Challenger crash sends ripples across industry

When the Challenger 600 operated by Platinum Jet Management crashed on takeoff from Teterboro Airport in February last year, the impact sent ripples through the on-demand charter industry that are still being felt.

The accident occurred when the pilot of the aircraft, which was operated for compensation and hire and therefore subject to Part 135 regulations, chose to abort the takeoff. The airplane had failed to become airborne and left the end of the runway, crashed through a fence, crossed a busy highway and came to a stop when it hit the brick wall of a warehouse building.

The FAA later grounded Fort Lauderdale-based Platinum Jet and subsequently hit its owners with civil penalties totaling more than $1.86 million for multiple violations of Part 135 regulations. The parties were scheduled to meet December 20 to discuss the matter.

The Department of Transportation alleged “arranged air transportation services” and “represented the quality of service and safety record of the companies with which it arranged air transportation services” and ordered it to pay a civil penalty of $100,000.

In June last year, the FAA issued a notice to all FSDo inspectors directing them to contact each air carrier they oversee “to make sure that these carriers understand their obligations to maintain operational control of flights.”

A little more than five months after the notice to FSDo inspectors, the FAA issued a new wet-lease policy guidance proposal prompted by the Teterboro crash. The administration noted that, “In some cases air carriers have evidently allowed aircraft owners and lessees who hold no commercial certificates to conduct operations under auspices of the air carrier’s certificate and, in a few cases, falsely holding themselves out to the public as air carriers themselves.”

To date, the NTSB has not released a final determination of the cause of the accident, and a $12.5 million lawsuit filed by a motorist against the Port Authority of New York and New Jersey remains in litigation. –K.J.H.

Luis Carlos Affonso, Embraer business aviation division

Luis Carlos Affonso made his entrance into the business aviation market at the Latin American Business Aviation Conference and Exhibition in São Paulo, Brazil, last spring.

It was there that Embraer announced plans to build on the success of its Legacy business jet version of the EMB-135 regional jet with two new airplanes designed specifically for the business jet market—one in the very light jet category and another in the light jet category. They are the Phenom 100 and Phenom 300, respectively. “We plan to become a major player in executive aviation within the next 10 years,” declared Embraer president and CEO Mauricio Botelho. At the same time, Botelho introduced Affonso as his choice to lead the newly formed executive aviation division responsible for business-aviation product strategies, marketing, sales and customer support.

Affonso had previously headed Embraer’s successful development of the 170 and 190 single-aisle jetliners as program director. Managing the new business aircraft division was a natural progression, said a company source.

The new VLJ and light jet programs, and Affonso expects to announce partners in the two projects in the coming months.

Brazilian-born Affonso is a product of his country’s education system, with an engineering degree from the Technological Institute of Aeronautics in his country’s education system, with an aeronautical engineering degree from the Technological Institute of Aeronautics in São Paulo and a master’s degree in business administration from the University of São Paulo. He is a private pilot and glider pilot instructor. –K.J.H.
Hurricane Katrina

The numbers associated with Hurricane Katrina are still soft. At press time more than 1,000,000 people were dead, and the count continues to rise. Some 600,000 households have been displaced; upward of 200,000 people remain unemployed and economic damage is estimated to be between $70 billion and north of $150 billion.

Hurricane Katrina hit the Gulf Coast the morning of August 29 and almost immediately business aircraft operators began contacting the Red Cross to offer transportation. Unfortunately, the organization had no mechanisms to use those resources.

Corporate aircraft operators began falling among themselves using NBAA Air Mall forums. Then they began asking NBAA to get involved as an intermediary between operators and relief agencies.

There was a perception among some members that the organization was spending all its time attempting to relocate the annual NBAA Forum. Then they began asking NBAA to get involved as an intermediary between operators and relief agencies.

Corporate Operators

Lend a Hand

Damaged by what appeared to be a slow response to the disaster, Cate Vailagic, CEO of Lion Heart Aviation, took it upon herself to become a coordinating center. Working out of her Napa, Mo. office, Vailagic began monitoring NBAA Air Mall and matching aircraft operators with supply donors and having them make deliveries to the Baton Rouge region, a major staging area for New Orleans.

Vailagic also networked with the Dream Center, a nonprofit shelter in Los Angeles that made 300 beds available for evacuees. Doug Schulte, chief pilot for Apple, is credited with the first mission delivering supplies to Baton Rouge, picking up evacuees and flying them to the Dream Center. By the end of the first week the center had taken in 240 people, all flown in by corporate aircraft.

Angel Flight volunteer pilots and ground coordinators also went into high gear. They coordinated operations with Cilgillino International, a health education foundation in Winchester Va., and the two provided more than $1.5 million in supplies. Foley Corp., a Caterpillar dealer, transported $600,000 in medical supplies using its Labeline 65.

Without a doubt, volunteers who pitched in to coordinate the effort such as Vailagic, Neil Fournier of Axiom, Robin Edelker of Jetquest, and Schulte and his wife, Marianne, remained a tremendous effort on relief efforts. What was never covered by the major media outlets was the tremendous number of business aircraft that simply showed up at Baton Rouge and other staging area airports.

The three FBOs worked together 24 hours a day to handle the tremendous increase in traffic and fuel consumption. Louisiana Aircraft, Executive Aviation and Capital jet as center coordinators, shared fuel supplies and supported both military and civilian operations. Hundreds of general and business aviation aircraft arrived unannounced. They would drop off hundreds of pounds of supplies and depart. No one seemed to notice, though many famous people showed up, including John Travolta in his 707 and Oprah Winfrey with her Gulfstream GIV; all were loaded with supplies.

For weeks business aviation continued flying for the relief effort. Business aviation is estimated to have evacuated about 1,000 people and moved a couple of hundred thousand pounds of supplies, water, medical equipment and food to the disaster area. As one observer at EBACE pointed out, "Only business aviation had sufficient lift capacity and operational flexibility to make the happen—not the military and certainly not the airlines."

Airport Damage

The randomness of Katrina could not be more harshly demonstrated than in the contrast between the extensive damage to New Orleans Lakefront Airport and the minor damage at New Orleans International Airport (MSY). While MSY didn’t go untouched, the damage was minimal and the airport was operational the day after the storm.

Atlantic Aviation was hit the hardest. Metrojet was destroyed and the building was still not operational, and the Atlantic Aviation and Airport facilities were destroyed.

Million Air was wiped out, but it has since brought in a temporary mobile hangar and emergency power. Catapult hit also felt the spike, as the cost of fuel hit $6 a gallon in some places, though for the most part prices dropped almost as dramatically within a week or two.

The fact that Katrina cloaked the Gulf Coast area, where slightly less than half the oil-refining capacity and 25 percent of crude oil production in the U.S. is located, didn’t seem to dispel the concern about possible price gouging. While there were doubts among those who sought to profit from the plight of others, FBOs pressed a valid point.

Those FBOs that were faced with buying fuel in the short term would have to pay significantly more per gallon than the price of the fuel they were currently pumping. It was common sense to increase the cost of a gallon of fuel early in anticipation of the higher replacement cost.

When the sky finally cleared and assessment crews deployed, the damage wasn’t as bad as observers originally feared. Many of the refueling and shipping problems were related to loss of power and the system was fixed. Eventually the cost of fuel dropped to its normal price per gallon.
Goudou spent 10 years testing aircraft engines for the French government’s General Delegation for Armaments, so he can cope with an ungodly noise, and he appears to have the tenacity to see through the long but essential process of building the EASA as Europe’s answer to the FAA.

Few disagree that the EASA is stymied by—having of legal necessity—emerged from the European Union’s Byzantine complex of political and administrative structures. But Goudou, who appears to be an able pragmatist, is boosting the agency’s body of experts and refining the new processes that are being introduced to meet the goals of clear and consistent air safety regulation.—C.T.

Kathleen Blouin, NBAA senior v-p, conventions, seminars and forums

Kathleen Blouin spent the night of August 28 glued to her television as Hurricane Katrina barreled toward New Orleans. She knew that a direct hit on the fragile city could spell disaster. Upmost in her mind—and in the minds of other NBAA staffers—were thoughts of the upcoming convention, scheduled to be held there in a little more than two months. “Total fear,” was how Blouin described her emotions as Katrina bore down on the Louisiana Gulf Coast, an unstoppable wrecking ball of destruction. As NBAA senior vice president for conventions, seminars and forums, Blouin oversees all aspects of the annual convention. Katrina would complicate the job vastly.

Scrambling to find a new venue, Blouin and her staff managed to secure a spot for the show in Orlando by rescheduling the convention a week earlier than planned and agreeing to hold it in the new North/South Hall adjacent to the main convention center. Blouin personally oversaw the effort of transferring the show to the new location, including rearranging a giant jigsaw puzzle of more than 1,000 exhibitors needing space. In spite of the hurried changes, the show drew an impressive turnout, with a final tally of 28,796 registered attendees, exceeding the 28,574 attendees registered at the previous Orlando convention in 2003. A record 1,142 exhibiting companies set up shop for the show, and Blouin said the configuration of the North/South Hall was so well received that the convention will be held in that building when the show returns to Orlando in October.

As for the 2008 convention scheduled for New Orleans, Blouin said she will visit the beleaguered city this month to see the rebuilding effort for herself. At this point, she said, NBAA has every intention of holding the show in the Big Easy as planned. —S.P.

Ben Bartel, Fairchild Dornier

Not often do AIN’s Newsmakers manage the annual list by getting arrested, but the contrast between Ben Bartel’s grand vision for Fairchild Dornier and the ultimate reality proved too stark to leave unmentioned. For not only did the supremely confident Bartel fail to return Fairchild Dornier to viability, the circumstances surrounding the company’s collapse have once again raised the specter of legal impropriety.

After buying the company out of bankruptcy, Bartel trumpeted plans to rejuvenate a client base disillusioned by poor customer support, add hundreds of workers to Bavaria’s flagging employment rolls and restart the 328Jetline assembly line by January. Two years later the company had fallen back into bankruptcy and Bartel stood at the center of a German investigation into suspected tax fraud.

On July 27 German police arrested Bartel at Frankfurt International Airport on suspicion that he evade €7 million ($8.53 million) in taxes. Although authorities released Bartel within two weeks, Munich attorney general Ruediger Hödl told AIN that the investigation will continue at least into this month and that the former Fairchild Dornier principal owner remains a suspect. Hödl said he could not discuss the specifics of the case until he hands down an indictment. However, the case appears to involve a transaction in the Cayman Islands, where Bartel established a subsidiary to buy 12 used Dornier 328 turboprops from Fairchild Dornier bankruptcy administrators and lend the tax-free proceeds to AvCraft’s assembly plant in Oberpfaffenhofen, Germany.

Bartel first disclosed the plan publicly while talking with reporters at the 2003 Farnborough Air Show, at which time he said his lawyers assured him of its legality. In fact, not only after Fairchild Dornier filed for insolvency did any suspicion of wrongdoing come to light. Now, as creditors clamor for at least partial repayment of their accounts, Fairchild Dornier’s bankruptcy administrator has ended all attempts to sell the company intact. Recently, UK executive charter operator Club328 agreed to buy the 328Jet’s type certificate and assume responsibility for product support. No other companies have surfaced as serious
Anthony Coscia, Port Authority of New York and New Jersey

Capping the number of annual operations is politics as usual at European airports, but the practice is distinctly un-American, and business aviation users of Teterboro (N.J.) Airport (TEB) are worried. Anthony Coscia is chairman of the Port Authority of New York and New Jersey, which operates the airport, along with the three major airline airports in the New York metro area-JFK International, Newark Liberty International and La Guardia. Coscia has said he will use “whatever means necessary” to limit growing traffic at Teterboro, the closest general aviation airport to Manhattan and one of the busiest in the country. In October, Coscia announced plans to cut back traffic at TEB by 10 percent through a combination of increased landing fees, voluntary nighttime cargo-flight cutbacks (based in large part on a recent ruling allowing electronic transfer of bank records), a Stage 2 ban and a weight limit of 80,000 pounds down from the current 100,000-pound limit. The PANVJ1 position is that those restrictions should achieve the 10-percent reduction in traffic without resorting to outright limitations on operations. But at a meeting of the Teterboro Users Group (TUG), members expressed fear of draconian cutbacks on their flying. While Coscia has cited a 10-percent figure, Congressman Steve Rothman (D-N.J.) has loudly voiced his ambition for a 25-percent cutback in traffic at the airport, which is located amid some of the most densely populated acreage in the country. Of particular concern is the 80,000-pound limit, in part because it would use an airport’s mows as its standard, rather than operating weight as does the current 100,000-pound limit. Lowering the limit to 80,000 pounds would eliminate all ultra-long-range business jets, such as the Gulfstream G550 and GV-SP the Bombardier Global Express and Global 5000.

Airport manager Lanny Rider told the TUG members, “The chairman [Coscia] is a very intelligent man. He understands the TUG members, “The chairman [Coscia] is a very intelligent man. He understands the

Although the November certification of the Vision 1 synthetic-terrain 

president and CEO

has decided that the changes he proposes represent the best for long-term traffic management at the airport. He wants to effect demonstrable change at the airport, and he wants to do it quickly.” –M.P

The November 21 maiden flight of N225GV, Nike’s recently acquired 2002 Gulfstream V, ended uneventfully, but not as originally planned. Carrying Nike president and CEO William Perez, four other Nike executives, two pilots and a flight attendant, the twinjet took off from Nike’s headquarters in Hillsboro, Ore., for an intended trip to Toronto. But as the landing gear was being raised, the crew got an EICAS alert that the right main gear door had not retracted. “We cycled the gear down and at that point we got a right main gear not down and a red handle,” pilot David Newton told AIN. Now the crewmembers knew they had a bigger issue, although they did not immediately know that the gear was jammed halfway down. When yawing maneuvers to swing the gear free didn’t work, Newton, using CRM to its fullest, initiated a “giant conference call” with other members of the flight department and Gulfstream engineers and pilots in Savannah. On their advice, Newton repeated the yawing maneuvers, but to no avail. A low pass by the tower revealed that the wheel was resting on the door. Digital photos were taken on a second low pass and copies transmitted to Gulfstream, where it was determined that the gear and gear door got out of sequence and the gear wouldn’t lower because hydraulic pressure was pushing the gear door against the wheel. Said Newton, “We shut down the left engine to remove hydraulic pressure from the landing gear. Then from about 16,000 feet we pitched down and accelerated to 250 knots before pitching to about 20 degrees nose-up. We let the airspeed drop down to about 180 knots, pushed the airplane over the top for a negative-g maneuver and sideslipped down the right side, which freed the gear.” Newton emphasized that the crew made a special effort to keep the passengers in the loop. “That is probably the most powerful thing that I learned out of this—keeping the passengers involved in what’s going on keep them calm, cool and collected.”

Speaking to the media some 45 minutes after landing, a composed Perez praised the crew—pilot Newton, copilot Blair Gannion and flight attendant Melody Peters—for their calmness, the professional job they did in handling the incident and for keeping the passengers completely informed “every step of the way.” –G.G

James May, Air Transport Association

Business aviation has confronted the specter of user fees before, but this time it’s different. The reason it’s different this time around is that, rather than squabbling among themselves (legacy carrier versus low-cost carrier) as in past wrangling over the prospect of user fees, the airlines are now united in their assessment that business aviation is not paying its way when it uses the national airspace system.

The airlines are insisting that operators of business aircraft should pay fees for their share of the FAA’s airspace and airport costs. They also believe that business aviation is poaching their most lucrative customers: the “poachers” in turn believe that the airlines have no one to blame but themselves after years of “sticking it” to the business traveler with ever declining service and ever more manipulative fare tactics.

From business aviation’s perspective, if there is a villain in this play it has to be James May, president of the airlines’ lobbying group, the Air Transport Association. May has been leading the movement to slap business aviation with user fees by asserting that the airlines pay 90 percent of the costs but use only 70 percent of the service. Business aviation has dug in by retorting that it already pays for the services it uses in the form of a fuel tax.

Working in the airlines’ favor is an alignment of fiscal planets that has both the FAA’s current authorization and the aviation excise tax authorization expiring on September 30 next year. “User fees could take effect on that date,” notes NBAA president Ed Bolger, who adds, “Consider this probably the greatest threat to the future of business aviation that I’ve seen during my 10 years as part of the community.”

NBAA is urging anyone involved in business aviation to get involved in fighting this onslaught by writing to their elected representatives. It is indeed shaping up to be a serious slugfest with much at stake. –N.M

NY Trac onc

Topping (or should that be bottoming?) the 2005 underachievers list were the air traffic controllers at the New York Tracon.

Continued on next page

of Jet Aviation

Oct. 8Ray Segfried II, president and founder of The Nordam Group, dies

Oct. 8NetJets pilots and management reach tentative agreement

Oct. 18First post-911 general aviation flight arrives at Ronald Reagan

Oct. 21First post-911 general aviation flight arrives at Ronald Reagan

Oct. 23Bombardier announces temporary suspension of CRJ200 production

Nov. 7Gulfstream G150 receives FAA nod

Nov. 9Universal Avionics gains STC and TSO for its Vision 1 SIVS on King Air 350

Newspaper publishes the obituary of co-founder Donald Burr

NBAANov. 15Bombardier announces temporary suspension of CRJ200 production

Nov. 16David Newton (left) and Nike director of Aviation Don Kindred board a Nike’s Gulfstream N225GV. www.ainonline.com • January 2006 • Aviation International News 25
where 25 percent of the incumbents reportedly earned more than $300,000 per year, or roughly $8,000 less than the U.S. Vice President.

Under a unique union staffing schedule, New York controllers worked three hours and 39 minutes during an eight-hour shift, significantly less than controllers at any other Tracon, according to an independent audit team called in by the FAA, but “understaffed,” according to the National Air Traffic Controllers Association (NTACA).

As a result of the union schedule, over-time at the NY Tracon reached an average of $3.6 million per year, compared with $21,000 per year using the approach that other Tracons employ. Nonetheless, the audit team uncovered instances of controllers illegally “gaming” the system to get yet more overtime pay.

Health and stress issues also arose at the Tracon, where controllers consistently used more than 100 percent of their sick leave. Stress—for which a doctor’s certificate is not required—also took a significant toll. At the NY Tracon, controllers claimed 3,030 hours of Workers Compensation for job-related stress in the first 14 weeks of last year. During the same period, combined stress-related absences from the Potomac, Atlanta, Southern California, Northern California and Chicago Tracons totaled 504 hours.

NTACA President John Carr said, “The FAA has created this chaos by its own hand. It has understaffed the facility.” The FAA responded that with 225 controllers, “the facility is more than adequately staffed,” and pointed out that 170 controllers could operate the Tracon safely, under proper scheduling.

In December, the FAA said contract talks with NTACA were deadlocked over union demands on pay, scheduling and work rules and called for federal mediation. The FAA stated that controller pay has increased by 74 percent since the last contract in 1998. Nevertheless, the union reportedly wants a 5.6-percent increase in controller pay through economies of scale in accounting, human resources, billing and other areas. Private equity investors also anticipate improved buying power when it comes to negotiating prices on fuel and other commodities as well as operating necessities such as insurance and legal services—M.P.
intentionally put down gear up during the emergency landing, sustained damage to the wings, fuselage and empennage. The two crewmembers and two researchers, one of whom works for Sikorsky Aircraft, aboard the Citation were uninjured in the accident. UND said the mission involved certifying a helicopter, the Sikorsky S-92, in icy conditions when the Citation’s engines quit following a “loud bang” several minutes after the de-ice boots were cycled to shed accumulated ice.

“Given the weather conditions and the formidable terrain in Alaska, the safe landing without injury was a remarkable display of armament on the part of the pilot,” said Bruce Smith, dean of UND’s Odegard School of Aerospace Sciences.

About two months later, on November 28, the crew of a Flight Options Beechjet 400A (N969TA) experienced a dual engine flameout at FL380 on a positioning flight from Ronald Reagan Washington International Airport to Marco Island Airport, Fla. According to the NTSB, the unidentified Beechcraft crewmembers subsequently made two restart attempts and an air-start attempt before deadsticking the twinjet to a safe landing at Jacksonville International Airport in Florida.

An eyewitness who has previous Beechjet experience told AIN that N969TA landed on Jacksonville’s Runway 7 and stopped at Taxiway G, about 6,500 feet down the runway. A Jacksonville airport spokesperson confirmed this information and said that, several days after the NTSB examined the fractional aircraft, the twint was serviced at Signature and departed without further incident. Flight Options confirmed only that one of its aircraft was involved in an incident on November 28.

This made the second such Beechjet flameout at the Cleveland-based fractional provider. On July 12, 2004, both engines of a Flight Options Beechjet 400 (N454CW) flamed out over the Gulf of Mexico with seven passengers aboard. The crew of N454CW was able to restart the right engine and safely divert to Sarasota, Fla. The NTSB said in January that N454CW had a lower-than-normal amount of anti-icing additive in its tanks. Beechjet 400s are not equipped with fuel heaters.

The NTSB is still investigating last year’s two flameouts, as well as the 2004 incident. –C.T.

Satellite weather changes everything

Nexrad weather data, either down- or uplinked to an aircraft, has been around for several years, but narrow bandwidths and spotty reception had limited traffic on that information “highway” to a trickle. When the team at XM Satellite Radio linked up with WxWorks, all that changed. It is now possible to count on receiving
advanced weather products from WxWorx every five minutes on an array of panel-mounted avionics displays—and even on handheld devices such as the Garmin GPS396. More than one owner-pilot has commented that the availability of so much weather information is the most significant development for aviation since GPS.

Robert Barton is an avionics expert and president of WxWorx. But Bartron is the first to insist on sharing the credit for this development with XM Satellite Radio president and CEO Hugh Panero, XM’s chief programming officer (and Cirrus owner) Lee Abrams and all their colleagues—including the Innovation Team based in Deerfield Park, Fla., a sort of XM Radio skunkworks where new applications of the technology are developed.

A Piper Chieftain owner with whom AIN talked has recently installed an Avionyx EX500 multifunction display with XM Satellite weather. For the $50-per-month subscription fee, he receives updates every five minutes on Nexrad weather radar graphics, satellite mosaic depiction, echo tops, winds aloft and on the surface, lightning, storm cells, metars, TAFs, airmets, sigmets, TRAs, freezing levels and forecasts. (For an additional $12.95 per month, pilots also can receive XM’s 120 radio channels, including music, comedy, talk and sports.)

But even the devotees at WxWorx and XM Satellite Radio caution pilots that the five-to-10-minute lag time can be dangerous. Weather can move quickly, and storm cells can form and build rapidly, so the data is best used for strategic planning only, not as a means of maneuvering through a line of dangerous convective activity.—M.P.

Ronald Reagan Washington National: No longer closed to general aviation

Although Ronald Reagan Washington National Airport (DCA) was ceremoniously reopened to some limited general aviation operations on October 18, the response from the industry has been understated.

After the first arrival taxied under the arcs from two water cannons shortly after dawn, one other chartered GA aircraft used DCA later that day. By all accounts, there has been a paucity of GA activity. The initial general aviation flight was a Hawker 1000, Parked in the New World Jet for Jet Aviation, which had flown into Washington National from Teterboro Airport in New Jersey. After the Hawker taxied to Signature Flight Support, the first passenger to deboard was National Air Transportation Association president Jim Coyne, whose

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Mercury Air Centers: John Enticknap to Kenn Ricci

John Enticknap

Kenn Ricci

Jones deferred comment on the management changes to Kenn Ricci, founder of Corporate Wings and former CEO of Flight Options. Another Mercury executive who was not to be identified referred to Ricci with a chuckle as “the CEO of everybody.” Few details related to the management changes have emerged, and Ricci has kept a low profile.

Mercury Air Group sold the Mercury Air Centers chain, one of its seven divisions, to investment firm Allied Capital in 2004. Not all locations were included in the deal, specifically long-term leases. For example, remained within the Mercury Air Group corporate stable. In the first half of last year, Ricci negotiated a deal with Allied Capital that involved shifting control of his holdings in Corporate Wings to Mercury in exchange for an equity position with the chain. —IA

Transportation Security Administration: David Stone to Edmund Hawley

It was early Fall all over again when in April 2004, long-time Admiral David Stone tendered his resignation as head of the Transportation Security Administration (TSA). After more than a year on the job, he became the third administrator to leave the agency in its three-year existence.

Although Stone had received high marks from general aviation groups, under his watch the TSA was accused of losing staffing, spreading and purchasing the wrong technology. One newspaper said the Bush Administration requested that he step down.

But Pilot NTSB Chairman Dan Shoup said “Ed” Hawley, who had returned to private industry after helping Transportation Secretary Norman Mineta set up the TSA shortly after 9/11, was more or less a straw man. He had received a top-quality, high-end job at Honeywell. He wouldn’t do it. As a result, the NTSB is embarking on a transition to a new leader.

Honeywell: Robert Johnson to Robert Gillette

Robert Johnson

Robert Gillette

Honeywell last January named Robert Gillette president and CEO of the company’s $10 billion aerospace business unit in Bethesda, replacing longtime semi-retired Robert Johnson, who is retiring this month after serving for the majority of his 47-year chairman. Gillette gained a reputation with Honeywell as a results-driven manager after he successfully completed three and half year sale as president and COO of the Raytheon, U.S. company transportation systems division, which included a variety of avionics-related businesses, before coming to Honeywell. Gillette worked for 10 years in central electric power divisions.

At his first order of business after taking the helm of Honeywell Aerospace, Gillette set in motion a reconstruction of the division that will sell products by market sector rather than the

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Boeing: Harry Stonecipher to James McNerney

When he assumed the chief executive position from former CEO Phil Condit in December 2003, Harry Stonecipher promised a return to the ethics standards of the company’s top executives that the company had “agreed to ignore” while resorting to undervalued tactics to win big military contracts.

Only 15 months later the Boeing board forced Stonecipher to resign after it learned of the 68-year-old affair with a female subordinate—a violation of a new company code of conduct adopted after the defense scandals and often cited by Stonecipher as evidence of Boeing’s ethical progress.

CEO James McNerney, who took the helm last year after 10 years as division chair, came with extensive experience in the aerospace business and, perhaps, just as important, to the board, a squarely clean reputation.

No permanent replacement yet for Carmody at NTSB

At times during the past year the NTSB members appeared to be playing musical chairs. First, longtime member and former acting chairman Carol Carmody left the board at the end of her term on April 1 after nearly five years as a member, the same role she held from 2001 to 2003, during which time she twice became the agency’s acting chairman.

Ellen Engleman Conners, whose two-year term ended March 23, eventually received the president’s nomination to serve a second two-year term as chairman, but amid reports of dissent within the board over her management style, she announced on December 7 that she would not seek reappointment as chairman, and the board is to begin its search for a new leader.

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Jet Aviation: Hirschmann named chairman

The huge family business is jet charter, was a veritable business aviation dynasty. But since at least early 2002, there had been an indication that a possible change of ownership at a high-end aircraft service group, Jet Aviation, then in August last year and last month, things had gone from bad to worse.

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association, with NBAA, spearheaded the drive to return GA to DCA after a four-year-long absence in the wake of 9/11.

The dignitaries from the aviation industry, Congress and the federal government who greeted the flight characterized it as a “giant first step,” but general aviation activity at DCA remains a pale shadow of its former self. In 2000, Reagan National handled 44,592 general aviation flights, an average of 122 a day.

Under current Transportation Security Administration (TSA) guidelines, 48 general aviation flights are permitted each day. All inbound flights must originate from one of 12 gateway airports where the crew, passengers, baggage and aircraft undergo TSA-approved scrutiny. Each flight also must carry a TSA-approved armed security officer.

Lawmakers on hand for the inaugural flight indicated they would work to further reduce some of the stringent requirements for GA operations at DCA. “You have to walk before you can run,” said Rep. Tom Davis (R-Va). “This is a first step.” –P.L.

Handoffs

Europe-based private equity group Permira bought a controlling stake in the company—rumored to be around 75 percent—for an impressive price estimated to be more than $700 million.

The Hirschmanns didn’t relinquish control of Jet Aviation hastily. Nor did they do it without encountering some turbulence along the way. In April 2003, just over a year after the family first indicated a willingness to sell, Thomas Hirschmann (son of company founder Carl Hirschmann Sr.) suddenly quit as the group’s chairman and CEO after a barely disguised disagreement with his mother and siblings.

Everyone in the business aviation industry knows of the Hirschmanns, but who or what is Permira? The group was founded in 1985 through an alliance of private equity funds and the UK-based Schroders merchant bank. It now manages some 18 funds collectively valued at some $13 billion. The only Permira executive to have gone public on the Jet Aviation transaction was Frankfurt, Germany-based managing partner Thomas Kroen, who appears to have been involved in closing the deal.

More important, from the point of view of Jet Aviation’s customers, continuity is provided by the fact that Heinz Koehli remains CEO of the Zurich-based group. According to a company spokesman, no decisions have been made about envisioned changes on the Jet Aviation board since the deal was formally completed and approved in October. –CA.