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February/March 2017 | Vol. 15 No. 1

BUSINESS JET TRAVELER[®]

A close-up portrait of Larry Fitzgerald, Jr., a Black man with long dreadlocks, smiling warmly at the camera. He is wearing a blue and white patterned button-down shirt. The background is a soft, out-of-focus indoor setting.

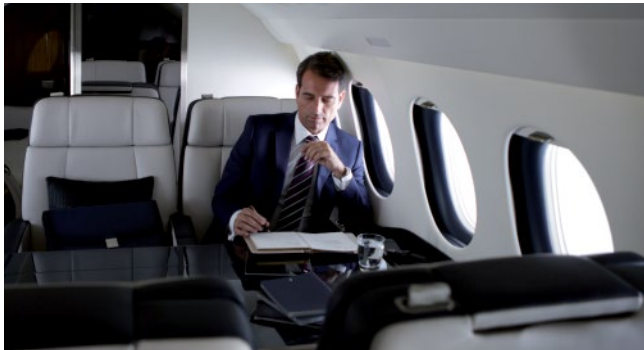
LARRY FITZGERALD, JR.

The NFL star loves football and private jets,
but neither tops his list of passions

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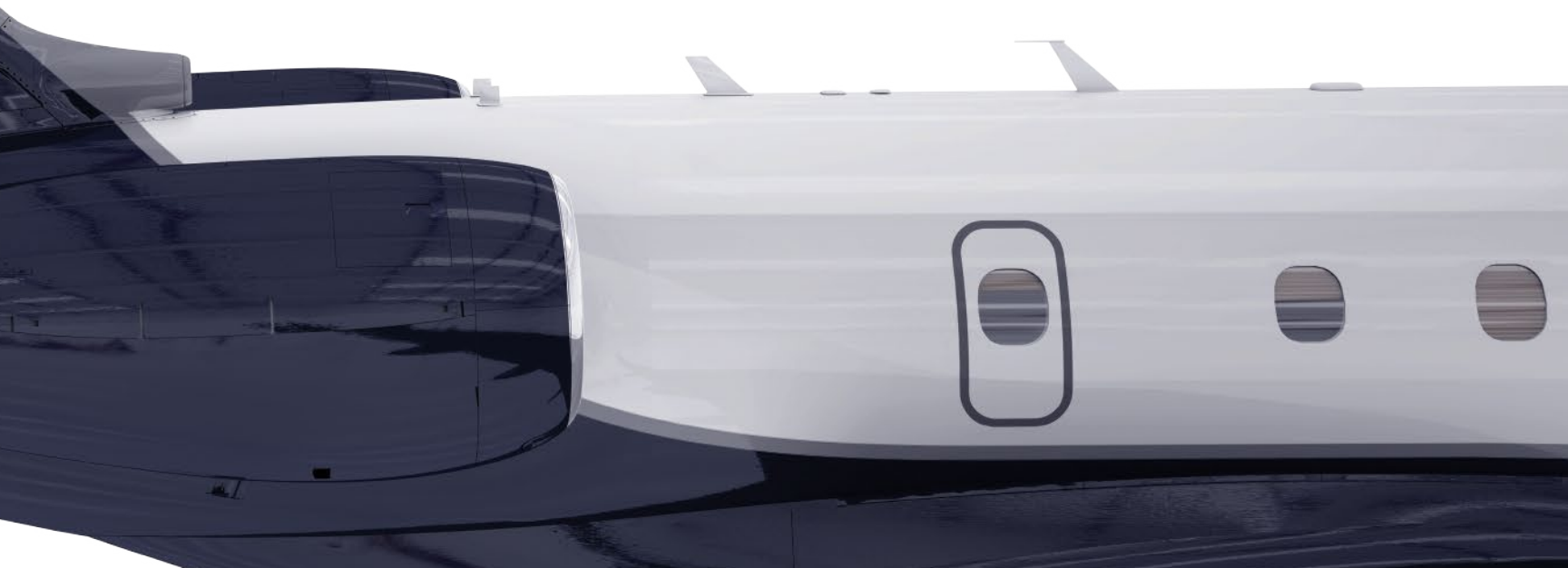
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DAVID MCINTOSH



FEATURED CONTRIBUTOR

HELEN ANNE TRAVIS

Travis started her career covering breaking news, politics, and crime for Florida's Pulitzer Prize-winning *Tampa Bay Times*. Today she's a full-time freelance writer, photographer, and communications consultant.

Travis says she was fascinated by Malta, the subject of her first article for **BJT** (see page 52). "So many cultures have left their mark on this tiny island nation," she comments. "You read a lot of hyperbole in travel writing that a destination is a 'crossroads of cultures'. But in Malta, it's completely true."

Travis has written for CNN's website and for publications like the *Guardian* and the *Globe and Mail*. She also works with such clients as Royal Caribbean, TripAdvisor, and Viacom. Her work has taken her from Finland to France, Alaska to Argentina. When she's not on the road, she lives in Tampa, Florida, with her husband and traveling partner, Greg Gall. You can see more of her work at HelenAnneTravis.com.



On the Cover:

Arizona Cardinals wide receiver Larry Fitzgerald, photographed for **Business Jet Traveler** by Jill Richards at Phoenix's Sanctuary Camelback Mountain Resort & Spa.

Coming Soon in BJT

Dassault **Falcon 7X** review

Paradise by the week: **rent an island**

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Up Front



Jennifer Leach English's daughters explore books.

Books That Changed Us

“Reading is one of the world’s great joys” and “one of the few things you can do alone that can make you feel less alone,” notes journalist Will Schwalbe in a recent *Wall Street Journal* essay. “It is a solitary activity that connects you to others.”

Lately I’ve been reminded of the intoxicating, transformative power of reading because my seven-year-old has made the glorious leap from struggling to read to reading for fun. I take great delight in hearing her giggle as she silently enjoys one of the hilarious tales from Judy Blume’s Fudge series, which I vividly remember reading in my childhood bedroom. When I call my daughter’s name and she ignores me, I secretly love it because I can see she’s lost in the magical world of a good book.

I know what that’s like. When Schwalbe says he envies anyone who hasn’t read Toni Morrison’s *Song of Solomon*, I can relate, because I have that same feeling whenever people tell me they haven’t yet discovered her equally transcendent *Beloved*. Another of my favorites, for totally different reasons, is *The Corrections*, by Jonathan Franzen. I read both books many years ago, and I still think about them all the time.

We’ve heard lots of heated debates about the relative merits of reading books in print or digitally, but as far as I’m concerned, it doesn’t really matter whether you’re turning pages or holding a Kindle. What matters is that you read.

Jennifer Leach English
Editorial Director
jenglish@bjtonline.com

Staff Favorites

I asked our editorial team to recall books that left a mark on them. Here are a few of their picks and comments:

Fiction

- *The House of Mirth*, by Edith Wharton (“To this day Lily Bart haunts me. Beautiful and useless. Too moral to do what she has to do.”)
- *One Day in the Life of Ivan Denisovich*, by Alexander Solzhenitsyn (“The story of an inmate’s day in a post-WWII Russian prison camp shows humanity can persevere under seemingly intolerable circumstances.”)
- *Shogun*, by James Clavell (“A richly woven tapestry depicts Japan’s feudal period, and the effect of an Englishman, marooned there by a storm and embroiled in local politics.”)
- *The Grapes of Wrath*, by John Steinbeck (“A moving statement about people’s potential to do good and evil.”)
- *Chesapeake*, by James Michener (“This epic tale of early America transported me to another place and time.”)

Nonfiction

- *The Portable Dorothy Parker*, by Dorothy Parker (“Where I learned that as a woman, you don’t have to be ‘nice.’”)
- *Walden*, by Henry David Thoreau, and *Emerson’s Essays: First and Second Series*, by Ralph Waldo Emerson (“The linear essay format coupled with American exceptionalism speaks to me. The calls for individualism and self-reliance speak to early teenagers.”)
- *Outliers*, by Malcolm Gladwell (“I love Gladwell’s contrarian intellect, comprehensive research, and clarity of thought. As a parent, I wanted to understand success, and *Outliers* broke it down for me.”)
- *The Years of Lyndon Johnson*, Vols. 1–4, by Robert Caro (“Painstaking research and superb writing elevate these books, which also benefit from Caro’s ability to avoid painting his subject as all good or bad—he shows you both sides of Johnson in full.”)

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A Masterful Portrait of Cuba

Visiting Cuba is easier these days, but if you haven't time for that right now, you can still take a good look around the island via a new coffee-table book from **BJT** photographer Manuello Paganelli. Called *Cuba, A Personal Journey, 1989–2016*, the volume showcases 115 of his most striking black-and-white images of weddings, funerals, classic American cars, festivals, fishing villages, political rallies, and more.

The photographer, who is Cuban on his mother's side, accompanies the pictures with an essay titled "My Cuban Experience." He has made more than 60 visits to the island, starting when he tracked down long-lost relatives with the help of a 1953 letter and continuing until after the restoration of diplomatic relations with the U.S.

Paganelli, who was mentored by the renowned Ansel Adams, first exhibited his images of Cuba in a 1995 show that the *Washington Post* said offered a "brilliant window on a land and people too long hidden from the North American eye." Besides shooting the photos for **BJT** stories on such luminaries as Erin Andrews, Paul Anka, and John Paul DeJoria, he has provided cover images for *Time*, *Life*, *People*, *Reader's Digest*, *Sports Illustrated*, *Forbes*, and many other well-known magazines.

—Jeff Burger



Above, black workers remain less visible than whites at clubs and hotels. Right, farm workers with oxen. Below, a newly married couple in Havana.



PHOTOS: MANUELLO PAGANELLI

Small Town, Big Show

In March, the place to be for anyone seriously connected to the art world is a small, remote medieval town at the crossroads of the Netherlands, France, and Belgium. Maastricht—better known to the world at large as the site of the signing of the 1992 Treaty of European Union—is the home of the European Fine Art Fair (TEFAF). Annually, hundreds of private jets fly into the airports in Maastricht, the Netherlands, and nearby Liège, Belgium, and Düsseldorf, Germany, ferrying collectors to the event, which takes place this year from March 10 to 19.

TEFAF (tefaf.com) has a rarefied atmosphere, with each of its 270 booths resembling a small museum. Many of the world's top dealers are present, with works ranging from

antiquities to 20th century design and contemporary art.

Among the offerings this year will be André Derain's



La fenêtre by Raoul Dufy (1923)

Le Port de Collioure, painted in his Fauvism period in 1905 in the Mediterranean town where he was visiting Henri Matisse. Presented by Stoppenbach & Delestre, this colorful, light-filled work hasn't been on the market for 50 years.

Connaught Brown will be showing Raoul Dufy's 1923 oil painting *La Fenêtre*, which depicts a view of the beach and water from his window in the seaside resort of Sainte-Adresse.

An elaborate silver-gilt ewer made in London in 1831 and decorated with sea creatures and mermaids, being sold by Koopman Rare Art, is a

piece fit for a king. Until 1952, it actually belonged to one: King Farouk I of Egypt and the Sudan.

—Heidi Ellison

QUOTE UNQUOTE

"Flying is like good music. It elevates the spirit and it's an exhilarating freedom. I love the machines, I love the aviation community. I used to own airplanes and have pilots flying them for me, but I finally realized they were having more fun than I was."

—actor and pilot Harrison Ford, in the *Daily Mail* (UK)



MARK WAGNER



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How Airplanes Transformed the World

Once an invention becomes integrated into daily life, we tend to take it for granted. How often do we give a second thought to the miracles of electricity, telephones, or television, or even the relatively new internet?

Living in the Age of Airplanes, a superb documentary from National Geographic and director Brian J. Terwilliger, argues persuasively that flight is perhaps the most transformative technological miracle that we now underappreciate. We complain about waits in airports and bad food in flight, yet we can be virtually anywhere on the planet in a matter of hours—a fact that would have been the stuff of science fiction mere decades ago. At any

given moment, a quarter of a million people are in the air; and every day brings another 100,000 takeoffs and landings.

“Since we were all born into a world with airplanes,” says Terwilliger, “it’s hard to imagine that [widespread commercial] jet travel itself is only [about] 60 years old, just a tick on the timeline of human history. But our perception of crossing continents and oceans at 500 miles an hour has turned from fascination to frustration. I want to reignite people’s wonder for one of the most extraordinary aspects of the modern world.”

Terwilliger—whose previous films include *One Six Six Right*, a documentary about Southern California’s Van Nuys Airport—achieves that goal in *Living in the Age of Airplanes*. The movie, which was filmed in 18 countries and on all seven continents, features fascinating narration by Harrison Ford and stunning videography. And it shows how profoundly air travel has changed our lives, our perspectives, and our planet. Though the high-definition feature runs only about 45 minutes, the Blu-ray adds nearly an hour of noteworthy bonus content.

—Jeff Burger



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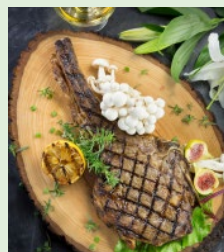
Combining local farm-to-table ingredients with modern steel, glass, and dark-wood accents, the elegant Kitchen West at the Scottsdale Resort at McCormick Ranch provides attentive service and delicious cuisine. Executive chef Rick Dupere offers up beef, pork, chicken, and seafood from the American West. Alaska is well represented with fresh Sitka halibut steaks, salmon and sockeye from Yakutat, and king crabs flown in daily from Sitka, Juneau, and Ketchikan.

For appetizers, try the succulent mole meatballs or the foraged mushrooms with kiln flatbread. An entrée of note is the double-cut pork chop with crab apple slaw and a tasty

cauliflower steak. Also try the tender smoked brisket burger, which arrives between two Angus beef patties, with pecan wood bacon on a brioche bun—all brushed with a layer of burnt tomato jam and served with roasted fingerling potatoes. It’s the best burger west of the Rockies. For dessert, one gem is the Magnificent Seven, which delivers seven beignets (pastry) with chocolate pudding.

Kitchen West offers an ample supply of mostly American wines as well as Arizona beers. I enjoyed a refreshing Kilt Lifter (Scottish amber) from the Four Peaks brewery in nearby Tempe.

—Bob Ecker



Eyesight to the Blind

Founded in 1915, **Helen Keller International** (hki.org) tackles the causes and consequences of blindness and malnutrition. HKI has more than 120 programs in 21 African and Asian countries, as well as in the U.S., all based on evidence and research in vision, health, and nutrition.

Last year alone, the organization’s Helping People See initiative provided 85 million individuals with treatment to prevent diseases, including blinding trachoma and river blindness. Also in 2015, surgeons trained by HKI performed more than 10,000 cataract surgeries in the developing world. In the U.S., meanwhile, the charity’s ChildSight program provided vision screening for more than 82,400 students in high-poverty neighborhoods and delivered free eyeglasses to nearly 18,000 of them.

HKI’s Enhanced Homestead Food Production program empowers communities to produce nutritious foods in home gardens and farms, promotes positive nutrition practices, and trains local healthcare workers to treat acute malnutrition.

The charity also provides education and medical care to combat such poverty-related, often deadly diseases as trachoma, river blindness, and intestinal worms. According to the World Health Organization, these diseases infect one in six people, including 875 million children, and claim more than 500,000 lives each year.

—Lysbeth McAleer

BJT readers—who represent one of the highest-net-worth magazine audiences anywhere—clearly have the means to contribute to a better world. To help you do that, we’re spotlighting one deserving organization per issue. All of them have received a four-star overall rating from Charity Navigator (charitynavigator.org), which evaluates philanthropic institutions based on their finances, accountability and transparency.

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WHEELS UP
UP THE WAY YOU FLY



Slippery slopes

Private jet travel to ski resorts is gaining popularity, but our columnist won't be along for the ride.

by Joe Sharkey

As an adult, the only time that I've shed tears out of fear was on a ski slope in New England some years ago. As a wobbly neophyte, I made a wrong turn at the top and found myself hurtling downhill on an advanced slope at breakneck speed, bouncing like a frozen basketball over ice patches, astonished at remaining upright, but certain that my immediate future included catastrophic injury. Or worse.

"Whoa!" said my son with a mixture of horror and relief, as I finally clattered to the bottom and collapsed into a snowbank.

"That was fun," I muttered darkly, snapping off the skis.

I've never been back to a ski slope. I now live in the Arizona

desert, in Tucson, where the only snow I ever see is on the mountains in late winter, up where it belongs, as I ride my horse in the sunny, warm valley.

So skiing is definitely not for me. On the other hand, it is a favorite activity for many vacationers, including business jet travelers. In Colorado alone, skiing and snowboarding annually generate \$4.8 billion in economic impact and account for more than seven million out-of-state visitors, according to a 2015 report by Colorado Ski Country USA and Vail Resorts.

Before you can ski, of course, you have to get to the slopes. In New England, that's mainly done by driving, but in the West,

where the best American skiing is and where the season persists well into spring, most visitors arrive by air. At Denver International Airport, for example, skiers accounted for 8 percent of non-connecting arrivals during the 2013–14 ski season.

Given the growing inconveniences of airlines, private jet travel for ski trips is growing in importance, especially in the West. "Someone who has a business jet for visiting his 17 car dealerships in five states still wants to fly privately, sometimes gathering family along the way, when he's on vacation," says Doug Golan, who publishes a travel and lifestyles newsletter that's marketed to high-net-worth individuals, including jet owners.

Some travel agencies now specialize in "bucket list" packages with a "private jet experience" for affluent skiers. For example, the luxury tour operator Black Tomato sells what strikes me as a downright daunting eight-night adventure that starts with rugged back-country skiing at Jackson Hole, Wyoming; continues on to the Whistler resort near Vancouver; and ends up, after a trans-pacific flight and a bullet-train ride from Tokyo, at Mt. Naeba in Japan.

Meanwhile, a lot of skiing in the U.S. occurs on business trips, including corporate meetings and conferences that are scheduled for snow country in the winter and early spring.

"Companies or CEOs come in on their jets and either conduct

One eight-night “private jet adventure” starts with rugged back-country skiing at Jackson Hole, Wyoming; continues to the Whistler resort near Vancouver; and ends up at Mt. Naeba in Japan.

business while on the slopes or head out in the morning to ski and come back on the property in the afternoon for meetings,” says Scott Guhrud, the marketing director at the Four Seasons Resort in Vail, Colorado, which does a robust business in corporate conferences.

Many ski resorts report a growing number of customers who travel by business or other private jets. At the Telluride Airport, the number of general-aviation passengers rose 7.6 percent during the 2015–16 ski season. At the Eagle County Regional Airport in Vail, where skiers account for 60 percent of domestic and global traffic, much of the commercial service depends on subsidies given to airlines by the ski industry.

Meanwhile, general aviation flights are gradually growing and are forecast to increase from 26,000 in 2010 to 30,000 by 2030. One underlying factor: the airport has an extended 9,000-foot runway that is luring more business jets. These jets tend to make fewer flights than propeller-driven aircraft, but with longer

flight segments, according to the airport’s forecasts.

The fact that ski resorts are at high altitude in fairly remote locations is driving more decisions on what kind of business jet to buy, especially in the American Southwest, says Janine Iannarelli, founder and president of Par Avion, a global business aircraft brokerage headquartered in Houston, with an office in Ridge-wood, New Jersey.

“With the clients I’m seeing, but especially the ones coming out of Texas, one of the elements now factored into the equation is whether that aircraft will perform well in the high altitudes of ski country,” says Iannarelli. “Clients want that capability not just in winter but all year, because so many of them own second homes there.”

“You know the challenges of going in and out of Aspen or Vail,” she says. “You want an airplane that can get up and go.”

That’s true, and happy ski trails to those of you headed for the mountains this season. As for me, I’m happily staying down here in the desert on a high-performing quarter horse that also can get up and go. Where it’s warm. **BJT**

Joe Sharkey (jsharkey@bjtonline.com), the author of six books and a longtime **BJT** contributor, wrote a weekly business travel column for the *New York Times* for 16 years.

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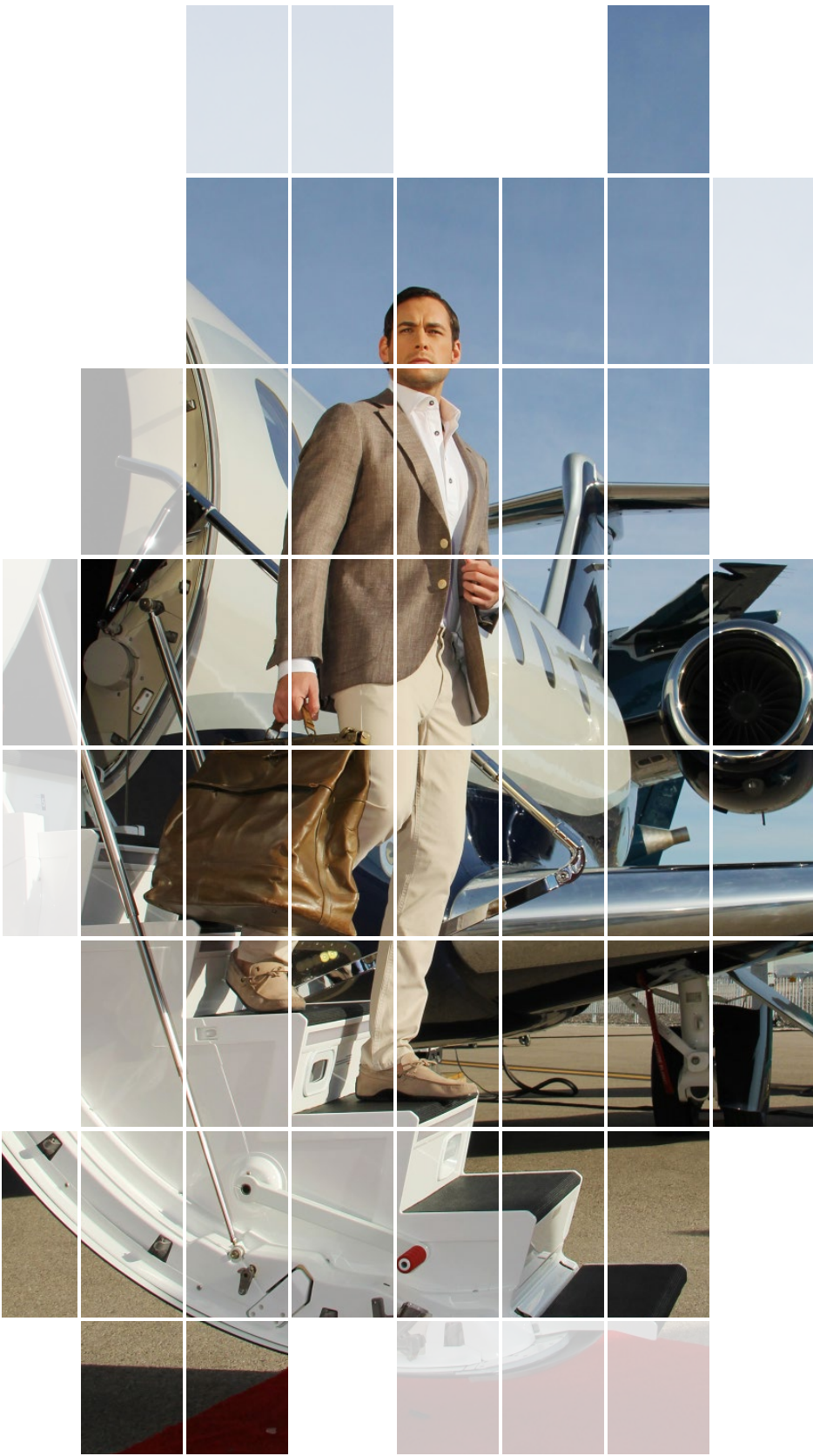
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New products shake up the charter market

All-you-can-fly memberships, bargain prices, and even free trips are among the offerings from providers who seem to be following Apple's advice to "think different."

by James Wynbrandt

A handful of innovative business models—including so-called private airlines, membership programs, and shuttle flights (aka per-seat charter)—are offering new ways to fly. Driving the trend is a conviction among neo providers and their investors that technology can improve fleet utilization, dropping costs while preserving profits, and spurring increased use of private air travel.

Common denominators exist among the various types of programs, but there are enough differences among providers and overlaps among categories to keep things mildly confusing for business jet travelers. For example, per-seat shuttle flights offered by membership-based charter providers and the so-called private airlines are basically the same product, though they're marketed differently. Meanwhile, private airlines are often referred to as membership-based access models, though at least one is open to any traveler.

To help you sort things out, here's a guide to some of these new charter products.

Membership Programs

Typically, these programs have a buy-in cost, and often a recurring fee, the latter either an annual renewal or monthly charge. Charter fleet owner Wheels Up, for example, assesses an initial membership and annual renewal fees in exchange for guaranteed rates and access to its aircraft and other privileges; JetSmarter

PHOTOS: BARRY AMBROSE

charges similarly for use of its discount charter brokerage services and free shuttle flights.

One new practice that's garnering attention: offering one-way trips completely or almost free to members. Moreover, rather than simply listing empty-leg inventory available through industry platforms like Avinode, today membership programs may purchase exclusive repositioning flight inventory from major charter operators.

Pros: Convenient one-stop offerings that provide defined benefits not available through traditional charter providers. Free or ultra-low-priced empty legs represent bargains for travelers who want luxury, have the flexibility to go at the last minute, and don't mind finding their own way back.

Cons: May not always provide the optimum solution on a flight-by-flight basis. Empty legs are rarely posted more than a day or two in advance, limiting their utility.

Private Airlines

So-called private airlines—an oxymoron used to describe services that mimic airline offerings—provide scheduled, shared charter flights on established routes, operating from aviation facilities that typically host general-aviation aircraft. They use airplanes with 30 or fewer passenger seats, allowing them to dispense with the TSA screening protocols found in airline terminals. Although these are charter flights, they operate under the FAA's Part 380 rules, which allow such scheduled operations, rather than under Part 135 rules.

Most private airlines employ the all-you-can-fly model and charge membership and monthly fees. In mid 2016, however, light-jet charter operator JetSuite launched JetSuiteX, with no membership fee or other access restrictions, and began operating scheduled flights on 30-passenger Embraer E135s, in California and Nevada.

The membership programs typically offer two or three tiers, with higher levels allowing members to hold more reservation slots (two, four, or six, for example) at one time.

The model's history is not unblemished; Beacon, a Northeast U.S.-based service launched in late 2015 by a Surf Air cofounder, went out of business early last year.

Leading Neo-charter Providers at a Glance

	SERVICE	ONGOING FEES	SERVICE AREA	WEBSITE
JetSmarter	Discount charter brokerage, shuttle flights, empty legs	Membership and annual fee	North America, Europe, Middle East	jetsmarter.com
JetSuiteX	Private airline offering per-flight, per-seat fares	None	California, Las Vegas	jetsuitex.com
Rise	Private airline with all-you-can-fly service	Monthly subscription	Texas	iflyrise.com
Surf Air	Private airline with all-you-can-fly service	Monthly subscription	California, Las Vegas; Europe in 2017	surfair.com
Wheels Up	Fleet access, charter brokerage, shuttle flights	Membership and annual fee	North America; Europe in 2017	wheelsup.com

Pros: Affordable, low-hassle commutes on popular routes.

Cons: Limited service availability, and little service model history.

Shuttle/Per-seat Charters

Shuttles are scheduled, shared charter flights operated under the same Part 380 FAA rules that govern private airlines, and these flights are a feature of a growing number of programs. Many industry insiders have long dismissed the per-seat model, believing charter customers don't want to fly with strangers. But shuttle flights are finding success today, with JetSmarter and Wheels Up among the providers offering them on popular routes and for special events, like day trips to college football games.

Through their platforms, these providers also allow members to crowdsource, or organize their own shuttle flights, proposing trips, or opening seats on an upcoming flight to other members.

Pros: Shuttles can offer low- or no-cost private jet transportation that justifies membership charges.

Cons: Aircraft are shared, and service is typically limited to the most popular routes. **BJT**

Key Players

Here are some of the providers that are defining the neo-charter category:

JetSmarter. At its heart JetSmarter is a membership-based discount charter brokerage, but the company has gained attention with its aggressive promotion of free shuttle flights and empty legs. Founder Sergey Petrossov says the firm can track every user interaction with its platforms, enabling it to know market demand and scale operations efficiently.

Operating some 40 routes in the U.S., Europe, and the Middle East, JetSmarter offers a limited number of shuttle flights for free to members; if all seats are spoken for, members can start another shuttle flight on that route and pay a per-seat rate—for example, \$1,990 on a light jet from New York to South Florida—that's guaranteed to make the trip even if no other passengers sign on.

JetSmarter offers several membership programs, including Smart, for members who want access to the shuttles, which are available just in some major markets; and Access, for those seeking only ad hoc charter. Smart costs \$15,000 for the first year and \$10,000 annually thereafter; Access is \$6,000 for the

first year, then \$4,000 annually, and provides flight discounts. A Sophisticated membership, delivering “elevated services,” costs \$40,000 annually plus a one-time \$5,000 initiation fee.

The company backstops the lift it sources from a vetted network of charter operators by guaranteeing access at preset prices, ensuring members can always get a favorable deal.

JetSuiteX. Launched in 2016 by California-based light-jet charter-fleet owner and operator JetSuite, this private airline flies new Embraer E135 commuter jets (operated by Delux Private Charter), outfitted in 30-passenger executive configuration, with extra soundproofing, power outlets at every seat, and free Wi-Fi. The company serves Burbank, San Francisco East Bay (Concord), Mammoth Lakes, and San Jose/San Diego (Carlsbad, serviced by four-passenger Phenom 100s) in California; Las Vegas, Nevada; and Bozeman, Montana.

Unlike other private airlines, JetSuiteX is open to all travelers and charges no membership fees. Fares start at \$129. (Same-day flights between Burbank and Las Vegas were recently priced at \$219.) Members of SuiteKey, JetSuite’s ad hoc charter program, get a 20 percent discount on flights.

Rise. Texas-based Rise offers 60 flights per week aboard Beechcraft King Airs operated by vetted companies between Austin, Dallas, and two Houston locations (Houston Hobby and NW Houston/David Wayne

Hooks Airport). Plans call for adding Midlands and San Antonio to the route structure, along with New Orleans and Oklahoma City.

The initiation fee for the all-you-can-fly service is \$750, and subscriptions start at \$1,950 per month, providing two reservations. Additionally, the company’s Rise Anywhere app lets anyone, not just members, crowdsource to create or join flights.

Surf Air. California’s Surf Air started the private airline model, using an owned-and-operated fleet of Pilatus PC-12/PC-12 NG single-engine turboprops, and currently serves 11 destinations, including two in Los Angeles and three in the San Francisco Bay Area, and Las Vegas. Individual all-you-can-fly memberships start at \$1,950 for two reservations, enough for one round trip. (As soon as you use one reservation, you can make another.) Unlimited Preferred membership (\$2,450) allows four reservations and Unlimited Premium (\$2,950) allows six. Like all the membership-based private airlines and access models, Surf Air also offers corporate memberships.

The company is preparing to introduce service in Europe, with daily flights (operated by U.K.-based TAG Aviation) between London, Geneva, and Zurich, with Paris, Amsterdam, Dublin, and other cities to be added next year. Surf Air is in discussions with Textron Aviation, manufacturer of Cessna Citation jets, and Brazil’s Embraer, to purchase new aircraft for the expansion. Monthly memberships will cost \$3,235 or about £2,500.

Wheels Up. Wheels Up CEO Kenny Dichter—who started the Marquis jet card program operated by NetJets—launched this company in 2013. Membership provides access to Wheels Up’s owned nationwide fleet of King Air 350i twin turboprops and refurbished Cessna Citation XLS light jets. (Gama Aviation operates the aircraft.)

The company, which aims to provide bespoke service rather than discount access, added a charter brokerage arm (Flight Desk) in 2016 to meet members’ lift needs outside its own fleet. It has also added shuttle flights, and shuttle crowdsourcing capability.

Individual memberships start at \$17,500 (\$8,500 for annual renewal) and provide guaranteed access to the fleet at fixed hourly prices (\$3,950 for King Airs). The company also offers members exclusive entertainment and experience offerings on the ground under its Wheels Down program.

Last year, Wheels Up introduced an entry-level program, “8760” (\$5,950 per year), a stripped-down offering without all the perks of full membership. The company plans a European expansion in about a year.

Among other recently introduced or upcoming charter access options:

Bliss Jet has launched weekly shuttle flights between New York’s La Guardia and London’s Stansted Airports aboard large-cabin business jets.

Linear Air in Bedford, Massachusetts, and **FlyOtto** in Chicago have recently established free access platforms listing piston and light turboprop aircraft available for charter nationwide at price points well below traditional charter rates. Keep in mind that Argus, Wyvern, and similar services don’t audit these categories of aircraft, but given the pace of innovation, that could change.

MemberJets, a new company in Overland Park, Kansas, offers a platform that any operator can sign on with and individuals join, allowing for the creation of shuttle flights, crowdsourcing, and ad hoc charter booking. KCAC Aviation of St. Louis is among the launch operators. The one-time fee for individual travelers who want access to the offerings is \$1,500.

Japan’s **Sky Trek** has ordered 20 Kodiak Quest turboprop singles for a new membership-based private travel service.

BJT

James Wynbrandt (jwynbrandt@bjtonline.com), a private pilot and regular **BJT** contributor, has written for the *New York Times*, *Forbes*, and *Barron’s*.





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Larry Fitzgerald, Jr.



PHOTOS: JLLL RICHARDS EXCEPT WHERE OTHERWISE INDICATED

The football great, who often flies privately, talks about what matters most to him. It's not the sport or the material rewards that the game has given him.

by Margie Goldsmith

Larry Fitzgerald, Jr., one of football's all-time best wide receivers, was drafted by the Arizona Cardinals in 2004 and has spent his entire professional career with the team. He helped lead it to its first Super Bowl, XLIII; has been selected for the Pro Bowl nine times; and is one of just 10 players in National Football League history with more than 13,000 receiving yards and 90 touchdown receptions in his career.

But this 33-year-old star has more than fast legs and hands: he has heart. "As a professional athlete, I know that it's easy to get wrapped up in your own success and in the materialistic things that come with it," he says. "But life isn't about how much money you have, or what cool things you own—all those things are temporary. The only thing that really matters is the type of person you are and the good you can do for other people while you're on this earth."

Fitzgerald—who spends much of his free time doing philanthropic work—learned about giving back from his grandparents and mother, who all did charity work. To honor his mother, who died of breast cancer in 2003, he has donated hundreds of thousands of dollars to support breast-cancer survivors and research. His First Down Fund makes a weekly donation to a fan-nominated charity, and he has recently made grants totaling \$100,000 to schools to fund books, science supplies, and field trips, and to purchase technology. Additional donations have provided vision care to those who otherwise would not have access to it.

When we met with Fitzgerald in his hometown of Paradise Valley, Arizona, we asked him about his charitable work and also about his football career and frequent business jet travel.

This interview has been edited and condensed.



Larry Fitzgerald, Jr.



PHOTO: JIM LYONS STADIUM

Above, Fitzgerald's First Down Fund helps kids and their families by funding positive activities throughout the year. Right, visiting service members at Camp Ramadi, Iraq.



PHOTO: SGT. EMILY SUHR

Your father is a sports reporter. What did he teach you when you were growing up?

Just being around athletes, I learned a lot. I saw the guys who were gracious in defeat and humble in victory. I tried to base myself on what I saw.

What did your mother teach you?

My mother founded a couple of [charitable] organizations and volunteered at others. She'd drag my brother and me to all these events even though we'd prefer to play ball in the park. She took us to AIDS walks and ribbon cuttings on facilities for the Boys and Girls Clubs or Big Brothers Big Sisters. It became part of our fabric, so now, if I see an organization that has a need, I try to help.

Who was your role model growing up?

I didn't have to look outside my house for people to emulate. My dad was a very stoic, stern, hardworking, honest man. A great mentor. And my mom was so selfless; she had such compassion for people.

Also, my grandfather, an optometrist, gave away glasses and contacts to young people even when it was tough to provide for his wife and six kids. He always made life better for people around him, and I think that's where my mother got her attitude. She passed it on to me and I'm going to make sure I teach my sons those same lessons.

You were drafted by the Cardinals while you were a first-semester sophomore

at the University of Pittsburgh, and you just recently graduated from the University of Phoenix. Why did you go back to school?

Because I made a promise to my mother, and because education is one thing no one can ever take from you. I can hurt my knee and not be able to perform as a professional athlete, but I'd still have my mind. I could still get a job and provide a living for myself and my family. Also, I'm the only one in my family who hadn't graduated, so it was also a sense of pride. I didn't want to be excluded from the party, and I wanted to set an example for my sons.

You've played with the Cardinals for 13 seasons. What will you take from your career?

It has nothing to do with the plays on the field but about the relationships I cherish. There are a lot of people—from our equipment staff to our training staff to all the people behind the scenes—who mean a great deal to me. We wouldn't be able to do what we do without their support.

Would you take a knee during the national anthem like [San Francisco 49ers quarterback Colin] Kaepernick did?

I don't have a problem with what he does, and I commend him for exercising his rights. Our soldiers are putting their lives on the line to protect our freedoms, including freedom of speech. But when my grandfather passed



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Larry Fitzgerald, Jr.



away, the flag was laid on his casket, and a lot of my family served in the armed forces. So, it's not a stance I would be willing to take.

A couple of years ago, you pulled two hamstrings and toughed it out, and the same thing happened when you recently hurt your foot. What kept you going?

A Navy Seal wrote an article saying that when you're tired and your body starts to break down, you have about 65 percent work capacity left. Your body is trying to protect itself because it knows it's low on energy but you still have a lot left to give.

I always think about that when I'm hurting. It comes down to the will to continue to fight.

What do you think about the controversy regarding football and brain injuries?

The National Football League is doing a good job of getting more information out so players are informed about the long-term ramifications of injuries. I don't like to make military comparisons because what we do is nowhere near what they do, but when military people put their lives on the line, they understand there's a risk they may never come home. It's the same with an athlete. You understand that at any time it can come to an end, but you make a good living doing it and you enjoy what you do.

And what is it that makes you passionate about football?

I love being part of something bigger than me. I love that I have to play my best and also motivate other guys to reach the goals we've set for ourselves. Sometimes you win, sometimes you lose, but you do it together with one common goal.

You've said you couldn't watch yourself on TV because you'd be too critical of yourself. When you lose, how do you get over it?

I'm hard on myself almost to a fault; I don't see too many good things, but the things I can improve on always jump out at me, which is a gift and a curse. It keeps me hungry and motivated. I never feel as though I'm where I could be.

How do you mentally move forward after a loss?

There's an old saying: it's impossible to focus on your future when you're looking in the rearview mirror. You've got to focus.

Will Fitzgerald Retire?

Having finished 2016 as the NFL leader in receptions, Larry Fitzgerald is reportedly contemplating whether to retire. "Obviously, I have my fingers crossed that he does [continue with the team]," Arizona Cardinals coach Bruce Arians recently told ESPN. At press time, Fitzgerald was expected to make a decision in February. —Ed.

**You've been to 96 countries.
What's next on your list?**

I want to get to Scandinavia. I'm going to Greece and Iran this year, and I want to go to Prague again. I would like to go to the Republic of Georgia again, and Mongolia; I'd like to go to the Maldives before the ocean continues to rise.

I love to travel, not only for leisure but to see what's going on in the world; and if I see an issue, I try to help the best I can. Every leisure trip I take includes a humanitarian portion, no matter where I am.

**You've also gone on five USO
tours of Iraq and Afghanistan.**

It's fun to go on those tours and spend time with the troops. There's no draft; they don't have to be doing what they do. They do it because they want to, and that makes it even more special to be able to tell them face-to-face, "Thank you, I appreciate that."

**How long will you keep playing
football?**

I'll play until I physically feel I can't go out there and execute my assignment to the best of my ability.

And then what?

That's a great question. I don't know exactly what I'm going to do after, but I've done several internships. Some interest me but nothing yet wakes me up in the middle of the night and says, "Man, this is your calling; you need to do this."

What kind of internships?

I did a weeklong internship with JPMorgan and enjoyed spending a couple of days on the trading floor. I learned about bonds and all types of investment tools. It was a good experience. Real estate development also interests me.

**Besides travel, you like golf.
Do you see golf or football as a
metaphor for life?**

Golf for sure. After playing a four-hour

round with somebody, you learn who that person is. You're going to see the best of a person when they hit a great shot or make a long birdie, and then when they hit the ball in the trees or miss an easy putt, you're going to see that frustration and pain. I love to see how people respond to the good and the bad in golf because that's usually how they respond in life. I don't like playing golf with people who don't respond well to adversity. They're not fun to be around.

**How often do you
fly privately?**

I probably charter 50 to 75 hours a year.

Do you have a favorite plane?

I love the Challenger 605 in terms of configuration and comfort and the look of it from the outside. But I think the CJ3 is probably the most practical. I also love the Citation X. It's so fast. I mean, I was flying from New York back to Phoenix, and it was four hours and 10 minutes.

**How has flying privately
helped you?**

I can do things much more efficiently. For example, my buddy had a golf event in Vegas, and my son had a baseball game that I could not miss from noon until 2 p.m. the same day. But my buddy's event didn't start until 4, so I could be there for my son. Then I flew to Vegas and was able to get back in time to put my kids to bed. Those kinds of things make private travel the only way to go.

**How are you different
from your public image?**

I'm a little more introverted than you would think. I pretty much stick to myself until I get to know people and then I'm like a class clown, a practical joker. But out and about I'm quiet, even at work.

**What has been the biggest
moment in your football career?**

I'm hopeful that it's still ahead of me. **BJT**

"A Navy Seal wrote an article saying that when you're tired and your body starts to break down, you have about 65 percent work capacity left. I always think about that when I'm hurting."

FASTFACTS

NAME: Larry Darnell Fitzgerald, Jr.

BORN: Aug. 31, 1983 (age 33), Minneapolis.

POSITION: Wide receiver for the Arizona Cardinals of the National Football League since 2004.

HONORS: Selected for the Pro Bowl nine times. Ranks fourth all-time in NFL history in receiving yards (76 yards per game).

EDUCATION: Attended University of Pittsburgh prior to being drafted; graduated from University of Phoenix in 2016 with a bachelor's in communication.

TRANSPORTATION: Charter flights via Wheels Up, Sentient Jet, and Scottsdale, Arizona-based Alante Air Charter.

PERSONAL: Lives in Paradise Valley, Arizona with sons Devin, 8, and Apollo, 3.

HOBBIES: Travel, photography, golf.

CHARITIES: The Larry Fitzgerald First Down Fund, which supports youth education and recreation, and families experiencing health challenges; and the Carol Fitzgerald Memorial Fund.

Margie Goldsmith (mgoldsmith@bjtonline.com) is a longtime contributor whose previous Q&A subjects for **BJT** have included Sir Richard Branson, Francis Ford Coppola, and David Copperfield.

NEW AIRCRAFT
PREVIEW



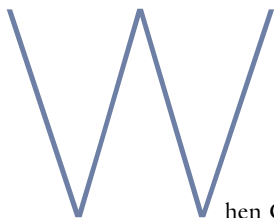


Cessna Citation. Longitude

A revamped version of this super-midsized model carries a price tag that may help it compete in a crowded field.

by Mark Huber

NEW AIRCRAFT PREVIEW



hen Cessna launched the original \$25.9 million, 12-passenger Citation Model 700 Longitude in 2012, it based the aircraft's design on Safran engines that delivered a 4,000-nautical-mile range at Mach 0.82. However, development delays with those engines forced the company to rethink its plans, and late last year it unveiled a new strategy for attacking the super-midsize market: a revamped Longitude with shorter legs (3,500 nautical miles), Honeywell HTF 7000-series engines, and a leaner \$23.9 million price tag. Cessna expects FAA certification next year for the revised Longitude, which first flew last October.

Moving into larger-cabin aircraft represents a directional departure fraught with considerable commercial risk for Cessna. It made its jet bones with popular lines of light and midsize aircraft, markets where its share has eroded in recent years in the wake of a challenge from Embraer and, to a larger extent, the 2008 recession, which has cut the volume of new bizjet deliveries virtually in half industrywide. The super-medium space where the Longitude will compete is already crowded with other able long-embedded offerings from Bombardier,



Dassault, and Gulfstream and a newer heavy-medium from Embraer, the Legacy 500. Together, these models have accounted for around 1,000 deliveries.

For the Longitude to break out in this traffic, it must offer a superior value proposition, which means it will be competing largely on price—both acquisition and life cycle—a main reason it is eschewing expensive systems like full fly-by-wire flight controls. (It will have limited fly by wire for the rudder, spoilers, and brakes (“brake by wire”). It will feature the Garmin G5000 flat-panel touchscreen avionics system (similar to the one in the new midsize Citation Latitude) with optional head-up display and enhanced vision systems, a fast cruise speed of 476 knots, and a full-fuel payload of 1,600 pounds.

For Cessna, the key to the Longitude's success is using technology in ways that cut costs and make sense for it and its customers. To achieve these economies, the company has devoted substantial resources to human-factors engineering and to applying robotic manufacturing to aluminum construction. The aircraft will be equipped with the LinxUs system to provide real-time maintenance monitoring and solutions, including when it is airborne. It also has more user-friendly maintenance access ports than past models.

The aircraft shares the midsize Citation Latitude's flat-floor cabin cross section—six feet tall and more than six feet wide—making it the narrowest in class. However, the Longitude will have the lowest cabin altitude in class:





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NEW AIRCRAFT PREVIEW



At a Glance

Price	\$23.9 million
Crew	2
Passengers	8–12
Maximum speed	476 kt
Range	3,500 nm (4 passengers)
Service ceiling	45,000 ft
Takeoff distance	4,900 ft
Cabin	Height 72 in Width 77 in Length 25 ft, 2 in
Baggage capacity	112 cu ft

Source: Textron Aviation

The Longitude must offer a superior value proposition, which means it will be competing largely on price.

5,950 feet at 45,000 feet. Cabin length is 25 feet. A variety of configurations will be available, with passenger seating for up to 12, although eight to nine will be typical; a full forward galley; and an aft lav with vacuum flushing toilet. The 112-cubic-foot baggage compartment will be accessible in flight.

The stock galley is flexible, reflecting the trend toward self-service in this category. It features a sink with potable water, plus ice drawers, and ample stowage; but items such as convection and microwave ovens are extra-cost options. Natural light throughout the cabin comes from 14 large windows. LED lighting is controlled via the wireless Clairity cabin-management system that Cessna has successfully implemented lately on some of its other models, including the Citation X+. Clairity also delivers a menu of information/entertainment choices, such as SiriusXM and moving maps.

Iridium satcom is standard, and that allows Wi-Fi at speeds that are poised to increase significantly with the launch of next-generation satellites between now and the end of 2018. Passengers can operate the Clairity system via onboard touchscreens, controllers, or smart devices (with a downloaded app).

The slide/swivel/reclining seats will be decidedly wider and more plush than those on the Latitude and devoid of the former's unfortunate minivan styling cues. Moreover, Cessna claims the aircraft will have more passenger legroom than any other aircraft in class, allowing most of the single executive seats to be full berthing.

The standard configuration features a double club-four arrangement of eight single executive seats plus a side-facing single kibitzer in the front of the aircraft that's suitable for a flight attendant, but the aircraft can also be ordered with an aft three-place side-facing divan or a forward two-place side-facing kibitzer. Each single seat has two USB charging ports and ample sidewall stowage for personal items.

Cessna is now working on a larger-Longitude. The 4,500-nautical-mile, \$35 million Citation Hemisphere will be aimed at the low end of the large cabin market. Safran has now resolved the Silvercrest engine's technical issues and so it will now power the Hemisphere.

BJT

Mark Huber (mhuber@bjtonline.com), an aviation industry veteran, has reviewed aircraft for **BJT** since 2008.



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Turbulent Times in Business Jet Finance

A changing marketplace has variously caused lenders to reevaluate assumptions, change rules or products, close up shop, or expand. Here's what you need to know now, from a longtime observer of the field.

by Jeff Wicand

Profits and stock prices may generally be up in the U.S., but other big players in the global economy like China, Russia, and Brazil have been struggling. That has meant hard times for business jet manufacturers. Rumors circulate of “white tails” (unsold completed jets) secreted away in locked hangars by manufacturers trying to maintain an atmosphere of healthy demand and business as usual.

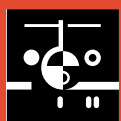
After climbing out of the 2008–09 debacle and enjoying several good years, aircraft manufacturers have lately found it hard to sell factory-new jets without deep discounts. A major reason has been preowned values that in some cases have plummeted 20 percent or more in the last year—a decline that has been variously blamed on an oversupply of preowned aircraft for sale, stagnating fuel prices, global economic malaise, Brexit,

and a troubling U.S. presidential election. Who wants to buy a factory-new aircraft for \$40 million that will be worth \$32 million a year later?

Not your bank. Even though the creditworthiness of the borrower primarily drives business jet finance, the value of the collateral remains important, especially in lease financing, where the bank often ends up having to sell the aircraft at the end of the lease. Faced

with declining values, banks have been reevaluating their residual assumptions, which makes financing more difficult and expensive, which makes jets harder to sell, which makes values drop, which makes banks again reevaluate their residual assumptions.

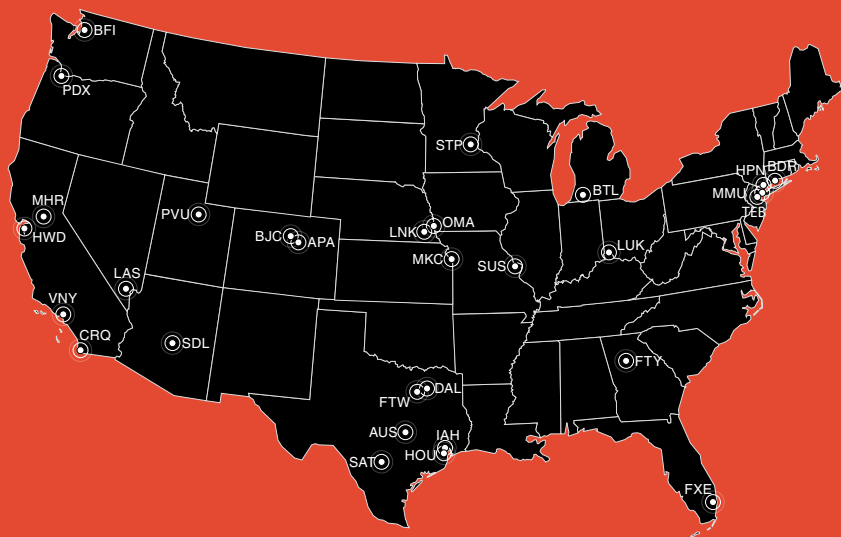
The crystal ball for forecasting future jet values has clouded up so much that some banks are calling residual values “impossible to forecast” and have pulled back on



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BIG CHANGES AT BANKS

The biggest news of the past year has been the demise of GE Capital's Corporate Aircraft Finance Division, traditionally one of the world's largest business jet financiers, which closed up shop by early 2016 with a whimper, not a bang. The GE Aircraft Finance Division had seemingly been around forever, and many aviation finance professionals got their start working there.

GE's portfolio of financings and inventory of leased and repossessed jets were acquired by Global Jet Capital, a newly created financier capitalized by heavyweights GSO Capital Partners (an affiliate of Blackstone), Franklin Square Capital Partners, and the Carlyle Group. By the virtual wholesale carryover of GE's aircraft finance team into Global Jet and some strategic hires, the new company not only hit the ground running, but did so with a cadre of longtime aviation and finance veterans like Bill Boisture, Steve Day, Mike Ellis, Brent Godfred, Dave Labrozzi, Mike Reinhart, and Shawn Vick. As a result, Global's strength will likely be operating leases and an ability to structure financings to meet specific customer needs.

Longtime business jet lender CIT Business Aircraft Finance also gave up the ghost in 2016. Since CIT emerged from bankruptcy seven years ago, the aircraft group has specialized in financings outside the U.S. Now the bank is following in GE's footsteps and reportedly trying to sell the entire division.

Another lender specializing in foreign financings is the U.S. Export-Import Bank (EXIM Bank), which was founded during the Great Depression to provide financing for U.S.-manufactured goods (now including business jets) to buyers abroad. A cadre of Tea Party conservatives tried unsuccessfully to block the bank's reauthorization in 2015. Failing that, last December Senate Banking Committee Chair Richard Shelby (R-Alabama) blocked the appointment of a third member of the bank's board, preventing financings in excess of \$10 million. This was not only a major blow to planned jet sales by Boeing but ruled out EXIM Bank financing most foreign business jet sales by, for example, Gulfstream. As of this writing, an attempt is underway in Congress to work around the Senate Banking Committee roadblock.

Some financial institutions see opportunities in the current climate. BB&T, a \$200 billion company with roots in the Carolinas, has been looking to expand its footprint in the Northeast and elsewhere and grow its sales force nationwide. The bank offers an array of products, including operating and synthetic leases. Meanwhile, First Tennessee Bank, another institution based in the southern states, recently acquired the aviation finance team from Talmer Bank and Trust, which Chemical Bank acquired last fall. First Tennessee is open to financing jets, whether or not the buyers are already clients.

Insurance giant Security Benefit Corporation, which launched Stonebriar Commercial Finance in 2015, hired veteran aviation finance specialist Michael Amalfitano to head up a business aviation finance group. Stonebriar got a jumpstart last spring when it acquired the Guggenheim Partners Business Aircraft investments team (including a portfolio of 16 long-term aircraft leases). Stonebriar's aircraft finance appetite appears to be all-encompassing, with a readiness to offer recourse and non-recourse loans and leases of up to \$100 million for everything from helicopters and turboprops to factory-new business jets. —J.W.



tax leases, often pushing synthetic leases (which put residual risk on the lessee) instead. Some institutions, such as Norlease, have pulled out of aircraft leases altogether. Jet loans are being affected as well. The "rule of 25" (the age of the aircraft plus amortization) has lately shrunk to the "rule of 20," and in some places, the "rule of 18 or even less," barring unusual circumstances.

PNC, which is known for non-recourse aircraft financings as well as limited-recourse and financial-disclosure aircraft loans, reports another good year. Wayne Starling, who heads up the bank's aircraft finance team, says that PNC clients who are interested in buying a replacement aircraft have been taking advantage of the bank's 50 percent non-recourse and limited-financial-disclosure products to finance the down payment on the purchase on a short-term basis.

Meanwhile, it has been a turbulent time for the financial institutions themselves. [See sidebar on this page.] And on the regulatory front, implementation of the Basel III standards continues apace. Among other things, the standards effectively encourage banks to finance aircraft for their existing customers. "Know your customer" requirements arguably have a similar impact. Though such institutions as Bank of America and BB&T continue to finance business jet acquisitions for anyone who meets their requirements, other banks restrict aircraft financing to existing customers, or in some cases, hot prospects.

Moreover, in February 2016, the Accounting Standards Board finally released long-expected final changes in lease accounting standards. Public entities must comply with the standards for fiscal years beginning after December 15, 2018; everyone else has another year. Under





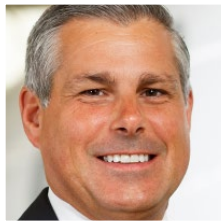
How expert
management
companies can
transform the value
proposition for
aircraft
ownership



*Duncan Daines
group chief marketing officer,
Gama Aviation Signature*



*Dan Drohan
CEO,
Solairus Aviation*



*Don Haloburdo
vice president/general manager,
Jet Aviation Flight Services*



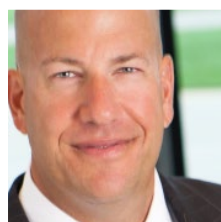
*Brian Kirkdoffer
CEO,
Clay Lacy Aviation*



*Bill Papariella
CEO,
Jet Edge International*



*Andy Priester
president/CEO,
Priester Aviation*





*Michael Tamkus
senior v-p, client services
and management sales,
Executive Jet Management (EJM)*

Legacy knowledge and scaled operations attract new owners and flight departments

Last year was one of the busiest periods ever for aircraft owners turning to management companies to manage and operate their assets, according to industry executives. New owners, attracted by the drop in aircraft prices and favorable financing rates, have sought out expert support—while more and more corporate flight departments have outsourced management of their fleets.

Read on to explore how experienced management companies can significantly improve the value proposition for private aviation, in part by offsetting operating costs with income from charter flights. Experts from seven leading aircraft management groups provide the inside track on why exactly management makes sense, how to get the right help, and why attention to detail is so important for successful aircraft ownership.





What are the top reasons that it makes sense to have an aircraft managed by a third party?

Jet Aviation (Don Haloburdo)

Aircraft owners want a consistent customer-service experience. They want that single experience, going from A to B, and with related customer service. They do not want to deal with everything that goes with starting an individual flight department. The domestic regulatory environment also makes it harder to be a flight department. Many flight departments do not have the full capabilities for a global operation, with a scheduler available 365 days per year.

Jet Edge (Bill Papariella)

All owners, regardless of how their aircraft is managed, face substantial compliance paperwork, filings, tracking, and reporting. Standard operating procedures and training are tracked and improved on a daily basis. Major audits that assure owners are operating to the industry standards cost thousands of dollars and require months of planning.

The ability to generate revenue on an owner's aircraft can significantly lower fixed costs. A third-party management company helps owners predict operational costs and better manage aircraft profit and loss.

Offsetting fixed costs with revenue is a goal most owners have, and a good third-party manager will have the platform to accomplish those goals.

Clay Lacy (Brian Kirkdoffer)

Safety, service, and value.

EJM (Michael Tamkus)

Cost savings, safe and efficient flight operations, and personnel/finance administration. Regulatory compliance, crewing, and optimized maintenance. Aircraft management is and will continue to be complex. Operators ensure benefits of aircraft ownership while mitigating the risks and hassles of managing a high-performing flight department. The combined procurement power of EJM and NetJets allows us to pass along extensive cost savings and deep discounts on critical expenses such as jet fuel; FBO fees and services; crewmember travel and training; aircraft insurance and maintenance; travel emergency medical services; technical, navigation, and communication subscriptions.

Full-service operators perform 24/7/365 operations with full risk assessments per segment; classroom and simulator training for crewmembers and crew; aircraft scheduling; flight crew travel support; onboard catering and ground transportation; crew communications; dispatching and flight following; international travel services; contingency plans for unplanned maintenance events; and personnel recruitment, payroll, employment taxes, and benefits.

Priester Aviation (Andy Priester)

There are a lot of qualified flight department managers, but at the end of the day, aircraft owners are responsible for having those people report to them. Aviation is too technical and unique, so an owner places that trust in a management company that has scope and depth to manage all the details. Number two is going back to the fact that flight departments have tech people. Pilots need someone to have a cooperative look over their shoulders. This adds a layer of professional scrutiny, making for a safer overall operation. Typically, an operator has scope and depth and resources within its organization that surpass what the flight department offers.

Solairus Aviation (Dan Drohan)

No one wants to get involved in the workload—the operating side of things. And so the biggest reason why people contact us is they have no experience with aircraft management, HR, flight coordination, etc. There are also significant discounts associated with a large aircraft management company. With 120 aircraft, the purchasing power with our fleet is compelling. We buy fuel, Wi-Fi, catering, and insurance much cheaper than owners can on their own. We pass those discounts directly to the client. Finally, the difficulties associated with marketing and selling charter are substantial.

Gama Aviation Signature (Duncan Daines)

Cumulative experience. We have 1,300 employees who have been working with aircraft a lot of their lives.

Depth of knowledge. Geographic breadth as our aircraft fly worldwide. A lot of breadth and scale for pricing and buying fuel, insurance, and other needs. And we have negotiation leverage with maintenance, repair, and overhaul suppliers. Negotiating is germane to management companies, but not to flight departments that look after only a few aircraft.

Safety management systems are in place to protect clients and ensure crews operate at the highest standards.

What is your best advice for new aircraft owners evaluating management companies?

Priester Aviation (Andy Priester)

Look under the hood. On the surface of a big or small management company, everyone represents themselves the same way. The value of a management company comes from the system processes and procedures that they have established and the scope and depth of their operation. Take a good amount of time to look at all those things. Visit the premises and see how they organize their maintenance records. Talk to their logistics people. Ask whether someone answers their phone if something goes wrong. Look at the scope and breadth of their insurance. If there is a good vibe, understand what's powering it.

EJM (Michael Tamkus)

Do not commoditize a management company. They have significant differences and each has specific pros and cons. Develop the relationship beyond the proposal and meet the staff, visit the site(s), and make sure the management company you choose clearly understands your objectives and will work to exceed expectations. Ask: What is the company approach to safety and risk management?

Does each have specific safety management system (SMS) and enterprise resource planning (ERP) in place that are proactively managed? What is their business continuity plan? What is their financial stability and creditability in the marketplace? We also suggest you verify all facts and ask to speak with other clients to obtain opinions from unrelated experts and references. Then ask how their business model is set up and where they make their money. Are expenses marked up from actuals or are they 100 percent pass-through with a high monthly management fee? Are they associated with any other aviation-related businesses that might create a conflict of interest? For example, are they offering fuel, hangar, FBO, or maintenance services to make a margin?

Gama Aviation Signature (Duncan Daines)

Talk to the management company. Understand the capabilities of each management company as they relate to your specific mission and profile. Ask: Do I need a domestic operator? Or international? Compare apples to apples to understand the true cost of operation and cost associated with the proposal. Try to get the management company involved in the aircraft's delivery.

Clay Lacy (Brian Kirkdoffer)

Bring management companies into the process as soon as possible. Each one will say they're the best. Figure out how they are best for you. Will they listen to your mission and goals? Does their expertise and leadership team match yours? Does their culture complement your owners'? Management companies come and go. How did they weather 2008-2010 and the early 1990s? What is their tenure? Who is on their leadership team? Talk to industry experts and get third-party input. Ask to talk to references and anyone who has done business with them. How long have those clients been with the management company?

Jet Aviation (Dan Haloburdo)

Ensure that the management company's solution aligns with what you are seeking to do. Are safety programs in place to mitigate risk? Will you have one point of contact—someone you can speak with every day? What is your total spend on aircraft maintenance and operations? How is your money being spent? Ensure that the company is concerned with providing value for its fee. If you are flying internationally, ensure the company has international services with 24/7/365 coverage.

Jet Edge (Bill Papariella)

First-time owners should get a management company onboard prior to a pre-purchase inspection. If you are merely considering switching management firms or moving from an owner-operated model to a third-party management company, define your needs and communicate them clearly to the management companies you are evaluating. The right company can help make sense of ownership costs, depreciation, tax scenarios, and expectations when deciding how to operate the aircraft moving forward. Identify a management company that operates the same aircraft type you are purchasing or already own and that offers experts in the jet type to save money in the long run. Seek references from experienced owners in the fleet you might join. Finally, hire the right attorney to help finalize the management contract.

Solairus Aviation (Dan Drohan)

This is an asset-management and relationship-management business. Understand who they are and what their background is, how they do business at large, and how well funded they are. You should ask: Do they have a formal safety-management system? Are they actively doing something or are their safety processes merely a binder sitting on the shelf? Do they have full-time staff or only part-timers?





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What mistakes
do you see made by
new aircraft buyers?
Do new buyers normally
consult with you
before the transaction
is completed?

EJM (Michael Tamkus)

Not getting enough qualified information from industry experts prior to purchase. Too much emphasis on initial acquisition cost and less regard for post-closing maintenance, needed upgrades, etc. Many times, owners do not fully understand how they will operate the aircraft [i.e. under FAR Part 91 private rules vs. FAR Part 135 commercial rules] and how they should structure its ownership. Given the opportunity, we refer prospective owners to enlist legal and tax professionals and collaborate to build a management agreement that protects their objectives. We will discuss the mission profiles for the owner, and their specific goals for the flight department. We educate owners through forecasted operational budgets with transparent fixed and variable expenses. New owners might not understand the aircraft's range and capabilities; the value of hangar space, which protects against corrosion and weather damage; crew duty restrictions; and aircraft upgrades.

We educate on nice-to-have versus required-to-have upgrades. We coach an owner on the realistic timeline to operating the aircraft after the close of a transaction via Part 91 or Part 135.

Solairus Aviation (Dan Drohan)

Not soliciting help early in the process and unrealistic expectations on timing. Also, they buy the wrong aircraft. You get what you pay for. A lot of people who came into the market in the last year are predatory buyers, looking for deals and hidden gems. We can help facilitate the process and connect the right people to each other when necessary.

Clay Lacy (Brian Kirkdoffer)

They don't bring in the management company early enough in the process. Management companies give good insights—if they have been doing this for a long time—on third-party industry experts.

Priester Aviation (Andy Priester)

Different aircraft owners are motivated by different things. Owners should be sure to balance what they need with what they want. Be educated on different aircraft options. Most of the time, we are brought into a deal after the decision is made to buy, when they start thinking about operational parameters of aircraft.

Jet Edge (Bill Papariella)

Some buyers undergo the aircraft acquisition process without the right advisors with the right experience. Also, there is sometimes a lack of quality

oversight throughout the buying process. A management company can have significant experience operating the airplane type it is purchasing. It's interesting when someone buys an airplane with a lawyer, broker, and/or consultant, but not the aircraft's actual operator. A good management company consults on profit and loss and budget early on, helping buyers through the entire purchase and into operation the day after acquisition. That and starting compliance work pre-purchase saves time and money. Those working with an established management company as their pre-buy advisor typically do well.

Gama Aviation Signature (Duncan Daines)

The biggest mistake is not consulting a management company before the transaction. Understand the tech specs of the aircraft, especially if you intend to place aircraft into charter service. Make sure it conforms with charter requirements.

Jet Aviation (Dan Haloburdo)

They wait too long before getting involved with a third party. Engage them as early as possible from a risk and financial perspective. For a mid- to large-sized business aircraft, do your due diligence on the organization to make sure they can pay your aircraft bills. Jet Aviation doesn't buy and sell aircraft, but we are trusted business partners in the industry. If people come to us before pre-purchase inspections and negotiations, it's easier for us to understand the context of any issues. You can make the transition much smoother if you deal with a management company up front.



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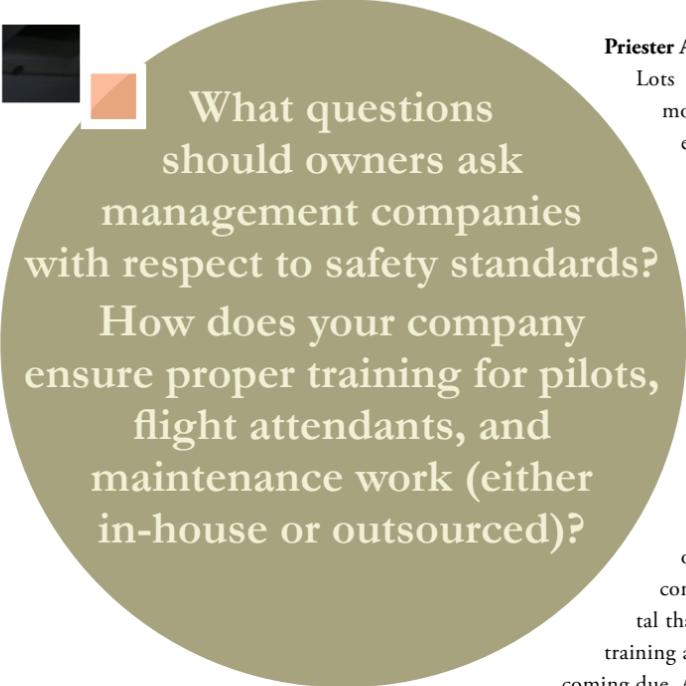
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**What questions
should owners ask
management companies
with respect to safety standards?
How does your company
ensure proper training for pilots,
flight attendants, and
maintenance work (either
in-house or outsourced)?**

Jet Edge (Bill Papariella)

Does the management company meet the highest ratings from all three of the top aviation safety auditing organizations: IS-BAO Stage 3, Argus Platinum, and Wyvern Wingman? This verifies a top-down safety platform and culture that extends to every department of the company, operational procedure, and employee. Ratings from each should be current and verified, and references should be made available by the management company by request. We integrate in-house training programs. The Flight Operations Quality Assurance (FOQA) program uses data recorded from Jet Edge flights to build a training regimen that mitigates issues before they arise. The voluntary reporting of the Aviation Safety Action Program (ASAP) ensures FAA enforcement immunity for crewmembers, maintenance technicians, and flight schedulers. The Aviation Safety Information and Sharing (ASIAS) program uses data from FOQA and ASAP to develop procedures to mitigate risk and promote safety across the industry.

Clay Lacy (Brian Kirkdoffer)

Get third-party references. Look at annual audits of these companies looking from outside in at people, processes, and procedures. Have the right leadership team and right processes and procedures. If they have been doing it for long time, they have a process in place to make sure they are operating with best practices. We do both—in-house and out. All our pilots go through CAE Simuflite.

Priester Aviation (Andy Priester)

Lots of companies put safety monikers on their websites, e.g., from the Air Charter Safety Foundation. That's good, but I suggest owners see safety standards in action. Ask the management company to demonstrate what those standards mean. If they can't do that, they might not be the right operator for them. We outsource all of it to FlightSafety or Simuflite. We have a comprehensive internal portal that makes management and training aware of events expiring or coming due. And we have technology in place that makes crewmembers aware of something that isn't potentially compliant.

Solairus Aviation (Dan Drohan)

Look for a demonstrated desire by the operator to comply with safety programs and have evidence of third-party safety audits. Solairus has an active SMS and a full-time safety officer, and we hold the Platinum rating from Argus and the Wingman certification from Wyvern. And we are one of only 100 operators worldwide to be IS-BAO Stage 3 certified. We do all our training at FlightSafety and CAE [Simuflite]. It's all tracked electronically and administered by our full-time training officer.

Jet Aviation (Don Haloburdo)

How do you manage risk with demonstrated processes and procedures? Ask the management company to show you how they do it. They should be able to walk you through their processes. Are they being audited by other vendors in the marketplace? Which certifications do they have and at which levels? Do they have violations with regulatory authorities? What training is behind their safety programs? Ask to see the training records. If they can't readily produce those records, be suspicious. Are they engaged significantly with training centers, such as SimCom? Is training being provided in a regulatory environment vetted by the FAA? Our training department allows us to internally teach a manufacturer's program and Jet Aviation procedures. Doing training just in the airplane doesn't work anymore.

Gama Aviation Signature (Duncan Daines)

Safety is of primary importance but not a differentiator. Most management companies already operate to high standards. We have a training part to our organization and a selection process for pilots coming in. With initial simulator sessions, we'll get them to fly a different aircraft type than what we are hiring them for. We are looking at airmanship and a pilot's ability to fly an aircraft irrespective of the particular type. High-quality candidates can deal with the depth of aircraft.

EJM (Michael Tamkus)

Ask operators to fully disclose their SMS program and ask whether an ERP is in place. Is the management company truly a 24/7/365 operation? How are flights dispatched and what level of oversight is provided per segment? Which risk-assessment protocols are in place? Is there a proactive approach to SMS? How do they test their ERP? Do they involve managed owners in ERP development and how does the ERP dovetail into the owner's office? They should also check to see what their process is for hiring, recruiting, and training crew, as well as how they mitigate risk and track their safety processes.

We commit to fully developed, inspected, and approved safety programs, including SMS, ERP, QMS, BCP, OSHA Voluntary Protection Program (VPP), and Injury and Illness Prevention Program (IIPP). EJM maintains a full-time safety director, an Employee Safety Policy and Procedures Manual, a Risk Mitigation Team composed of a cross-section of EJM employees, and safety reporting and tracking.

Crewmember training includes aircraft-specific ground and flight training in a full-motion simulator facility twice yearly; EJM operations-specific training yearly; hands-on emergency situation training every two years on subjects such as ditching, high-altitude physiology, and in-flight medical emergencies; a yearly line check in the aircraft for captains by an FAA Check Airman; annual international procedures training; aircraft-specific technology training; and special terminal approach training and authorization as needed. We require all pilots to exceed the training standards set forth by the FAA for charter flights—and to have a minimum of 3,500 flight hours for captains and 2,500 hours for first officers. Both the captain and first officer must hold Airline Transport Pilot and First Class Medical Certificates and receive advanced simulator training twice a year at FlightSafety International, CAE, or Bombardier.

Our annual pilot roundtable and maintenance technician meeting show where we can improve. We have industry experts from the FAA, NTSB, and manufacturers educate our employees on best practices.



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Have you seen any increase or decrease in the past year in managed aircraft demand? What factors are driving these changes?

Solairus Aviation (Dan Drohan)

We have seen a significant uptick in corporate flight departments going to management companies. They are getting management off their plate and into the hands of someone who knows how to do it well. Corporate flight departments have realized it's too complex and prefer to focus on their core competencies.

Priester Aviation (Andy Priester)

In 2016 we doubled the number of contracted aircraft we manage. Internally, we had a great sales effort. I wish I could say exactly what the driving economic factors are.

**Jet Aviation
(Don Haloburdo)**

Yes, an increased demand. [Last year was] the busiest year for adding to our fleet. There has been a significant decrease in residual values in the used aircraft marketplace, while others might not have stepped into full ownership because of operation costs. For first-time owners, the mindset is that I need a turnkey solution.

Jet Edge (Bill Papariella)

There's been a significant increase in demand for our services, and increasingly so over the last year. With falling residual values driving the buyers' market—most notably with large-cabin business jets—owners and buyers are cutting their overhead by purchasing used equipment, which is now selling for as low as 75 percent below the original price. Management companies like Jet Edge are in greater demand now than ever before. We assist owners in determining the real value of their equipment, how that value is affected by their flying, and when to

take advantage of buying and selling opportunities to stay ahead of the market. Larger, more capable operators simply have more to offer.

Gama Aviation Signature (Duncan Daines)

No change. We are not seeing flight departments lose aircraft. Some people want their own chief pilot managing aircraft. But [this could change because] in Europe there are more requirements for compliance with a smaller fleet, and that might be hard for a chief pilot to get involved in.

EJM (Michael Tamkus)

Within the last year, we have seen some more corporate flight departments look to a management company to leverage the economic values of scale, operational oversight, increased risk management, and the ability to operate Part 135.

Clay Lacy (Brian Kirkdoffer)

There is a huge increase since we started doing this in 1969. The value of the asset has never been better, as we have historically low prices. Manufacturers are giving large rebates and incentives. Fuel prices are low. Aircraft financing is low. Aircraft management offers greater savings today.



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Jet Edge operates the largest fleet of exclusively large-cabin charter jets in the United States. Aircraft owners benefit from a combination of strategic partnerships and a wide sales channel, driving unparalleled demand for their aircraft in the charter marketplace.

Jet Edge boasts one of the industry's most comprehensive safety and security platforms as well, holding ARGUS Platinum, IS-BAO Stage 3, and Wyvern Wingman ratings, in addition to integrating several airline-level safety programs.

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Clay Lacy (Brian Kirkdoffer)

This [2016] is one our fastest growth years. Yes, there is an uptick. The industry has matured. The benefits with management are now very big. Corporate flight departments can't replicate or create the scale needed to buy fuel, provide the training experience, and run a back office and flight operations. FAA compliance is hard to create efficiently and effectively. Sometimes they'll turn over the management to us.

Solairus Aviation (Dan Drohan)

Yes. We've had five big flight departments make the transition to us in the last two years. We understand that owning an aircraft is a major investment that comes with considerable responsibilities. When you select Solairus Aviation to support the operation of your aircraft, you gain a full range of services focused on safety, service, and savings. Our focus on the management of your aviation asset allows our clients to simply enjoy the benefits of their investment: flexibility, convenience, and reliability.

Jet Edge (Bill Papariella)

We work with several flight departments and provide varying degrees of aircraft and account management—from charter management only through select administrative, maintenance, and operational support to meet specific needs. Key services

include schedule optimization with owner flying, charter flying, repositioning, maintenance, and meeting charter budget expectations by driving substantial demand. This partnership also unlocks pricing advantages on the largest owner and operational expenses. Larger companies, like Jet Edge, pass along volume purchasing discounts. We maintain as much or as little of the day-to-day management of their aircraft as desired and permitted for their operation type. Safety management systems, training programs, and operational procedures require time, personnel, and capital. By partnering with a management company, a flight department gains a comprehensive safety and operational platform that can outperform its own ability. Plus this approach elevates demand for their aircraft within the charter market.

Priester Aviation (Andy Priester)

There are vast differences in how corporate flight departments are staffed. There might be eight or two employees. With us, they get scope and depth across all the departments.

EJM (Michael Tamkus)

Workload alleviation. We offer complete freedom from the complexities of day-to-day flight operations and enable peace of mind. We cover all aspects of aircraft ownership and provide vast cost- and time-savings benefits resulting from purchasing power, fleet volume discounts, and operational expertise. We capitalize on the best practices implemented through nearly 40 years of experience and our global operations. We support the risk-management objectives of large corporations, which is of incredible value to our clients. Clients secure full ownership with fractional hours and charter to maximize efficiencies and optimize contingency plans.

Jet Aviation (Don Haloburdo)


Our crew training provides an incentive. Crew training costs for new aircraft can be \$100,000. We are able to leverage a large number of pilots to control training costs.

Gama Aviation Signature (Duncan Daines)

Not with management of aircraft but with supplemental lift for their flight departments. They'll contact us to charter, to pick up an aircraft over a mechanical situation. We offer depth of knowledge to managing and maintaining aircraft, geographic breadth, and the purchase benefits from being scaled. That's what we describe to corporations.


Does your organization work with corporate flight departments? Why might it make sense for a company to outsource management of its aircraft to your company?





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What questions
should owners be
asking themselves
while deciding whether
to offer their aircraft
for charter?

Priester Aviation (Andy Priester)

What is convenient? There is a general misconception that charter beats up your aircraft badly. Typically, charter customers are well-heeled, respectful business people. Rarely is there significant wear and tear on aircraft due to a particular charter. If something unacceptable happens, each charter customer must fix it.

Clay Lacy (Brian Kirkdoffer)

Pilots and aircraft need to fly per month and year. If they fly less than what the crew and aircraft should fly to stay current and lawful, then chartering to add hours can help them to meet their quota. How much is the owner going to fly? Is revenue something they have interest in to reduce cost of flight operation by up to 80 percent?

Jet Aviation (Don Haloburdo)

Ask: What do I want out of this? Is offsetting fixed costs the only benefit? That might not make sense for a limited number of charter hours.

EJM (Michael Tamkus)

What objectives is the aircraft intended to help the owner achieve? Identify goals, then work backwards to determine the correct operational approach. Employ the same philosophy and process used in traditional wealth management. Determine investment goals first, then strategize to accomplish them.

Solairus Aviation (Dan Drohan)

Will this aircraft be adequately available for charter customers? Will I put the time and resources in place to make this charter service truly operational?

Gama Aviation Signature (Duncan Daines)

What is the realistic number of hours the aircraft will be available? Delays in an owner's release of the aircraft could mean losing the charter deal. That happens a lot. Work out the mechanisms for doing that. Charter should be seen as a nice-to-have versus a need-to-have and should not be dependent on medium-to-high charter demand. You should be able to afford to run an aircraft without having to charter.

Jet Edge (Bill Papariella)

What can I reasonably expect for an annual offset if I charter my airplane? To understand and answer this, examine the depreciation schedule for the aircraft over life of ownership, as well as regional and geographic conditions and costs with the aircraft type. Residual loss that can occur from over-flying the aircraft within a given time frame—negatively affecting the value of the asset—must be factored when calculating the true offset that charter hours will deliver. Answering this question without an experienced advisor isn't recommended. Will I save money on sales and use taxes? As an example, the state of California will exempt an aircraft from sales and use taxes for 12 months if it is used more than 50 percent of the time for charter. At 8.25 percent on an \$18 million jet, for example, this equates to a potential savings of nearly \$1.5 million. Do not attempt to answer this without an experienced aviation attorney or advisor. Each tax situation is unique, so, to avoid costly mistakes, don't go it alone.

Is my aircraft desirable within the charter market? The largest factors that affect the marketability of a charter aircraft are its age, interior refurbishment, exterior paint, cabin configuration, and on-board amenities such as Wi-Fi connectivity and entertainment offerings.



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High-net-worth individuals may find the best aircraft finance deal at their private bank, which is already managing their investments and other assets.

the new rules, a leased aircraft will be reflected on the balance sheet as the net present value of a stream of lease payments (and other financing costs) as an intangible “right to use” asset, with a corresponding liability. The new “asset” should generally have a value significantly less than the aircraft’s fair market value, but its presence on the balance sheet makes it more difficult to disguise the fact that it is being leased.

Business jet financing terms remain relatively attractive, but costs have been inching upward. That’s certainly true of lease rates, which have been affected by the unusually high market depreciation of business jets. Lessees can expect to pay a monthly lease rate of 0.8 to 0.9 percent of the aircraft’s value, but rates can be higher depending on the lessee, the aircraft, and the lease term. Banks have little appetite for short-term leases and may require

a significant “refundable security deposit” no matter what the term is. The best leasing deals may be available from financial institutions carrying aircraft that have “come in” off lease; the lessor isn’t eager to recognize a loss and would prefer to lease the aircraft for a while.

Floating interest rates for business jet loans average about 200 basis points over 30-day Libor, with fixed rates in the 3 to 4 percent range. A 10 percent down payment is still typical, with the “rule of 20” actively enforced.

For the best terms, aircraft buyers should start with their own banks. This is especially true for high-net-worth individuals, who may find the best aircraft finance deal at their private bank, which is already managing investments and securities and financing other assets, like homes and boats. Of course, the down side is that the

aircraft loan may then be cross-collateralized with the same homes and boats. Incidentally, some commercial lenders now refrain from financing jets for high-net-worth individuals or require that the jet be employed chiefly in a trade or business.

What is the impact on the buy-sell transaction of the buyer financing the purchase? For one thing, it makes the closing more complex. It adds a party, one whose participation and approval of everything is obviously crucial, and additional closing documents which are often not finalized until a few minutes before the closing call. The bank generally conducts an appraisal of the aircraft to verify that the purchase price is appropriate; I’ve never seen a business jet flunk one of those, but it’s possible.

As further due diligence, the bank may also require that it receive a copy of the prebuy report. Such reports aren’t exactly easy reading, and I’m not aware of an occasion when the bank has done anything with the report except put it in a file; no banker has ever called me to ask why a particular service bulletin wasn’t complied

with. Paying off an existing lien or buying an aircraft that is to be deregistered from a foreign registry prior to closing can be more complicated when bank financing is involved, depending on the bank’s requirements.

All of this can make financing sound like a bad idea, especially for the seller, who has nothing to gain. Or does he? Aviation attorney Amanda Applegate at Aerlex Law Group points out that, in a market like the current one, where sellers outnumber buyers, financing may be a decided plus for the seller. That’s especially true if it makes the difference between a sale and the aircraft languishing for additional months in a falling market. She suggests that buyers intent on financing an aircraft purchase may even want to include a financing contingency in their letter of intent and/or purchase agreement, a step that admittedly is far from customary.

This is a turbulent time in business jet finance. We all miss the days when banks fought hard to finance business jets for all comers. But it could be worse: financing is cheap and available and still beats tying up your cash in an aircraft. **BJT**

Jeff Wieand (jwieand@bjtonline.com) is a senior vice president at Boston JetSearch and a member of the National Business Aviation Association’s Tax Committee.

For a directory of leading aircraft financial institutions, visit bjtonline.com/aircraft-financial-institutions.

Comlux Group's

Richard Gaona



This business aviation CEO credits his company's success partly to the fact that it operates on a smaller scale than some competitors.


by Charles Alcock

Even in an industry where large personalities aren't in short supply, Comlux Group CEO and chairman Richard Gaona is widely regarded as one of the biggest characters in the pack.

Though now happily billing himself as "a sales guy," he started his career in 1982 as an engineer with France's Airbus (known at the time as Aerospatiale). Then in 1999, he was asked to lead Airbus's new Executive and Private division to launch the Airbus Corporate Jetliner. One of his proudest moments with the company was negotiating the sale of the VIP A380 "Flying Palace" to Saudi Arabia's Prince

Al Walid bin Talal al Saoud (a deal that was ultimately canceled many years later). He also launched the A318 Elite.

Then in 2007, after more than 25 years with Airbus, Gaona was recruited to head the relatively new business aviation services company Comlux in its efforts to take on larger and longer-established firms in a crowded market. He has helped to transform the Zurich, Switzerland-based corporation into a diverse global operation that offers aircraft sales, acquisition, management, and maintenance services; cabin design and completion; and VIP charter.



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PHOTOS: DAVID McINTOSH

Video producer Ian Whelan (left) with *A/N* editor-in-chief Alcock and Gaona aboard a Comlux VIP-configured Boeing 767. Go to bjtonline.com/gaona to watch a video featuring the Comlux CEO.

RÉSUMÉ:

NAME: Richard Gaona

BORN: 1958 in the Basque region of southwestern France

POSITION: Executive chairman of the board and CEO, Comlux Group

EDUCATION: Conservatoire National des Arts et Métiers, economics engineering degree

PERSONAL: Married. Lives in Zurich, Switzerland.

Comlux isn't as big as some of its competitors. Does that put you at a disadvantage?

I don't believe big companies can serve the client at the highest level. In private aviation, the relationship with the owners and users is the key to success. If you don't know your customer, how can you serve him?

I believe in a company structure that is not too big and not too small. This is exactly what we built in Comlux: a group covering a large scope of complementary services but at a human size. Each customer is in a direct relationship with the CEO of the company he contracted with. We have about 200 people [on the aircraft management side of the business], 20 aircraft, and 300 to 400 people in America [for the aircraft completions and maintenance business]. When we had 600 people in the U.S. it was becoming too impersonal.

My experience is that VIP clients want to be able to call someone. Sometimes a client is calling me because the coffee is cold, and it is good I pick up the call. With some of my competitors who have 200 or 300 aircraft, how can the customers know who they should call [if something is wrong]?

But surely you have to delegate and can't control everything.

We do delegate. Every client has an

account manager who handles every aspect of the relationship.

I insist that our senior management visit [aircraft charter and management] customers at least twice a year to ask them to their face: "Is everything OK? Is there more we could be doing?"

I think these small details make a difference. If the CEO is personally responsible for 50 or more clients, there is no way he can give this level of attention. So two years ago I created what I call my Top Ten [management] team—two or three guys in each division who have the power to do what needs to be done to keep customers happy. In some cases, I am directly involved because I know the clients.

Imagine you were retired from the business and Comlux didn't exist. How would you advise friends who were looking for a company to manage an aircraft?

You need to be clear that the company is being transparent with invoices. Sometimes we [at Comlux] have had to challenge costs for things like maintenance services and we found that [vendors] had been generating "hidden profits" by padding invoices. I would recommend to select an operator that is neither too small nor too large. A small company will need to buy every service from other

vendors, and this can lead to hidden charges. We give our clients all the invoices that we have and invite them to audit them. With us there is one flat management fee and everything else is done at cost.

How can an aircraft buyer get the best deal?

An aircraft in excellent condition at a higher price is sometimes a better option than a deal at a lower price. But most people need professional help to know the technical status of the aircraft and all aspects of its past life. The professionals at Comlux can also help buyers evaluate the potential cost of maintenance that is due and cabin upgrades that might need doing.

Buyers need guidance on certification issues that they might face depending on how they intend to use the aircraft. They also need guidance on what the value of the asset might be within several years of the purchase and the terms and conditions of the purchase agreement.

Sometimes, our biggest competitor in situations where we are evaluating an aircraft for a client is the pilot who is pretending to be an [impartial] advisor. With a new aircraft, you know that it is free of defects, but with a preowned aircraft you have to be careful. If you don't know all the details about an aircraft the price means nothing.

Comlux has a lot of experience operating long-range, large-cabin business jets. Is there a model that you most recommend?

Most of the aircraft in this category are good. I always urge buyers to consider questions such as how many passengers will normally be flying and what is the range required for most of your trips. For example, if a client needs to fly 15 to 25 people, I would say the choice is between Airbus [ACJ] and Boeing [BBJ]. If it's only three to four passengers and the budget is only \$15 million, I would go for a Bombardier, Gulfstream, or Dassault aircraft.

Cabin size does matter for long-range trips. It's important to consider the cabin's altitude environment and noise level. You also need to consider the potential resale value after three years and what budget you will need to operate long range. It is no good advising someone to buy an aircraft if it would be too expensive for them to operate.

How can owners ensure that they get what they want from a cabin-completion project?

The role of an independent designer is important, and you also need an experienced completion manager. At Comlux, we always recommend that the client hire the right people to work for them,

to interface with the vendor on all the technical and commercial issues to deliver the best cabin available for the budget.

Are you optimistic about your industry's future?

Even if the market will never again be as positive as the years before 2009, I remain positive for the future. Clients are becoming even more demanding and I believe that the largest companies will struggle to survive. The future will belong to human-sized companies that are more flexible and able to reduce their fixed costs and be more competitive with pricing.

We expanded into North America because that is the land of business aviation expertise. We certainly want to grow more in the U.S. and we are evaluating locations for expansion. We have also expanded into the Middle East with our new venture in Bahrain. I am a strong believer that a group like Comlux must remain operating in various parts of the world to be close to their clients and that's why we have almost 35 nationalities among our employees.

Do you see differences between European and American charter customers?

Flying a corporate jet is certainly more common in North America, mainly because the perception [of private aviation] differs between the continents. In the U.S., flying for business is natural while in Europe it is perceived as more of a luxury way to travel. I hope in the future that the use of corporate jets will have a better perception in Europe, too.

What is the biggest misconception about flying privately that you see among new charter customers?

That it is OK to fly commercially on an aircraft that is only permitted to be operated privately. That's called the gray market.

What's your life like outside work?

I like to travel for pleasure. When I can, I go to Miami, a place where I love to be and have a good cigar with friends. And I am a passionate fan of rugby—a sport where you can win only as a team.

What book or film, having nothing to do with aviation, is among your favorites?

Glengarry Glen Ross. A good movie for a sales guy. **BJT**

Charles Alcock (calcock@bjtonline.com) is editor-in-chief of AIN Publications, which publishes **BJT**. This interview has been edited and condensed.

"I believe in a company structure that is not too big and not too small... a group covering a large scope of complementary services but at a human size."





Click, pay, fly

A new generation of online booking platforms gives charter consumers direct, real-time access to available aircraft.

by Charles Alcock

You might well wonder why for so long it has been far easier to go online and book a coach-class airliner seat than to charter a whole aircraft and enjoy infinitely better service. Some would say the charter industry has shrouded its booking process in mystery, allowing access to aircraft only through brokers who serve as old-school travel agents and aren't necessarily transparent about costs.

This picture is changing fast, with the arrival of the first fully automated booking platforms

promising consumers direct real-time access to available aircraft. Leading the way is Stratajet.com, which launched in Europe last April and has been available in the U.S. since September.

The UK-based company spent five years—and came close to collapse—before developing the all-important algorithms that allow it to filter availability and pricing for thousands of aircraft. Behind the system is a team of researchers who investigate every conceivable cost associated with a trip, such as

landing fees and special charges for engine emissions. From this, Stratajet instantly calculates 15 sets of charges to come up with a price (which operators are free to tweak to account for demand).

To find a flight, you don't even have to know which airports you should use for your journey. You can simply indicate the addresses where you want to begin and end your trip, giving a date and preferred time of departure or arrival. Stratajet calculates drive times to and from the airports and even

monitors weather conditions to be sure that flight visibility hasn't fallen below the permitted minimums in any requested locations.

BJT searched for a hypothetical trip for three people from our headquarters in northern New Jersey to the Brave New Restaurant in Little Rock, Arkansas. Within seconds, Stratajet proposed 44 possible aircraft. The lowest priced flight, at \$16,288, was on a Hawker 400XP from White Plains Westchester County Airport in New York, but that's on the wrong side of the

Hudson River for us; more convenient was an older Learjet 35A flying out of New Jersey's Teterboro Airport for \$16,733 (\$5,578 per person). Travel time was shown as just over three hours.

You can filter searches according to factors such as the age of the aircraft you're willing to ride in and whether you'll accept a piston or turboprop model, rather than insisting on a jet. You can also filter by pricing level or travel time.

For each aircraft, the Stratajet site shows the year it was built, seating options, baggage space, and cabin dimensions (unhelpfully for U.S. travelers, these are provided in metric measures). The site also indicates whether the airplane owner's permission is required to confirm the booking (significant in the case of aircraft that are under management contracts). The Learjet identified by **BJT**'s search was available for immediate booking, so our trip to Little Rock could have been confirmed.

You can pay for flights with a credit card (subject to a 2.9 percent surcharge) or via bank transfer or Apple Pay. You don't need to store credit-card details in the system when creating an account, but if you do, you're protected by the Stripe secure payment service, which employs a two-step authentication process.

What the Stratajet system doesn't show is which operator will provide your flight; you don't receive that information until you book the trip. However, Stratajet insists that it has vetted the operators it allows to post availability in the system. In the U.S., it has over 200 operators, and Stratajet founder and CEO Jonny Nicol—a

Other Online Trailblazers

Stratajet isn't alone in its rapidly moving online space. Rival Stellar Labs launched its app in November, offering charter trips from U.S. operators. Through a partnership with Rockwell Collins to tap its flight operations management platform, the company intends to expand the service to many more operators. Its system either shows customers a named operator or indicates that the flight will be handled by an unidentified "Stellar Alliance" operator (a company that prefers

not to disclose its brand at this stage in the process).

Meanwhile, well-established Europe-based portal PrivateFly has significantly expanded into the U.S. over the last year or so. Another new market entrant is Jet Scout, which also claims to generate transparent and binding flight quotes from a screened group of operators.

Like Stratajet, these web-based platforms all employ a business model that involves taking a booking commission from the flight operator. —C.A.

former British Army officer and corporate jet pilot—visited all these companies, which hold safety audit accreditation from Wyvern or Argus.

Stratajet, which receives booking commissions from operators, guarantees the prices it quotes. If it overlooks or miscalculates some cost factor, the company swallows the extra expense.

Cancellation rights depend on the terms and conditions for each operator. If a so-called empty-leg

flight is suddenly not available because the related one-way flight gets cancelled, Stratajet will honor the booking and find a suitable alternative aircraft.

The company's algorithms include a so-called adaptive empty-leg solution that it says can accurately assess the true cost of these flights. Stratajet's venture capital backers did research comparing empty-leg flights to business-class flights with airlines and found that for three or four passengers booking a private jet would be less expensive. Now Stratajet is working to incorporate its system into major travel search engines so that passengers can directly compare these two options.

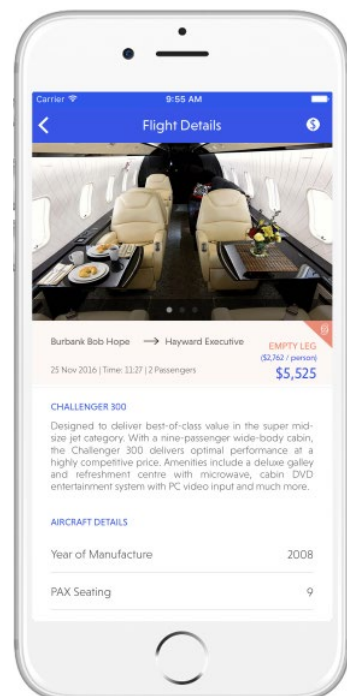
"Typically, it takes a couple of days to get quotes manually through a broker; we can get hundreds of aircraft quoted in 12 seconds," says Nicol. "We are the only company that can give you a price for a jet without any human intervention and the only one that can take 40 percent of private jet flights currently carrying no passengers [i.e. empty-leg flights] and put them to use. Traditionally, you'd either give a

broker your flight request or type it in at a website, and then wait for operators to put together a quote. It is very inefficient and increases the cost of charter."

In fact, according to Nicol, the manual charter quoting process is so time consuming that brokers can be reluctant to follow up on a request unless they are certain that the customer is a serious prospect. "So the standard first question is, 'Have you ever flown privately before?'" Nicol says. "If they have not, the broker probably doesn't even bother to call any operators."

"This has meant that the average age of the private jet traveler has generally gotten older," Nicol continues. "The industry needs new people and it needs to interact with the world in the way they are used to making their travel plans. We took the last form of transport to go online and put it online."

As of late December, 32 percent of Stratajet's customers were making their first private charter flight, and almost half of its registered users were 34 years old or younger. The average cost of a trip was around \$7,500, with significant usage of smaller light jets. **BJT**



STRATAJET

Charles Alcock (calcock@bjtonline.com) is editor-in-chief of AIN Publications, publisher of **BJT**.

Audi R8 v10



It's a technological showpiece for the manufacturer, a supercar that delivers ultimate performance with ease.

by Ian Whelan

Many auto enthusiasts would love to be able to drive a racecar on the open road. One reason they don't is that such cars tend to be incredibly hot, loud, stiff, and uncomfortable. None of those adjectives, however, apply to the new R8 V10 from Audi.

The company knows a lot about racecars, having won the fabled 24 Hours of Le Mans endurance competition 13 times since 2000. And Quattro GmbH—the Audi subsidiary that specializes in high-end performance cars—knows a good deal about building autos that borrow from that racing knowledge. With the newest R8, Quattro GmbH has brought its best engineering to the table to make a racecar that you can comfortably drive on the open road.

The 2017 R8 V10 is the second generation of the model, which debuted in 2007. The new edition clearly evolved from the original, and that's good news. The 2017 version is slightly wider but about 15 percent lighter with a 3,649-pound curb weight. Audi's design team accomplished this by extensive use of carbon fiber and aluminum in the space-frame chassis.

Walking around the car, you'll see much to admire. The styling is sharper, and the bodywork seems more tightly wrapped around the chassis than it was on the earlier R8. Audi has replaced the original model's trademark side blade with a two-piece design, and the carbon fiber used on these side scoops adds a high-tech textural element. The low roofline trails over



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Audi R8 v10

the mid-mounted, naturally aspirated (non-turbocharged), high-revving 540-hp, 5.2-liter V10 engine, the centerpiece of this car, and it is proudly displayed under the rear glass.

In case 540 hp isn't enough for you, Audi offers the V10 Plus model with 610 hp among its other track-focused enhancements. This engine, and lots of the car's other mechanical elements, can also be found in the Lamborghini Huracan, the R8's VW Group sister.



Pressing the red start button on the steering wheel sparks the engine to life with a sharp bark, after which it settles into a menacing idle. We roll off, and once the engine warms up, I select Dynamic mode on the Drive Select menu. The exhaust opens up with a growl, and the seven-speed, dual-clutch S-Tronic gearbox changes down a couple of ratios to bring the engine's revs up. Suddenly, the active magnetic ride suspension stiffens, and the steering ratio tightens.

Cruising on a damp open road, I accelerate hard and the Quattro all-wheel-drive system immediately sorts out the road surface, gripping almost magically without any wheelspin as we rocket forward. An exciting mechanical symphony of growing intensity emanates from behind me as we quickly approach the incredible 8,700-rpm redline of the V10. I rapidly select the next gear and then the next, using



The steering is nearly telepathic in its responsiveness.

the steering-wheel-mounted paddle, and the shifts are fired off in a seamless 120 milliseconds—simply staggering. The world has quickly become a blur.

I get on the massive brakes, setting up for a rapidly approaching corner. As I downshift, the gearbox reacts instantly, blipping the throttle to

match revs, and the exhaust crackles, feeling racy indeed. I turn in, and while there isn't an abundance of feeling from the electric rack, the steering is nearly telepathic in its responsiveness. The car corners flatly, and I open the throttle once again, pinning my passenger and myself into our seats. Awesome.

The new R8 is a technological showpiece for Audi. This is a supercar that delivers ultimate performance with ease and inspires the driver to explore its potential. However, you do have a margin of safety thanks to the array of electronic chassis systems.



Audi R8 AT A GLANCE

Base price	\$162,900
Price as tested	\$180,500
Engine	5.2L 10-cylinder naturally aspirated gasoline engine
0–60 acceleration	3.5 seconds
Transmission	7-speed dual-clutch automated manual with Quattro all-wheel drive
Weight	3,649 lb
Cargo capacity	8 cu ft
Fuel capacity	18.8 U.S. gal
Fuel economy	14 mpg city, 22 mpg highway, 17 mpg combined*
Warranty	4 years/50,000 mi
Free maintenance	1 year/10,000 mi

Sources: Audi, *EPA



IAN WHELAN

Unfortunately, the new R8 does not retain the previous generation's old-school, gated six-speed manual gearbox as an option. I would appreciate a three-pedal manual gearbox option, because it would provide another layer of engagement, even at low speeds, but I can't deny that the S-Tronic gearbox is amazing and would be unbeatable on the track.



Countering the temptation of driving like a Le Mans hero on the way to the office, with Comfort mode selected and cruising at partial throttle, you'd almost forget that you're piloting a machine that can rocket to 60 mph in 3.5 seconds and can go 199 mph. The exhaust system is relatively quiet, and most of the sound that you hear comes from the tires. The suspension is supple, taking bumps and rough surfaces without jarring. The gearbox automatically and imperceptibly shifts up at low revs, providing a driving experience that is peaceful and refined. You could drive this car every day, and certainly take your spouse on a relaxing weekend getaway in complete luxury, as long as you go easy on the luggage.

An exciting mechanical symphony of growing intensity emanates from behind me as we quickly approach the incredible 8,700-rpm redline of the V10.

On those long trips, you'll appreciate why Audi has earned a reputation for great interiors. Our car has a tasteful sprinkling of carbon-fiber trim, but the red nappa leather in the spacious interior is the most striking element. The diamond stitching on the seats adds to the variety of textures and shapes, and there's just the right amount of red to not feel overwhelming. The red leather contrasts nicely with the anthracite leather used on the dashboard and the Alcantara headliner, which shares the diamond-stitch motif. Though I'm six-foot-three, I have room to spare. As you'd expect, the 18-way seats have myriad adjustments, including bolstering, thigh support, and lumbar, so you can find the perfect driving position.

There are no screens in the center of the dashboard, which is refreshing. I'm a traditionalist who loves analog gauges, but Audi has done a good job here, placing all the relevant information in one central location on the highly configurable 12.3-inch Virtual Cockpit screen ahead of the driver. My favorite function is the selectable full-screen Google Maps layout, which may help you to anticipate corners while traveling at the pace that this car is capable of.

If you're considering an R8, you'll inevitably compare it with the venerable Porsche 911 Turbo, which is another all-wheel-drive supercar known



IAN WHELAN

for its usability for daily transport. Without getting into the weeds in comparing the cars, you have the choice between an ultramodern exotic with a mid-mounted, high-revving naturally aspirated V10 engine and the classic lines and heritage of the rear-engine turbocharged flat-six 911.

The Audi is the more dramatic alternative, while the Porsche could be preferable if you like to fly under the radar, because it will more easily blend in with traffic. The Porsche also offers back seats that you can fold down for extra luggage capacity. However, as emissions restrictions move on, many manufacturers are switching to forced-induction technology to get the most out of smaller engines. So how much longer will you be able to buy a car with a naturally aspirated engine like the R8's? Maybe not much longer. Now's the time to compare the options firsthand, and see which one gets your heart racing. **BJT**

Ian Whelan (iwhelan@bjtonline.com) is **BJT's** video producer and a longtime auto enthusiast.



AUDI

The **impact** of fleet sales

These days, when as operator unloads a model en masse, residual values of similar aircraft might not decline much.

by James Wynbrandt

If a large fractional or charter company sells its fleet of a business aircraft model that you also own, the impact on the value of your airplane might not be as significant as you'd think.

A year ago, we reported on the potential effect on residual values when fractional and charter companies sell aging model lines from their fleets. We found that while declines can be dramatic, markets' reactions weren't well documented. [See "Fractional Fallout," February/March 2016—Ed.] Now, with residual values remaining a large concern and a wave of new models slated to displace older ones in these fleets, we've attempted to get a clearer picture of this corner of the preowned market.

The major fractional and charter operators that own their fleets, including NetJets, Flexjet, and XOJet, fly a total of 44 business jet

models and five turboprop models, according to aviation data supplier JetNet, but the combined numbers and replenishment rates mitigate their power to move markets. The jets and turboprops represent 8.1 percent and 3.7 percent, respectively, of the number of these models in operation, and the fleet aircraft appear to trade less frequently than others; from 2005 through 2015, more than 21,000 preowned aircraft sold on the retail market. A mere 542 of these transactions, or less than 3 percent, involved fleet aircraft.

To be sure, dumping a fleet en masse can unsettle market values for aircraft of the same type. For instance, in 2012 pricing fluctuated when NetJets offloaded 25 Citation Ultras to Embraer in a trade for some Phenoms, and again in 2014 when 25 Gulfstream G200s went to Bombardier in exchange for some Challenger 300s.



When Embraer sold NetJets a new fleet of Phenom light jets, it took 25 of these Citation Ultras in exchange.

In the three months following Bombardier's dumping of the G200s on the market, JetNet showed prices falling from around \$12.5–\$13 million to under \$10

million as buyers apparently did not differentiate between heavily utilized fleet aircraft and ones from individual owners with much lower hours.

SOME POPULAR PREOWNED MODELS 2013–2014

	BOMBARDIER CHALLENGER 605	BOMBARDIER GLOBAL 6000	CITATION M2	CITATION XLS	EMBRAER LEGACY 650	FALCON 900LX	GULFSTREAM G550	HAWKER 800XP	LEARJET 60XR	PHENOM 300
No. in Operation	287	208	131	328	92	51	534	420	113	369
No. for Sale	27	13	5	16	15	9	43	55	16	22
Avg. Price 2014 (millions)	\$15.26	\$48.88	NA	\$5.90	\$22.50	\$32.25	\$32.39	\$2.83	\$5.82	\$7.38
Avg. Price 2015 (millions)	\$13.79	\$47.50	\$3.72	\$5.59	\$19.93	\$30.87	\$29.94	\$2.55	\$4.63	\$7.26
Avg. Price 2016 (millions)	\$11.71	\$34.80	\$3.84	\$4.65	\$18.10	\$25.13	\$24.25	\$1.97	\$3.94	\$7.03

Note: Prices are as of November in each year.

Source: JetNet LLC (JetNet.com)

Just over two years later, say aircraft brokers, buyer myopia has largely self-corrected. As of late 2016, the asking price for a professionally represented, privately owned and operated G200 is just over \$6 million, while former fleet G200s are priced at under \$4.75 million. Generally, the preowned market now prices fleet aircraft at about a 35 percent discount to “mainstream” aircraft, according to valuation service Aircraftpost.com.

Meanwhile, manufacturers are now less likely to take airplanes in trade, given the sluggish aftermarket sales environment, and the disposal of fleet aircraft has become more

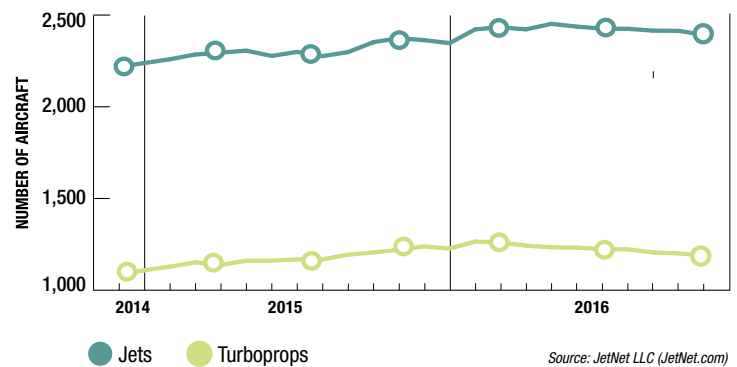
disciplined. Both changes are bolstering the residual values of these models, even the fleet veterans.

In fact, some marketers make a virtue of former fleet aircraft’s operational history, pointing to the rigorous maintenance and cabin refreshments that these airplanes typically undergo, and the guarantees that often come with purchase. NetJets, for example, recently established an independent brokerage, QS Partners, aimed at assisting fractional owners who want to move to whole-aircraft ownership, or vice versa. The brokerage also acts as the exclusive agent for NetJets Certified Pre-owned Aircraft. **BJT**

James Wynbrandt (jwynbrandt@bjtonline.com) is a private pilot and longtime **BJT** contributor.

Manufacturers are now less likely to take airplanes in trade.

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Bombardier Challenger 605

Its roomy cabin, long range, and low operating costs make it an attractive option.

by Mark Huber

A big cabin plus great operating economics, good range, and excellent reliability. That's been a winning formula for 600-series Bombardier Challengers for decades. In 2007, the airframer made the model over with the 605 variant, and it sold nearly 300 before production ended in 2015. The 605 can dash transcontinental at Mach 0.82 or mission stretch to nearly 4,000 nautical miles throttled back to airliner speeds of Mach 0.74. All this with a cabin nearly as wide as a Gulfstream G650's.

Aircraft delivered after April 1, 2013 came with a five-year/5,000-flight-hour warranty, underscoring Bombardier's confidence in the 605's airliner-quality durability. (Before April 2013, the warranty lasted three years or 3,000 flight hours.) While famous for its efficient thin wing, the 605 is still a good short-runway performer with light loads and stout braking ability. And while the aircraft may not have all the technological whizbang and handling refinements of its contemporaries, its core value

proposition remains unmatched—the big cabin, the long legs, all for about \$3,000 an hour in direct operating costs.

Compared with its immediate predecessor, the Model 604, the 605 features 200 pounds' more useful load (fuel, passengers, luggage, or equipment), a revamped cabin and cockpit, improved lighting, available airborne internet access, and other refinements. The design incorporates a bundle of lessons learned during Bombardier's development of the large-cabin Global 5000 earlier in the decade. The result is an airplane that feels roomier and substantially more comfortable.

You can trace the Challenger's origins to Learjet inventor Bill Lear. In the 1970s, when the series began life, small-tube Learjets and Citations were falling out of favor with some customers who wanted more cabin space but didn't want to make the leap into something as large as a Gulfstream.



After he sold his company, Bill Lear tinkered with a design for a large-cabin business jet that, thanks to advances in airfoils and engines, could be built and operated for midsize-cabin prices. He sold his design of the Learstar 600 to Canadair (now Bombardier), which manufactured the airplane under the Challenger moniker. The aircraft remains in production today as the Model 650 and was the basis for Bombardier's wildly successful line of CRJ regional jets and Global series long-range bizjets.

The capacious, 1,150-cubic-foot cabin is the 650's most distinctive feature. It offers six feet of headroom and a flat floor that's just over seven feet wide. (Side-to-side beam width is 8.2 feet.) Typically configured for nine passengers, the space provides lots of flexibility. You can equip the cabin with extra-wide, fully reclining single-seat executive chairs or side-facing three-place couches without sacrificing aisle clearance or making the space appear cramped. The double-divan configuration is especially popular with operators who regularly make transatlantic crossings. The big cabin also eases placement and installation of large bulkhead video monitors and other entertainment equipment as well as furniture monuments such as side rails, credenzas, and conference tables.

The Challenger 600, 601, and 604 were revolutionary for their time, but when the 605 came along in 2007, the series hadn't seen a major cabin update since 1995. In subsequent years, cabin technology had made quantum leaps. The goal with the 605 was to employ the latest advances without adversely affecting the aircraft's certification basis or adding weight. This last point is critical, as owners have been using Challengers on progressively longer flights. Concurrently, Bombardier wanted to streamline the completion process while



PHOTOS: CHANTILLY AIR



Bombardier Challenger 605 compared with other aircraft

Model	First year produced	Variable cost/hour	Seats exec/max	Range (nm)	Normal cruise (kt)	Max takeoff weight (lb)
Challenger 605	2007	\$3,362	10/19	4,035	459	48,200
Falcon 2000EX	2003	\$3,185	10/19	4,020	459	42,200
Legacy 600	2002	\$3,478	13/19	3,425	447	49,604

Assumptions: Aircraft are 2007 models. Jet fuel \$3.99/gal; variable cost: fuel plus maintenance reserves; four passengers; NBAA IFR 200 nm reserve fuel; passenger weight 200 lb includes baggage; two pilots, one cabin attendant; maximum cabin altitude, 8,000 feet.

Sources: Conklin & de Decker Life Cycle Cost, Conklin & de Decker Aircraft Performance Comparator.

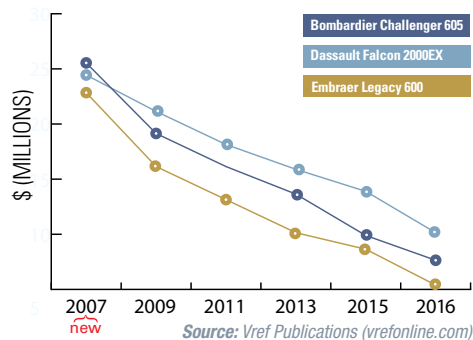
preserving the most popular customer choices and adding new ones. That said, the company hit its \$27 million new price point on this aircraft in part by delivering exterior and interior finish quality that is decidedly utilitarian and requires more frequent refreshing.

One change incorporated in the 605 is apparent before you even enter, because the cabin windows are larger, taller, and positioned higher along the fuselage. This addresses a long-standing complaint about prior model Challenger 600s: you had to bend down in your seat to see out the windows. The larger windows and new window reveals increase viewing area by 30 percent and admit more light.

The Challenger 605 cabin features a redesigned headliner and softer contours and borrows elements from the Global 5000, including extensive use of LED lighting. The headliner provides an additional 2.5 inches of headroom



FAIR MARKET VALUE
price comparison of competitive aircraft



Specifications

Passengers (executive)	10
Pilots	2
Range*	3,756 nm
Max Cruise Speed	488 kt
Cabin Dimensions	Height: 6.1 ft
	Width: 8.2 ft
	Length: 28.4 ft

*IFR NBAA 200 nm reserves.

Economics

Total variable flight cost/hour	\$3,362
Total fixed cost/year	\$770,700

Source: Conklin & de Decker, Orleans, Mass.

Please see the online version of this article for detailed specifications and performance data as well as a report on all hourly and annual fixed and variable expenses.

for seated passengers. The sidewall tables deploy flush with the sidewall ledge, yielding cleaner lines and more continuous work surface. The sidewall, side ledge, and dado panel were moved outboard to increase the already-generous cabin width by 1.1 inches. The overhead passenger controls were redesigned to provide more headroom and cabin volume while integrating all systems in one location.

The galley underwent major redesigns as well. The new galley allows more space for food storage, garbage stowage, place settings, and glassware. Bombardier relocated the cabin management system (CMS) touchscreen to the upper-right-hand side of the galley, eliminating the need for the flight attendant to peer around a corner when resetting lighting, environmental, and entertainment controls.

The digital, Ethernet-based CMS is modeled on architecture developed for the Global 5000 and features 17-inch bulkhead monitors, a master seat LCD power control unit, a dual DVD player, digital media distribution, a cabin local area network, integrated in-flight mapping, and integrated control panels at each seat. Options include Airborne Office with voice, fax, and data; 32-inch TV and surround sound in the aft cabin; and audio/video library on demand. You can plug in gameports, iPods, and laptops as well. While capable, this technology is now antiquated,

and replacing it with a faster, more capable Wi-Fi system will cost upwards of about \$400,000.

Bombardier designed the lavatory to be more ergonomic. The toilet was shortened, the sink is larger, and the faucets are surface-mounted. Buyers had the choice of three basic floor plans: six individual executive seats and a three-place divan; four single executive seats, two double seats in a conference grouping with table, and a three-seat divan; or six individual executive seats, a three-place divan, and an extended lavatory. The longer lav provides more storage room for wardrobe changing but does reduce main-cabin legroom by 18 inches.

The 605's cockpit features four large glass-panel displays with a 55 percent larger viewing area and sharper clarity than the 604's Pro Line 4 avionics offer. The basic avionics package includes the Rockwell Collins Pro Line 21 system and Integrated Flight Information System, which provides pilots with access to electronic maps and charts. Numerous avionics upgrades are available, such as infrared enhanced vision and the latest FAA mandates, including ADS-B.

The 605 sold steadily during its production run, and demand for used ones remains strong even in the current marshmallow used jet market. Nearly four decades after it first came on the scene, the Challenger 600 series remains understandably popular.

BJT

Aviation industry veteran Mark Huber (mhuber@bjtonline.com) has reviewed aircraft for BJT since 2005.

Keeping It in the Family

Only a small percentage of businesses pass successfully from a founder to the next generation. Here's why, along with advice on how to beat the odds.

by Chana R. Schoenberger



Many entrepreneurs hope to pass on a thriving business to their children. But even after founding and building a company, few succeed in turning it into a lasting family enterprise.

Just 16 percent of businesses pass successfully from a founder to the next generation. The statistics plummet for future generations: 5 percent of companies launched by individuals pass successfully to the founder's grandchildren, 3 percent endure to be run by great-grandchildren, and just 2 percent survive as family businesses until the fourth generation, according to data from Cambridge Family Enterprise Group, a consulting firm in Cambridge, Massachusetts.

Why are these percentages so low? One reason is that a sale of the company can be a good outcome for the family. Others include a loss of family interest, conflicts among relatives, and succession problems, the consulting firm found. And then there are the difficulties that can face any company, including industry changes, missed opportunities, and inadequate resources.

The savviest family executives manage generational transitions by focusing not on succession but on corporate governance, notes Justin Craig, clinical professor of family enterprise and co-director for the Center for Family Enterprise at Northwestern University's

Kellogg School of Business. "Governance is insurance against the many problems of entitlement," he says.

Establishing a governance structure makes it easier to balance the various hats that relatives wear at different times. Some companies set up a family council, to make policy for the ownership group. It's also smart for the board of directors to have at least three outside members who take the lead in appointing and monitoring the CEO. They can also handle any awkward conversations about performance or pay.

"They are not there to make friends, so it takes some pressure off the parents, who can say, 'This is not my decision,'" Craig comments.

A good time to begin succession planning is five years before the founder expects to step down from active management, either to become chairman or to leave the business altogether, says Pascale Michaud, a partner at Cambridge Family Enterprise Group. He adds that another common catalyst is "pressure from the children to clarify what the game plan will be."

The most fraught question is whether a family member or an outsider will lead the company. Some families choose to put a non-relative in charge while waiting for younger relations to gain enough experience to take over. At Hermès,

the French luxury-goods maker, caretaker CEO Patrick Thomas stepped down in 2014 in favor of sixth-generation family member Axel Dumas. But, says Michaud, "We see a little bit less nepotism these days."

Promoting a relative often makes the most sense for large families, where there's a wider talent pool, or in industries like luxury goods or beverages, where a thorough grounding in design or an understanding of a family recipe is helpful, she says. It's important to have explicit procedures in place to choose the next CEO and to communicate them to younger family members. "You can't take someone aside at a family dinner and say, 'I'm thinking about you for the CEO,'" she notes.

Children raised in a business family should start helping out at an early age to increase their awareness, Michaud says. As teenagers or young adults, they can have summer jobs and internships. They should follow the example of their older relatives by working harder than other employees, never seeking special treatment, staying humble, and maintaining confidentiality, she adds.

If they show interest in joining the business after college, the family can encourage them to first seek out useful experiences, such as working elsewhere in the industry or in finance

or technology. Some companies require an undergraduate or graduate degree or a certain number of years of work experience before an employee can take on a particular role. The rules should be the same for family members with no favoritism, she says.

In companies that have been under family ownership for generations, there is often an expectation that children who hope to join the leadership team will work their way up from the bottom. Continental Grain Company is run by the founding Fribourg family, which started a grain-trading business in Arlon, Belgium, in 1813. Two hundred years later, the firm, now based in New York City, where the family relocated during the Second World War, is a major food producer.

Chairman and CEO Paul Fribourg, a sixth-generation family member, has been working at the company since he started his career. "You have to go out in the field and work in the business," Fribourg told an audience at the Spanish business school IESE's Global Leadership Forum in New York in 2014. He moved around the world as a young man, loading grain onto barges in Memphis, and

working at Continental operations in Ohio, Virginia, Illinois, Oklahoma, and Europe. His son, in his early 20s, is now similarly working in the industry.

This peripatetic life isn't for everyone, and it weeds out family members who are unsuited to leadership roles, Fribourg told his 2014 audience. "Having to live that lifestyle eliminates 90 percent of family members," he said. "Only the people who really want to do it should."

Another lesson his family has learned over the years, Fribourg added, is to use the company as a store of wealth. "One of the keys in family business is keeping the capital in the company, not paying out a lot of cash," he said. Paying out only modest dividends forces family members to "get up in the morning and do something to support yourself and your lifestyle," Fribourg continued, and it prevents them from overspending or mis-investing the family's money. "Our experience is the worst thing you can do for any family is to give the next generation a pile of cash," he concluded.

Families also may have to handle relatives who have inherited a share of the business but don't hold a day job at the company. Problems can arise when these family members come into the office "and start telling everyone what to do," Michaud says. Even those who do work at the firm have to differentiate between their demeanor at the office, where they may be in charge, and at home, where they may not have the authority over the same family members.

Younger family members who don't want to join the business but will still hold ownership stakes can contribute in other ways, Michaud says. They can be involved in the corporate or family foundation, for example, or join the board of directors.

A family-owned company's most important goal should be increasing profit and value, not providing full employment for relatives, Michaud says: "In the end, every family member should hope you have the best CEO possible to generate a lot of revenue, have an impact on the community, and have opportunity for jobs for themselves and the next generation." **BJT**

Chana R. Schoenberger (cschoenberger@bjtonline.com) has been an editor at *Forbes*, an online editor for the *Wall Street Journal*, and a news editor for Bloomberg News.

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The Magic of Malta



Malta's capital, Valletta, is a prime home base for exploring the country's fascinating mix of cuisines, historical sites, and nightlife.

by *Helen Anne Travis*

A marching band is performing outside Malta's Grand Master's Palace. The mostly white-haired gentlemen wear what appear to be military uniforms. Their horns and drums echo off the 500-year-old limestone walls of downtown Valletta, the country's capital, and fill our third-floor Airbnb apartment with song.

My husband Greg and I watch from a traditional Maltese balcony. These colorful barnacles clinging to most of the city's buildings look like a cross between a bay window and a phone booth. The story goes that they're a throwback to Arab rule, when women had to be protected from prying eyes below.

The sun sets and the band finishes. Its admirers collect their grocery bags before heading for home down stone alleyways. But for us, fresh from an early evening flight from London, the night has just begun. We unpack long enough to find our jackets—those Mediterranean winds are strong—and go out to explore.

Two hours later, we feel as if we've covered the whole city. Valletta is home to only about 6,500 of the country's 450,000 residents. Geographically, Malta is small. So small that on many world maps the dot that represents the capital covers the whole island, which lies about 80 kilometers (50 miles) south of Italy in the Mediterranean.



The Magic of Malta



Maltese balconies

Fast Facts

GETTING THERE:

Malta International in Luqa is the country's only airport. The longest of its two runways measures 11,483 feet. Besides accommodating private aircraft, Malta International services many of the world's major airlines, including British Airways, Finnair, Lufthansa, Turkish Airlines, Alitalia, Emirates, and Swiss International Air Lines.

CLIMATE:

The island's southern Mediterranean orientation means steamy summers and mild winters. During the summer high season, daytime temperatures can peak in the mid-90s Fahrenheit. Winters find temperatures hovering around the 50s and 60s and bring the highest chances of rain. Shoulder seasons are generally sunny and warm, but if swimming is a priority, come in autumn, when the waters are warmer than in spring.

GETTING AROUND:

Major car-rental operations at Malta International Airport include Avis, Budget, Hertz, and Thrifty. Roads can be bumpy and speed limits are more of a suggestion than a rule. Drivers here may strike some as pushy. You'd be wise to stay alert, even when you think you have the right of way. Car ferries link Malta to Italy, as well as connecting the mainland to the Maltese island of Gozo.

WHAT TO BRING:

Directional road signs can be hard to find. Bring a detailed road map and GPS. The water is safe to drink, but you may find the high mineral content hard to swallow, so stock up on bottled water. This is the Mediterranean, so sunblock is a must. But also pack a light jacket as the island winds are strong, even on warm summer nights.

MORE INFO:

Visit visitmalta.com, email info@visitmalta.com, or call +356 22915000.

We've walked past the teens texting and flirting on the steps of the recently revamped Royal Opera House. Past the shuttered doors protecting the 7,000-year-old tools and jewelry in the city's National Museum of Archeology. Past the Casa Rocca Piccola, a 16th century palace that now serves as the home of a Maltese knight.

Back in our apartment, the church bells tell us it's time for bed. We have one more glass of wine on the balcony. Below us the city is silent.

The next morning, the same church bells that signified nighttime now let everyone know the sun is up. From our room, we can hear and see the city greet the day. Wooden balcony windows creak open. Laundry flaps on squeaky clotheslines. Someone rolls a cart of bread down the cobbled street.

Valletta is not a city for sleeping late.

Downstairs, the local population has been joined by a flood of cruising day-trippers. Judging by the accents, most have sailed in from the U.K. Before coming into its own, Malta was governed most recently by Britain. Though it has been independent for more than a generation, its capital city's streets are still dotted with red phone booths and pubs serving brown ales and bitters.

Before the Brits, Malta had been ruled by the Romans, the French, North Africans, and the Normans, to name a few. Its prime Mediterranean location—just south of Sicily, east of Tunis, north of Tripoli, and west of Crete—enticed many conquerors over the millennia.

In Valletta, you can taste the invasions.

We pass a Sicilian pizzeria and an unmarked window with a spinning stick of what looks and smells like shawarma. We consider a chalkboard sign advertising variations on fish and chips before settling into a table perched charmingly on the stepped sidewalk.

The restaurant is called Gugar and its menu offers several versions of *fira*, a Maltese bread that can be stuffed like a gyro, topped like a pizza, or served open-faced like a bagel. Greg orders his with ricotta, walnuts, and feta. Mine overflows with eggs and poppyseeds.



ALL PHOTOS HELEN ANNE TRAVIS EXCEPT WHERE INDICATED

British phone booths



Gugar cafe



Upper Barrakka Gardens



Blue Grotto

Traveler report card

ACCOMMODATIONS (A):

Malta is a modern country with a wide range of lodgings. The Phoenicia (campbellgrayhotels.com/phoenicia) sits just outside Valletta's fortified walls and is within walking distance of the city's historic sites. Casa Ellul (casaellul.com) was built in the early 19th century on the narrow Old Theatre Street, right in the heart of town. From the roof terrace of Ursulino Valletta (ursulinovalletta.com), you can soak in the sun and fantastic skyline views.

FOOD (A):

You have your pick of Mediterranean fine dining options in Valletta. At Guze (guzevalletta.com), chef Joseph Cauchi works with seasonal ingredients to create Maltese classics like rabbit croquettes. Local surf and turf is the star of the show at the family-run Giannini restaurant (gianninimalta.com). Enjoy octopus carpaccio and seared quail on the balcony for dinnertime views of nearby Manoel Island.

You'll discover more views—and seafood—at the aptly named Panorama restaurant (facebook.com/PanoramaValletta).

ACTIVITIES (B):

Sightseeing is the main attraction in Malta. The country is home to some of the world's top prehistoric sites, as well as dramatic sea-carved cliffs and lagoons. Sportier guests will enjoy the island's dive offerings, while the more laid back will get their thrills exploring walled cities and back-alley wine cafes. Popular beaches include Golden Bay and the more secluded Ghajn Tuffieha Bay, about 30 minutes northwest of Valletta. For nightlife, head for St. Julian's, about 20 minutes north of Valletta. Here you'll find live bands, DJs, cocktail lounges, and sports bars. Valletta is a peaceful home base for exploring most of the mainland's offerings. If you want to see the island of Gozo, consider staying a night in Victoria, or renting a traditional farmhouse in a nearby village.

QUIETUDE (B):

Valletta wakes up early and lets everyone know. On the nearby island of Gozo, it's a much quieter affair. Here you're less likely to be bothered by traffic than by the wind rattling the shutters.

As we eat, it strikes us how orderly Malta is compared with some of its Mediterranean neighbors. The bus schedule is accurate (a sharp contrast to the ticket vendor in Milan who explained that "the train comes every 15 minutes—unless it doesn't"). The greeters outside restaurants don't shove menus in your face. The gentlemen at the cafes simply nod at the island's fairer visitors before returning to their conversations in Maltese, which, to ignorant ears, sounds like a nonsensical blend of Arabic and Italian.

The battles that influenced this country's cuisine and language also shaped its capital. Literally. Valletta is a town designed for war. Since its founding nearly 500 years ago, ramparts have been built, ditches dug, and stockpiles made in case of invasion and siege.

The story of the country's long fight against almost every one of its neighbors is told at the National War Museum. We weave through halls of prehistoric weapons, medieval armor, and the wingless wreckage of war-scarred aircraft.

Across town, at the Upper Barrakka Gardens, the walls that once protected this city now serve as look-out points. Leaning over a metal balcony, we can see the island's last dghajjes sailing across the sapphire water below.

Thousands of these traditional Maltese water taxis used to cruise the Grand Harbour but now only 20 or so remain. They're reminiscent of gondolas, but most have engines. The boats, dwarfed by cruise ships and luxury yachts, ferry tourists and locals across the bay. The drivers wave to local fishermen out to catch their dinner.

Beyond the harbor is another day of exploring.

A few miles south and a few feet underground is the Hal Saflieni Hypogeum. Nearly 7,000 bodies

rest in this subterranean gravesite, which was carved 6,000 years ago into the island's bedrock. Farther south, on the other side of the airport, are megalithic temples whose construction started before the great-great-grandparents of Stonehenge's builders were born. Just east of that is the Blue Grotto, a 100-foot stone arch carved into the island's side by centuries of hardworking waves.

If the church bells wake us in time, we might get to tour the grotto by boat. The sea is usually calmer in the early morning.

But now the bells toll for happy hour.



Valletta Harbour



Ġgantija megalithic temple

The Magic of Malta

Like so much of Valletta, the city's nightlife was shaped by war.

The cruise ships are already on to their next port of call. We have the sidewalks to ourselves as we traipse to Strait Street, the former playground of World War II soldiers.

Malta was a stronghold for the Allies in their fight against Italy. At the end of the war day, the soldiers stationed here headed to Strait Street for drinks, music, and female company. The languages mixed; the music played. Teenage drag queens sang for sailors; savvy Maltese ladies wooed them long enough to get a new frock before disappearing down a cobbled side street.

In its Maltese Catholic shell—after all, this was the last country in the European Union to legalize divorce—the mix of prostitution, debauchery, and jazz created a playful naughtiness that lives on today.

At Tico Tico, a replica of the Maltese balconies that once kept women out of view is now a display case for their undergarments. Outside, the brightly colored tables lining the narrow street are filling up with locals, olives, and wine.

Across the alley, it's a classier affair at the cavernous StrEat Whisky & Bistro. Underneath the limestone archways, well-heeled patrons sip



Valletta at night

cocktails made from StrEat's 200-strong whisky collection. We try a 15-year-old single malt that tastes of flowers and cream and then an oaky and spicy blend from India. Then we agree it's time for food.

It's a short walk to La Mere, where a waiter slips us into a wooden two-top illuminated by a purple pendant lamp dangling from the rafters. We're led through a menu of Indian, Arabic, and Mediterranean cuisine: curries, masalas, and tagines alongside local specialties like fried rabbit and Maltese sausage. We soak up the whisky and the bottle of wine we ordered with local peppered cheese, nut-stuffed Lebanese pastries, and garlic-soaked lamb.

After dinner, we consider returning to Strait Street. But there's much to explore tomorrow, and the church bells say it's once again time for bed.



Chef Joseph Cauchi at Guze



Helen Anne Travis (htravis@bjtonline.com), who spent five years writing for the *Tampa Bay* [Florida] *Times*, is a freelance writer specializing in travel subjects. On the trip described in this article, she was hosted for two nights by Visit Malta and received some complimentary meals.



FOTOLIA

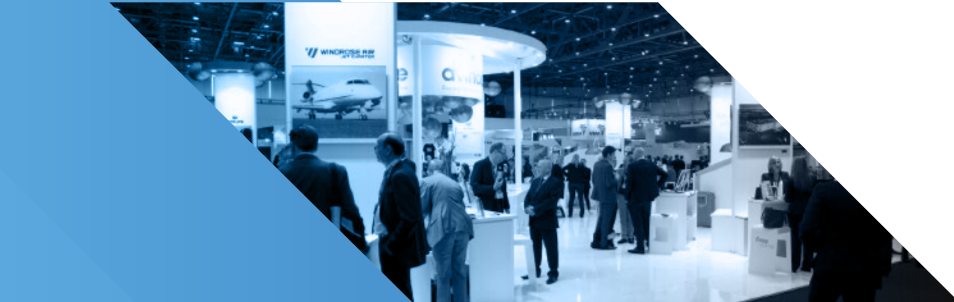


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Paramount Country Club

An inventive New York course makes a big comeback.

by Bradley S. Klein

Remember *Sunset Boulevard*? That's the Hollywood classic in which faded film star Norma Desmond deludes herself into thinking she's making a big comeback with Paramount Pictures and happily intones, "All right, Mr. DeMille, I'm ready for my close-up." Well, now the word "Paramount" is associated with another dramatic Hollywood-related makeover, and this one really is ready for its close-up.

I'm talking about New City, New York's Paramount Country Club, which lies 35 miles due north of midtown Manhattan, on a rolling, tree-lined retreat on the western side of the Hudson River. The 200-acre site was part of Mountain View Farm in 1918, when film magnate Adolph Zukor turned it into a getaway where family and friends from the movie world could hide and play with abandon.

In 1920, he had the foresight to hire visionary golf course architect A.W. Tillinghast, who was then at the height of his creative powers—and whose creations would ultimately include such gems as New York's Winged Foot and Quaker Ridge and northern New Jersey's Baltusrol and Ridgewood. Eventually, the property was converted to a private club and, in 2011, a private family assumed ownership of the land and determined to restore it to its original inventiveness.

They hired a design/build classicist named Jim Urbina, who personally oversaw the restoration of bunkers, greens, vistas, and angles—usually from the vantage point of the bulldozer he was operating. The result is a lovely walk through a revived past, with a par-70 layout playing anywhere from 4,993 to 6,748 yards that relies upon bristle-faced fescue bunkers, cross hazards, and the occasional over-the-hill blind shot.

Paramount is now a thriving private club, replete with practice range, outdoor racquet courts, swimming, and a walled garden. At the center is a revived clubhouse and lodge with guest rooms and meeting space that features an unusual, pebble-style bungalow design. Grounds superintendent Brian Chapin is one of those turf geeks who loves golf and firm, fast conditioning. And host PGA professional Steve Scott is widely respected for his class and demeanor—the same character he displayed in losing a sudden-death final match at the 1996 U.S. Amateur to a guy named Tiger Woods.

At Paramount, people don't rue the past. They celebrate it.

BJT

Bradley S. Klein (bklein@bjtonline.com) is the architecture editor of *Golfweek*. His latest book is *Wide Open Fairways*.



COURSE:

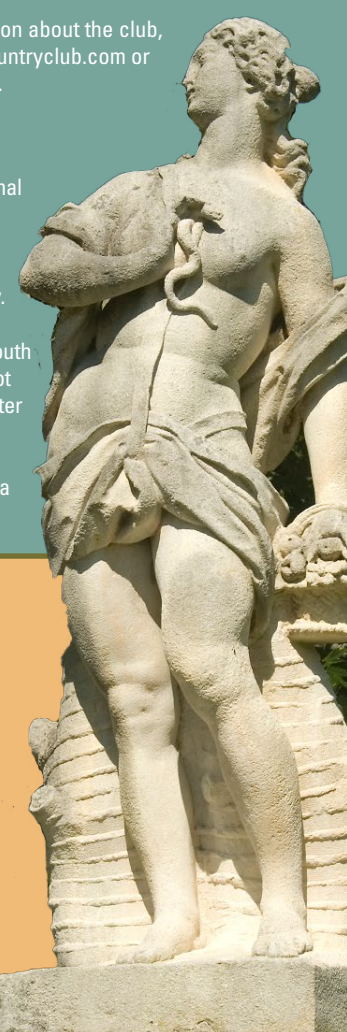
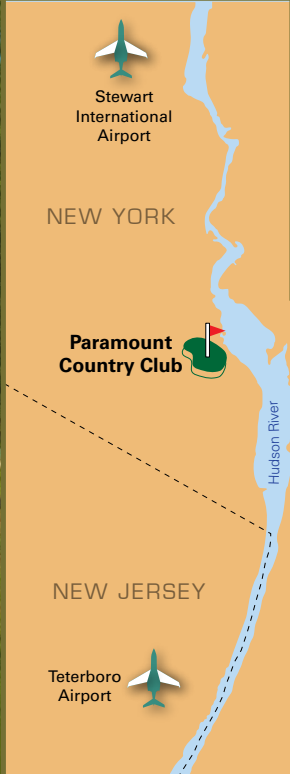
For more information about the club, visit paramountcountryclub.com or call (845) 205-0354.

AIRPORTS:

Stewart International Airport (SWF) is 35 miles north of the course and has an 11,817-foot runway. Teterboro Airport (TEB) is 30 miles south and has a 7,000-foot runway. Westchester County Airport (HPN) is 30 miles southeast and has a 6,549-foot runway.



PHOTOS: J. KRAJICEK/PARAMOUNT COUNTRY CLUB





Into the Sugary Woods

Head to Vermont for a stack of pancakes—and to observe the fascinating process that produces their maple-syrup topping.

by Thomas R. Pero

FOTOLIA

Syrup through the Season

At the beginning of syrup season, the woods are still snowy. Everything is icebox cold. There is little or no bacteria. The sap that comes out of the tree has the texture of slightly slippery water. It's clear—2 to 3 percent sugar. "We boil this down to grade-A syrup," sugarmaker Chris Pocher says. "It's delicate, light in color, a little bit nutty, buttery—perfect on vanilla ice cream."

As the season progresses, the sap darkens slightly, to the hue of light-colored lemonade. This sap is boiled down to what is commonly called amber rich or medium amber; it's what most people put on pancakes. As the sap darkens, the resulting syrup intensifies in flavor. "Maybe you take an acorn squash and cut it in half," Pocher says. "You add butter and brandy and some of this syrup, and bake it."

By the end of the sugaring year the boiled-down sap, containing much more bacteria, turns dark yellow and orange. It makes flavorful grade-A dark. "I'll take some and add shallots and mushrooms and maybe a little balsamic vinegar," Chris says, "and pour it over seared venison." His choice of wine? Merlot. —T.R.P.

Chris Pocher follows Alex Femiach through mountainsides of sugar maples, many of which were seedlings in the 1800s. It is late winter. The men walk across a powdering of fresh snow on old snowshoes that look like worn, oblong tennis rackets. They go from tree to tree, sizing them up and looking for old holes in their slate-gray trunks.

Alex drills a fresh hole an inch and a half deep. A wisp of sawdust falls to the snow. A trickle of liquid seeps out. Chris pulls what looks like a little metal hook from a pouch he is carrying, takes a small hammer, and inserts a miniature hollow spout into the opening.

An assistant follows, carrying 20 heavy buckets on his shoulder. He finds each new tap and hangs one of the buckets on the tree, cramping a cover and following footsteps through the snow to the next tree in this climax forest on this 2,500-acre farm near Stowe, Vermont.

It's not just any farm: it's one that dates back to before the American Civil War, and it's where the von Trapp family began living in 1942, after they had escaped Hitler's

Anschluss in their native Austria prior to World War II. Every American of a certain age can hum by heart the tunes conjured by Richard Rodgers and Oscar Hammerstein II in the Tony-winning 1959 Broadway play *The Sound of Music* and the Academy Award-winning 1965 movie.

Sugarmaker Chris Pocher tells me that they start tapping trees the last week of February but that the sap doesn't normally flow freely until the beginning of March.

"We need warm days and cold nights," he says. "The tree builds up pressure at night—somewhere below freezing, maybe 20°F. And then in the day, with air temperatures at, say, 40°, it relaxes and sap starts to flow."

Most modern maple-sugaring operations employ an elaborate system of tubing and pipes that relies on gravity to efficiently move the sap downhill from steep slopes. In the lower sugarbush at Trapp Lodge, the sugaring team still taps some 600 trees with traditional galvanized buckets. They collect the sap daily in a 150-gallon tank pulled by horses and something called a dray: hemlock crossbeams



ALL PHOTOS COURTESY OF VERMONT MAPLE SUGAR ASSOCIATION AND VERMONT DEPARTMENT OF TOURISM EXCEPT WHERE INDICATED

Step into a Sugarhouse

Want to see how maple syrup is made? First, check out a video in which Alex Femiach and Chris Pocher work their magic at vimeo.com/161410004. Then plan a visit to Vermont, where the 100 members of the state's Maple Sugar Makers Association annually host Maple Open House Weekend, which in 2017 is set for March 25–26. This is an opportunity to see firsthand what goes on in one or more of the state's many sugarhouses.

The Trapp Family Farm (trappfamily.com, 800-826-7000) offers lodging and dining, and some other sugarhouses incorporate bed-and-breakfast facilities. For more information, visit vermontmaple.org or call (802) 858-9444.

If you'll be flying in, note that Morrisville-Stowe State Airport in Morrisville (802-253-2332) is convenient to Stowe and has a 3,700-foot runway. Burlington International (802-863-2874), a larger commercial airport in South Burlington, has an 8,319-foot runway. —T.R.P.



mounted on front runners that are articulated to cut corners with the horses. This collection method goes back many hundreds of years to when the Abenaki Indians took a hatchet to the sugar maples and collected sap in birch-bark vessels, then reduced the sap by repeatedly submerging heated rocks in the liquid in a half-hollow log back at the village.

The modern-day tribal village and hollow log is, of course, the legendary Vermont sugarhouse: a sturdy, weathered wooden structure housing evaporators that reduce and coagulate the maple syrup. Back in the day, the evaporators were black cauldron kettles; now, for greater efficiency, they are flat, shallow stainless pans. But the ethereal effect is the same: smoke and steam escaping through

chimneys and overhead openings in the roof.

Beneath that smoke and mist, Chris is the fireman. Every five minutes he feeds three- to four-foot hardwood splits into a raging, scarlet firebox that reaches a searing 1200°F, 10 to 14 hours a day at peak season.

All the while, head sugarmaker Alex watches the series of pans as the sap channels through, turning denser and sweeter with the heat. He's tasting and testing with his hydrometer, watching for the alchemy from 2 to 3 percent sugar to 67 percent sugar. All it takes is 40 gallons of sap to make one gallon of syrup. **BJT**

Thomas R. Pero (tpero@bjtonline.com) is publisher of Wild River Press and the author of two books about fly fishing.



TRAVELER CALENDAR

February 1–11

SANTA BARBARA INTERNATIONAL FILM FESTIVAL

Santa Barbara, California. This nonprofit festival, now in its 32nd year, annually attracts 90,000 attendees and offers 200-plus independent and international films, plus tributes and symposiums.

Info: sbiff.org

February 5

SUPER BOWL LI

Houston. Following Super Bowl 50, the NFL is reverting to Roman numerals for the 51st title game. See the AFC champion battle the NFC champion for the trophy. **Info:** housuperbowl.com

February 9–17

NEW YORK FASHION WEEK

New York. Join the fashionistas, paparazzi, and celebs for a glimpse of the latest from America's fashion visionaries. **Info:** nyfw.com

February 9–18

67TH BERLIN INTERNATIONAL FILM FESTIVAL

Berlin. Movie lovers converge in a cosmopolitan cultural hub for one of the international film industry's most important events. **Info:** berlinale.de

February 11, 13–14

WESTMINSTER KENNEL CLUB DOG SHOW

New York. Arguably the world's best dog event, this competition has added three newly eligible breeds—the American Hairless Terrier, the Pumi, and the Sloughi.

Info: westminsterkennelclub.org

American Hairless Terrier



ISTOCKPHOTO

February 11–28

VENICE CARNAVAL 2017

Venice, Italy. If extravagant parties and balls are your style, then don your mask and costume and be part of the pageantry in St. Mark's Square. And don't miss the main highlight—the spectacular Grand Cavalcina Ball at La Fenice Opera House. **Info:** carnevale.venezia.it

February 16–20

YACHTS MIAMI BEACH 2017

Miami Beach, Florida. Formerly called the Yacht and Brokerage Show, this 29th annual event showcases the world's most extraordinary yachts.

Info: showmanagement.com

February 18–20

COCONUT GROVE ARTS FESTIVAL

Coconut Grove, Florida. Celebrating its 54th year, this outdoor fine-arts festival presents the works of over 380 artists and craftsmen. **Info:** cgaf.com

February 24–28

RIO CARNAVAL 2017

Rio de Janeiro, Brazil. Samba! This wild five-day celebration starts 40 days before Easter and finishes on Fat Tuesday, after which one is supposed to abstain from all bodily pleasures. **Info:** rio-carnival.net

February 26

DAYTONA 500

Daytona, Florida. Regarded as the most important and prestigious event on the NASCAR calendar, this 500-mile race also carries the largest purse.

Info: daytonainternationalspeedway.com

February 28

MARDI GRAS

New Orleans. Mardi Gras is your last chance to party for the Carnival season, as it always falls the day before Ash Wednesday, the beginning of Lent. **Info:** neworleanscvb.com

March 10–19

SOUTH BY SOUTHWEST

Austin, Texas. SXSW is known for its convergence of the technology, music, and film industries. But it also offers 700 conference sessions on such topics as innovation in transportation, the rise of artificial intelligence, and the need for more innovation in healthcare. **Info:** sxsw.com

For a long-range events calendar, please visit bjtonline.com/calendar.

Venice Carnival



March 23–25

ART BASEL HONG KONG

Hong Kong. This premier platform for diverse works from Asia and the Asia-Pacific international art scene showcases historical and cutting-edge creations by established and emerging artists. **Info:** artbasel.com

March 25

DUBAI WORLD CUP

Dubai, UAE. The who's who of the thoroughbred racing world will pay tribute to the Arabian love affair with horses at the UAE's premier equestrian event. **Info:** dubaiworldcup.



Art Basel Hong Kong

The View from Above

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If you're in the market for that perfect helicopter, mark your calendar to attend the annual **HAI Heli-Expo Exhibition**. Held this year in Dallas from March 7 to 9, the event will feature over 700 exhibitors and displays of more than 60 aircraft.

Info: heliexpo.rotor.org

—Lysbeth McAleer



Bell 429 Macear interior



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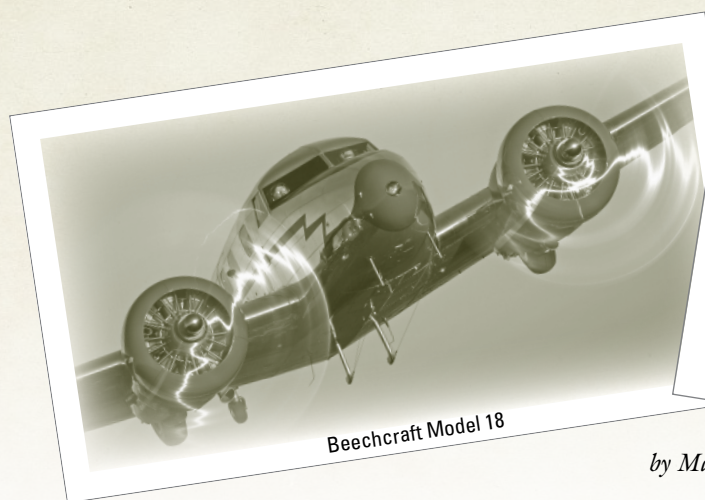
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A TALE OF Two PRETTIES

One aircraft offered sexy American power, the other stately British elegance.



Beechcraft Model 18



de Havilland Rapide

by Mark Phelps

Today's business jets in any particular class vary little in range, cabin size, or maximum speed. Indeed, brand loyalty more often results from the sales and service teams' relationships with customers than with the look or performance of the airplane.

In business aviation's early years, though, competing manufacturers strove to set their designs apart. As engines and aerodynamics advanced, airframers touted each step forward as the cutting edge of technology—as indeed it was. Determining which direction to carve the technological path varied from designer to designer, but also as a function of geography. What made sense in the U.S. eastern flatlands wouldn't fly in the Rockies—sometime literally. And airplanes in America began to bear little resemblance to their European counterparts.

Compare U.S.-based Beechcraft's early Model 18 (nicknamed the "Twin Beech") with de Havilland's DH 89 Rapide in the U.K., for example. Both introduced in the mid 1930s, they were piston-powered light transports; and like today's midsize business jets, they were typically configured to carry six to eight passengers. But the Twin Beech was an all-American, all-metal muscle-plane,

with a pair of big, loud, air-cooled radial engines belching out 350 hp (soon upgraded to 450 hp). In the 1940 McFadden air race, one flew from St. Louis to Miami (1,000 statute miles) at an average speed of 234 mph. The Beech's maximum takeoff weight was close to four and a half tons.

The de Havilland, by contrast, was a stately (some would say frumpy), twin-engine biplane, built of wood and fabric. Unlike the Beech's big radials, the Rapide's slim Gipsy Six inline engines claimed just 200 hp each, for a top speed of less than 160 mph and a range of around 500 miles at its even more sedate cruising speed of 132 mph.

But it had its advantages. Though its full takeoff weight was less than half that of the Twin Beech, the Rapide could carry 400 pounds more in payload because it needed much less fuel (its tanks held only 76 gallons compared with the Beech's 206). It could also land on far shorter runways—or even on the front lawn of a typical English country estate.

The Beechcraft was from America, where everything was bigger, faster, and more powerful, and with good reason. American cities were much farther apart than English urban centers.

There were vast tracts of wilderness in between. In a straight line, it's 2,500 miles from New York to L.A. and 1,100 from New York to Miami.

Compare that with the U.K., where the distance from Edinburgh, Scotland in the north to Southampton on the south coast is only 350 miles. London to Paris is 215 miles; and even Berlin is within nonstop range of a Rapide departing from England's southeast coast. The Twin Beech's blazing speed and long range would have been superfluous in Europe, but the Rapide's economy and ability to land in tight quarters gave it an operational advantage. Conversely, the Rapide would have been mocked for having such an inappropriate name in North America, where its slow speed and short range would have made it suitable only for "local" hops.

The Twin Beech was to the Rapide as America's giant Auburn touring car was to Britain's elegantly classic Rolls-Royce Silver Ghost. Each had its signature design, born of time—but also of place.

BJT

Mark Phelps (mphelps@bjtonline.com) is a managing editor at **BJT** sister publication *Aviation International News*.



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