

SELLING SMART



In last month's article I dealt with the process of buying. It spoke of the pitfalls of going at it alone versus the idea of employing an aircraft sales professional to advise and guide one through the

many facets of smart buying. As I look back over my 29 years of aircraft sales experience, I have noted that in about 90% of all transactions, there is an aircraft sales professional on both sides. With this percentage, the norm becomes obvious quickly.

Smart selling also includes the need for help. Last month I pointed out the reasons for not announcing to the world that you want to buy without representation rather than aligning with a professional to represent you exclusively. Market perceptions and activity get skewed and smart buying seldom occurs

cant. If a small percentage of the fleet has complied, not having RVSM on your plane will have less of a negative impact.

This same holds true for engine and airframe programs. The value in the programs will be fleet driven as well as program driven. Proximity to major events like hots, overhauls or a major airframe inspection will have impact on pricing and competitive differentiation. The pricing balance of these events will need to be accounted for so the aircraft is considered a positive buy for the prospective buyers. For those aircraft coming very close to an engine event, the prospective buyers will typically discount the purchase price by a worst case number.

If the aircraft is on a 100% engine program, there is no real need to feel compelled to eliminate that objection by doing the engines early. The cost fear will not exist. It will only be a down time consideration.

Paint and interior questions are answered much the same way. It is more of a future downtime consideration for a buyer than a cost fear. Paint and interior

Good pictures, accurate specs, are all 'must haves' when entering such a slow crowded market. Be prepared to give, or get maintenance questions answered quickly. Delays in these answers could cost you sales opportunities.

I always like to run a title search the day I put a plane on the market. This might seem like truth in advance but every once in a while we will find that there is a title problem that cannot be dealt with quickly and if discovered at the time of closing, it could cost you the deal.

The pre-buy inspections often causes panic among sellers. It can create real feelings of disbelief that this or that could be wrong with your plane. Be realistic. Strive for a shop that has great experience with your type of plane. Encourage the buyer to find the best shop available, even if it is the manufacturer. Believe me, it is better to have a shop that truly understands your aircraft rather than one that miss diagnosis situations and conditions and creates even greater problems through lack of experience or just sheer ignorance.

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when you go at it alone – selling is no different. Having a team approach to selling is also smart! The idea of looking for a skilled sales professional who has experience in the type of plane you have for sale is the likely starting place.

Regardless of what anyone is saying, the market is still flat. It does not even have the activity today that it had at the end of 2003! It is more critical than ever to be well equipped for the market you are entering. There is no way you should enter this market without market knowledge and expect to command the market attention you need to get a plane sold.

The next step that a sales professional will take is to help you understand your plane in today's environment. This look will include fleet compliance in several areas. For instance, what percentage of the fleet in the category you own has RVSM presently complied with? If a large percentage has it and you do not, the impact on price will be more signifi-

quotes are fairly cut and dry and should not be overstated when a discount is considered by a buyer for a plane that is being sold (that needs one or the other). All of these are market pricing and positioning strategies. The mechanical condition and records condition will also be highly scrutinized during both the "For Sale" period as well as the actual pre-buy inspection period.

Buyers today having so much choice in most categories will demand the best from a considered aircraft. The mediocre planes today might only be sold on one basis; price. Price is the worst reason to be chosen for a purchase. You will always be chasing price. Work with your aircraft sales professional to define the benefits to sell rather than just price.

Having a nice sales package to use for representing your plane is a key ingredient to a successful marketing strategy. Magazines like this one you are reading are a must to advertise your plane in.

As a seller there will be no short cut around the plane being airworthy and systems functioning and current on all programs. Logs and records will have to be in order and yellow tags etc., must be present and accounted for. Buyers will accept no less. I always get my selling clients to organize records, look at obvious maintenance deficiencies and correct things at home well before an independent inspection facility finds the problem and has what could be a greater cost of correction.

In conclusion, sell with a team. Include your flight department personnel, your legal counsel and tax experts. The winning team photo will be one that you will be proud to display on your trophy wall.

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