



David Weil <dweil.consulting@gmail.com>

Managing Owner & Charter Use

Universal® Operational Insight Blog <noreply+feedproxy@google.com>
Reply-To: Universal® Operational Insight Blog <universal@univ-wea.com>
To: dweil.consulting@gmail.com

Wed, Nov 16, 2016 at 10:27 AM

Managing Owner & Charter Use



Managing Owner & Charter Use

Posted: 16 Nov 2016 04:30 AM PST



This is a post by guest author [Dave Weil](#), CEO and founder of [Flight Dept Solutions, LLC](#). Dave was asked to contribute to this blog because of his expertise in aircraft management and flight department issues. Any thoughts expressed below are entirely Dave's and do not necessarily reflect the views of Universal Weather and Aviation, Inc.

You've just taken delivery of your new business jet and look forward to fully using it to save travel time. However, your CFO reminds you that the aircraft's business plan calls for 200 hours of charter a year to help offset some of the fixed costs of ownership. How will you manage all your business trips while also letting your management company charter out your aircraft?

The natural tension between the owner's use of his or her business jet and the management company's desire to maximize the aircraft's charter hours often leads to disharmony. How can you avoid conflict and maintain a positive relationship with your management company?

Below you will find some tips on how to normalize the relationship between the owner and the management company:

1. State your expectations

First, you must be certain of your goals for charter use, and be able to communicate them clearly to the management company and its charter sales team. Some owners are very willing to accept any trip presented to them, while others reject most requests. Your charter sales team wants to support your goals – and has to know what they are. Clearly define for them how much charter time you want, and what constitutes an “acceptable trip.”

2. Define “acceptable trips”

Many experienced business jet owners require that an acceptable charter request include only charter legs greater than X flight hours with a trip duration of not more than Y days in total. These parameters minimize the wear-and-tear on the aircraft and maximize the number of charter hours flown in the shortest period of time. While the actual flight hour minimum depends on the type of aircraft, this type of requirement usually applies to mid-size and large-cabin business aircraft. For example, a GV owner may specify a minimum leg of three to five flight hours. Exceptions should be considered for regular customers and/or for clients who need a short hop to pick someone up before embarking on a 10+ hour leg from the U.S. to Europe or Asia.

3. Communicate your schedule

You can avoid unwanted charter requests if you consistently communicate your intended future use of the aircraft to the management company. Doing so will prevent them from offering charter trips that conflict with your existing schedule.

4. Use charter if possible

Sometimes your charter sales team will submit a request in which the trip duration exceeds your established limit and/or conflicts with your existing schedule. Consider chartering a small business jet yourself, rather than rejecting the trip outright, should you have only one or two short trips in conflict with an otherwise attractive charter request.

5. Respond promptly

If the charter sales team contacts you or your representative to approve a trip, try to respond quickly. Charter sales representatives are under pressure to get their charter clients an answer quickly. If you don't respond in a timely fashion, you may miss out on a good trip.

6. Consider tax depreciation

