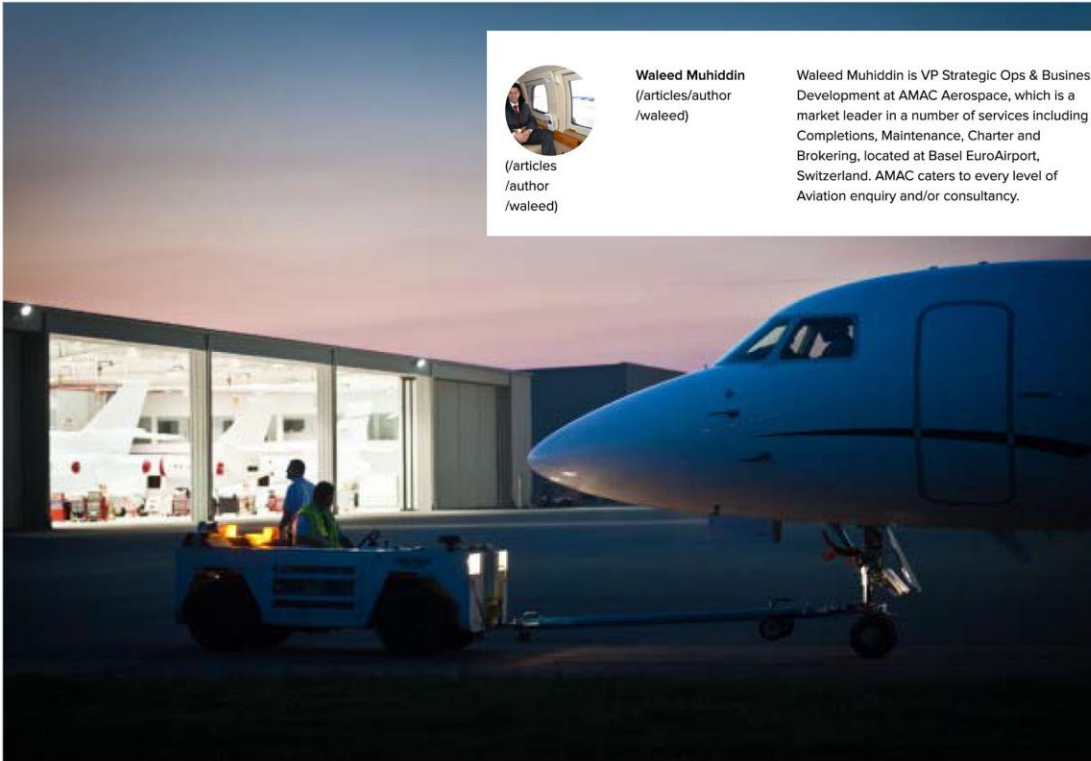


How to choose your FBO

The range of services available at FBOs can vary at every destination. How does an operator choose?



Waleed Muhiddin reviews the regulations affecting FBO pricing and ground handling to reveal a fine balance...

As we see a recovery of the global Business Aviation industry ahead (there are optimistic signs in the US and continuously steady growth in Asia), the Fixed-Based Operator (FBO) landscape reflects the development of the aviation industry in general. But despite improvements in the US market, private jet traffic in Europe over the past year has remained largely flat.

The most recent 'Departures, Arrivals, Internals and Overflights Report' from the European Business Aviation Association (EBAA) and Eurocontrol shows that Business Aviation traffic in Europe is down approximately 1.8 percent over the past year. So in Europe particularly, the FBO industry is a highly competitive market.

World Leaders & Rising Stars

Before we look in more detail at the global FBO industry, let's take a step back in time to where it all began, with opportunistic and unregulated private aviation activity after World War I in the US.

In November 1918, Civil Aviation in the US essentially comprised "barnstormers", or transient pilots flying inexpensive military surplus aircraft from city to city, often landing in farm fields on the outskirts of a town as airports were scarce at that time. Mechanics and early flight instructors of the time moved around with the aircraft and had no established business in any

one location—i.e., at a fixed base.

With the passage of the Air Commerce Act of 1926 and its resulting mandate for the licensing of pilots, aircraft maintenance requirements and regulations in training standards, the transient nature of Civil Aviation was curtailed.

Thus a new Fixed-Base business model followed the fast evolution of commercial and private aviation in the 20th century, and soon spread beyond US shores into Europe. Fast-forward into today, and the FBO business is a truly diverse and global one serving the needs of aircraft crews and passengers just about anywhere they could wish to fly.

Besides the well-known market leaders and top-ranked FBO destinations, today we're seeing a number of excellent new FBOs confirming their up-and-coming status within the industry. For example, speaking to the pilots who fly AMAC's fleet of charter aircraft on routes all over the world, Istanbul Sabiha Gokcen International Airport and Milas Bodrum Airport in Turkey were noted for their extraordinary service, fast customs clearance and exquisite aviation catering.

And regionally speaking, the Middle East currently has a very high standard of operations with short waiting times for refueling or comfortable FBO lounges for both customers and crew, bearing evidence that policy-makers understand the industry's needs. Destinations like Dubai or Abu Dhabi have been on a steady climb up the world's FBO rankings in recent years.

Balancing Act

Discussion with AMAC's pilots also revealed two significant FBO developments have been evident recently.

Cost Increase – Firstly, increasingly burdensome regulatory requirements from local aviation authorities are forcing FBOs to expand their organizational procedures and handling rules. One result is increasing prices for FBO services, and another is longer turnaround times for a stop-over.

We saw an example in Spain last year, where new rules for handling passenger and cargo documents almost doubled the operational costs to touch down and turn-over. On the flip side, several Spanish FBOs went out of business after cutting their prices too low for too long. So what's an FBO to do? While they need to be price-competitive, they must maintain healthy margins and ultimately do so by finding other ways to compete through differentiation from the services they offer over the competition. That leads us to the second observation...

Quality Increase – The second (positive) development is a distinct increase in quality at several destinations.

Thus, the operator in today's Business Aviation world is walking an increasingly fine line between cost and quality of service when choosing an FBO.

Given the growing competition among FBOs, when flying to a new destination an operator should ask plenty of questions to ascertain where they will get the best value, in particular ascertaining information on the following important service aspects...

- **Line service:** How does the competence of the workers meeting the airplane on the ramp and servicing it compare with other FBOs nearby?
- **Passenger amenities:** What is the quality of lounges and conference rooms available, and the availability of ground transportation?
- **Pilot amenities:** What is the quality and availability of pilot lounges, flight-planning facilities, snooze rooms, crew showers, entertainment and recreation, and complimentary crew cars?
- **Facilities:** Ask plenty of questions about the overall cleanliness, comfort, upkeep and convenience of the location in general.
- **Customer services:** How does the friendliness and professionalism of the customer reps compare with those of other facilities? How is their familiarity with the local area and their assistance with reservations and catering?

Be Well Prepared

The overall picture is what matters. Fast customs clearance is useless if you have to wait two hours for the refueling truck to arrive. And a cost-saving FBO offering little more than a bench at the edge of the tarmac for crew to rest is not going to cut it either. Moreover, a large airport is not a promise for a customer-friendly FBO service. Waits can get very long even for business aircraft.

As an operator, the onus is on you to have the situation in your own hands and to maximize your experience with an FBO. You can help this by submitting complete and detailed information about your passengers and loading, in advance.

Ultimately, the operator and the FBO should have the same goal: the safe, efficient and successful completion of the trip. Some FBOs will surprise you by going the extra mile. After all, excellent service is priceless and crucial for client retention. What else do you need?