



PRO-SPEAK

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Private aircraft bring benefits to companies

Your corporation may have had enough of the lines, security issues, strip searches and delays of airline travel, and may be considering acquiring a corporate aircraft — either through a purchase or a lease. Corporate aircraft travel can be a complex concept: myths need to be dispelled, and budgets need to be established. Typically, a corporation decides to begin the process of looking into a corporate aircraft out of specific needs that cannot be met by traditional commercial airline travel schedules.

For example, you may need to call on three different clients in three different cities in the same day. Or your company's need for privacy and security is essential. You may need to transform what may be otherwise non-productive time into a time where meetings may be conducted. Many of these scenarios, as well as others, may bring the concept of purchasing a business aircraft to the forefront. Some of the reasons to consider using a business aircraft include:

- **Time savings.** Business aircraft reduce flight time by providing point-to-point service. They are also able to utilize smaller airports that are closer to final destinations. Also, the private aircraft environment allows travel time to become productive time for doing paperwork or meeting.

- **Flexibility.** By using corporate aircraft, no alteration of schedules is necessary in order to conform to a particular commercial carrier schedule. You have the freedom to change course en route, as well

as to leave and arrive on your schedule.

- **Reliability.** Aircraft are engineered and built to the highest standards. Companies that maintain their own aircraft have complete control of the readiness of their fleet.

- **Safety.** Business aircraft have an outstanding safety record that is better than those of commercial airlines. Additionally, companies with a corporate flight department can choose their maintenance provider, and thus feel comfortable with the safety and maintenance history of their mode of transportation.

- **Improved marketing.** Business aircraft extend the reach of your sales force, and can quickly bring clients to your point-of-sale or home office.

- **Privacy and comfort.** Conversations remain confidential, and cabins can be configured to serve virtually any special needs of your passengers.

- **Efficiency.** Business aviation enables a company to maximize its two most important assets — people and time.

- **Security.** Business aviation allows companies to control all aspects of their travel, including the visibility of employees on sensitive missions. Additionally, post-9/11 travel on a business aircraft means you know the people traveling on your particular flight.

After the decision has been made to acquire a corporate aircraft, it is important to explore the factors that determine what type of aircraft you purchase.

First, it is imperative to determine the mission profile within which the aircraft

will operate. Some of these items include typical destinations and their distances from your home base, and the number of people to be transported. The majority of your trips should be taken into account. For example, if your typical flight is within 500 nautical miles with four passengers, a long-range jet, which performs better at higher altitude for longer periods of time, will not fit your needs. A more suitable aircraft may be a business class turboprop, which can operate more effectively and efficiently.

Second, establish budgets — one for the acquisition of the aircraft, and one for its annual operation. Although there are many aircraft in the marketplace, you should weigh the pros and cons of acquisition, operating and retrofit costs. An example would be that, although a mid-'70s Learjet 24D can be purchased for less than \$500,000, costs for fuel, insurance and required Air Traffic Control upgrades may be cost-prohibitive when based on the value of the retrofitted aircraft.

A better choice may be a newer '90s vintage Cessna Citation jet — or even a Turboprop — with lower operating costs, and the majority of the required avionics upgrades already installed. Although the acquisition cost is considerably higher at just under \$2 million, fuel, insurance and cost of operation will be much less. Also, the value of the aircraft "stands up" over the course of ownership.

Carefully weigh the possibility of purchasing business aircraft — to increase efficiency, profits and client contact, and to get your work force home in time for dinner. **BP**