

REMEMBER NEEDING HELP WITH FRACTIONS? AN OLD TOPIC REVISITED



Around six years ago I started a program to help advise newcomers to the world of Fractional Ownership. Back then, providers seemed to be popping up all over. There were conferences to

help people start the programs. It was becoming a very confusing landscape. Everyone with a charter service was developing a strategy to participate as a provider. If I could have just had a crystal ball instead of an aircraft brokerage business, I could have predicted what seems to always happen when new ideas pop up. After the initial rush to participate as a provider, the real work begins. The lost sales, the complexities of executing on a business plan, economic downturns that create havoc with the funding process; all the realities

plish your mission? Have you chartered in the past, been a partner in an aircraft or involved in any type of lease arrangement?

From the answers gathered the development of a needs assessment can be started. In most cases the best use of fractional as a solution is between 50 to 200 hours per year of use. It is with this type of projected utilization that one can achieve the best results from the fractional program. As time goes on the fractional program has grown to include the logical supplemental lift solutions for the established flight departments. Multiple dispatch of aircraft on the same day, no ownership operational hassles and highest training standards are all reasons that some established departments are downsizing and using this product to meet the travel needs once provided by the in-house fleet.

How does a company make it all happen? How do they work with what to some could look like logistical magic? Here is a brief view from our day at NetJets.

of the operational mind of this organization. We were shown Intellijet II; a proprietary software developed by NetJets that gives a real-time view of clients, planes, crews and maintenance as well as scheduling intricacies. Future iterations of this program will allow owner interaction and continue to create the Corporate Experience that would be more closely aligned with single aircraft ownership.

We visited David Beach, Sr. VP Contracts Dept., whose role is critical in the entrance and exit of the programs. We also met with Mark Reed, Sr. VP Maintenance, who's awesome job deals not only with the Safety component of the corporate mission, but also with all scheduled and unscheduled maintenance. His interaction with the Intellijet II system is crucial and allows for best use of corporate assets. George Lusk, Operations Program Manager, has the responsibility to the Citation V-Ultra/Encore crewing. This is another key component to both the customer experience as well as to the safety factor built into and demanded in each and every flight.

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that leave only the strongest, best funded, best service oriented companies standing. That is what we have today; those providers who fine tuned the offering and deliver it well.

A few weeks ago I had the distinct pleasure of taking my son Josh and my wife Sandra to Columbus, Ohio, to tour the Executive Jet Aviation / NetJets Facility. This was a great time for us all to begin to understand one of these remaining players and their strengths.

In the past I have been to visit Flight Options as well as Flexjets facilities. These, along with NetJets, represent the main players in the industry. Of course there are others, Citation Shares and several remaining regional players make up the peripheral of the market offerings.

When a prospect calls to ask our opinion of Fractional, the line of questioning from us always starts the same. Have you developed a mission profile? What is your past experience in aircraft ownership or use of aircraft to accom-

The Corporate Experience should begin on the ramp in the client's hometown. We were met by the NetJets' crew and whisked away in a Cessna Citation Excel. Just like any participant of the program, there was nothing about the flight that made me feel as if I was an owner of some small fractional share of this whole plane. This has been one of the real successes of the programs - making the owners feel bigger than the sum of their parts, and not like just some 1/16th owner. At the operational headquarters of NetJets, we were greeted by a host of executives who were going to discuss and demonstrate the complexities of the Back Office process. Our host for the day was Rich Gaccione, Eastern Division Sales. One look at their extremely well thought out and organized facility allowed no doubt about the priorities set forth by the company founder and CEO, Richard Santulli, regarding Safety, Service and Cost. We had a briefing from Richard Wrona, VP Owner Services, on the heart

George also has the responsibility to provide airport audit information for owners requesting pick-ups and drop-offs to airports off the beaten path.

We had a tour of the operations center. This huge room staffed by hundreds of people who are assigned to scheduling, crewing, weather and client relations really demonstrates the complexities and team effort it takes to dispatch and keep an operation like this in the air by keeping the scheduled trips on time and meeting the corporate promise to its clients: Safety, Service and Cost. I encourage each of you who may be considering Fractional ownership to visit each of the companies mentioned. You will be impressed with them all. And so "Remember Needing Help With Fractions"? Great news! There is plenty of great help out there. Start with the providers, you will be impressed!

■ Jay Mesinger is the CEO of J. Mesinger Corporate Jet Sales, Inc. He hosts the Aviation Leadership Roundtable found at www.jetsales.com and is also the Chairman of NARA (National Aircraft Resale Association).