

OCTOBER 2015

# BUSINESS AVIATION



*Time Well Spent*



A SUPPLEMENT TO

Oil and Gas  
Investor

# BUSINESS AVIATION

*Time Well Spent*

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## In The Air, Be There Or Be Square

Going from your office chair to the air and back again need not take all day and all night, with hassles or delays in between, if you decide to use some form of private or business aviation, whether by leasing or buying, or using some kind of time share arrangement. The many advantages these flight options have over commercial travel add up to a sum greater than the parts: new efficiencies through saving time and money—and peace of mind—for busy oil and gas executives.



Today companies of all sizes are searching in every nook and cranny for every last drop of cost savings and heightened efficiency. Business aviation can play a huge role, experts and executives say.

There is no better feeling than landing at your destination feeling refreshed and relaxed, and on time, with your baggage safely in tow. During your flight you may have had the time to work a little, snooze a little or read a little, without compromising your comfort—or having had to remove your shoes and belt, or your laptop, while going through the security lines.

If other employees or customers are on board, you will have had plenty of quiet and uninterrupted time, in a pleasant setting, to more fully discuss business in a private way, whether the talk revolves around numerous strategic decisions, opportunities, or problem solving—if not about sports, hunting or politics.

Usually a car is right on hand to whisk you to your final destination. There's no waiting in line to retrieve your luggage or fight the crowds to commandeer a taxi.

The entire travel experience is better for your frame of mind and enhances your work flow. Why not give business aviation a try?

—LESLIE HAINES,  
Editor-in-chief, *Oil and Gas Investor*



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# Get In, Get Out, Get Home

Oil and gas executives have increasing options in their bid to make travel as efficient and productive as possible.

by Taryn Peine

*GlobalSelect, the internationally recognized fixed-base operator at Sugar Land Regional Airport, near Houston, provides the ultimate in VIP service to both passengers and pilots.*

Private aviation has many advantages over flying commercially, but for the busy oil and gas executive looking to maximize efficiency, the ability to fly in and out of FBOs (fixed-base operators) as opposed to congested commercial airports is top among them. The FBOs situated near energy hubs continue to see an ever-increasing number of oil and gas executives taking advantage of the ease of access they offer so they can get in, get out and get home without all the hassle of checked baggage, security lines and flight delays.

“Travel by jet enables busy executives to reach multiple locations in a single day and meet and plan proprietary work en route, without the threat of eavesdropping and prying eyes from the passenger next to you,” says Deborah Smith, public information officer for Denver-

based Centennial Airport, which is situated in the heart of the Denver metropolitan area.

“And it’s not just about the executives. Business aviation enables companies to safely—and securely—transport tools and materials that cannot be carried aboard a commercial aircraft.”

For its part, San Antonio SkyPlace Center, which is located at the San Antonio International airport, is conveniently situated away from all the traffic that is coming in and out of the San Antonio airport.

“Because we are located away from all the traffic, it’s very easy for people to fly in and out of here, hop on a highway and get where they need to go,” says Briana Chandler, general manager, SkyPlace Center.

FBOs are not just about proximity to the nearest highway or oilfield; they’re also another tool in the arsenal of the

executive who is looking to conduct business as efficiently as possible. When Phil Savko, director of aviation for the FBO Global Select at Sugar Land Regional Airport was coming up with the blueprint for the airport, he and his partners identified their market niche as business aviation, which informed every decision they made when designing Global Select.

“We have great proximity to Houston, and we have the length of runway to accommodate business jets—8,000 feet,” he says. “Our airport is geared toward the business jet and corporations and our terminal is geared toward those who need to do business. We do everything we can to help them get here, do their business and get out quickly so they don’t get delayed. Ours is a business airport.”

Global Select hosts between 50 and 60 business jets per day, and it is able to accommodate that kind of



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*Used by more than 100 Fortune 500 companies on a regular basis, Sugar Land Regional Airport plays a critical role in the region's economic development as it provides an opportunity for corporate executives to minimize "chair to air" travel time.*

traffic thanks to its 500,000-square foot-aircraft parking ramp, enabling even the biggest planes its customers use to maneuver safely around the ramp. Once inside the airport, if an executive needs to do business or simply wants to relax, the business accommodations continue, says Beth Rosenbaum, assistant aviation director.

"Our vision when we built the terminal building nine years ago was for this to be a Texas ranch-style building; we wanted you to know you were in Texas," she says. "We wanted you to feel like you were at someone's house."

The amenities at Global Select include a cafe, two onsite car rental

facilities, wi-fi, a business center, three conference rooms and an executive lounge.

Many FBOs also offer concierge service, which is another way to ensure executives are free to focus on their business and not on their hotel reservations or car service. Savko says this is part of Global Select's commitment to a high level of service he calls "chair to air."

"If we can minimize the length of time from when an executive is in his office chair to when he's in the air, we can maximize his ability to do business," he says.

"Once he gets off the plane, the line crew is waiting with his car, which is waiting to take him exactly where he

needs to be. When he gets back, his plane is waiting for him, and he can get right in and leave. You can't get from the car to the boardroom any faster than you can from Global Select."

If time allows, there's more than just business to be had at many FBOs. For example, Centennial Airport offers more than just on-flight catering with its on-site award-winning signature restaurant, The Perfect Landing. The restaurant features live music, a real piano bar, and beautiful views of Colorado's Front Range, as well as limo service to the door, Smith says.

While one of the biggest time-savers of flying privately is the absence of the security line, security is still an extremely high priority for FBOs.





*Sugar Land Regional Airport's reinforced, concrete runway accommodates the largest corporate-type business jets.*

At Centennial, security is done at the airport level as well as at the individual level.

"There's no higher calling for us than the safety and security of our airport clients," Smith says. "Along with our strong partnerships with local, state and federal law enforcement, we employ several internal mechanisms for overall security, as well as customized security for high-profile individuals or events."

Because SkyPlace is on the grounds of the San Antonio International Airport, the passengers flying in and out are required to obey the rules of the larger airport, Chandler says.

"Our building is secured 24 hours per day, and in order to go out to your aircraft, you must be escorted by a badged employee," she says.

For Global Select, security has been a major focus since the airport was built.

"Our airport is completely fenced in, and we currently have security cameras throughout the airport, with more being added so we always know who is on the grounds," Savko says. "Security is very important to us and it's important to all of the executives flying in and out of our airport. We also work closely with the Sugar Land police force, and they provide round-the-clock patrols to ensure a safe environment at our airport."

#### **SOMETHING FOR EVERYONE**

While FBOs continue to make the private aviation experience more seamless and efficient for executives, the vast array of options for private aviation is increasingly customizable.

The Wheels Up model, for example, allows customers to pay an initiation

fee to become a member of Wheels Up, which gives them access to the Wheels Up private fleet for a fixed per-hour cost.

"We created a membership club that allows members to fly in a fleet of airplanes that we own, which we provide exclusively to our members," says Bob Garrymore, president of corporate sales for Wheels Up. "We then give our members access to our fleet of high-quality aircraft within 24 hours on a guaranteed basis at a transparent, fixed cost-per-hour."

For companies with an established aviation department that are looking to add new aircraft to their fleet, Gulfstream is currently working on the development of its G500 and G600 aircraft, which were announced in October 2014.

"We've achieved several milestones, including first flight of the G500 and the power on of several labs for the G600," says Dan Nale, senior vice president, programs, engineering and test, Gulfstream. "The G500 flights have exceeded our expectations and demonstrated that our testing facilities on the ground are having very real benefits in the air."

If a company isn't quite ready to take whole ownership of a plane, fractional ownership is always an excellent option, and fractional companies like Executive AirShare continue to broaden their offerings to allow individuals and companies a flying experience that will meet their needs.

"Executive AirShare offers a days-based [instead of a flight hours-based] program, with aircraft and pilots based where our share owners

live and work," says Keith Plumb, president and CEO of Executive AirShare. "This arrangement enables owners to make multiple stops in a given day, as well as fostering a pilot-owner relationship that closely replicates the relationship one would expect from full ownership."

For companies contemplating a first-time transition to corporate aviation, or those already involved but looking to revitalize previous efforts, Keith Harrison, president and CEO of Founders Aviation, has designed a process that starts with an independent, unbiased assessment of the company, which allows Harrison and his team to provide tailored aviation recommendations to fit a company's operational needs while respecting financial constraints.

"When the recommendations have been made, Founders can work with the company to supply whatever type of business aviation it requires, from shared ownership to the utilization of an entire aircraft," Harrison says. "However, the initial assessment is crucial to helping the company establish a successful aviation program."

"Every dollar a company is going to spend on something like aviation better be well-spoken for. The independent assessment we do is an intelligent, custom-crafted solution to illustrate for investors the type of returns they will see with business aviation."

In the end, private aviation is all about choices, and in today's marketplace, choices abound to make the busy energy executive's work more efficient. ►





*In the heart of Denver's metropolitan area along Colorado's Front Range, Centennial Airport has four award-winning fixed-base operators offering everything from fuel to maintenance and avionics, to private catering, concierge and limousine service, to dog walking.*





*E&P executives often fly to New York to meet with investors, and private flights make the trip quick and easy.*

# The Saga of the Middle Seat

A humorous look at the many frustrations of commercial air travel, told by a busy oil and gas executive who finally said, Enough is enough!—and purchased his own private aircraft.

by Paul J. Zecchi



**W**ell, here I am on United Flight ABCD, in the air over the Okefenokee Swamp—destined for JFK Airport but now diverted to Hoboken, New Jersey, for some unknown reason. I'm in Economy Class, aka, Cattle Car Class. That moniker is actually disparaging to cattle, however, because they get better treatment on feedlots than we poor and unfortunate travelers receive in Economy.

## THE NOT-SO-SMOOTH DEPARTURE

What a surprise that I couldn't hear the announcement that the flight "could" depart early! What this announcement actually means is that the flight is sold out and the airline personnel want to cram as many folks onboard as quickly as possible so they can pull away from the gate and sit on the tarmac for an hour or two. Otherwise, if passengers were told how long the delay would be, there would be a beaten path directly to the Greyhound Bus Terminal.

Because I missed the announcement, I lost my window seat to a seven-year-

old juvenile delinquent. The United gate personnel then gave away my reassigned middle as well. No sympathy. They informed me that I was not at the gate 30 minutes ahead of boarding time for an early departure. And, that I should listen for announcements—as if you can hear anything through those "water-logged, second-hand, A&W Root Beer drive-in speakers, purchased from their going-out-of-business sale," as I put it to them.

They didn't think that my comparison was funny, "as we have a very full flight." Nor did they appreciate my quip that "early departure and United" was an oxymoron.

I finally told them I was related to the new Pope and would pray for them. There must have been a Catholic in the group, because someone took pity and I got my middle seat back.

The juvenile delinquent next to me was accompanied by his heavily-tattooed mother. Boy, you can get a lot of tattoos on a woman's body that is 299-plus pounds! I guess they did not want to sit next to each other, which is how I ended up between them. The kid could really kick. I also suspected he had gotten through security with a switch

blade or small machete, because when we lost power on the ground, he stuck something extremely pointy in my ribs.

## A VERY FULL BRIEFCASE

The kid wasn't badly behaved, but he didn't get to the air sickness bag in time. His mom was pretty doused with Corona, and maybe he had several sips or gulps at the Dewars Bar himself. It would have gone pretty smoothly, but when his mom was reaching for the bag, she knocked my \$6 canned beer right into my brief case. Her Coke and Scotch followed immediately thereafter.

Once the flight attendant cleaned up the mess, they had saved three paper napkins for me. It was like trying to use Charmin tissue to clean up the Macondo spill. I asked if they had a cloth napkin, but apparently those are meted out to First Class only. No spares. They finally brought me a dirty apron, but I think those are wax-coated or flame retardant or something, because it just spread the Coke all over the place. I asked the flight attendant if she would bring me one of those toilet seat protective tissues, figuring



those are a lot more absorbent. After she found out I wasn't kidding, I think she was insulted. What's wrong with a little resourceful thinking?

Well, the kid eventually fell asleep, and mom passed out. I could not get her head off my shoulder. I did not mind the snoring so much, but that drooling on my crisp, starched white shirt was a bit much.

Of course, the part of the drink that did not get absorbed by my papers ended up in my crotch. It looked like I was the one that had an accident. Didn't they offer vouchers for dry cleaning once upon a time?

### SNACKS

Once things calmed down, they offered a snack, believe it or not. I got the biscotti because they were out of pretzels and peanuts already. I was in the left bulkhead middle seat (Row 1 in Cattle Car Class), so I figured that the folks on the right side of the plane ate the entire supply of pretzels and peanuts already. I offered that as a plausible explanation. They didn't think it was funny; apparently with an early departure, they didn't have time to restock the plane—except for the expensive alcohol.

### FAMILY MATTERS—A LOT!

I think the juvenile delinquent's older sister was sitting behind me. She had her iPod earphones surgically implanted into her head and could not hear a thing when I asked her to stop keeping a music beat on the back of my seat with her feet. I didn't want to say too much, because the big one-toothed guy wearing a Grand Champion-Alligator Wrestle-Mania tee shirt sitting next to her was intimidating. There appeared to be some kind of familial relationship, because he was telling her about his booth at the Hoboken Knife and Gun Show. She wasn't listening. But the other 26 rows nearby were well-briefed as to the best knife for "skin'in an' prep'in rattlesnake fer fry'in up."

I could see why sister had the headphones going. The throbbing base was sufficient to drown out crying

little brother in the seat next to her. He never shut up. Did I say never? Never, ever!

Well, mom finally woke up and reached over to smack the tar out of juvenile delinquent when he asked me if I ever went to a cockfight. Too bad I had ordered another beer (I paid for this one too) and yep, you guessed it, straight to the crotch. It was almost dried off, too. Mom was gracious. She didn't have any money, but offered me the rest of her pack of Lucky Strikes if I wanted them. I told her I didn't smoke anymore and she said she couldn't trust people that didn't smoke. Apparently she believed some old Indian legend that smoke was cleansing. And since we don't have campfires or cooking fires anymore "like Louie and Smith" (I thought she was talking about a steakhouse, but then realized her reference was to Lewis and Clark), therefore, we "cannot be prop'ly putrifried" (purified, I believe?). And on and on. I was ready to offer her my shoulder again if she would shut up, but then I thought about Bubba and his knife collection, and decided it would be better to just listen.

### THE SMELL FROM BEYOND

Everything settled down until the guy across the aisle decided to take off his shoes. He must have been employed as a mildewed wheat and corn trampler at a cattle feedlot, and the scent permeated the cabin. Whew! Even tattoo lady thought it was disgusting.

The flight attendant, not thinking that this was funny either, also noticed the aroma and asked him to put on his shoes. I believe he had far too much beer to drink—his feet were very swollen. Not for lack of trying, he could not get his shoes back on. He was resourceful, however: he removed the heavy woolen socks, and the situation began to take on a life of its own. With socks now floating around, the "pungent" aroma experienced a multiplier zone effect: shoes on, a little odor; shoes off, a strong odor; socks off, welcome to the sewers of Calcutta. Strange how that works.

### EARLY LANDING—NOT!

The flight itself went OK, but why do you have to wait 45 minutes on the ground for a gate because you took off 10 minutes early? I may not be the sharpest knife in the drawer, but that math does not compute. I think it falls under the same rules as the multiplier effect. There is no telling how long the wait would be if you departed 20 minutes early. The good news is that early departures have about the same probability as winning the Power Ball and getting struck by lightning on the same day. Twice.

Good thing I had a jacket to wear over the embarrassing spot upon deplaning. Too bad the guy in First Class partially ripped the sleeve off that jacket when he was trying to extract his 300-pound guitar case from the overhead bin. Why are musical instruments exempted from the rules of carry-on luggage that we have to deal with? In case he was a sky marshal in disguise, however, I didn't want to mouth off too much. I could see myself spending the night in the lock-up on Rikers Island. I thought about using the partially bifurcated sleeve as some sort of loin cloth, but that would have been too weird.

### COMMERCIAL NO MORE

Now the truth. My most recent commercial flight went fine, with nothing out of the ordinary. However, all of the above (and much more) has actually happened to me, at least once, during my numerous years of commercial air travel. Sticky crap in the old briefcase has happened three times, in fact. But who's counting, right?

These reminiscences make me appreciate how privileged we are to have such a great private aircraft to use at our company today. And I hope it brings some laughs to those who have had similar experiences, and are considering the move to private aviation. ►

*Paul Zecchi is chairman and CEO of Central Resources Inc., based in Denver. Central purchased its own private aircraft in 2009 and has never looked back.*





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CESSNA

# Taking Back Time

**I**n booming industries like the energy industry, companies need access to every advantage to keep them competitive. When a few hours can mean the difference between winning and losing a deal, time and efficiency are of the essence. To continue to succeed and grow in this challenging business landscape, many energy companies have chosen to take back time through business aviation, and one of the key business aviation companies helping oil and gas companies do that is Cessna.

Cessna's expansive line of business jets has been helping companies use their time more efficiently for more than 85 years. An example is one of Houston's most established energy companies. The founder and CEO began looking at private aviation in the post-9/11 world of tightened security and overcrowded airports.

"The effects of 9/11 on airline travel really hurt me, as far as the ability and flexibility to travel and see counter-parties," the CEO said. "After 9/11, I was chartering a lot just for the flexibility. I soon realized that I was flying enough that I could justify owning an airplane."

There are many models within Cessna's line of business aircraft that lend themselves perfectly to meeting the unique needs of oil and gas executives. The CEO of this company initially purchased the Cessna® Conquest 1, in 2001, and one year later stepped up to a jet, the Cessna Citation® Bravo®. With access to the flexibility of private business travel, the

CEO immediately noticed a difference in his business.

"When I first purchased the [Citation®] Bravo®, I doubled my customers and counter-parties," he said. "With the aircraft, I'm able to keep adding relationships and keep growing my company."

The CEO's company built on the success of these purchases with the purchase of a Cessna Citation XLS+® jet in the fall of 2010, and a CJ3® aircraft in October 2013.

"When I bought the CJ3®, I looked at single-engine planes, too, but I liked the redundancy of the second engine," he said. "I liked the safety factor. The CJ3® is easy to fly. We needed good short-field take-off performance. We're flying into small towns. The airplane needs to get up and down quickly on small fields."

When the CEO decided to purchase an aircraft, he looked at the distance he and his team will need to cover along with the number of passengers he'll need to transport.

"The CJ3® is just an unbelievable airplane," he said. "I think it's probably the best plane Cessna's built for the size and efficiency. We use it for shorter hops. The Citation XLS+® is great for longer legs. It's more comfortable when we fly to New York City with four, five or six people."

For this CEO, business aviation has been about saving time, adding flexibility and building relationships to further strengthen his business. He likes the ability to be in two different areas in one day and the opportunity to attend multiple meetings in one

day, while still being able to make it home without missing time with his family.

"I can manage business in the office in the morning, and leave at 10:30 a.m.," he said. "I can be off the ground at 10:45 a.m., fly 400 miles, and be somewhere in time for a business development meeting over lunch. I can have several meetings, and then, head home at 5 p.m., and land at 6 p.m. I'm home in time for dinner."

Flexibility is another great advantage of business aviation, and in an industry that moves as quickly as the oil and gas industry, it can mean the difference between winning and losing a deal.

"The first person to a deal wins," the CEO said. "You can't say, 'I'll be there in a week.' You're leaving the door open for your competition. If I see an opportunity, I can call a customer and say, 'I'm going to be in your city this afternoon. Why don't I come by to talk to you?' All businesses need to keep growing. The aircraft are efficient tools for creating new opportunities and keeping our growth constant."

In a world where everything is done digitally, a face-to-face meeting is all the more valuable, and all the more accessible with business aviation.

"Being able to close a deal in person is so important to business," the CEO said. "People want to know who they're doing business with. It allows you to develop relationships. With good, solid relationships, it's easier to grow your company." ▶



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## FOUNDERS AVIATION

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Do these questions sound familiar? If so, you're not alone. Nearly all Founders Aviation

clients start from a similar vantage point, and our service programs were designed with you in mind.

Transitioning into a full-service, corporate aviation program is a major decision. When done right, it can help catapult your company well ahead of any competitor, as the catalyst for unmatched strategic capability. But when improperly planned and executed, significant consequences often result that are extremely difficult to rectify.

There are two overarching principles: First, corporate aviation is not simply "buying a plane" or "purchasing a share." And second, what's ideal for one business circumstance is often vastly different for another. Similar to

the research and diligence oil and gas companies perform when deciding whether or not to drill in a specific location, the level of effort preceding a corporate aviation decision should be equally comprehensive and in-depth.

Founders Aviation initiates services for all clients (from large, publicly traded

had access to a dedicated support platform? Are you looking to transform your productivity in entirety? Is "quality of life" a factor for varying team members, and would their performance improve if given the chance? Can you quantify things like time away from the office, overall productivity, or direct versus indirect costs of operation?

Once we explore these and other similar questions with your executive leadership, a profile often emerges that guides the remaining solution.

**Step 2: Financial Analysis.** What is your institution's cost of capital? Does

it make sense for you to purchase something like this? And if you do, does an outright cash purchase or a financing arrangement better suit your financial situation? How can we best structure the tax profile and legal framework of the ownership entity? You do know there are quite few taxes that come into effect with corporate aviation (federal, state, local, excise, franchise, sales, use, property taxes, etc.), don't you?

With that list in mind, how do we set things up to avoid them? What offsets, deductions, and depreciation scenario can we invoke to recapture the value of the capital you're committing? Understanding the impacts of each of these questions

Transitioning into a full-service, corporate aviation program is a major decision. When done right, it can help catapult your company well ahead of any competitor, as the catalyst for unmatched strategic capability.

companies to individuals of varying levels of wealth) using derivations of our proven developmental process. Guiding questions are highlighted below, and used to assemble a turnkey, customized plan... unique to your needs:

**Step 1: Operational Assessment.** Independent of anything having to do with aviation, what problems are you trying to solve? Are there roadblocks to productivity you just can't seem to conquer? Are you trying to expand your market share but uncertain how to get the expertise you've previously built to the new territory you're acquiring?

What would you do differently than you're doing right now if you

is vital to ensuring the development of a well-tailored, efficient, effective solution for the long run.

**Step 3:** Aircraft & Service Programs. New or used? Large, small, or both? Your “buddy” the broker is claiming he can get you a “magical” aircraft for “HALF-price” ... is he being honest? (Hint: the answer here is ALWAYS no!) How old is “too old”? Are there technology tradeoffs and improvements in later-year models; and if so, what are they?

What if you get a used aircraft and sink a bunch of money to “improve” and “refurbish” it ... is it worth doing that? How does depreciation change if you purchase something new versus something used? What if you don’t need a whole aircraft ... can you share it; and if so, how do you do that? What support programs are there to ensure this thing keeps running at its peak performance? Is this aircraft actually safe enough to commit yourself, your employees and your family to frequently using it?

Once the operational assessment (Step 1) and financial analysis (Step 2) are complete, it’s time to place the optimum aircraft into the identified mission. Founders utilizes only safe, new-technology aircraft from proven manufacturers, and conducts extensive research and diligence to ensure an effective combination.

**Step 4:** Execution. Where do you find good pilots? What is a “good” pilot? And how do you keep the “good” pilot “good”? What about logistics ... do you have to become an expert in “aircraft management” to do this? What about safety and training programs? At Founders Aviation, we take “turnkey” to an entirely new level. Not only do we work with you in the early stages to assemble an optimum program, but we then remain by your side as your

outsourced flight department. From program inception and creation, through execution and day-to-day management, we’re there. Always. For you.

Aircrew remain under our Safety Management System, backed by our training programs, employed by Founders Aviation, and on our payroll. Otherwise, they’re answering to themselves, while you’re bearing all the risk. So often overlooked, logistics are fundamentally administered through our professional team of experts, armed with our proprietary



**Keith Harrison, President and CEO of Founders. MBA, Strategy & Finance, University of Texas; BS, Systems Engineering, University of Virginia. Retired U.S. Naval Aviator: Test Pilot, Weapons School (Top Gun) Instructor, Distinguished Flying Cross Awardee.**

Digital Management System. Scheduling, dispatch, accounting, expense tracking, legal and tax application, maintenance and servicing ... Founders covers it all.

**Step 5:** Succession Planning. So we’ve answered the immediacy problem and have a complete system up and running. Now what? Do you plan to hold onto the aircraft in question for 15 to 20 years, and keep flying it until the wings fall off? Or is there a better way to preserve your

equity? What if your corporate or personal needs change over time? How long is “too long” to own/use an aircraft? Maybe now is a good time to get going with something smaller, and then plan a transition point in a year or two for something larger. Can you do that?

Most aircraft owners/users never even contemplate what comes next once an aircraft program is active, and often find themselves in situations that are unpredictably untenable. What comes next is just as important as what you begin with, which Founders constantly evaluates to ensure an optimum solution remains in place.

One final piece of advice, and part of every Program Development phase Founders undertakes: Make sure your potential provider quantifies their solution with a detailed comparative analysis of the many options available to you, including what you’re doing now, commercial air, chartering, fractional, etc. If they are unable to do so, what confidence does that give you they’re the right fit? Ensure you’re not looking at direct costs alone, but ALL factors involved. Value provided should go far beyond simple cash flow.

Finally, understand that sometimes the RIGHT answer is actually NOT to move forward with a corporate aviation program. Occasionally we find no cost offset or productivity increase capable of justifying the commitment. Better to work toward a solution that eventually will make sense, than push a bad position up front.

Founders Aviation looks forward to having our unique team of business professionals, legal experts, CPAs, experienced aircrew and dedicated logisticians construct and execute a corporate aviation program that truly makes a difference for you, your business and your family. We are “The Shortest Distance to Success!” ▶



PIPER AIRCRAFT INC.

# Piper's New M500: Revolutionized Enhancements



**T**he more things change, the more they improve. This is certainly the case for Piper's latest commodity, the Meridian M500. While the airframe remains true to its esteemed Meridian roots, the M500 embodies advancements in avionics that include a pervasive list of improvements, moving this turbine into impressive new aviation territory entirely.

Just unveiled this past January, the M500 has long been a labor of love. When it wasn't concealed in the long shadows of the experimental hangar, monopolized by obsessive engineers, Piper's M500 was chasing tempestuous skies. Test pilots pushed the envelope of conventional, safe parameters flight after flight, trying to elicit an acute response from the aircraft that consistently became anything but routine. It became abundantly apparent the M500 is not your typical turbine.

At the forefront of M500's conception is the same concept that is now generating much excited interest and creating more anticipatory commotion than Piper can keep pace

with: safety. With continued emphasis on the safety and convenience of flying, manufacturers are perpetually pursuing avenues to not only invent modernized, more secure aircraft, but to implement aggressive safety measures and improve upon existing models currently in production, as well.

## A SUPERIOR SAFETY CLASS

This brings us to M500. It is a uniquely refined aircraft. Born from the lineage of Piper's Meridian, originally introduced in 1997, the M500 carries on the best DNA of its predecessors, while exhibiting its own new impressive features, most notably in the cockpit. Some of its cultivated attributes are those you might expect to find in an aircraft of its caliber, such as the digital pressurization system, XM Weather digital monitoring, electroluminescent placards, and an Extended Squitter Transponder and Traffic Advisory System with ADS-B In and Out functionality. However, it is the remarkable capabilities of the all-glass Garmin G1000 cockpit that advance the M500 to a superior safety class, with a sophistication all its own.

The new avionics suite features the most progressive Garmin technology available. Specifically, and perhaps most impressive, is the AFCS, or enhanced Autopilot Flight Control System. With the ability to perform coupled Go-Around, engage automatic Underspeed Protection (USP), command an expanded autopilot engagement envelope, offer an automatic wings Level Mode (LVL) option, and prevent

the onset of stalls, spins, and spirals with Electronic Stability Protection (ESP), Piper's M500 is arguably the industry leader in safety equipment for its class.

Functioning independently of the autopilot, the Electronic Stability Protection is a passive feature that discourages the aircraft from operating outside of its optimal flight envelope. ESP acts on roll, pitch, and airspeed, applying a subtle corrective force if the aircraft moves outside of its desired range of operation, gently nudging it back into the preferred envelope.

Automatic Level Mode (LVL) will return the aircraft to wings level when the blue button is pushed. Simply by engaging the LVL button, the plane is restored to straight and level flight, a feature that presents one more redundancy in safety, in the event it is ever needed.

Underspeed Protection (USP) is an intuitive flight director function that reacts to underspeed conditions in a way that allows the autopilot to remain engaged, but prevents the airplane from stalling.

Add all of the advanced safety measures to its existing powerful Pratt & Whitney 500 shp engine, and Piper's new product is a pristine performance machine, one certainly deserving of the attention it is soliciting.

Just how influential is this turboprop? That remains to be seen, but from a company that prides itself on changing the countenance of aviation in the late 1930s with its iconic Cub, challenging the way we think about safety in a turbine seems the progressive natural trajectory. ▶



# MERIDIAN M500



## Refine Your Bottom Line

In an industry where downtime can cost more than a million dollars a day, time really is money. Piper appreciates the need for a reliable, efficient transportation solution to potentially save your company tremendous capital. The M500 provides an integrated approach with industry leading safety features, coupled with 32% less acquisition costs, 50% lower operating costs, and 50% less fuel burn, making this turbine the optimal commuting solution to help refine your bottom line.

**Piper**<sup>®</sup>

[piper.com](http://piper.com) or 1.866.359.7473

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## WHEELS UP

# Collaborative Aviation: High-Quality, Consistent And Transparent

**T**wo years ago, a team of aviation executives came together to combine many of the good elements of other aviation firms to create a company with a simple goal: allow more individuals to fly in a more cost-efficient manner. The result of this collaboration is Wheels Up, and two years into its existence, the company has a fleet of 45 airplanes, consistent service and a straight-forward, transparent pricing system, all of which are making Wheels Up the travel solution of choice for many executives.

“Wheels Up was created based on a model that speaks to anyone looking for high quality, consistency and transparency,” says Robert Garrymore, President, Corporate Sales, for the New York-based aviation firm. “We are scheduled to receive delivery of 10 more planes by the end of the year, and at that point our members will be able to fly anywhere in the country.”

Becoming a member of Wheels Up is the first step in accessing its fleet of planes, which includes the King 350i and the Citation Excel/XLS. A corporation pays \$29,500 to become a Wheels Up member, while a family pays \$17,500. Members have guaranteed access to the company’s entire fleet, and the member service team is available 24/7 to schedule a flight.

A flight can be scheduled up to 24 hours in advance, and the flight is priced per hour, “wheels up to wheels down” at \$3,950 per hour for the King Air and \$6,950 per hour for the Citation. The only additional fee is a six-minute taxi fee to cover the time the airplane spends taxiing on the runway.

Garrymore says while there are many choices for executives looking to fly privately, the Wheels Up model doesn’t have any hidden or surprise costs that can be associated with many other flying alternatives.

“In big-picture terms, we have a fleet of nomadic planes that are all around the country, they all look alike, and they’re all available to all of our members, who simply pay a membership fee and pay a fixed price per hour to use the plane,” he says. “It’s very advantageous if you’re a flyer, because the alternative is to spend a lot of money either on your own plane, a fraction of a plane, or rent a plane from a charter service. All three are good solutions for some people, but we think our model has a lot of advantages.”

All of the planes in the Wheels Up fleet come with two captain-qualified pilots, onboard wi-fi capabilities, eight passenger seats and a fully stocked beverage and food station. Members can also book flights, estimate flight times, access their account and look at their flight history all from the recently launched Wheels Up app.

Wheels Up members also have membership in Wheels Down, a benefit that gives members access to events around the country, including luncheons with dignitaries, private concerts, events at the Masters golf tournament, and evenings spent with ambassadors from sports, entertainment and government.

“Wheels Down appeals to our members who like to network and socialize,” Garrymore says. “We try to create an environment where our members can enjoy themselves and meet some other members. It’s the icing on the cake.”

Over the past two years, the feedback the Wheels Up team has received has focused on the consistency of the program—that it offers its members the same experience no matter where they are flying.

“The private aviation marketplace is not always transparent and there may be additional fees you weren’t aware of,” Garrymore says.

“Sometimes flying privately may turn out to be more expensive than it seemed at first blush. But with no landing fees, no overnight fees and no positioning fees, the Wheels Up model is very transparent. If you need to be places and you’re running a business, it’s a tool that makes a lot of sense.” ▶





# EFFICIENT FLIGHTS FOR REFINED PURSUITS.

Wheels Up is a membership-based private aviation company that significantly reduces the cost of flying private while providing unparalleled flexibility, service, and safety.

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Wheels Up acts as an agent for the Wheels Up members, and is not the operator of the program aircraft; FAA licensed and DOT registered air carriers participating in the program exercise full operational control of the program aircraft. Subject to additional terms and conditions in the Wheels Up Program documents.

# The shortest distance to success.



## S&P 500 COMPANIES USING CORPORATE AIRCRAFT:

Annual Revenue Growth:  
**116% Higher**

Annual Earnings Growth:  
**434% Higher**

Annual EBIT Growth:  
**81% Higher**

Annual EBITDA Growth:  
**32% Higher**

Stock & Dividend Growth:  
**252% Higher**

Share Price Growth:  
**156% Higher**

Market Capitalization Growth:  
**496% Higher**

Study: 2003-2009  
Nexa Advisors, LLC

Focus your time & energy on YOUR business, and leave the aviation to us...

- **Program Development:** Your customized, turnkey "playbook".
- **Financial Planning:** Line-item budgets, tax & legal framework.
- **Acquisition:** New or used; financed or outright purchase.
- **Execution:** Safety, training, air crew, maintenance support.
- **Logistics:** Scheduling & dispatch, accounting, administration.
- **Reporting:** K-1 scheduling, expense tracking, asset management.

**BOTTOM LINE:** You can be CONFIDENT we are your advocate and turnkey provider through the entire process.



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