

Checklist: How to Select the Right Aircraft Management Company



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 are planning to purchase an aircraft and have decided to use an aircraft management company to help operate it. As you start to investigate your options, you learn there are many companies to choose from and are uncertain as to the best way to proceed. This article highlights some of the key issues to consider when deciding which aircraft management company to use.

Each aircraft owner needs to determine which selection criteria are most relevant for his or her unique situation. Typically, there are some criteria that are common to almost all owners, and there are other issues that are very owner-specific. The goal for both is to avoid unpleasant surprises after the management agreement is signed.

Below is a discussion of some of the criteria that are most applicable when deciding which aircraft management company to work with.

Common criteria

1) Safety

Safety should always be the number-one criterion. If an aircraft management company cannot satisfy an owner regarding safety, then there is no need to go any further. Following are some questions to ask:

- What is the company's accident, incident and Federal Aviation Administration (FAA) violation history?
- If an accident, incident or violation occurred, what did the company change in response to it?
- Is there a [Safety Management System \(SMS\)](#) in place?
- Is there a safety officer position that reports directly to the president of the company?
- Has the company received a 3rd-party audit? If so, what were the results?
- How does the company reinforce a "safety first" culture in its daily operations?

2) Operational experience

Here is a key question to ask about a company's experience:

- Does the aircraft management company have prior experience operating your type of aircraft on missions similar to what you have planned?

3) Management fees and fleet discounts

Here are some questions to ask about the company's pricing:

- How does the aircraft management company charge for its services?
- What fleet discounts can it offer its clients?
- Does it mark up any parts or services?
- How transparent is its accounting and reporting?
- Does it establish separate operating accounts for each owner?

Owner-Specific criteria

1) Specific airports

Many owners have specific airports they wish to fly into, and there may even be a preference for landing or taking off at specific times of the day or night. Such concerns should be discussed with the aircraft management company, in case the company's internal procedures limit access to certain airports.

2) Flight and duty day limits

There may be specific long legs the owner expects to accomplish in one day. Let the aircraft management company know, so its staff can determine how their recommended flight and duty limits apply to those legs.

3) Unique structure

Often an owner's aviation attorney will establish a unique ownership/leasing structure that is somewhat complicated. An owner needs to make sure the aircraft management company can deal with the additional complexity from a procedural standpoint. Not every management company can.

4) Service delivery

Some owners want to be very involved with their crew and freely communicate with its members. Other owners do not want to deal with the crew at all and prefer to have their staff take care of all planning and scheduling details directly with the aircraft management company staff. An owner needs to make sure his or her preference for crew involvement in the service delivery matches the aircraft management company's internal procedures. Otherwise, such miscommunication can become a source of frustration for the owner.

5) Airport fuel costs

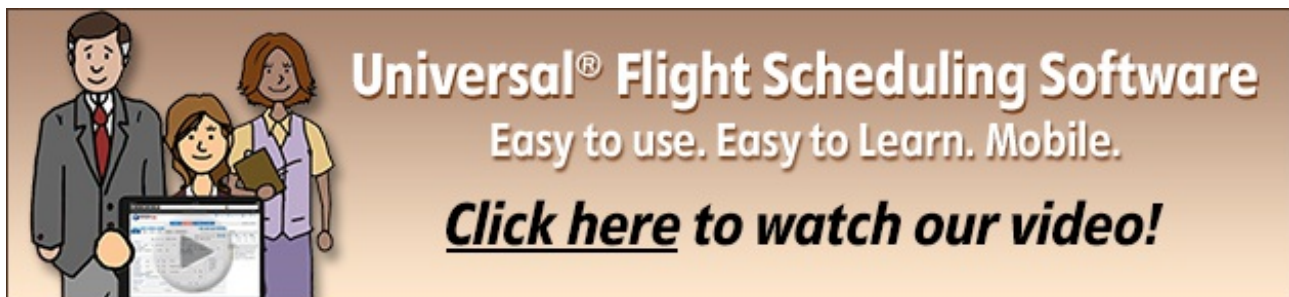
What fuel discounts does the aircraft management company have in place at the airports the owner will frequent most often?

Conclusion

Some of the common key decision criteria for selecting an aircraft management company are listed above. Aircraft owners should spend some time thinking about their unique aviation requirements so they can come up with their own list of decision criteria. Such criteria should be documented so they can be discussed with each candidate company in order to determine the best fit. If this process is done well, unpleasant surprises will be avoided, and it is likely the aircraft management relationship will be a success.

Questions?

If you have any questions about this article, contact me at dweil@flightdeptsolutions.com.



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Dave Weil is the CEO and founder of Flight Dept Solutions, LLC, where he and his team create customized solutions related to operational support and financial management for aircraft owners and aviation companies. His career in aviation spans more than two decades serving in senior executive positions with prominent business aviation companies, including 10 years at TAG Aviation USA where he was CFO and Executive Vice President. He also led TAG's expansion into Asia and served as the first managing director for TAG Aviation Asia. Dave possesses a CPA and MBA and is a former chairman of the National Business Aviation Association (NBAA) tax committee. He can be reached at dweil@flightdeptsolutions.com or 650.619.5232, or you can [connect with Dave on LinkedIn](#).

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