

Why Does My Airplane Always Seem To Be Sitting In The Hangar And What Can I Do Now To Offset Some Of Those "TOXIC" Calendar Inspections?

By Dean A. Kantis [guest author] / Universal Weather

Our experience has shown that approximately 45% of the aircraft owners do experience financial swings and need to find another avenue to help "cover those toxic maintenance and calendar inspections" because they are no longer using their aircraft 200+ hours per year, and lately it seems they are barely able to use it 85 hours per year. Many times also, they are "locked into" a maintenance airframe and/or engine agreement that they sign that has a minimum of 125 hours per year and if they use only 85 hours per year, they still have to pay the minimum of 125 hours per year. Or it could be their minimum requirements were 200 hours per year, but they are only using it for about 125 hours per year, or wasting about 75 paid hours of engine and maintenance plan costs. This FAA's page offers some statistical data spreadsheets: https://www.faa.gov/data_research/aviation_data_statistics/general_aviation/CY2007/

1-How Do I Create Clean Charter Revenue Near Me?

If you fit into this category where you need help adding some hours and usage to your plane every year, you have some flexibility, then the best solution for you is to be "Matched" with the best Charter 135 Operator who can take care of your plane as good or better than you could, while simultaneously maximizing the quality of flight hours that it has the potential to be flown. Sounds simple right? Wrong. There are over 4,000 registered Part 135 Charter Operators in the USA currently and the FAA has been downsizing since 2013, so their goal is to reduce the amount of charter certificates down to about 2,000 and then delay creating any new ones from start. Concurrently, the FAA is going through its database to remove all of those that are part-time, don't have an exclusive aircraft conformed actively flying, and those that don't have qualified Director of Maintenance (DOM), Director of Operations (DOM), or Chief Pilot (CP) staff. Also, how do you...the aircraft owner, decide and choose which Part 135 Charter Operator will be the best choice for maximizing the quality of flight hours for your specific aircraft?

<https://www.nbaa.org/ops/201302-how-sequestration-will-impact-the-aviation-community.php>

<http://www.universalweather.com/blog/2014/05/purchasing-an-existing-part-121-135-or-145-certificate-part-1-knowing-the-regulations/>

2-What Is The Normal Charter Revenue Split?

Usually, the industry standard split for "charter hourly revenue" is 85% to the Aircraft Owner and 15% paid to the Part 135 Charter Operator. But, that's just the standard before you get into "other costs and benefits" that a more experienced operator may provide the aircraft owner. Thus, the split may change to 90%/10%. Also, the more hours that an operator can guarantee may justify paying them the 15% because they will have more incentives to push your aircraft over another aircraft owner's plane that won't pay more than 10% to the operator's team. This can be tricky and there is a fine line or balance to fine tune. Each 1% point can mean thousands of dollars lost or gained monthly. Consulting a professional that best knows how to locate and negotiate the best terms and conditions for the aircraft owner is omnipotent!

That's where the professional advice, experience and 135 operator following comes in. There are only a handful of companies that for a nominal fee will be able to match the charter operator with the aircraft owner based on criteria through a very thorough questionnaire system. They may charge a small percentage or a flat fee, but this is a small price to pay if an aircraft owner can add 10 or 20 or 50 charter hours per month, which will definitely help cover many of those toxic maintenance and calendar inspections that seem to come up very quickly every year. The trick is for the Part 135 Operators and the Aircraft Owners to find each other, get "MATCHED," and work out the maximize proficiency for that particular aircraft owner.

3- Which Part 135 Charter Operator Is Best For My Aircraft?

The biggest concern any aircraft owner will have, and who wouldn't after going into a multi-million dollar investment, is that someone else isn't going to watch over, fly, and manage their plane as well as they would do. The reality though is quite the opposite. There is usually more risk involved with an aircraft owner singularly owning their own aircraft. Here's why. Most of the time, the 135 operator is involved daily, weekly, monthly, and on the weekends and has all of the systems in place and 10 or more years experience. That said, 99% of the time, they will do a much more proficient job daily in running the operations, scheduling, detailing, and flying the aircraft than a single aircraft owner can do because there isn't just one person relied upon, but in fact it's an entire aviation team making sure that each person's aircraft are used to the best of their extent, which makes them super exceed what one person can do. This is easily covered and thoroughly addressed with the charter operator and legally binded through the agreement's mangement terms and conditions.

Conclusion:

It is our experience, that there is more value to the aircraft owner through rewards and incentives provided by the operator's full service team than an aircraft owner can do on their own solo. Added value such as pilot type ratings and expenses associated with their pilots, full staff or FBO benefits included, office space, file rooms, conference rooms, kitchen and bathroom ammenities, customer/client lounges, 365/24/7 support, customer service, and hangar expensed values all can be negotiated and bundled into the "Match Agreement." All of these costs can quickly add up to be hundreds of thousands of dollars annually that the aircraft owner will have to pay out of pocket anyway even when the plane sits. So, make sure you hire the right consultant who can help you negotiate the best terms and conditions and who looks out for your best interests!

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