



Ray of light: From FBO activity to MRO services, such as here at Desert Jet in the Coachella Valley, private aviation has proved to be largely resilient to the economic effect of the coronavirus pandemic.



# US Bizav's recovery flight path

Taking a snapshot of corporate flying in the US, Howard Slutsken talks to FBOs at three regional airports offering a range of concierge, MRO and sales services to see what opportunities have arisen as a result of the global pandemic.

**In the spring of 2020**, global aviation flew into the COVID-19 pandemic's brick wall, with thousands of aircraft grounded and airline flight schedules decimated.

In the United States, airport terminals saw just a trickle of passengers, with only about 500 of the more than 5,000 airports in the US normally served by airlines. However, corporate aviation users were able to continue their point-to-point travel.

"The flying in business aviation did slow significantly, but once the operators learned how to conduct operations safely, flights continued. Essential, humanitarian flights were first, and we're now seeing a return to regular operations," says Stewart D'Leon, Director, Technical Operations for the National Business Aviation Association (NBAA).

## **STEADY RECOVERY IN CALIFORNIA'S COACHELLA VALLEY**

East of the Los Angeles megalopolis is the Coachella Valley, anchored by the popular vacation and recreation destination of Palm Springs.

With nine cities spread out over the 45-mile long valley, many personal flights

target Thermal Airport (TRM) – officially known as Jacqueline Cochran Regional Airport [named after the famous aviator] – at the east end of the desert region.

"A large majority of our traffic, unlike a lot of FBOs, is recreational," explains Jared Fox, CEO of Desert Jet, which operates FBO and MRO services along with a charter fleet at TRM.

"Pre-pandemic, Desert Jet had a very rosy picture. We had just completed our FBO and air-conditioned hangar, and we were happy to be moving out of our temporary facility."

According to Fox, when the pandemic hit in March 2020, FBO operations slowed dramatically, with only a few incoming flights that were almost exclusively passenger pick-ups.

"Then, into April and May, we went down to almost no business in any of our three companies. That was extremely alarming, as you can imagine."

Desert Jet started to make changes to prepare for the unknown impact of the pandemic. But just a month or so later, the clientele began to trickle back into the region.





Seeing an opportunity for its MRO, the company targeted owners of unutilised aircraft. Those business development efforts resulted in an uptick in deferred and scheduled maintenance work.

On its charter fleet, at the MRO, and at its brand-new, touchless FBO building, Desert Jet immediately set up procedures to follow the US Centers for Disease Control and Prevention (CDC) COVID-19 safety guidelines.

“Our primary focus is on safety and service to our employees and our clients,” says Fox. “Our detailing team offers a decontamination process for any aircraft that comes into our FBO.”

Desert Jet continues to see an increase in operations, which Fox said is “primarily because of a tonne of new entrants. Before, people may have had the means but didn’t see the value. They’ve come around now and see tremendous value in utilising private aviation. We’re bullish on all three of the businesses – the MRO, the FBO and the charter company.”

### FLORIDA SUNSHINE

Around 2,200 miles to the east of TRM, Fort Lauderdale Executive Airport (FXE) is one of the busiest non-airline airports in southern Florida, a favourite destination for corporate and private travellers alike.



Blue skies ahead for JA Air Center: “We’re on target to do our busiest month – ever.”

Banyan Air Service has been based at FXE since 1979, providing FBO and MRO services, along with flight training and aircraft sales from its more than one million square foot hangar and office facilities.

Jon Tonko, Director of FBO Services, says that it is “very much business as usual” at Banyan’s FBO.

“Right after the pandemic hit in March 2020, we did have a slowdown across the business. However, by June 2020, we began seeing more traffic. We’ve actually had a 38% increase [in gallons sold] at the FBO, from 2019 versus this year, 2021. And the charter and fractional flights are through the roof.

“There are people who may have avoided jumping into private aviation – maybe they were flying first class on commercial airlines. But then the

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Jared Fox, CEO, Desert Jet

Parks and recreation: Desert Jet continues to see an increase in its operations. “We’re bullish on all three of the businesses – the MRO, the FBO and the charter company.”



pandemic hit, and they decided to invest in a private jet," he adds.

Banyan is the southeast US dealer for HondaJet, and Tonko says that Banyan has sold more of the light jets in the past year than ever before.

"It's getting busier and busier for our aircraft sales department. Aircraft acquisition has been on the rise."

According to Tonko, Banyan's MRO saw a decrease in work during the early phases of the pandemic's restrictions but is slowly seeing an increase in business. It has a client base that's weighted towards aircraft owners from South America, who have only recently been able to return to FXE due to a relaxing of border restrictions.

Tonko said that Banyan follows all CDC protocols at its MRO and FBO and can also provide aircraft disinfection.

The company has recently expanded its footprint at FXE and added additional staff. Tonko is most excited by the addition of Bahamian customs pre-clearance, planned for the summer of this year.

"People flying to the Bahamas will be able to pre-clear and fly directly to their island of choice."

### CHICAGO'S COMMERCE

Shalene England is the Customer Service Manager at privately-owned JA Air Center, with FBO, MRO and avionics services and flight training at Aurora Municipal Airport (ARR), west of Chicago, in Illinois.

"I've been at this a very long time, and it's a roller-coaster. 2020 was not our worst year and was not our best. It was right in the mix. We didn't fire anyone, and we didn't lay off anyone; we just clawed our way through."

England believes that while flights by businesses in the region's sizeable corporate sector had decreased through last summer, those operations were consistent enough to provide stability for JA Air.

And then there's golf.

Once summer arrived, there was an uptick in flights by people she believes



On the up: Fort Lauderdale's Banyan Air Service has seen a marked increase in private jet sales.

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Jon Tonko, Director of FBO Services, Banyan Air Service

"were working from home and not travelling anymore – they needed to get out. These very wealthy individuals started renting, chartering and hopping on planes to go on golf trips. I really think that sustained us through last summer. That was a pleasant surprise."

She also pointed to JA Air's membership of the Commercial Aircraft Association's fuel discount programme as having a positive impact on her company's performance.

But it's the relationship that JA Air developed with its base and long-term customers that has bridged the gap

through the pandemic, according to England. "We love our customers, we treat them well, and it's paid off."

England is now seeing a flood of new clients who may be flying corporate for the first time, moving from the airlines. And although US airline operations are on the rebound, she thinks those people may stick around.

"What do they say? 'Once you fly private, you'll never fly commercial again.' Our hangar has never been fuller, our phones have never been busier, and in fact, we're on target to do our busiest month – ever." ■