer input is at the forefront of everything we develop, and we have strong advisory councils that provide input on our product roadmap. For us VOC (voice of the customer) is not just an acronym, it’s how we behave, it’s how we think.

**Q: What does it take to ensure the quality of the systems Gogo delivers to the marketplace?**

**Suzette Maisano:** There has to be a strong desire to achieve the highest customer experience possible. Quality is something I’m most passionate about because it affects our customers and



Jeremy Tyler

“ We have to ask: how do I build something to get to the next level of strategic development and then not have to redesign it? Personally, I love that challenge”



Suzette Maisano

“ Customer input is at the forefront of everything we develop, and we have strong advisory councils that provide input on our product roadmap”

it affects our employees. And that's true across our organization. We know that diligence and excellence from our team members is what is required to truly provide a quality product. If an issue arises, we want to find the root cause and deliver a sustainable resolution as quickly as possible. We're constantly pursuing excellence, and we're constantly working to improve. That to me is invigorating and it's what I love about Gogo. It takes hard work and commitment to meet the demands of our customers and I'm proud to be a part of it.

**Q: From a human resources perspective, what do you feel Gogo has that is unique?**

**Joni Coffin, Director, Human Resources:** Our policies are such that they give discretion to managers to make decisions. We don't have a large policy manual and we don't have a ton of

policies here – that's by design. We want our managers to have the freedom to make the decision they feel is best for their organization.

**Q: You've been with Gogo for nearly three years now. During that time what stands out about the culture?**

**Lisa Peterson:** As a leadership team, we are very deliberate about finding people who can motivate and cultivate a culture within their team to take risks, provide opportunities for growth, and receive ongoing coaching. I tell my team that we want to fail fast and learn quickly so we can adjust accordingly. We want to give people an opportunity to grow in a safe environment and give them the coaching they need to learn quickly. I know that sounds like something most companies would say, but what I've been impressed about at Gogo is that the culture and leaders really do focus on making this a priority.

**Q: What is it about the leadership style at Gogo that stands out?**

**Jay Boykin, Vice President, Finance and Accounting:** I have the goal of servant leadership, so I don't spend my time thinking about what my team can do for me, but rather how I can help them do their job better. And that's not just on my team, it's across the organization. If there's a way for me to help, I will do it, and that's the mindset the entire leadership team has at Gogo. There are a lot of finance organizations that have the mindset that there are rules and you are going to follow them, period. I don't like that mentality. I want my organization to think about being a value-added business partner, externally and internally. I want customers to know we care about them and what they do, and all our communications with them need to reflect that mindset.

**Q: What has Gogo done to foster a more unified workforce?**

**Joni Coffin:** Several years ago we introduced our “One Team,” strategy as a way to break down silos and encourage more interaction across the various functions within the organization. Today we require it and it's had a big impact on our culture. With One Team, everybody weighs in on the front end when we're brainstorming or trying to make a decision. But once decisions are made, you don't get to drill holes in the boat, so to speak. It's created a unified and supportive employee base.

**Q: What do you do to keep your team motivated, especially since most of the sales staff don't work in the home office?**

**Andy Geist:** We've always focused on hiring highly driven and entrepreneur-minded people who have an intensive customer focus. We look for talented people who come from the business aviation industry and who understand





Joni Coffin

“ We want our managers to have the freedom to make the decision they feel is best for their organization”

incredibly talented people who continuously persevere and work to overcome challenges, has made Gogo what it is today. We’ve had to prove and earn the trust of the industry to keep growing and that takes people doing the right thing along with providing superior solutions the meet customer needs. Our great people create great opportunities and great results! That is truly special and something that we all are very, very proud of here at Gogo.

**Q: What makes Gogo a great place to work for you?**

**Jay Boykin:** Since joining eight years ago, the thing that I’ve always said about Gogo Business Aviation is that it’s the people that make Gogo a great place to work. I love the people I work with and I enjoy coming to work every day. It’s just fun to be here. We do something that is different and unique from an industry perspective. We have a lot of smart, talented people and I typically learn something here every day. I like that. I love that we celebrate successes. |BAM

the demands of serving our customers. That is a critical component for us to be able to provide the best possible connectivity solutions available in the market today. We find that people with those skills are typically eager to serve customers and are self-motivated and passionate. They aspire not just to be good, but to be the very best at what they do in an industry that demands a high level of excellence.

**Q: When you look back at where the company started to where it is today, what stands out to you?**

**Andy Geist:** We’ve had the unique opportunity to create something really special here by providing revolutionary connectivity solutions to aircraft. As we all know, connectivity is a very important aspect of all of our lives, on the ground or in the air. During the last 25+ years we’ve been able to hand pick some of brightest and most capable people we could find in our industry. That kind of opportunity doesn’t come along every day, and we feel we’ve been able to excel in beating the odds from our place as a small startup company to becoming the global company we are today, offering connectivity solutions to thousands of aircraft of all types and sizes.

Like any startup, the challenges are much greater than you can anticipate. Vision, hard work, commitment, and a team of



Jay Boykin

“ I have the goal of servant leadership, so I don’t spend my time thinking about what my team can do for me, but rather how I can help them do their job better”

# BUILDING BIG

Bill Papariella, CEO of Jet Edge, on building a  
50 strong large jets fleet



**Q** : How did you first get involved with Jet Edge?  
A: I was introduced to Jet edge towards the end of my tenure at Marquis Jet - NetJets in 2011. The recession was still very deep at that time and a number of small M&A opportunities presented themselves. We looked at a number of aviation service providers that were either for sale outright or needed capital. One of them I looked at was Jet Edge. At the time it had five aircraft on its certificate and 16 employees, however I expected that once acquired, three of these aircraft would go immediately and everyone would resign.

Ultimately that's exactly what happened except for 3 employees, and with that we started this incarnation of Jet Edge with 3 employees and 2 planes in a small white house (off airport) in Van Nuys with bars on the windows. It was a very humble beginning.

We worked literally 24/7 in year 1 and we started to find good success toward the back half of the year. I'd developed a number of great relationships with senior executives and companies that were charter partners with Netjets during my time there. The post 2008 period

was a hard one for many companies. Some didn't survive and I was able to recruit some excellent people for Jet Edge as a consequence. There were ten or 12 people based at Van Nuys who came across to us, including excellent sales staff as well as our chief pilot. Many of these individuals are still with the company today and are the heart-beat of our culture. Having come from failing companies coupled with long tenures in the business, naturally an increasing number of aircraft followed these executives to Jet Edge.

Over the coming years we grew into one of the more recognized aviation services companies in the world with a fleet of over 55 large cabin aircraft, a state of the art campus facility hangar on the northwest side of the Van Nuys airport and facilities in Teterboro NJ and Palm Beach FLA. Jet Edge is now the proud employer of over 160 employees and 275 crew members worldwide.



“ The post 2008 period was a hard one for many companies. Some didn’t survive and I was able to recruit some excellent people for Jet Edge as a consequence.



**Q: What services do you provide?**

**A:** We offer the whole gamut of services, from aircraft management, to charter, to aircraft maintenance, as well as managing the buying and selling of aircraft for our clients.

Our MRO service is largely AOG line service support and level 1 and 2 checks for our own fleet, though we do provide third party maintenance for other fleets. This is an area of growth for us and we are actively investing in that side of our business. We do all of this in parallel to our large outside maintenance providers at the OEM's and "out of production" groups.

To put it in focus, our spend on maintenance is probably around \$88 million a year in parts, labor and smoothing programs, and we probably do around 12 percent of that in-house. We have some great MRO partners for the more detailed work. We lean a lot on the aircraft OEMs and the independent providers such as West Star and Constant Aviation.

**Q: It must be a huge management challenge running a full service business like Jet Edge.**

**A:** There are always challenges that come up every day. However, the answer, as far as I am concerned, is to have smart people around you who are up to the challenge. We've just



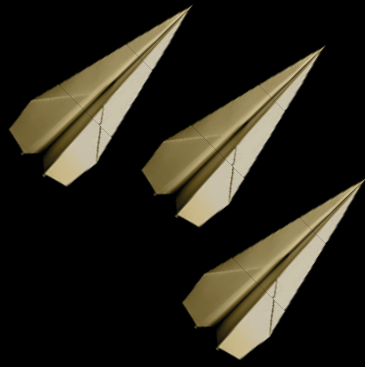
closed a \$60 million capital raise, which not only validated our business model but has enabled us to buy out our existing shareholder group. It has given me a controlling interest in the business and enough money on the balance sheet to make us one of the best capitalized businesses in the industry.

One of the great things about this is that it has enabled us to go out and hire real A-list talent, develop a robust digital platform, market in the areas we want to grow and invest infrastructure. All of these areas we believe will provide efficiencies, less mistakes and value added service to our owners.

**Q: Can you disclose the revenue split across your various services. How important is charter and aircraft management to the mix?**

**A:** Like most aircraft managers, charter and management really dominate our revenue stream, accounting for some 75 percent of the business.





# What is better than Harrods Aviation?

## MORE Harrods Aviation...

With the introduction of increased hangar space at London Luton, we are proud to offer...

MORE VIP passenger handling

MORE ramp space

MORE maintenance capability

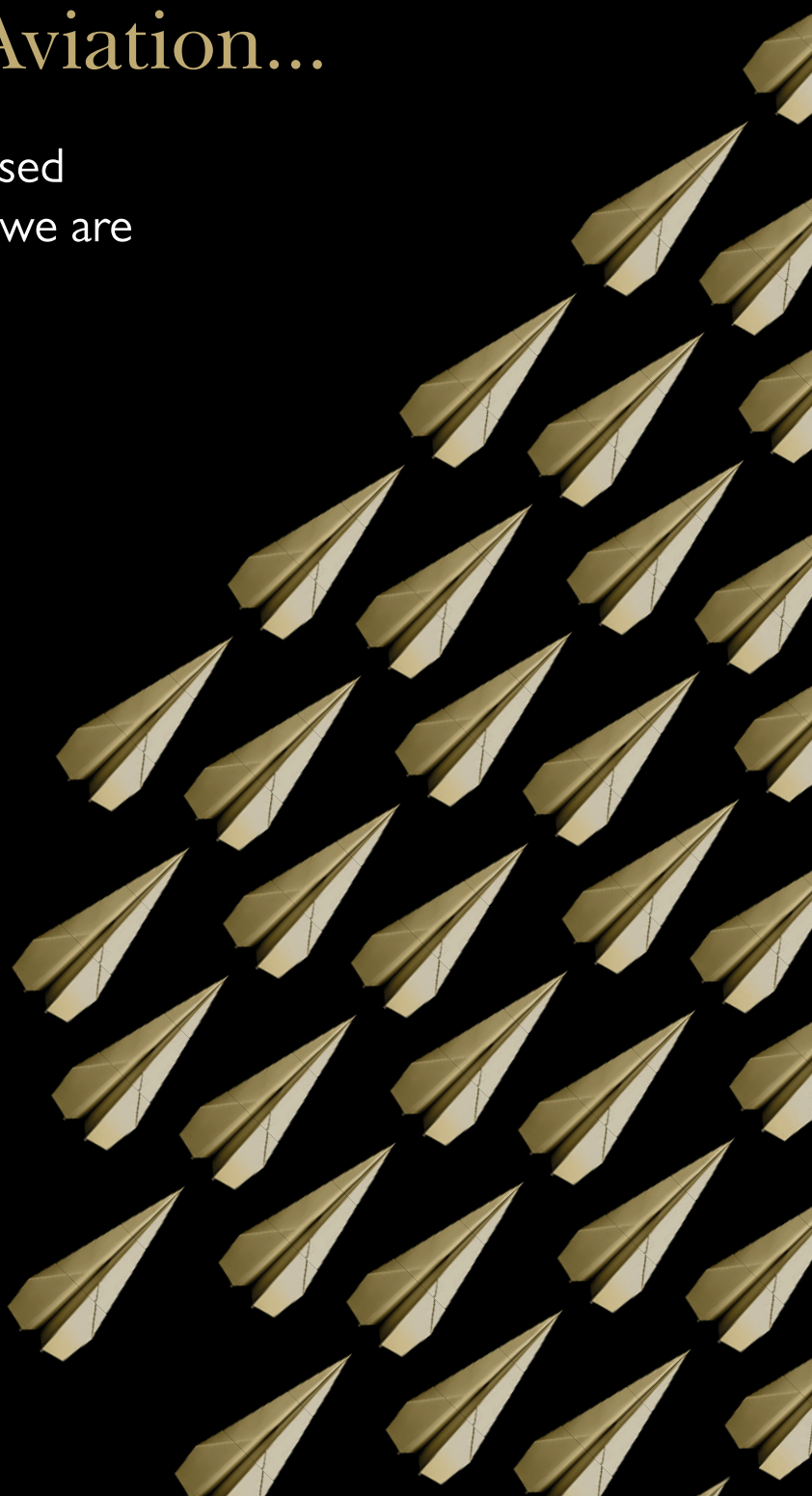
MORE hangarage

To find out MORE  
call +44 (0)1279 665300  
email [sales@harrodsaviation.com](mailto:sales@harrodsaviation.com)

**Harrods** AVIATION

LONDON LUTON • LONDON STANSTED

[www.harrodsaviation.com](http://www.harrodsaviation.com)





There are very few aircraft management companies out there that are truly focused on servicing this kind of market. Some of our competitors also manage a significant number of large aircraft, but they also focus on any genre of aircraft that comes to them. We do not operate small or turbo-prop aircraft at this time and likely will not in the future.

If someone comes to us with a light jet or a turbo-prop we'll point them to companies that are specifically set up to cater for that sort of requirement. It's just not us.

**Q: What percentage of your fleet is available for charter?**

**A:** Actually, 100 per cent of our fleet is available for charter. This is not a requirement, but we emphasise the value of doing at least some charter right from our initial conversations with a prospective client. We feel like this is an area that we want our owners to participate in. Some do it at a very high level, some do a minimal amount of charter but all accept charters.

**Q: Can you break down your charter services a little bit more for me?**

**A:** On a normal managed fleet, when you quote someone for a charter the quote is on a home-base to home-base basis. So if you leave the aircraft somewhere in the world other than on its home-base the charterer will pay for it to come back home again. The owner is never on the hook financially or at risk.

Over the past 6 months we have developed new products, which includes a floating fleet of aircraft (mostly GIVSP) and we are very fortunate to have a number of owners that are light users of their own aircraft and want as much charter as we can provide to cover the annual fixed costs. So these aircraft are doing point to point flights all over the contiguous United States. Additional to our already robust charter business the controlled fleet provides significant overflow

which benefits our owners who prefer less charter or utilize their plane more than the others. Basically the flexibility of other owners and the charter volume they attract actually, feeds the planes which have a tougher utilization schedule.

To put all of this into perspective we accomplish 22,000 hours of charter annually which is 3rd in the country for managed fleets. Of the 22,000 hours about 7000 comes from the controlled fleet.

**Q: How many aircraft would you expect to add to the portfolio over the course of a year.**

**A:** On aircraft management we are really focused on winning twelve new management contracts a year. Through 2018 we stumbled a little and didn't quite get there. Our best performance was signing 15 new contracts in 2015. We are a traditional manager of aircraft in every sense of the world so if a potential client is just buying the aircraft for any reason other than a business need or a lifestyle choice, that's not us.

Our goal is to be 100 aircraft by 2024 within 5 regions of the United States.

**Q: Where do you go from here?**

**A:** I'd say we are one of the better capitalized aviation companies on the market today. We will continue to invest in all aspects of the company and our partners who got us here.

Over the next 12 months you will see some really cool new products, a new digital platform, the creation of new business units and A-List talent hires.

Our goal is to be the best aircraft manager in the world and provide significant value to our aircraft owners, crew, vendors and partners. I have no doubt we will get there. **BAM**



# HELSINKI AIRPORT BUSINESS FLIGHT CENTER FBO



## HELSINKI AIRPORT

*FINAVIA – for smooth travelling*

[www.helsinkiairport.fi](http://www.helsinkiairport.fi)

## Excellent location for technical stops and crew changes in all seasons

Helsinki Airport Business Flight Center offers high quality services for private airlines and operators. We are specialized in business jet operations and our 24hrs service guarantees a quick response to all handling requests.

- FBO services provided 24 hrs
- Onsite customs and immigration 24h
- Arrival and departure slot bookings
- Hangar arrangements
- Hotel and transportation reservations
- Passenger lounge
- VIP lounge
- Crew lounge



## FINAVIA BUSINESS FLIGHT CENTER

Terminal Address: Liikelentotie 8, 01530 Vantaa

Tel. +358 20 708 2780 | Mobile +358 40 722 0834 | Fax +358 20 708 2799 | [business.efhk@finavia.fi](mailto:business.efhk@finavia.fi)

# THE RIGHT STUFF

Brian Proctor, President and CEO, Mente Group,  
on surviving a random shooting and having a great year



**AH: Brian, if I may I'd like to ask you to take us through that horrific shooting incident you were involved in back in June last year.**

**BP:** My wife and I had gone out for dinner to a restaurant near the Dallas Cowboys training facility, just a few miles from home. I am very thankful we did not have the children with us. We left the restaurant about nine p.m. and were on our way home. There was a black truck stopped at a roundabout ahead of us. I pulled up behind it and it didn't move. I flashed my lights to alert them we were behind them, and looked around to see why they weren't moving. As I did so, the rear window of the truck slid down and a gun barrel poked out. The shot went just below my rear-view mirror, blowing glass and bullet shrapnel into my face. I straightened

up and went to wipe the blood off my forehead and the next shot hit my forearm, which was just by chance covering my heart and the bullet travelled down the bone and lodged in my elbow.

My wife heard a voice saying "Get down Karin". She bent down sideways and the next shot went through the windshield where she had just been. Fortunately, my army training kicked in and without thinking, I put the car into reverse one handed and stomped on the accelerator. We sped backwards and three more shots blew the grill on the vehicle to pieces. The truck drove off and the police have not been able to find any trace of it. While it was a purely random shooting, we think the cause may have been gang related.





I was taken to the hospital and the police took a statement at my bedside. I told the policeman that I felt we'd been extremely blessed to escape with our lives. He looked at me and said, "You most certainly were. That shot went right through your headrest where your head would have been." The back window was shot to pieces. If our children had been in the car there would have been a tragedy. Fortunately, with the bullet removed from my arm, and some glass and bullet splinters from my forehead, I'm now back to 100 percent fit.

**AH: Everyone who knows you will be very thankful indeed that you and your wife came through that incident alive.**

**BP:** The cool thing about the aftermath of that shooting is that I got notes, calls, texts and emails from some 200 people in the industry. The guys who we compete against were the first guys to call, saying we heard what happened, if there is anything we can do for you or for your family just tell us. As much as we compete against each other, the lesson this taught me was that we are surrounded by good people in this industry. This is truly an amazing industry and I feel really blessed to be a part of it.

We get together a lot, and it is a small industry, especially at the top end. I can pick up the phone to any of the top brokers and if either of us have an aircraft for sale, we know right away if we can get to a deal quickly or not. It happens quickly because there is that level of trust, and there is no beating around the bush. At the end of the day, that benefits the client. They are not getting information that is not actionable.

**AH: What was 2018 like for you guys?**

**BP:** There is no doubt that last year was a fantastic year for Mente Group. It was our best year ever. We did \$508 million worth of deals, 35 transactions in all. Most of the deals were super mid-size or larger, which is the area that we like and that our client base feeds us. Our average transaction through 2018 was probably about \$17 million, which is a good size.

From every area, fees, income, we had our best year. But what is even more exciting is that over the last couple of years we have put a lot of energy into building our team, and that team is now really starting to gel. Anyone who has played on a good football team knows that you don't need a lot of talking and chatter. When you pass the ball, your

# *Castle & Cooke* AVIATION

Nonstop excellence.  
Nonstop elegance.



KVNY - Van Nuys, CA

PHNL - Honolulu, HI

KPAE - Everett, WA

Fuel ■ Ground Handling ■ Catering ■ Hangar Storage ■ Customs

CastleCookeAviation.com | (818) 988-8385



buddy is going to be there. This team is performing exceptionally well, and that allows me to get enough distance to do the stuff I'm doing, which includes chairing the International Aircraft Dealers Association, and work on more strategic projects for the firm.

What was very important to us was that in 2018 we were able to complete the building out of our business development team. We have three guys in the US who are now operational, and we have four or five guys in Europe who are coming along nicely. It takes a while for that to really get traction. My guess is that we'll have a very good 2019 as well. The data so far points to us being in line for a record-breaking year again, and as Europe comes up to speed things can only get stronger.

Right now, though, the European market is a bit of a wild card. With the dollar the way it is, that is giving some real headwinds to aircraft sales in Europe. The business aviation industry needs the dollar to weaken a bit and then Europe will come back strongly. I think there is a lot of pent up demand here, a lot of decisions that have been put on hold.

What we have seen, even with the level of activity that people talked about at CJIC, is that there has not been a significant corresponding price increase yet in the pre-owned market. Pre-owned pricing is bouncing off the bottom, but has never been at this low level before. This is a new, low price point in the market and it has generated a lot of activity. If you take factors like the pent-up demand, a new and very favourable tax regime in the US, and an all-time low in pre-owned pricing, you have a perfect storm for sales activity.

We are calling this a priceless recovery. Our feeling is that it is the strength of the dollar and the fact that you are still not seeing international buyers – non-North American buyers – coming back into the market in the numbers that are required to drive up pre-owned pricing in any marked kind of way.

If the dollar weakens, I think we are going to see a tremendous amount of activity and then pre-owned prices really will start to move up. Hopefully, the geopolitical world will settle down and level out. There are just too many things going on. I was very optimistic when President Trump came to office, but the current political tension has made things more complex. It seems now as if we are just one tweet away from everything stopping again. So, we really need measured steadiness.

**AH: Are tariffs going to be a significant setback for the industry?**

**BP:** I think the manufacturers might have some tariff exposure. It might be a headwind for new aircraft sales.

The real headwind though is going to be in MRO capacity for the next twelve months. Pilot shortages are an issue. If we buy a new aircraft, we can crew it. But pilot salaries have gone up 30 – 40% during the last 36 months. That is not sustainable as a trajectory. The industry will have to get to grips with the shortages in technical staff and crew, and I am pretty sure it will, but it will take time. However, I am optimistic. If we don't get any big game changers coming out of left field, this should be another good year. **SAM**





# AERIA

LUXURY INTERIORS

A member of ST Engineering



The *Luxury*  
of  
*Experience*

# GROWING THE MARKET

Brad Nolen, Vice President, Markets and Strategy, at Bombardier Business Jets  
on reaching as yet untapped areas of the market

**Q** : Bombardier recently carried out a detailed analysis of the actual penetration of business jets into various layers of the market, both personal and corporate, the former measured in terms of relative levels of net worth, the latter in terms of turnover. Can you take us through this analysis?

**A:** Client privacy is very important at Bombardier, so I can't reveal all of the details, but I can say that from a very high level, we looked at two main pools of potential business aviation customers. These were the Ultra High Net Worth Individuals (UHNWI) with \$100 million and more, and public companies with revenues of \$500 million or more.

We also counted those who already owned aircraft. This enabled us to develop a detailed look into the potential business aircraft market. What this study revealed is there is still quite a lot of untapped demand in business aircraft ownership. With the number of companies and UHNWI's expected to grow in the future, this keeps us confident of the potential for growth in our industry; we are not close to saturation, which is good news for us.



LEARJET 75



“There is still quite a lot of untapped demand in business aircraft ownership. With the number of companies and UHNWI’s expected to grow in the future, this keeps us confident of the potential for growth in our industry; we are not close to saturation, which is good news for us.





GLOBAL 7500

**Q: Given that business jets have been in use since the early 1960s, or even relatively shortly after the end of WWII, what is there to drive deeper penetration into the “untapped potential” in each of these categories?**

A: To me, it comes down to three main pillars: accessibility, social responsibility and product desirability. On the accessibility side, I have to commend everyone in our industry, working in finance/lending, buying/selling consulting, and aircraft management. Collectively, they have done so much to make business aircraft more and more accessible.

Social commitment and environmental sustainability are very important to Bombardier – we are very passionate about ensuring business aviation continues to be as environmentally-friendly as possible, both now and in the future. As an industry, we need to be much savvier in this space as our clientele’s expectations evolve.

Finally, we need to determine the extent to which our products are capturing the hearts and minds of our customers – are we meeting their aspirational values? Are there companies developing products outside of aviation that we can learn from? These are important questions we need to ask ourselves as we transform our business.

**Q: The general consensus seems to be that the advent of short range point-to-point electric powered aircraft will not significantly impact the business jet market - the thinking being that if it happens, it will constitute a new market below the business jet market. What is Bombardier’s view?**

A: We are quite excited about this innovative new segment of aviation. Business aviation’s key value proposition is time savings – business aircraft are time machines, enabling customers to move quickly and efficiently in order to conduct business.

VTOL short-distance vehicles will allow customers to move from city centres to general aviation airfields quickly and efficiently, maximizing their travel potential. There is a huge opportunity for this technology to stimulate further sales of business jets.

**Q: What do you think the “sweet spot” will be for the decade ahead in biz jet sales? Will it continue to be the long and ultra-long range jet market? What of light jets, which has been the weakest category for a decade? Do you see a potential revival there and what is the relationship between the bottom and the top end of the market? Is the former a nursery, as it were, for potential buyers of large jets? Or are they separate layers with little carry over between them.**

A: The large category market is certainly in a growth phase thanks to innovation. The introduction of new products – such as the Global 5500/6500/7500 – will keep generating interest from customers in the coming years.

In the long run, the shape of the wealth pyramid is most likely going to reassert itself, meaning that, in general, more people can afford \$10 million aircraft, than \$50 million jets. This could be a significant opportunity for Learjet in the longer term.

“The large category market is certainly in a growth phase thanks to innovation. The introduction of new products – such as the Global 5500/6500/7500 – will keep generating interest from customers in the coming years.



## TRAINING AIRCRAFT MAINTENANCE ENGINEERS **FOR THE FUTURE**

At Academy 147, we deliver **on-location** maintenance training at your facility or in one of our locations worldwide. We offer a wide range of courses to fulfil a various regulatory and personnel maintenance training requirements for **business aircraft**.

Approvals / Authorizations:

- ✓ EASA Part-147
- ✓ GCAA (UAE)
- ✓ FAA (Accepted)

More information is available on [www.academy147.com](http://www.academy147.com)

**Academy 147**  
Aircraft Maintenance Training

**Q: Can you give us some views on the interplay between the fractional model and outright ownership at the larger end of the market?**

A: First of all, the need and requirements of fractional customers vary from those who own their own aircraft. There are significant variances in flown hours per year, privacy, dedicated crew and flight attendants.

In the past 10 years, Bombardier has seen significant aircraft orders from the fractional ownership companies. This is always good news for our industry as it gets people introduced into business aviation, which, in the future, may translate into aircraft ownership.

For Bombardier, whether potential customers opt to choose the fractional or the full ownership route, the outcome will be a positive one, as the major global fractional companies are already operating Bombardier aircraft.

**Q: Many stock market analysts are now starting to warn that the current bull market could be due to top out in the next year, with recession talk citing somewhere between 2020 and 2022 as the onset of the next recession. Is the business aviation industry able to bear another steep downturn? Is this even something we need to be concerned with at this juncture?**

A: We believe the future looks very bright for the growth and development of the business aviation market. A recession would be more likely to create a short-term dip in demand, but the industry is more durable than it was in 2008 to withstand any sudden volatility.

Pre-owned inventory is at the lowest level in the past 20 years, and mostly composed of 10-plus year-old airplanes. This means the market is in a better place in terms of the being able to absorb a market correction.

And with upside in the low capture rates of UHNWI and corporate clients, and business aviation just catching on in emerging markets, the future for business aviation looks very bright.

In the long term, we believe that no short-term recession will impact the future of our industry, as there are so many untapped markets that will open up in the years to come. |BAM



“ We believe the future looks very bright for the growth and development of the business aviation market. A recession would be more likely to create a short-term dip in demand, but the industry is more durable than it was in 2008 to withstand any sudden volatility.



27 PREMIUM  
EXPERIENCES

FRANCE  
SPAIN  
PORTUGAL  
ITALY  
BULGARIA

WE ARE EXPECTING YOU  
AT EBACE - Booth L63

  
**SKY VALET**  
SUR MESURE. RELIANCE

# THE DYNAMICS OF INNOVATION

Mike Caflisch, CEO at Aircraft Performance Group on the importance of innovation in a dynamic, fast-paced sector



## An Ever-Evolving New Standard in Flight Support

By its very nature, business aviation is not about standing still. It's about moving forward as fast and efficiently as safely possible. No company embraces this philosophy more than Aircraft Performance Group (APG) out of Castle Rock, CO. What began in 1999 as a mission to bring effective runway analysis to non-commercial pilots has evolved into being a leader in engineering flight support solutions for business aviators across the globe.

"APG has never shied away from adopting and applying new technology in innovative ways," APG's CEO, Mike Caflisch, asserts. "As technology has evolved, so have our solutions. We were the first to embrace internet-based software delivery and first to develop mobile iPhone and iPad apps for our products and solutions. Now, we lead the industry with our stand-alone apps that deliver full, in-flight capabilities and give pilots the ability to make aircraft performance and flight planning calculations from the cockpit even without internet connectivity."

With APG solutions, gone is the need to manually input information. Apps are pre-configurable based on the specifications of each aircraft in a fleet, which includes special configurations, supplemental type certificates (STCs), and more. True engine-out, runway analysis calculations ensure regulatory compliance. Custom engine-out procedures (EOPs) allow for safe, compliant operation in emergency situations.

"Real-time calculations, based on up-to-the-minute data, drive increased aircraft performance for every flight," explains Caflisch. "We use the power of modern data technology to maximize loads, increase efficiency, and improve overall flight safety."

APG now maintains a worldwide database that includes detailed information on more than 350 aircraft types, 9,000 airfields, 24,000 runways and 2,200 engine-out departure procedures (EOPs). Every

APG application and enterprise solution is engineered so business aviators can leverage this vast database to maximize their fleet's performance.

## Launching Their Latest Solution

In October of 2018, APG unveiled its most recent upgrade to its industry standard iPreFlight app. This significant new upgrade, called iPreFlight Genesis™, delivers deep integration of full featured, robust international flight planning, comprehensive runway analysis, and weight and balance calculations. It is a standalone app designed specifically to run on the iPad that makes it easy for pilots, dispatchers, and flight operations personnel to perform comprehensive preflight planning.

"As technology has evolved, so have our solutions. We were the first to embrace internet-based software delivery and first to develop mobile iPhone and iPad apps for our products and solution"

With iPreFlight Genesis, flight planning is as easy as using the user-friendly app interface to enter basic flight parameters such as aircraft type, departure and destination airfields, departure time and number of passengers. From there, the optimized routing capabilities within the app automatically calculate potential flight paths and fuel burns based on current or forecast conditions to deliver the best possible route for safety and performance.

iPreFlight Genesis calculates dozens of possible flight plans in a matter of seconds to deliver a complete trip



package that includes the flight plan, runway analysis, and weight and balance computations in an at-a-glance summary.

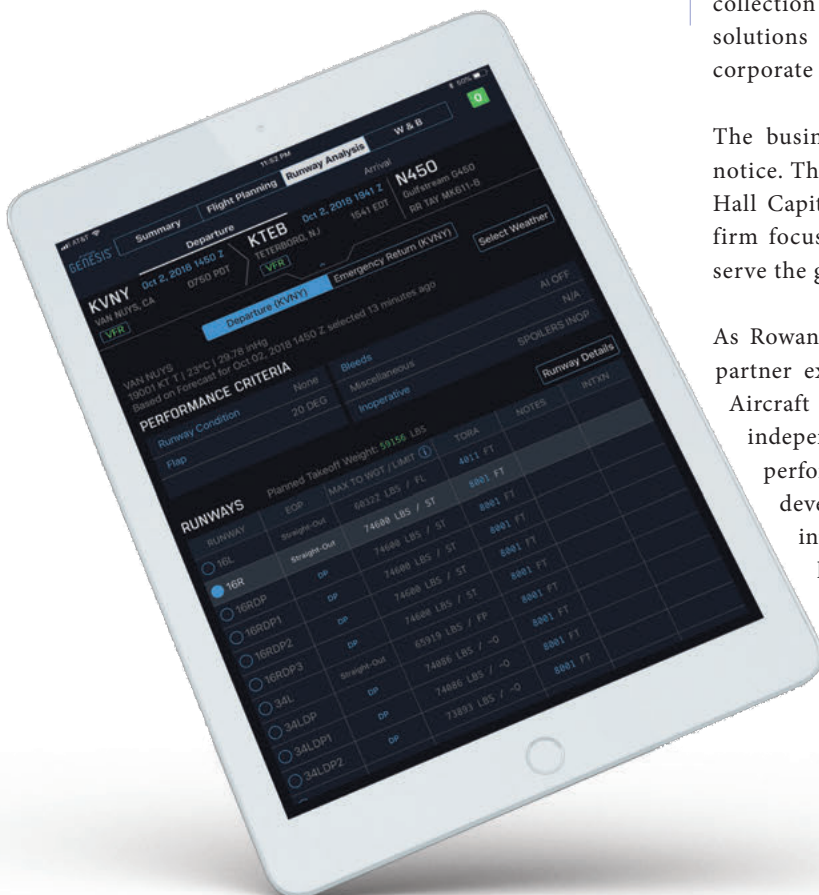
Another key benefit of iPreFlight Genesis is the ability to explore alternatives before finalizing a flight plan. The app lets a user see instantly how making changes to parameters such as cruise mode and flight level will affect flight time and fuel burn. It gives the pilot or operator the ability to make well-informed decisions based on actual, real time information before they finalize and submit their flight plan.

The flight planning capabilities of iPreFlight Genesis™ are always available even when it doesn't have an active internet connection. When it's not connected, the app utilizes an extensive, proprietary historical weather database.

### Innovation Fueled by Aviation Expertise

iPreFlight Genesis is the result of APG's commitment to creating solutions specifically engineered to save time, improve safety, and increase payload for the business aviation pilots and operators. The company's deep understanding of this industry has always been the driving force behind the success of their work.

As CEO, Caflisch brings nearly 40 years of aviation industry experience to the mix. Prior to joining APG, Caflisch was director of airspace programs for Commercial Aviation Services at The Boeing Company.



The team Caflisch oversees is what makes APG a repository of expertise and knowledge when it comes to business aviation and flight planning. Along with extensive IT expertise, APG solutions engineers have backgrounds as pilots, aerospace engineers, dispatchers, and flight ops coordinators. They understand the aircraft and what it takes to maximize flight performance capabilities. They know the industry and its history, which is why they are so skilled at engineering solutions that continue to set new standards in the industry.

“As technology has evolved, so have our solutions. We were the first to embrace internet-based software delivery and first to develop mobile iPhone and iPad apps for our products and solution”

### A Strong Future for Growth

“For us, iPreFlight Genesis is a new beginning,” Caflisch stresses. “It's the next generation of where we are going as a company. It's simply a natural next step.”

Even 20 years after completely transforming business aviation, APG maintains its role as the industry thought leader in aircraft performance solutions. With a dynamic collection of hightech platforms and innovative mobile solutions the company continues to revolutionize corporate flight operations.

The business aviation world isn't the only one taking notice. This past December, APG was acquired by Liberty Hall Capital Partners (“Liberty Hall”), a private equity firm focused exclusively on investing in businesses that serve the global aerospace and defense industries.

As Rowan Taylor, Liberty Hall's founding and managing partner expressed, “Over its nearly twenty-year history, Aircraft Performance Group has grown into a leading independent, global provider of flight and aircraft performance software solutions through continuous development of new technologies and products. We intend to provide APG the resources to continue its history of innovation and disruption in its market segment and to better serve its customers by accelerating the introduction of these exciting technologies and products.” **BAM**





GOLDTREE

VIP EXECUTIVE CHAUFFEURS & CONCIERGE SERVICES



At Goldtree, we believe in punctuality, protection and perfection.

When it comes to conveying your clients in supreme luxury, Goldtree delivers a gold standard. Our exemplary, highly professional chauffeurs provide an unmatched service, ensuring you travel in style, comfort and safety.

**Goldtree VIP** have more than 16 years' experience in driving and protecting Royal Family members, Government officials, Heads of States, Celebrities, Athletes and HNWIs. The company's fleet of vehicles include Mercedes S-Class, V-Class, Range Rover Vagues, Bentleys and Rolls Royce, Ghost, Wraith and Phantoms. In addition, through its connections Goldtree VIP can offer any car that the client desires.



# PRE-OWNED ON THE TURN

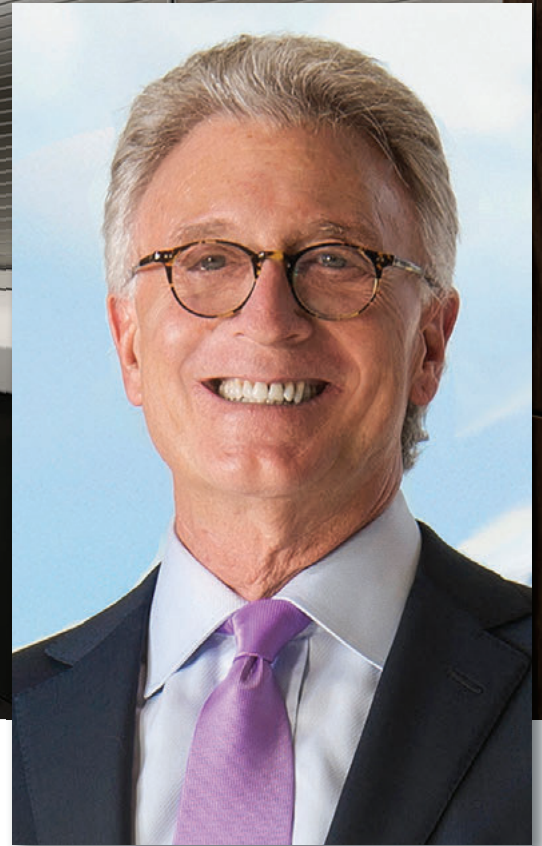
Jay Mesinger, CEO and President of Mesinger Jet Sales, on developments in the pre-owned market

**Q : How much does the presence or absence of plenty of pre-owned inventory influence the jet broker community's ability to have a decent year?**

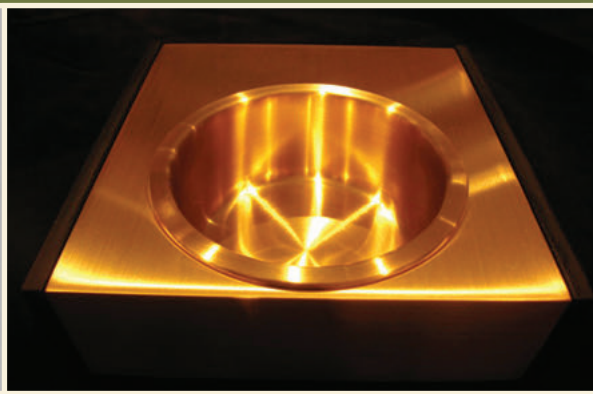
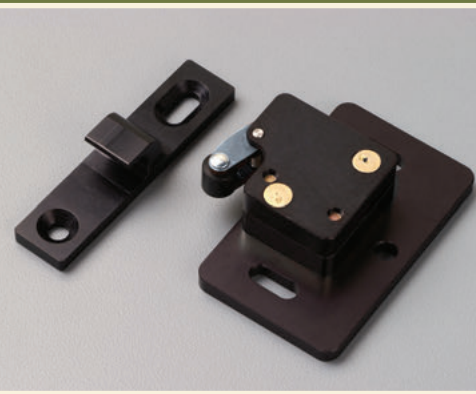
**A:** What I always say is that balance is key. The market has gone from being a buyer's market in 2009, probably all the way through to 2016ish, when it began to change. I have, however, been very careful not to call this a seller's market yet.

You can watch the inventory to see how the position is changing. We have seen a big shift from the era where an aircraft would sit on the market for 100 to 300 days waiting for a buyer. That went down to 90 days, then to 60 days, then to 30 days. In 2017 and 2018 we had a firm offer on everything we sold during those two years within an average of 34 days.

Now, I could have rushed to coin that as a seller's market. But I was careful. If you jump to label the market one way or the other, then



**“** We have seen a big shift from the era where an aircraft would sit on the market for 100 to 300 days waiting for a buyer. That went down to 90 days, then to 60 days, then to 30 days.



## Quality Products for Transportation Interiors



**TL1170 Latch Assy**  
Latch/Pusher/Mount Plate/Catch  
5 or 10 lbs force

**High Load Latch Assy**  
TL1150SMP

u.s.pat. 6,669,250



425+ lbs ultimate load  
0.06" travel to unlock  
ideal for curved surfaces

**Touch Latch/Pusher**  
TL1166-P

u.s.pat. 6,669,250

6 lbs pressure inhibits release  
Reduces vibration noise  
.06" travel for curved surfaces  
225 lbs static load



**20075LP**  
Magnetic push latch

6 lbs compression force  
3/4" bolt extension  
Black or Clear Anodize



SH105-EX-A-OPEN

**SH105-EX-A-Open**  
Limited travel, Adjustable hinge,  
Compression springs for added force

**TL1000RMP**  
Mini Touch Latch Assy  
70 lbs ultimate load

u.s.pat. 6,669,250



**SH105-A-Open**  
Limited travel hinge  
Adjustable, Springs Open



**SH105-A-Close**  
Limited travel hinge  
Adjustable, Springs Close



TEL: +100 (512) 472-4711 FAX: +100 (512) 707-9595

EMAIL: [INFO@SAINTLOUISDESIGNS.COM](mailto:INFO@SAINTLOUISDESIGNS.COM)

SAINT LOUIS DESIGNS, INC. - P.O. BOX 3400, AUSTIN, TX 78764

[WWW.SAINTLOUISDESIGNS.COM](http://WWW.SAINTLOUISDESIGNS.COM)



you send people to the sidelines. If you coin a market too quickly as a seller's market, buyers become worried that they are going to be induced to overpay. Buyers are afraid that any offer they make will get them involved in a horse race. So they say I will wait.

If you coin a market too quickly as a buyer's market, then sellers will say, I'm not going to take that little amount of money for my aircraft, so I'll sit over here and wait until it comes up a little bit. So I am always careful to call a market balanced until it is absolutely not a balanced market any more.

When you call it balanced, then a change does not have to be so dramatic. Right now, in 2019, we are probably going to have a little more inventory coming into the market, because of the new models that some of the OEMs are introducing. So that changes the numbers dynamic, but not dramatically, and not quickly. When the Gulfstream 650 came to market it dribbled out. The OEM doesn't dump 200 G650s on the market in one day, so there is time to keep the balance correct.

**Q: What is your sense of the OEMs' production lines. How fast do you think they are minting them?**

A: That is a secret that none of the manufacturers will tell you. They play that one very close to the chest. They will give you an idea as to how many months of backlog they have in their orders pipeline, but not how fast they are planning to clear that backlog. I would think that they would plan for around 100 to 120 units a year, so you can anticipate 10 units a month coming down the line, in all likelihood.

That is still a huge production challenge. When you watch car assembly lines on TV it is all robotics and things moving along the line really rapidly. In aircraft assembly there is just so much hand-crafting and specialised hand work to be done that things move at a fraction of the pace of a car assembly line. They could never produce faster, and the demand for faster production runs is just not there.

The industry is in a real chicken and egg position. We haven't found out how to get beyond the limited number of units that are produced because there is no robotics and so much is done by hand. This keeps the price high and throttles back demand, yet no one can take the gamble and invest in robotic manufacture. And if they did it would have a hugely disruptive impact on pricing throughout the sector – and probably not in a good way, given the fact that the market is only in a position to buy just so many aircraft.

**Q: Are you seeing owners with ageing aircraft pricking up their ears and thinking, now really is the time to make the change to a new jet?**

A: Going from a pre-owned aircraft that you have had for a number of years, to a brand new jet priced around \$40 to \$70 million is a huge leap. What you need for people to buy a new aircraft is a stable market, and over the last few years the market has become a lot more stable. I find a good number of first time buyers, (and we have had a high number of these over the last three years – which is a lovely sign) who come into the market looking at first for a pre-owned aircraft, and then, as they start to understand their options, they end up going for a new jet. They say, if I can get that new jet now, I'll buy it. This

happened to us four times in 2018, where we had buyers come in looking for a smaller, older aircraft, and before the process was over, they'd gone for a new Global 6000 and for Challenger 350s. These kinds of buyers are much more often willing to take a bigger jump than the buyer who comes in with an elderly Beech jet and wants to buy a new aircraft. Market stability combined with buyer ability has created this brand of buyer.

**Q: This is probably an impossible question, but what do you think an existing owner would consider to be a reasonable delta to trade up?**

**A:** If it is a smart buyer, that differential is strictly a function of the mission profile they have in mind for the new jet. If they need to spend the additional because the new mission profile reflects the evolving needs of their company or their lifestyle, then the odds are that you can get a deal to work. Whatever the reason, it is usually well thought out and it is not a knee-jerk reaction, so the differential they are willing to pay could be anything from \$10 million to \$50 million and upwards.

**Q: I was very impressed with David Coleal's presentation, as CEO of Bombardier, at the CJIC event, where he sketched out some numbers for the untapped market potential, as he called it. What was your view?**

**A:** I find it wonderful. In a sense, the manufacturers have

got to be visionaries. They have to be able to see into the future to convince their stockholders and their capital markets, to continue to invest. So I am proud of the kind of vision that the OEMs have right now, and the understanding of the market that they articulate. I think their grasp is far more real than not. They could not maintain their positions or keep their company solvent if they were getting this wildly wrong.

The world is getting bigger through global growth and product fulfilment. I worry about the anti-globalisation headwinds that we are seeing, of course. But this industry has always had to cope with headwinds. However, I never talk politics or religion. I talk about transport. If you look at the ultra large as the segment with the largest growth potential going forward, the OEMs are very focused here. This is creating an opportunity for the legacy Globals and Gulfstreams to be invested in to meet the demands of today's next gen avionics.

Refurbs are great for the market. Not everyone can afford to go out and buy a new \$70 million dollar aircraft. But they can afford to go out and buy a \$9 million pre-owned Global and spend another \$4 million refurbishing it with the latest avionics and in-flight entertainment systems. So I think we are very probably in for a very exciting few years! |BAM



**Fabric fold-up Hangar Doors**

championdoor.com

52<sup>nd</sup> INTERNATIONAL PARIS AIR SHOW  
LE BOURGET  
JUNE 17-23, 2019  
Hall 4 Booth N°G28

Weathertight and insulated.  
The most reliable hangar door choice from  
Arctic areas to scorching hot climates.

**CHAMPIONDOOR®**

HEAD OFFICE / FACTORY / FINLAND Tel. +358 445 8800 info@championdoor.com	FRANCE Tél +33 147 202 314 france@championdoor.com	UAE Tel. +971 488 103 31 uae@championdoor.com	USA Tel. (713)-352-0403 us@championdoor.com
--	--	---	---



## STANDING FIRM ON *VALUE*

Johnny Foster, CEO, OGARAJETS, on  
the need to hold the line over fees

---



**AH** : So, was 2018 a great year for OGARAJETS?

**JF**: It was a positive year. I can't express the same degree of optimism that a lot of my colleagues on various panels have shown through CJIC here in London. We embrace a pretty conservative model both on the advice we give to clients and in the views we take on inventory ourselves.

In terms of unit count we were down in 2018 compared to 2017, in revenue terms we were up. That worries me somewhat, as I think these are both important measures to look at. It is easy to take the view that revenue is really what matters, but I can only really be content when these measures are aligned.

We are very disciplined internally on our fee structure. Therefore it is critical the client, or prospective client, understand the value that we bring to the table. We have a very unique value proposition, having been in this business for over forty years, the team we have in place are simply experts within their own field of discipline. Our "concierge service" professionally manages every aspect of the transaction, including mission evaluation, high





QUALITY SNACKS FOR IN-FLIGHT & FBOs

*Torn Ranch*<sup>®</sup>

INFO@TORNANCH.COM



level market data analysis, full technical services, contract management and administration, superior marketing ...all supporting a world-class sales team. Very few firms can match the level of experience, record of success, and reputation of OGARAJETS.

“My father has always had some great sayings, the wisdom of which escaped me when I was 16 or so, but which I have come to treasure more and more over the years. One of these is: don’t buy something just because it’s cheap.

**AH: So you won’t drop your fees to win business?**

JF: My father has always had some great sayings, the wisdom of which escaped me when I was 16 or so, but which I have come to treasure more and more over the years. One of these is: don’t buy something just because it’s cheap. In this business, cheap advice is one thing, well informed advice is something else again. Moreover, it shouldn’t be cheap because you need the infrastructure behind you and years of experience in the industry doing these transactions to give best advice.

I find the lack of sophistication of many potential buyers that we deal with, day in and day out, truly amazing. Whether it is about buying a G450 or a \$50 million G550, we find ourselves embattled over small price differences on the fee

front. Until they have worked with us and gained confidence it can often be an uphill struggle to get them to realise the value of our offering.

There are so many people out there calling themselves brokers that the market has become very fragmented. It has become a commoditized effort, which is a nonsense, because what brokers X, Y and Z bring to the table in terms of skill sets are all very different. But the undisciplined nature of our industry has encouraged buyers and sellers to focus on the transaction fee first. And that is really the wrong way to be approaching this. The fee doesn’t add the value ...it is the ethical and experiential advice and guidance that returns value to the client!

**AH: It is a very strange attitude when one remembers that for the vast majority of aircraft buyers, this is far and away one of the biggest purchases they will ever make in their lives. You would think that they would value hand holding and advice through a transaction of that magnitude.**

JF: What we say is that there are multiple buckets that any transaction divides into: mission evaluation and proper aircraft identification, contracts, due diligence or pre-buy, modernization of the aircraft and so forth. Any one of those buckets holds the possibility of exposure on a scale that would make our fee pale into complete insignificance. One mis-step would eclipse the fee totally, These are incredibly





# CONVENIENT AND SAFE: THE BEST TUG LOADS AUTOMATICALLY.



Embraer Lineage 1000 E  
with the new Mototok TWIN 7500 NG

**Meet us!**

 <b>ABACE</b> April 16-18 2019 Booth A641 Shanghai · China	 <b>EBACE</b> 21-23 MAY 2019   GENEVA  <b>EBACE</b> May 21-23 2019 Booth Y101 Geneva · Switzerland
---	--

With more than **15 years of experience** in the development of electric aircraft tugs Mototok has revolutionized the world on the airfield. Technologies such as the fast and convenient **Automatic One Click Loading System**, the **Oversteering Protection System** and other unique features have convinced thousands of satisfied users worldwide and make **Mototok the number one** among the compact aircraft towing tugs.



Innovative remote controlled  
electric driven tugs

Contact us: +49-2151-65083-82 · [www.mototok.com](http://www.mototok.com) · [info@mototok.com](mailto:info@mototok.com) · [fb.com/MototokTugs](https://www.facebook.com/MototokTugs)

complicated transactions and the cost of making a misstep can be significant.

So that is one of our challenges. But we remain disciplined about our model. It really is OK

sometimes to say no, we can't act for you. If we have someone who is grinding us upfront on our fee, and they simply don't appreciate the value we bring to the table protecting their interest, then we simply are not compatible partners and, while it is hard to say "no thank you", I am always willing to pass when our services are not aligned to the prospective client.

Typically, what we have found in the past is that if someone is grinding us over the fee upfront, right at the start of the project, they will be a challenge to work with for the rest of the transaction. It is a strong indication as to their business character, and it ripples all the way through the transaction. Everything just gets a lot more challenging. So, it gives you a look behind the curtain as to the buyer's mentality.



We are not afraid of shrewd clients, but we are very disciplined on a project by project basis. We want to be sure that we are a good fit for the client and them for us.

**AH: How many transactions a year do you call a good year?**

**JF:** We build our budgets around the goal of completing 30 transactions per year. We increased it by 10 percent in 2019. I don't know if we are going to get there, but I know we have the processes, systems, and team to easily support that goal. Again, a lot of our results are heavily dependent on the market and sometimes, if conditions don't align with a model, we don't want to force things.

As far as the industry as a whole is concerned in 2019, I think we are going to see less transactions through this year than the industry achieved in 2018. This will be a direct result of less quality inventory being available. [BAM](#)

“Typically, what we have found in the past is that if someone is grinding us over the fee upfront, right at the start of the project, they will be a challenge to work with for the rest of the transaction.”





ARGOS VIP  
-DIFFERENT EXPERIENCE-

# AWARENESS OF CHOOSING THE BEST



ground  
services  
evolution

FBOs 4.0

LIRA - LIRF - LIML - LIMC - LIPZ - LIPX - LIPH - LIRP - LIRN - LIRI - LICC - LICJ - LIEE - LIPE - LIMF - LIEO

## ARGOS VPH, THE LEADING FBOS IN ITALY

Argos VPH, commit itself exclusively and personally each single flight with care. Your crew will be welcomed to our facilities by our professional and trained staff and your aircraft will be promptly handled. Our professionalism has been recognized and certified with the achievement of ISO 9001 Certiluxe.

### The ground service Revolution to give our customers a unique experience.

Imagine the business aviation world where all players are connected, where operators can share information by speaking the same language. Where time and distance are cancelled... this is Flyup.aero, the place where Argos VPH makes the difference, giving the customer a truly different experience.

[argosvph.com](http://argosvph.com)

# SMOOTHING TRANSITIONS

Nicholas Cerretani, Managing Partner,  
QS Partners, on the retail aircraft brokerage  
for NetJets

**Q**: Can you tell us something of the road that led you to QS Partners?

**A:** Certainly. I started a flight school with a friend of mine in 1975, a couple of years after I learned to fly. That turned into a Cessna dealership and we gained a strong following on the East Coast. Eventually, we became Cessna's largest Conquest dealership and had also developed a full service FBO in upstate New York. When Cessna stopped producing dealer distributed aircraft, we continued to develop our transactions arm in the pre-owned market. This continued until 1998, at which time the company had about 160 employees.

At that point, we merged with Corporate Wings in Cleveland, OH and I became one of the owner managers in Flight Options. After about three years, I decided it was time for a change and after leaving Flight Options, moved to Boulder, Colorado and started Cerretani Aviation Group, again with a partner. That company grew to be one of the largest aircraft brokerages in the market, and in February 2018 our company was acquired by Netjets.





# SD *Xperience*

YOUR AIRCRAFT, YOUR SOLUTION

SD satcom direct®

Connectivity | Avionics | SD Operating System  
[satcomdirect.com](http://satcomdirect.com)

We had been doing quite a bit of work for them assisting in the sale of aircraft departing their fleet and they put forward the idea of an acquisition. We worked on it for a year and when completed, we merged the company into QS Partners which Netjets had formed about a year and a half prior to our acquisition.



**Q: You are one of four managing partners. How does that work?**

A: My partner, Paul Kirby with whom I started Cerretani Aviation Group, is also a partner, and there are two other managing partners, both of whom had been running QS Partners before we joined. The reason it works so well is that we have a pretty clear division of responsibilities. The two original partners are managing many of the same types of operation that they were managing before our arrival, and we have come on board to expand the retail inventory sales side.

The retail side, for our purposes, consists of individuals who wish to acquire representation to help them buy or sell aircraft. These clients typically have no connection to the fractional market. We also help with the retail sales of jets that Netjets wishes to dispose of.

**Q: Is there an age trigger that means that a jet gets moved out of the Netjets fleet and is given to you for resale?**

A: The reason for a disposal is often that there are new products on the market that offer a significant upgrade advantage, or it could be that the new model is much more

efficient. On average Netjets will expect to hold an aircraft for between 10,000 and 12,000 flight hours. These jets still have a great deal of life left in them on disposal and can be very attractive to buyers looking at the pre-owned market.

Another line of activity for us is where a customer wants to move into fractional ownership with Netjets and wants to dispose of their current, wholly owned aircraft.

There are many reasons why people want to transition out of an aircraft they own completely and into fractional ownership. One of the most common of these is a change in their business, which means they no longer need to fly as much, or it could be a change in their personal lives. Whatever the reason, we help them dispose of their asset as advantageously as possible.

**Q: How important is the aircraft broker community to QS Partners?**

A: We have had a long association with IADA (the International Aircraft Dealers Association) since it was formed, and we have close working relationships with the leading brokers in IADA. Our association with those brokers pre-dates our relationship with QS Partners and has been very fruitful and satisfying for everyone involved.

**Q: What is your take on 2019? There have been some mixed views on this, given some of the headwinds that seem to be about.**

A: Calendar 2018 was a very strong year, but I expect that 2019 will see some market stabilisation. The upward pressure on prices in the pre-owned market is likely to moderate. There is a lot of concern right now about unsettled geopolitics and confrontational global economic policies. As a result, I expect a “wait and see” attitude from a larger percentage potential buyers. I don’t think this will cause a significant market retraction, but I believe the acceleration in pricing that we saw through 2018 is behind us for a year or so.

**Q: We saw some fairly dire warnings about the potential impact of ADSB during CJIC. One prediction was that it could cause the retirement of around 20 percent of the pre-owned inventory. What is your view?**

A: I do not see any reason why a client with a 10 to 15-year-

“ The reason for a disposal is often that there are new products on the market that offer a significant upgrade advantage, or it could be that the new model is much more efficient.





# XJET®

THE WORLD'S MOST EXCLUSIVE  
PRIVATE JET EXPERIENCE



By providing world class asset protection, unparalleled economics and a Seven Star Service that continually challenges the old FBO model, our aim is to provide an experience that is simply unmatched in the private aviation industry.

We are a 24/7 worldwide concierge to our valued Members and customers, always looking to anticipate and react to their needs, no matter where they are travelling in the world, and doing our utmost to make every journey an effortless pleasure.

Being the best isn't just a goal or a vision, it's in our DNA!

**OPERATIONS TEAM**

EMAIL: [LONDON@XJET.COM](mailto:LONDON@XJET.COM) LANDLINE: +44 1279 661570 24HR LINE: +44 7525843020

**WWW.XJET.COM**



old aircraft will find an ADS-B upgrade cost prohibitive. Those aircraft offer a great deal of value for the price and the market is full of people who appreciate getting best value for their money. As a result, prices of the high quality but older pre-owned aircraft have remained at a level that will support an investment in ADS-B to sustain continued operation.

If you think about the high cost of new aircraft, a buyer who is prepared to look at models that are one or two generations precedent to current production new aircraft can get 90 percent of the capability of the new aircraft for 40 percent of the price. That is a very compelling story for many buyers and ADS-B is not so expensive as to significantly alter the calculation.

**Q: Not surprisingly, broker fees were a recurring topic at CJIC. What is your view?**

**A:** There may have been some unfortunate misrepresentation during the conference, suggesting that broker fees could be massive. The reality is that broker fees in 2018 tended to decline. In a very strong market, such as that we experienced in 2018, broker fees typically experience downward pressure due to increased competition for listings.

In my view, the scale of fees that currently exists is fair for both broker and client. We have a sense, anecdotally, of what other brokers are charging and it seems to me to fairly represent the value that the broker brings to the deal. All of us want to do this job at a very high level of professionalism.

Most people who complain about a broker charging a six-figure fee simply do not have an accurate understanding of how complicated both the aircraft and the related transactions can be. We frequently come across clients who want to dispose of an aircraft, for example, who are not aware of significant events in their aircraft's history that cause it to be worth less than they expected. For the most part, this happens because the owner was either not represented or represented poorly when he or she bought the aircraft.

We generally have no problem justifying our fee. The difficulties a buyer or seller can face if they are not properly advised are both expensive and well documented. Most experienced buyers understand the value a high-quality broker adds to the process and consider the cost of our involvement well worth the investment. |BAM





# **EUROPEAN AVIATION**

## Flying Further

**Founded in 1989 European Aviation currently owns a number of aircraft and has previously operated and modified interiors on Boeing and Airbus aircraft.**

The organisation has operated a Formula 1 team, a charter airline and has bases in Ledbury, Bournemouth and Indianapolis in the USA.

The organisation supplies Passenger Aircraft, Aircraft Spares, Aircraft Interiors, Executive Aircraft and CFM56 Engines.

In 2018 we have purchased a large number of A340 aircraft and further growth with a number of innovative projects is forecast.

*If you require any assistance or feel we can help supply you in any way, please contact us.*



**[www.euroav.com](http://www.euroav.com)**

EUROPEAN AVIATION LTD, BROMYARD ROAD, LEDBURY, HEREFORDSHIRE, HR8 1LG, ENGLAND  
EMAIL: [TREVORW@EUROAV.COM](mailto:TREVORW@EUROAV.COM) | TEL: +44(0) 1531 633000



## STEERING COMPLEXITY

Andrew Broccoli, Co-Owner, AP Completion Services, on the challenges of managing aircraft completions and deliveries for clients

**Q: Andrew, can you tell us about what led you to co-found AP Completion Services?**

**A:** I worked for Bombardier for many years, overseeing the delivery of finished aircraft to clients. In 2008, as everyone knows, we had the global financial crash. New aircraft deliveries slumped and I saw an opportunity to branch out and do something for myself, while still drawing on all the experience I had gained at Bombardier.

Accordingly, I set up AP Completion Services the following year, with my business partner and co-owner, Phil Tardif. We set it up at what has to have been the worst possible time, right in the teeth of a major turndown in the global economy. Nevertheless, this year we will celebrate our tenth anniversary and at the last count we have managed over 160 business aircraft deliveries and completions over those 10 years.

**Q: I believe you have a particular leadership position in Bombardier Global 7500 deliveries?**

**A:** There is absolutely no doubt that we are the leaders in the Global 7500 market. We have been working with Bombardier on this aircraft model for the last three years, since 2016. Bombardier have only now delivered the first ever Global 7500 and by January this year we had already engaged with 10 customers, helping them to spec' up the Global 7500s they have on order. We loved that number, it gave us 10 for 10, or 10 Global 7500s for our 10 years in business.

Of course, the symmetry didn't last long. We are now up to 12 Global 7500s fully spec'd up for clients. Bombardier have only spec'd up 50 Global 7500s so far, so that gives AP Completion Services a very healthy percentage share of all that aircraft model spec'd to date.

**Q: What do you think gives your company an edge over the competition?**

**A:** My business partner, Phil Tardif is a licensed aircraft maintenance engineer, and all my people are rated on one or more aircraft types. We very quickly moved away from having a single focus on Bombardier. We now have staff rated across a whole range of OEMs' aircraft. This includes Falcon 7Xs, Gulfstream 650s, Airbus 737, 767 and 77, CRJs and Boeings, as well as Bombardier Globals.

When I look across my team, Phil probably has the least number of years in the industry, at 24 years. I have one technical team member who has been licensed for over 40 years. They are all good technical guys who know their stuff. That really does give us an edge.

Everything starts with our culture. We are not there to be confrontational with the OEM's factory guys. It is all about ensuring that everyone is on the same page and their goals are aligned with our client's goals. No factory wants to deliver a troubled aircraft. They want to get the spec right and we're there to help them do it to the client's satisfaction.

If you think about it, when a high net worth individual sets out to build themselves a \$20 million home, they have a number of people on the team. It will include the architect, the designer, the spouse and a foreman who sees that the job goes to plan. Why should it be any different when they are buying a \$72 million aircraft? We're the foreman, if you like. Every customer is different and we're there to ensure that the final result is perfect for each of our clients.



In the past, there was a different culture as far as owner agents were concerned. The idea, generally, was to find issues and to bear down on the factory in a fairly confrontational way. We have a much more cooperative culture and that makes the OEM want to work with us to do the best for the client.

I take the view that buying an aircraft is hugely exciting. To me this doesn't ever feel like work. I feel like I am on a constant vacation, doing what I love. It is an honour to go to the OEM's factory and an honour to be representing my client. And with these new products coming out from the OEMs the ride just keeps getting better and better.

Everything new has issues, be it a house, or a car or an aircraft. It is all in your approach and your attitude. We are very good at problem solving and we work at having a great can-do attitude. I have been in this industry for 19 years now and I still learn something new every

day. We are constantly learning, and I am sure that makes us stronger as a company and better able to deliver for our clients.

**Q: How many refurbishments are you doing these days?**

A: When we started out we focused exclusively on new aircraft deliveries. But as we grew, we started to do project work for clients. Over the last few years particularly, the pre-owned market has been very busy, with some fantastic bargains available for clients. So the refurbishment market has really ticked up.

However, it is not just refurbs. We do pre-buy inspections and if there is any mechanical and maintenance work that needs to be done, we have the qualified staff to oversee those projects. We are a real one-stop-shop for our clients. I have the expertise in my team to deliver and oversee both the refurbs and the maintenance, as well as design and acquisition consultancy. |BAM



# SECURING EXCEPTIONAL GROWTH

Shawn Vick, CEO, Global Jet Capital, on what it takes to grow at 20 percent a year

---

**AH: Are you pleased with what Global Jet Capital has achieved through 2018? Did it meet your expectations?**

SV: We have accomplished quite a bit over the last two years. We did not get an operating business along with the portfolio of leases and loans when we acquired the business from GE. We had to build everything from scratch, all the functional capabilities, operating systems and attract a team. We were very fortunate in that the operating center of the business remained in Connecticut, where the previous business was located, which made it considerably easier to attract talent.

So, we are now some 80 employees strong, we have a high functioning organization, and we are successfully re-leasing a high percentage of the aircraft that come off lease, which was part of our original business plan.

We are originating at about a 20 percent CAGR growth year over year, and in this last year we achieved \$625 million in origination volume. Based on this year's current run rate we expect to exceed \$750 million. Between 2015 and 2019 the team has delivered volume growth from \$100M to more than \$750M and our plan gets us to \$1 Billion annually by 2021.

**AH: Those are big numbers. Is that kind of growth sustainable?**

SV: With respect to the CAGR, no, but it's not expressly about origination volume growth either as the measure of merit is Net Earning Asset growth. We have naturally occurring run off as leases and loans mature and come to term. We need to originate new business to overcome that run off and grow NEA. We started with about \$2.0 Billion in NEA and expect to end 2019 just shy of \$3.0 Billion. Additionally, the requirement to service the portfolio, while complex, is not of itself any barrier to NEA growth either. We have a great team underwriting the transactions and servicing the portfolio. That team has been doing finance portfolio work for over twenty years in the business aircraft space and they are best in class. Our focus for growth is to continue to build a long-term sustainable business with quality earnings, which means we are focused on high quality credits and desirable assets.

We have made a substantial investment in regional office locations, as well including Zurich and Hong Kong. These locations include sales origination people, transaction attorneys, underwriters, and marketing. That gives us three primary operating offices, together with a regional presence in New York, Chicago, Los Angeles and Mexico City.

So, in summary, we have experienced an excellent growth rate since we launched the business in 2015 and have accumulated both high quality credits and assets globally.

**AH: What would you single out as among the company's bigger achievements, along with the growth?**

SV: We are the world's largest independent business aircraft financing company with a 1 billion dollar revolving warehouse facility to fuel growth which has issued 2 highly successful, first of their kind, asset backed securities. The issuance of these bonds was managed by Deutsche Bank, who has been partnering with the business since the acquisition of the original portfolio. We will be in the market for a third securitisation somewhere around May this year.

**AH: So, what happens if someone defaults on a lease that is part of the ABS?**

SV: This is where you see how the quality of our portfolio generates high quality sustained earnings. Defaults rarely, if ever, happen. The portfolio has had less than one percent default rate measured over more than two decades. Our clients use these business tools as productivity and efficiency generators and rely upon them to be competitive in a global economy. Should a default occur, we have a mechanism in place for buying the asset out of that bond.



**AH: What is the minimum size asset pool you need to get a securitisation away?**

**SV:** The minimum would be around \$250 million, but we have gone to market with a \$500 million to \$600 million sized asset pool and this is likely what we'll do with our third securitisation.

**AH: As you close in on a billion dollars of new leases and loans annually, how do you keep the credit nice and solid?**

**SV:** There is plenty of opportunity out there in the market. There is about \$30 billion of opportunity every year in terms of new aircraft deliveries from the OEM's and high quality preowned aircraft transactions, of which there are over 2400 of those transactions occurring annually. We are experiencing very rational and stable market dynamics, and the discipline being shown by the OEMs in their management of the production rates leads to long term sustainable backlogs.





A significant part of my career has been within the OEM's and it is a very large challenge for an aircraft manufacturer to either scale up or scale down production quickly. To do so isn't efficient and it impacts the nature of your supplier relationships, and crucially, market demand. So, I commend each and every one of them. It is very hard work to manage these production levels during market demand fluctuation and I think they will be very prudent in making any increases in production levels, even if demand strengthens markedly.

There is an order of magnitude more choice in terms of the number of models from manufacturers than there was even 15 years ago. There is a lot of cross over capabilities between the OEMs, and it can be a bit confusing to the buyers. So adding more models to that equation is not in the manufacturers' best interests.

As I listened to all the panel discussions at CJI what I would want to remind everyone is that nothing happens in this industry until a manufacturer builds an aircraft. That is the primary building block for this whole sector. The level of investment and risk they undertake to launch a new model is really a bet-the-farm proposition. So hats off to them. But what this means is that the long term health of the OEMs is of paramount importance. And we all need to be thoughtful about that.

Responding directly to your question regarding solid credits, these assets are expensive to acquire and operate and the customer base is self-selecting - meaning if you can't afford it you don't own one.

**AH: The view the market takes of aircraft values over time is going to be a very important factor for you, I imagine.**

SV: As we think about our business, and underwrite aircraft purchases, we are very focused on pegging rational residual values. We are proactive and disciplined in ensuring that any decisions we take do not adversely impact residual values one way or the other. That is in the best interests of our clients, our own business, the ecosystem that supports this industry, and the OEMs.

So, this means we will continue to be thoughtful about the concentration limits we have in our book of business – which comes down to getting a good spread of model types diversified across time. We have a \$2.5 billion dollar asset pool and we can see this pool growing to \$6 billion or more. We can afford a large quality of similar types of aircraft as that pool grows, but it still has to be managed with concentration limits in mind, so nothing gets over weighted in one model or another and lease terminations are spread over time.

**AH: What about ADS-B? What impact will it have on your portfolio, if any?**

SV: I am very proud of the team. We are highly proactive with the client base, and ADS-B is a great example of this. Two years ago we started having conversations with the client base about their ADS-B plans. We could have opted to let the customers fend for themselves and hope that they resolved it. But ultimately, most of these assets are ours and if we just left things unmanaged, when they came back to us it would be a lottery as to whether they were in compliance or not in compliance.

But what kind of customer experience would that be? We have a considerable amount of industry expertise which we were determined to use to help the customer base achieve compliance. What we did, we went and negotiated with three different suppliers to get solutions and workshop capacity. We went to the clients and said if you haven't yet solved for this, we'd like to introduce you to these preferred suppliers, they have set aside slots and capacity for you. This is what you do when you have the customer's best interests at heart!

As a consequence of this culture of putting the client first and being proactive, we have built strong positive relationships with our customers. And we are enjoying excellent returns from that approach which generates repeat business. All of this goes directly to helping us grow Global Jet Capital as it both benefits the business and our clients. |BAM





**ABACE**<sup>®</sup>  
SHANGHAI, CHINA  
APRIL 16-18, 2019

**REGISTER FOR THE PREMIER  
BUSINESS AVIATION EVENT IN ASIA**

Join thousands of top business aviation leaders, entrepreneurs, and other aircraft-purchase decision makers for the Asian Business Aviation Conference & Exhibition (ABACE2019) in Shanghai. Save the date and visit the ABACE website to learn more.

**LEARN MORE | [www.abace.aero](http://www.abace.aero)**



**Q : Where is Viasat now in the grand roll-out programme?**

**A:** This is a really great time for Viasat in the business aviation market. We're getting ready to bring our high-capacity Ka-band satellite system to the business and private jet market—which is poised to eclipse the speed and quality of other in-cabin connectivity services to meet the increasing demand for data by pilots, crew and passengers.

We believe the business aviation market is at an inflection point: where the market can stop making excuses about in-flight connectivity—from stating solutions are too slow, too expensive or even too big—because Viasat's in-flight connectivity solution can ensure life and business can continue—even at 40,000 feet—from enabling web browsing, email and corporate VPN access, to ensuring passengers have the ability to conduct multi-site video conference calls, stream movies, videos, music, TV and more. The service is available during all phases of flight including taxi, takeoff and landing, across the globe. And we're working to protect our customers' investments by ensuring that the Viasat Ka-band equipment installed today will work with tomorrow's increasing demands for more data.

“We're getting ready to bring our high-capacity Ka-band satellite system to the business and private jet market—which is poised to eclipse the speed and quality of other in-cabin connectivity services...

# GLOBAL REACH

Claudio D'Amico, Business Area Director at Viasat, on having the world's highest capacity satellites





We offer a differentiated solution; in fact not all Ka-band connectivity systems are the same—especially when you look at capacity and economics. Our Ka-band solution leverages the world’s highest-capacity satellites, designed and owned by us, to enable passengers the ability to connect without compromise.

Looking at capacity—we simply have more global capacity as compared to other in-flight connectivity providers. We already have four high-capacity Ka-band satellites over North America (Wildblue-1; Anik F2, ViaSat-1 and ViaSat-2) and we jointly own high-speed Ka-band capacity over Europe through a joint venture. Just looking at our ViaSat-2 satellite, it’s the highest-capacity communications satellite in the world which means it has the capability to offer faster, higher-quality in-flight connections in its coverage domain. And once launched, our global ViaSat-3 constellation, which is comprised of three satellites each delivering more than 1,000 Gbps of total network capacity, will allow us to drive even higher speeds and greater reliability by 2022/2023. To offer perspective, competitor satellites are single, or low double digit Gbps—which means they cannot offer the speeds or experiences, we can.

The economics story is another advantage we have. Our high and ultra-high-capacity satellites have better bandwidth economics than other satellites—which means we can offer more affordable connectivity. General costs are about the same when launching a satellite—whether it has 10 Gbps or 1000 Gbps—so it makes sense to ensure that you have all the communications capacity in that satellite in order to drive the most efficient cost-per-bit.

So it’s a busy time for Viasat—we’re working on bringing a new kind of Ka-band service to business aviation, and on grander scale—building and getting ready to launch our ViaSat-3 global constellation.



**Q: Right from the outset Viasat took the decision to become a terrestrial broadband services provider to residential homes in specific regions of the US, as well as being a provider to business aviation. What drove that decision?**

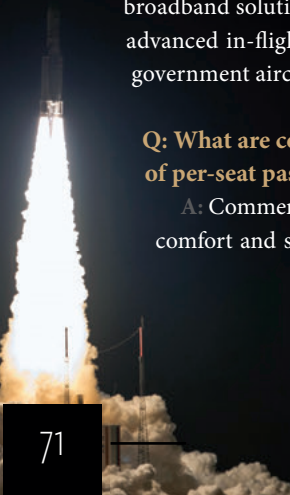
A: Well, we’ve been in U.S. fixed-residential broadband satellite services—serving several hundred thousand customers as their primary Internet Service Provider (ISP)—for about a decade. But it’s important to realise that Viasat has been serving several different markets with its satellite solutions—including ground-based business and enterprise internet services, mobility markets such as commercial and business aviation as well as maritime, and also providing satcom services to government and military forces around the world.

Homing in on aviation—it may come as a surprise to many, but in-flight connectivity is not new to Viasat. In fact, looking back over a decade, Viasat was a critical part in the Connexion by Boeing ecosystem. Connexion by Boeing was a global network that sought to bring high-speed internet and e-mail services to aircraft in flight. Viasat provided terminals as well as the airborne and ground receiver and transmitter subsystems.

Our goal with connectivity is to look for new and adjacent markets that can leverage the use of our high-value, high-quality satellite service—whether that is connecting the unconnected in rural communities; providing an alternative broadband solution to home or business users; or providing advanced in-flight connections to commercial, business or government aircraft.

**Q: What are commercial airlines looking for in terms of per-seat passenger connectivity?**

A: Commercial airlines are looking to ensure passenger comfort and safety. We believe our in-flight connectivity



solution provides pilots, crew and passengers with an ‘on-the-ground’ online experience—whether that is enabling passengers to enjoy streaming media services, catch up on email, or watch live TV over satellite.

We’re driving new experiences in the air. We were the first to launch Netflix onboard via our relationship with Virgin America (now Alaska Airlines); we are enabling free connectivity services on JetBlue and Qantas; and we are enabling new experiences onboard—like enabling American Airlines to let passengers live-stream a Willie Nelson concert from Austin City Limits or enjoy free Apple Music onboard all Viasat-equipped American Airlines aircraft.

We are just scratching the surface with what connectivity can do in the commercial aviation space—and we plan to bring similar experiences to the business aviation world as well.

**Q: I imagine there is a lot of work going on to miniaturise business jet antennae?**

**A:** Miniaturising the antenna and radome are definitely high priorities for Viasat. As you know, we don’t just design, build and manage the satellite side of our business, we also design and build the ground infrastructure and customer premise equipment. As a vertically integrated company, we are building the solution soup-to-nuts.

In the case of business aviation, we design the antenna, radome and the in-flight network—which has allowed us to bring the most compact shipset to this market. The size of our terminal is highly-desirable, and with our system you only need three LRUs. The super-midsize aircraft, do not have as much space in the cabin, which has enabled us to provide a unique experience on these platforms, as our equipment doesn’t take up space in the pressurized cabin.

“ We don’t just design, build and manage the satellite side of our business, we also design and build the ground infrastructure and customer premise equipment.

Looking at future antenna/radome designs—we have teams globally focused on making current generation systems smaller as well as looking at phased array systems. Today, we are offering our fourth generation antenna, which we are installing on several business jet types, and which are certified on the Gulfstream G280 and also on the Embraer Praetor airframes.

Additionally, we are line-fit operable and will be launching our highest-speed service across multiple airframes in the U.S. and Europe over the next few months.

As you can see, the Viasat team is gearing up for a busy year ahead. |BAM





## *Aircraft Shopper Online*

The Aircraft Market in Real Time<sup>®</sup>  
A CAMP Systems Company

[www.ASO.com](http://www.ASO.com)

ASO provides worldwide for-sale listings of business jets and turbo-props that meet every mission profile. With thousands of listings, ASO.com is the best place to find your next aircraft. Empower yourself with dynamic search capabilities, customized aircraft email alerts and enhanced buying tools. Spend less time searching and more time selecting the business aircraft that is right for you.



**The Market uses ASO.**

For more information call (US) +1-732-704-9561  
or visit us at [www.aso.com](http://www.aso.com)



# ART AT THE HEART

Howard Guy, CEO, Design Q on how design is an essential part of our lives

Some might think that Design is a trivial or luxury element, something that frankly, most folks can live without. It's a point of view that is easily reached by people who are not connected to the design world or who are not really interested or knowledgeable about what it takes to design something.

As a designer and someone who has spent his life designing large complicated things like cars and planes, here are some key "eye openers" that hopefully, might enable readers who don't think much about design, to become more aware of how pervasive design is in our modern world, and how much it shapes our response to things.

To begin, wherever you are and whoever you are, just look around you. First at the items no more than 2 feet from you, your laptop, your coffee cup, the clock on the wall, the door handle to your room, the phone, the pens and pencils, the letter rack, the drawers and desk, the magazine you are holding and everything inside this magazine. All of these things were designed by someone.

In the next room you'll find a bunch of other designed items – and in the next room and the next. Design is all around you: in your car, and in the train, the plane and even with respect to the bed you lie on. Every item in our modern world has been designed and designed by somebody. Such is the scale of the design industry, with its myriad opportunities for those gifted with creativity and imagination.

## Striking By Design

Design involves a decisive series of actions that direct and shape what a thing might look like, taking form and function into account and blending them into a pleasing creation. Products evolve with each iteration, enabling the object to better to fulfil its function and also to appeal to the human need for change and desirability.

We live in a commercial world and we choose to buy and surround ourselves with the things we like. If a product ticks the emotional boxes, we will buy it.

We are judgmental, callous and instant in our views, so what we like, we like a lot and what we don't like we would never buy.

No product shows this process as clearly as an automobile. For most of us the car is our single most expensive purchase after our home (unless you happen to be rich enough to afford a private jet). It not only provides a means of transport, but has a multiple of lifestyle and personal-style associations that complement our persona and reflect the type of person we are.

There is so much to a car, from the designer's perspective. It contains pretty much all elements and materials that make up all other products around us. There is metal forming, casting, machining, injection moulding, plastics, fabrics, leathers & upholstery, glass forming, paints and finishes, electronics, ergonomics, safety, speed, crash protection, lighting, noise control, in car entertainment, colours and smell.

It is astounding that in every car, hundreds of plastic parts, made of numerous different types of plastic and all matched with colour, surface finish and gloss level, will arrive at the factory from around the globe. Yet all come together in a harmonious union of compatible and colour-exact parts. This too is the job of a designer, to specify and then police the deliveries from the supply chain. Design is not just about drawing pictures of the future but it is also the science of how to make it happen.

## Design process

This design process is happening constantly around us on every single product we see. Teams of designers are, like ants on a mission, constantly challenging, constantly evolving and constantly bettering. The best products have had the best design input, and it is no coincidence that design-led companies tend to be the most successful.

Of course, many companies thrive on stealing new ideas and quickly turning out similar products. But "similar" is not "the same". Mostly, the quality of the copy makes it a poor second best and a poor investment.

There is a huge value to being the company that stands out, that is the leader, the expert. But to be seen this way, much design investment must come first.

An intellectual property lawyer once told me that it is very easy, when it comes to court, to determine who is the rightful originator. All you have to do is ask the defendant to tell their

story, in their own words, how the design came about and who was involved.

Every design is a story and every development, every idea and every solution is revealed in a complex series of events that are often very personal and that usually had their germination in previous projects and inventions. If you are creative then your creations can sometimes sit in a drawer un-realised. Then one day, the right moment comes and the design influences a radical revolution.

No events, however, are more compelling for a designer than their failures and let-downs. Often, the genius and the clever ideas derive directly from these failures.

Having the tenacity not to give up - using boundaries, limitations and compromises as a nudge to think out of the box - is hugely important to a designer. It stops them from delivering the merely ordinary.

Designers are the individuals that shape and change the future, that have the potential to create the things that no one has thought of before.

In his day, Leonardo de Vinci was considered to be crazy, an artist, a dreamer, so it was no surprise that when, in 1498, he designed the world's first helicopter, the engineers and critics of the day ridiculed him and ignored him. Four centuries later, in 1843 a Brit, Isambard Kingdom Brunel, a man considered one of the most gifted and prolific engineers ever, copied his idea for a propeller for the world's first iron ship, The Great Britain.

It became the first Iron ship to cross the Atlantic with no sails, under its own steam, thus also coining a phrase that still resounds today.

Sixty-four years later, in 1907, Leonardo's idea became reality when the first helicopter took off. It is interesting how often negative patterns of behaviour toward to new things stops progress. This is how it was for DeVinci and the same for Brunel. Even the famous Michael Angelo had to sue the Catholic Church just to get paid after painting the Sistine Chapel, despite creating one of the wonders of the world.

The designer is the hero when a product succeeds, and everyone admires their work. But the monetary rewards for design are thin by comparison with the rewards for other "specialisms". Lawyers and brain surgeons get top dollar, but for designers the fees are small despite the huge impact their works make on our lives.

Engineers are the people who engineer, make and test new products and devices and who understand the science of manufacturing. Partner an open-minded engineer with a similarly open-minded designer and together they are unstoppable.

For me the relationship between these two is critical and where there is trust and respect between the two, their output can re-invent the world and deliver it to your door!

So bringing things up to date I saw a striking similarity to the above when looking at one of the worlds great contemporary industrial designers and someone with whom I have a few things in common.

Dyson is now extremely famous and more successful than many other manufacturers. Why? Because he invented and designed something that was totally unique, efficient and very clever.

A fellow Royal college of Art graduate, he invented a wheelbarrow, green plastic with a distinctive yellow ball that acted as a unstoppable wheel. Back then he could never have imagined his most successful product would use that same yellow ball as primary mobility for his new vacuum cleaner (remember the drawer with previous ideas waiting to be utilised on a bigger and better venture?)

His idea was modern and cutting edge but getting investment is the curse of any creative, and the wise old money men couldn't see a future in re-inventing the vacuum cleaner. Another company too, refused to invest, but they deep down liked some of his ideas and so "borrowed" a couple to help their own flagging product. Mr Dyson sue'd and Mr Dyson won (remember the story) and the pay-out set up Dyson with all the investment he needed, not just to develop the product, but enough to build a factory where he could make them. The rest is history.

What else do we have in common? Well, my industrial design degree thesis in 1981 was about vacuum cleaners. I learnt that the vacuum cleaner back in the 1930s was the first product to have finance packages designed for it, the 'never never' as it used to be known and it allowed the expensive product to be purchased by those who really couldn't afford to buy it.

The second element was that the machine was designed to have a specific life span and parts that needed to be replaced or in other words Obsolescence was designed in. This was the pattern for all future products, to have a price that is high for most but attract finance to make it possible to own, be it a computer a tv or a car and to make sure they only last a span of time that they become obsolete so that the consumer pattern can repeat itself.

The last thing I have in common with Mr Dyson, is that I own three of his products and Mr Dyson owns and flies one of mine. |BAM

# IT'S A RELATIONSHIP THING

Reflections on CJIC 2019



**C**JIC London turned out to be another feast of insights and reflections, largely positive in nature, on the state of play from brokers, operators and transaction funders.

The overall optimism that characterised the conference was hardly surprising, despite the potential headwinds facing the global economy. Many of the speakers and delegates were coming off their best ever year in 2018 and while there were some doubts that 2019 would be able to top 2018, the general view was that it would be a good year for the industry.

“ This industry sells some of the most beautiful products on the planet to some of the smartest people on the planet.



The conference started with a great presentation from David Coleal, President, Bombardier Business Aircraft, looking at the as yet untapped potential customer base for business jets. For a detailed account of Bombardier's thoughts on how the business aviation market is likely to extend itself into these untapped spaces, see the interview with Brad Nolen, Bombardier Vice-President, Marketing and Strategy, in this issue.

Jay Mesinger, CEO and President of Mesinger Jet Sales, along with Pascal Bachmann, Senior VP, Sales, EMEA at Jetcraft, and Stephen Friedrich, COO at Embraer, were next up, and were quizzed by conference organiser Alasdair Whyte on their take on 2018 and the year ahead. Responding to Whyte's invitation to rate 2018 out of 10 for aircraft sales, Friedrich had no hesitation



in calling last year the best sales year that Embraer has had over the last three years. Which, one presumed, meant he was thinking of a number close to 10, if not 10 itself.

Commenting on the sales orders that came in after the company announced the Praetor 500 and 600 at NBAA in October, Friedrich called the market response “impressive.” “We hadn’t seen anything like that in quite a while,” he said.

Asked to rate Bombardier’s Global 7500, all three agreed it was a tremendous aircraft. Whyte took particular delight in asking Friedrich’s for his view, having just said that such a question would be oh so unfair. “It’s a great aircraft,” Friedrichs replied, blushing somewhat. Clearly not his most comfortable moment in the conference. But the delegates in the hall loved it.

Interestingly, Friedrichs did say that the one issue they ran into time and again in 2018, both in Asia Pacific and in the US, was people being interested in buying, but postponing the actual purchasing decision. They didn’t walk away from the deal, but they didn’t put pen to paper either. There were enough actual buys for Embraer to call it a great year, but the implication was that it could have been even better.

There were so many great presentations that it is more than a little unfair to highlight one, rather than another. Personally, I loved Mike Dwyer’s presentation. He was “standing in” for his older brother, and joint managing partner, Don, and shared Don’s “big brother” exhortation: “We’ve had a good thing going with CJIC, don’t screw it up.” He didn’t.

The point he made that stuck with me was the straightforward one that in the Google age, potential buyers tend to Google a lot of stuff before they get anywhere near a broker. This is what is driving the big change that will take place in how brokers sell biz jets in the next decade, he warned.

My guess would be that half the broker’s “added value” in future might lie with straightening out the misconceptions that all that Googling has

generated in the buyer. Aircraft transactions are complex and are no place for DIY, even Google-assisted DIY.

A second excellent point was that thanks to the fractional market and a sophisticated charter market, first time buyers aren’t moving up from a few flights in a long-in-the-tooth twin engine turboprop. They may well have flown in a G650, or something equivalent, and the aircraft they are looking for is way up-scale from what it would have been a decade or so ago.

There were many other good points to his presentation. But moving swiftly on, perhaps my favourite moment from the conference came when various presenters were asked what they liked most about working in business aviation. The answer that came up again and again was that it came down to the great relationships, friendships and collegiate collaborations people had forged through their years in the sector.

This industry sells some of the most beautiful products on the planet to some of the smartest people on the planet. However, it is a highly complex industry, and it only hangs together and functions as well as it does because of those bonds and relationships. Speaker after speaker said that this is what got them up each day and kept them sane and relatively happy in what can be a high stress industry. It’s a people thing! |BAM

consulting and  
truly global



# AUCKLAND - CITY OF SAILS

by Jane Stanbury, BAM Global Luxury Correspondent

Auckland is colloquially known as the City of Sails, and as a stroll around the marina demonstrates, the City really lives up to the name. The berths are populated by every type of vessel, from mega-yachts and super-yachts, to motor-cruisers, sail boats, and even dinghies.

The city is surrounded by water, split by water and water is its life blood. Auckland thrives on its relationship with the ocean and right now is in its natural element as it prepares for the next America's Cup race in 2021.

As holders of the prestigious Auld Mug, the city was immediately nominated as the next race venue. From here, it's full steam ahead to create a cosmopolitan environment worthy of hosting the yachting challenge. Luxury hotel chains, celebrity chefs, and accompanying lifestyle brands are all dropping anchor.

The marina is the beating heart of the excitement and it is from here that you can channel your inner racing spirit via an excursion on an original America's cup yacht. The Explore Group owns five America's cup specified training or racing vessels. The sleek, stylish hulls are simply designed for speed and incorporate many of the same elements as a business jet. Weight is key, and high-tech materials, including carbon-fibre, all help to enhance the functionality of winches and sails.

Wannabe Americas Cup crews can opt to try racing two of the yachts. This is no "let the wind fly through your hair" moment, but an immersive experience with everyone on-board expected to work together. Tactics, grinding, strategy and helming combine to build an exhilarating experience completely dependent on team competency. It's a harsh reminder of the strength, agility and courage of America's cup contestants, as exemplified by the likes of Sir Peter Blake, New Zealand's most celebrated mariner.

Blue Water Black Magic is a stunning permanent exhibition at New Zealand's Maritime Museum that pays homage to him and his crew.

The display includes moving comments from his team, celebrates his remarkable achievements, and hosts NZL 32, the yacht that won the 1995 America's Cup trophy.

Auckland previously hosted the race, twice in the early 2000s, and many of the wealthy followers decided to set up camp on the unbelievably beautiful Waiheke Island. Named the world's fourth best island by the influential Traveller and Leisure magazine in 2018, it is the crowning jewel in the collection of Haruaki Gulf islands. Often compared with The Hamptons in New York, it is peppered with upscale palatial properties. Access is via ferry from the city, helicopter or by a nostalgic seaplane

The city is surrounded by water, split by water and water is its life blood. Auckland thrives on its relationship with the ocean and right now is in its natural element as it prepares for the next America's Cup race in 2021.



flight on board a beautifully maintained de Havilland Beaver, operated by Auckland Sea Planes.

The thirty-minute route takes in the Rangitoto Nature Reserve and the volcano which is Motutapu Island, before landing on the crystalline waters of the stunning half-moon bay of Oneroa Beach. A gentle putter through the moored-up yachts delivers passengers to the shore. It is just a couple of paddling steps to land. Lunch on the terrace of the Oyster Bay restaurant is served overlooking the compelling ocean views. The air is clean, the sky is bluer than possible, and the food is indulgent.





The menu proffers locally caught fish, oysters from across the bay, New Zealand beef and lamb, and a great selection of deserts. It also carries a wine list consisting of predominantly local Waiheke wine.

The island is said to have its own micro-climate which has been the springboard for a burgeoning wine industry which has led to verdant greens contrasting vividly with the ocean surround. It's easy to understand how visitors arrive, and never leave.

For travellers wanting to completely immerse themselves in the nautical experience, the only place to stay currently, is the Auckland Hilton Hotel. Perched at the end of Princess wharf the building's architecture replicates a luxurious ship – think Queen Mary. The interior design stylishly emulates the shipping age through clever use of nautical themes.

A small flotilla of yachts light up the vestibule, above the reception stainless steel seagulls act as shades spreading gentle, warm light. The varying sections of the lobby and bar are divided by knotted ropes mirroring the robust moorings for seagoing vessels, while the sweeping staircase leading to the restaurant – unsurprisingly named FISH – echoes the wide spanning steps on board many of the elegant cruise-liners.

The spacious rooms incorporate clean lines, minimalist furniture, floor to ceiling windows with balconies giving on to views over the harbour, delivering an overall impression of light, space and a sense of freedom to explore new experiences and places.

Fittingly, at the end of the neighbouring Queen's Wharf guests can glimpse a view of an intriguing piece of installation art by local Auckland artist Michael Parekowhai. From any angle during lowlight hours the small maritime styled house, which sits incongruously next to large freighters, beams an intriguing set of neon lights through its windows. Those that look closely will notice a captive, oversized, floor to ceiling, statue of polished stainless steel as a pensive Captain Cook looks out across the horizon. Named "The Lighthouse" this piece of installation art symbolises many things, a safe beacon, a leading light, discovery, and a city that loves the sea. |BAM





**London City Airport**  
Get closer.



**Private Jet Centre**

## **The Only London Airport Actually in London**

London City Airport - 4 miles from Canary Wharf, 7 miles from The City and 9 miles from Mayfair.



- Only a 30 minute ground transfer to Mayfair & Kensington
- New competitive pricing for operators with parking included
- Global 6000, Dassault 8X, Embraer 550 and Gulfstream 280 all recently added to the existing aircraft approvals
- Broker Incentive Program for every flight booked



FLY SMARTER™

**“TIME IS THE ONLY  
CAPITAL A HUMAN  
BEING HAS. AND THE  
ONLY THING HE CAN’T  
AFFORD TO LOSE.”**

Thomas Edison

Great minds have always known the value of time. And now, you can take total control of your time during flight with the fastest, most reliable inflight connectivity available for business aircraft.

Get Gogo for your business aircraft:  
[gogo.to/save-time](https://gogo.to/save-time)

