OWNER & PILOT Advantage

A Magazine for Owners and Pilots from Skytech, inc. Publications

WEATHER FLYING:

USE ALL OF THE TOOLS IN YOUR BAG

IN THIS ISSUE:

USE ALL YOUR RESOURCES

Having options in the world of aviation is never a bad idea. From multiple runways to fuel reserves, the more flexibility in your corner – the less stress in your cockpit. Dealing with weather is no exception. Our cover story speaks to this important subject. Don't limit yourself with one source and box yourself in with limited alternatives. Both in pre-flight planning and enroute, comparing the information of multiple outlets can open your eyes to the complete picture, present clear choices and increase overall safety. Of course, knowing how to properly use your equipment and each system's limitation is just as important.

Navigating the aircraft sales or management marketplace can sometimes be just as stressful as picking around a line of weather. Keeping pace requires having your hand on the pulse of several parameters at once and being able to react before an emerging trend becomes the industry norm. Skytech has our hand on the pulse of buying, selling, and managing aircraft. Our industry affiliations coupled with maintenance facilities that oversee hundreds of airplanes a year gives us an inside track. Equipped with over 100 years of combined general aviation experience, we can provide you with the knowledge necessary to successfully achieve your transportation goals.

Skytech, Inc., publisher of this magazine is an aircraft sales and service company with FBOs in Westminster, MD (DMW), Rock Hill, SC (UZA – Charlotte Metro Area) and Administrative Headquarters in Baltimore, MD (MTN).

Your thoughts, suggestions, comments and criticism are important to us and we will always welcome reader feedback.

Please respond to:
Mike Fitzgerald
Executive Vice-President
mfitzgerald@skytechinc.com

Vref

THE MARKET SNAPSHOT

WHAT IS GOING ON?

We want to make it very clear that, in most cases, there are fewer airplanes for sale than in the dark days of 2009. That is a good thing! Nevertheless, in most cases, availability is much higher than it was when we called the market *Hot* back in the summer of 2007.

Most airplanes, new-and-used big-and-small, have been an insanely good deal for at least a couple of years. Are there just too many for sale? Or, are there are too few real buyers? Yes to both questions. Inventory has dropped since '09 –no doubt about it. And fortunately, there is activity. But at the present time, the current supply of qualified buyers is just not enough to clean out the surplus and stop prices on many airplanes from falling.

We are confident the European debt crisis will be worked out. However, another problem lingers, and that is the aftershock felt in aviation (and probably everywhere) from the switch to responsible lending. Do we agree with the new standards such as bigger down payments and making sure borrowers are actually qualified? Absolutely yes we do! It's the best thing for the long haul. Conversely, in the near term, it will make digging out of our economic hole more challenging.

WHAT CAN WE DO?

We are doing it. The aviation industry is doing a better job than ever of keeping up with market conditions, adjusting prices and giving airplanes new homes. No matter what the world looks like this year or next year, airplanes – and helicopters – will be wanted and needed.

PISTON SINGLES AND TWINS

Prices have remained flat quarter after quarter. Fortunately, most dealers report activity is good if the airplane is priced right. Unfortunately, there are still too many owners who insist on adding for every prehistoric radio and sunshade in the airplane, thus pricing their airplane out of the market. New touchscreen GPSs and glass panels add lots of value; but even the venerable GNS430 is becoming old school.

TURBOPROPS

This is another relatively stable market as the average turboprop continues to battle the recession. No upward pressure is apparent in prices, but activity remains, "not too bad if priced right."

JETS

It may no longer be proper to say there is a glut of jets for sale, but prices continue to erode for many airplanes. That is a more politically correct way of saying the activity is almost entirely price driven. While we are not awash in an ocean of airplanes, circa 2009, for some we still see double, triple, or quadruple the inventory that was available in 2007. And, this is after widespread discounting. ■

YEAR END UPDATE & LOOKING AHEAD TO 2013

Tax and fiscal cliff is the hot topic as many tax provisions will expire on December 31, 2012. This will impact aircraft deductions for 2013. Bonus Depreciation for new aircraft will also expire this year. Section 179 Expensing will drop from $139,000 in 2012 to $25,000 in 2013. Therefore, the depreciation of a business aircraft will be subject to basic depreciation rule, typically a 5-year depreciation schedule based on double declining balance for a Part 91 aircraft.

One planning opportunity exists for prospective aircraft buyers to preserve the option of taking 50% bonus depreciation:

- Signing a binding contract to buy a new aircraft by December 31, 2012
- Making a non-refundable deposit, the lesser of:
  - 10 percent of the cost, or
  - $100,000
- The aircraft should have an estimated production period exceeding 4 months
- The cost of the aircraft exceeds $200,000
- Taking delivery and placing the aircraft in service for Part 91 operation by December 31, 2013
- Deprecation will be taken on your 2013 income tax return

If completing a purchase in 2012 is not possible, this is an excellent opportunity to take advantage of bonus depreciation in 2013.

For current aircraft owners, the fourth quarter is a good time to perform an annual inspection of your tax records. The following is a checklist of items that may apply to your business aircraft:

- **Flight Log –** This is the single most important documentation to support the business usage of your aircraft. A detailed and timely kept flight log is required to provide justification of your aircraft deductions. When you review tax court aircraft cases, lack of supporting documentation is one of the most common errors committed by taxpayers. Meeting notes or agendas, expense receipts and other explanations of each business flight should be kept organized.
- **Business & personal use computation –** The IRS released final regulations regarding the disallowance of certain deductions for the entertainment use of business aircraft. These complicated rules should be reviewed and its implementation can result in higher taxable income. You should begin planning to minimize the effects of these regulations for 2013.
- **Related party rental rules –** If your aircraft is leased to related companies, you may review these rules and flight activity for 2012. This rule requires the adoption of straight line depreciation method and the re-computation of depreciation deductions for prior years.
- **State sales and use tax compliance –** Claiming rental or charter use exemption or interstate commerce exemption with your home state will require computing and meeting minimum rental, charter or business hours by year end and filing the necessary sales tax return with state taxing authority. ■

Aviation Tax Consultants (ATC) assists aircraft purchaser in acquiring aircraft in a tax efficient manner. Our services include the elimination or reduction of sales tax at the time of purchase, maximizing income tax savings, controlling the cost of personal use of the aircraft, avoiding passive activity loss rules and complying with Federal Aviation Regulations. Cooperation with client's current tax and legal advisors is welcome and encouraged.

Daniel Cheung
CPA, Member

FALL/WINTER 2012

PUBLISHER
Mike Fitzgerald

EXECUTIVE EDITOR AND WRITER
Justin Lazzeri

COLUMNIST
Dave Conover

GRAPHIC ARTIST
Jennifer Longo

THE ADVANTAGE MAGAZINE STAFF REQUESTS YOUR FEEDBACK!

We would greatly appreciate hearing from you! Please tell us what you think of *Advantage* magazine and offer any thoughts you have for improving this publication. Our goal is to provide helpful, interesting information that you enjoy reading.

Your opinions, suggestions and ideas for new articles and content are important for continuing improvement and growth that will serve all our readers.

Email us at:
Advantage@Skytechinc.com
800-394-1334

Thank you!

The Pilot-In-Command is solely responsible for the safe and proper operation of his/her aircraft and it is the responsibility of the pilot-in-command to operate that aircraft in compliance with that aircraft's Pilot's Operating Handbook and other official manuals and directives.

www.skytechinc.com

>>>>> continued from page 1

WEATHER FLYING:

USE ALL OF THE TOOLS IN YOUR BAG

We've come a long, long way from the humble beginnings of aviation weather reporting and avoidance. No doubt you've seen or heard of the famous weather rock of years past. You know the one – if it's dry go fly, if it's wet there's rain in the forecast and if it's gone keep the hangar doors closed. Although an extreme simplification, that sure was one reliable rock! Thankfully, modern aviators have an array of much more precise forecast and avoidance equipment to consult. When you look at how far we've come from our meager roots to the sophistication of today, it must be a forgone conclusion that weather has been removed as a line item in accident reports. Sadly, that just isn't the case.

A lot of factors can play into the statistics. Pilot experience and decision making is a major variable. It won't matter how capable your aircraft is if your skill-set isn't matched or you choose to take unnecessary risks. Experience takes time and will only come with logging hours and exposure to real-world scenarios (see last issue's article on "The Importance of a Second Set of Eyes"). Another variable is whether the pilot consults several sources to forecast and avoid hazardous weather rather than narrowing in on one. The more sources you compare, the more detailed a picture is painted. Knowing how to operate your aircraft's equipment as well as being keenly aware of its limitations are vitally important to ensure you don't blindly walk into dangerous conditions. Let's take a look at some of the options available to pilots and explore some their advantages and disadvantages.

PRE-FLIGHT BRIEFING

A successful flight always starts well before the engine is running. Whatever source of weather reporting and forecasting you consult, make sure the information is accurate and approved for aviation use. Sorry, but the smiling sun from your local news channel isn't enough! There are a handful of approved sources to include:

- Flight Service Stations (1-800-WX BRIEF)
- DUATS (www.duats.com)
- FltPlan.com
- NOAAs Aviation Weather Service (www.aviationweather.gov)

This is not a complete list but the point to be made is that (A) you need to use an approved source and (B) you need to be sure you can interpret the information from that source. Internet options can be extremely convenient, but if you're unsure of conditions or how to interpret a forecast, it's in your best interest to pick up the phone and call a Flight Service Station to have the second set of eyes of a weather briefer review your unique flight.

XM DATALINK

Much more than just a massive selection of music to keep you and your passengers entertained enroute; XM's weather service has seen an explosion through the aviation community. From handhelds to the most advanced avionics, XM Datalink weather is everywhere. This service brings radar images, METARs, TAFs, winds aloft, airmets, sigmets and much more to the cockpit of airplanes that never before had such capability. The real-world application for this service is diverse and tangible. The caveat here is over-dependence on one source of information and knowing its limitations. The NTSB thought so much of this warning that they issued a Safety Alert on the subject titled: "Actual Age of NEXRAD Data Can Differ Significantly from Age Indicated on Display". Some of the highlights from this alert are:

- The mosaic image seen in the cockpit is a compilation of several ground sites but that doesn't mean every ground site reporting is at the same update interval.
- The age shown in the cockpit display is NOT the age of the actual weather conditions as shown by the NEXRAD network. Instead it's the age of the mosaic image created by the service provider.

- Per the NTSB report: "Weather conditions depicted on the mosaic image will ALWAYS be older than the age indicated on the display." And "….the actual age of the oldest NEXRAD data in the mosaic can EXCEED that age in the cockpit by 15 to 20 minutes."

This time lapse in areas of fast moving severe weather or when used to circumnavigate heavy areas of precipitation can lure pilots into presumably clear conditions when in fact they're anything but. The NTSB concludes that pilots need to remember these images show "where weather WAS, not where it IS" and also to "use all appropriate sources of weather information to make in-flight decisions." It's worth noting that the images are showing Composite Reflectivity, which is to say they show the strongest returned energy for each elevation angle in a volume scan. What this means is there could be a strong precipitation return in your area but not necessarily at your altitude. NEXRAD in the cockpit is extremely helpful for big picture planning and viewing reports otherwise unobtainable. For circumnavigating severe weather you need to use and compare other sources to get the total – and most accurate – picture.

ON-BOARD RADAR

Forward looking radar isn't a new concept but it remains one of the most proven methods for detecting and avoiding areas of weather to this day. Signals sent from the aircraft are bounced off areas of precipitation, sent back to the aircraft and displayed on a screen giving a real-time picture of the area queried. While flying in areas of known or forecasted severe weather – especially IFR – the ability see and avoid approaching precipitation makes forward looking radar a tremendous tool. It's no coincidence that this is standard equipment on most business and commercial aircraft. However, there are limitations that need to be understood about radar and its effectiveness. Robert N. Buck succinctly points out these limitations in his book 'Weather Flying: A Practical Book on Flying in all kinds of Weather'. They are as follows:

- Failure of the equipment
- Equipment deterioration (age and accuracy)
- Attenuation (When an intense band of weather blocks the radar from looking beyond it and thus shows a clear area that may not be.)
- Poor reflection from frozen particles
- Difficulty reading in mountainous terrain (due to line of site limitations)
- Pilot experience with radar
- Radar only shows rain areas (It doesn't show the sometimes very rough turbulence surrounding heavy precipitation.)
- Ice on the radome causes false or poorly defined targets

These are all topics that need to be considered, but the fact remains that forward-looking radar is an invaluable tool and one that should be considered required equipment for serious weather flying.

AIR TRAFFIC CONTROL

From early on pilots are taught not to be afraid to ask questions when dealing with an unfamiliar condition. That lesson holds as true for a lost student pilot as it does for a high-time corporate pilot dealing with hazardous weather. Air Traffic Control (ATC) is a resource that shouldn't be left idle during times of need. Not only can they provide assistance, but ATC is in contact with other aircraft and can relay current conditions and pilot reports. When dealing with ATC there are several guidlines that need to be considered. First, ATC's primary responsibility is to provide traffic sequencing and separation. During periods of heavy congestion they may not have the time to assist you with weather avoidance. Second, you must request services from each controller. Just because the controller on one frequency provides them doesn't mean the next will if you don't ask. Finally, "direct when able" means you're avoiding the storm on your own. The type of control facility you're speaking with also factors into this equation. Reference the following table.

Approach Control Radar (Surveillance Radar ASR)	Enroute Radar (Air Traffic Control Center ARTCC)
• Shows light, moderate, heavy, extreme precipitation • Real-time data	• Integrates Nexrad wx with Center radar • Shows moderate, heavy and extreme precipitation • NOT real-time

There's an abundance of tools available today for pilots to forecast, detect and avoid areas of severe weather. It's imperative to know the limitations of each source, the aircraft and of course yourself. Don't fall into the trap of over-reliance; cross-check and compare equipment, don't be afraid to ask for help both before and during the flight and enjoy a long and safe flying career. ■

WHAT OWNERS/PILOTS NEED TO KNOW ABOUT STC DEVELOPMENT

When an aircraft is modified, the Federal Aviation Administration (FAA) categorizes the alterations - ranging from minor to major. Scopes classified as minor or major alterations that do not require an STC can be approved with a Form 337 (Field Approval) at the Flight Standards District Office (FSDO) level. Some major alterations affect the airworthiness and Type Certificate of the aircraft. When that happens, a Supplemental Type Certificate (STC) is necessary.

EXACTLY WHAT IS AN STC?

Supplemental Type Certificate (STC) is a certificate issued when an applicant has received FAA approval to modify an aircraft from its original design. The STC, which contains a reference to the related Type Certificate, approves not only the modification but also how that modification affects the original design.

The STC and all the information developed for its approval – drawings, data and specifications – are the property of the STC holder. The FAA will not release this information without authorization from that owner or organization.

HOW IS AN STC DEVELOPED?

Very few operators fully understand the complexity of STC development. It's important to understand what's required when installing and updating equipment requiring an STC specific to your make and model of aircraft. The development of an STC comprises:

1. **Submittal and FAA Evaluation of Application and Data:** The application package includes a Certification Plan, which describes the nature of the modification, system architecture and integration with existing aircraft equipment. In addition, the Certification Plan summarizes the approval basis for the modification, as well as a means of compliance with the Federal Aviation Regulations (FARs).
2. **Inspection of All the Components, Assemblies and Installation:** Once the FAA has reviewed the installation and substantiating data, a Type Inspection Authorization (TIA) is issued to conduct installation conformity inspections. After the equipment installation conformity has been performed, a series of ground and flight tests are accomplished to satisfy the TIA requirements.
3. **Issuance of the STC:** A Supplemental Type Inspection Report (STIR) is released when the FAA evaluates and approves the final data package. At this point, all the design data and compliance reports have been reviewed and approved, which leads to the issuance of the STC Certificate. Remember, this is just a brief summary of what's involved in getting a Supplemental Type Certificate. Actually, we should be glad it is so incredibly involved, because its whole purpose is safety!

PRACTICAL CONSIDERATIONS

Developing an STC today is much more complex than it once was. The FAA has re-evaluated the process and stiffened the requirements, resulting in aviation being safer today. But service facilities must have vastly increased expertise today in order to compete in the arena of STC development.

As you can see, the complexity of today's demanding STC development and approval process requires a level of expertise that takes years of knowledge and experience to attain. Consequently, aircraft operators cannot simply look at cost in proposals and decide which facility is best for a modification or installation requiring an STC.

SOME REALLY GOOD ADVICE

If an STC you need already exists for the same modification in your make and model aircraft, work with an STC holder! This may seem obvious, but some companies actually sell their previously approved STCs to other facilities who do not have the capabilities or experience to develop their own.

Here's the problem with that. If the STC does not match your aircraft configuration perfectly, it must be amended to cover your aircraft configuration.

The FAA allows only the STC owner to make or authorize amendments, and that's not all. Future upgrades, new software or any change to your installed equipment will require changes to the FAA-approved flight manual supplement, ultimately requiring an amendment to the STC. So if the STC holder doesn't install your equipment, additional expense could effectively eliminate any long-term value.

Those are obvious problems, but here's one that's not. An aircraft that serves as a specimen to develop a new STC also requires to be issued a Special Airworthiness Certificate, for the sole purpose of the experimental activity until the STC is issued. There is a risk that it may not come out of that category as easily or quickly as planned – extending downtime, increasing flight test costs and possibly causing insurance concerns.

Solution? Do business with a service facility that has a good reputation in the marketplace and has successfully developed many STCs – including an STC for whatever it is you need in your make and model of aircraft. Let their knowledge and aircraft-specific experience with STCs maximize your value and minimize your risk. You'll be glad you did! ■

Originally appeared in *Owner & Pilot Advantage* Winter 2008 issue

RISKS OF ILLEGAL CHARTERS

You've done the research, and have decided chartering an aircraft is a reasonable alternative to airline travel for your business or family. You open the Yellow Pages, and call the first two aviation companies you find. Both offer similar types of aircraft for your flight, but one supplies a significantly lower quote. Why?

Illegal air charter operations are prevalent around much of the U.S. One review of South Florida's Yellow Pages and Federal Aviation Administration (FAA) records indicated that 14 of the companies listed were operating a charter business illegally. But you were offered a really good deal - who cares if the operator is fudging the books a little? **You should!**

RISKS OF ILLEGAL CHARTERS

- **Oversight –** The FAA and Transportation Security Administration (TSA) have much more stringent oversight of legal Part 135 charter operators than their illegal counterparts. This leads to a safer, more secure operation.
- **Accountability –** The FAA holds the legal Part 135 certificate holder to a very high standard, and holds the certificate holder accountable for their actions or omissions.
- **Training –** Pilots of legal Part 135 operations engage in mandatory indoctrination training upon employment and rigorous recurrent training every six months. Flight checks by senior pilots are administered regularly. Pilots of illegal operations are only required to undergo a flight check every two years.
- **Maintenance –** Aircraft used in legal Part 135 charter operations must be maintained to very strict standards, and only highly trained maintenance personnel may perform maintenance on these aircraft.
- **Drugs and Alcohol Testing –** Crewmembers and maintenance personnel for legal Part 135 operations must undergo pre-employment and random drug and alcohol testing. Illegal operators typically do not test their employees.
- **Experience –** Legal Part 135 charter operations require a high level of experience from their management personnel and pilots. Management personnel must have at least three years experience in the industry within the past six years, and pilots must have at least 1,200 hours of total flight time.
- **Insurance Coverage –** The U.S. Department of Transportation requires a minimum level of insurance coverage prior to obtaining a Part 135 certificate. Illegal charter operators may not have adequate insurance to cover injuries or loss of life or property if an accident occurs.

HOW TO DETERMINE IF YOUR OPERATOR IS LEGAL

- If the deal sounds too good to be true, it probably is. Legal operators incur relatively high overhead costs to maintain the aircraft, train and test crewmembers, and stay compliant with FAA and TSA regulations. Illegal operators are able to offer significantly lower prices, but at much greater risk.
- Ask the operator for their certificate number. A Legal operator will be pleased to deal with an educated consumer.

Call your local Flight Standards District Office and inquire about an operator's safety and compliance record. You can find this number in your White Pages Phone Book, in the United States Government Listings (the Blue Pages section) under the heading, "Federal Aviation Administration." You can also find information on-line at http://www.faa.gov/about/office_org/field_offices/fsdo. ■

Article re-published with the permission of the National Air Transportation Association.

National Air Transportation Association
The Voice of Aviation Business

Turbine power with a twist.

What's the twist? It's not the luxurious interior or the state-of-the-art avionics suite, those are expected. It's not even the undeniable ramp appeal and airstair door entrance, though certainly a bonus. It's the value. With a normal cruise fuel burn of just 37 gph the Piper Meridian is the most fuel efficient six-place turboprop available today – 30% more efficient to be exact. The cost of this value? About one million dollars less than its closest competitor.

I'll take the turbine with the value twist, please.

Skytech, inc.

Piper®

piper.com | 866.FLY.PIPER

Authorized Dealer: PA, MD, DE, DC, VA, WV, NC, SC

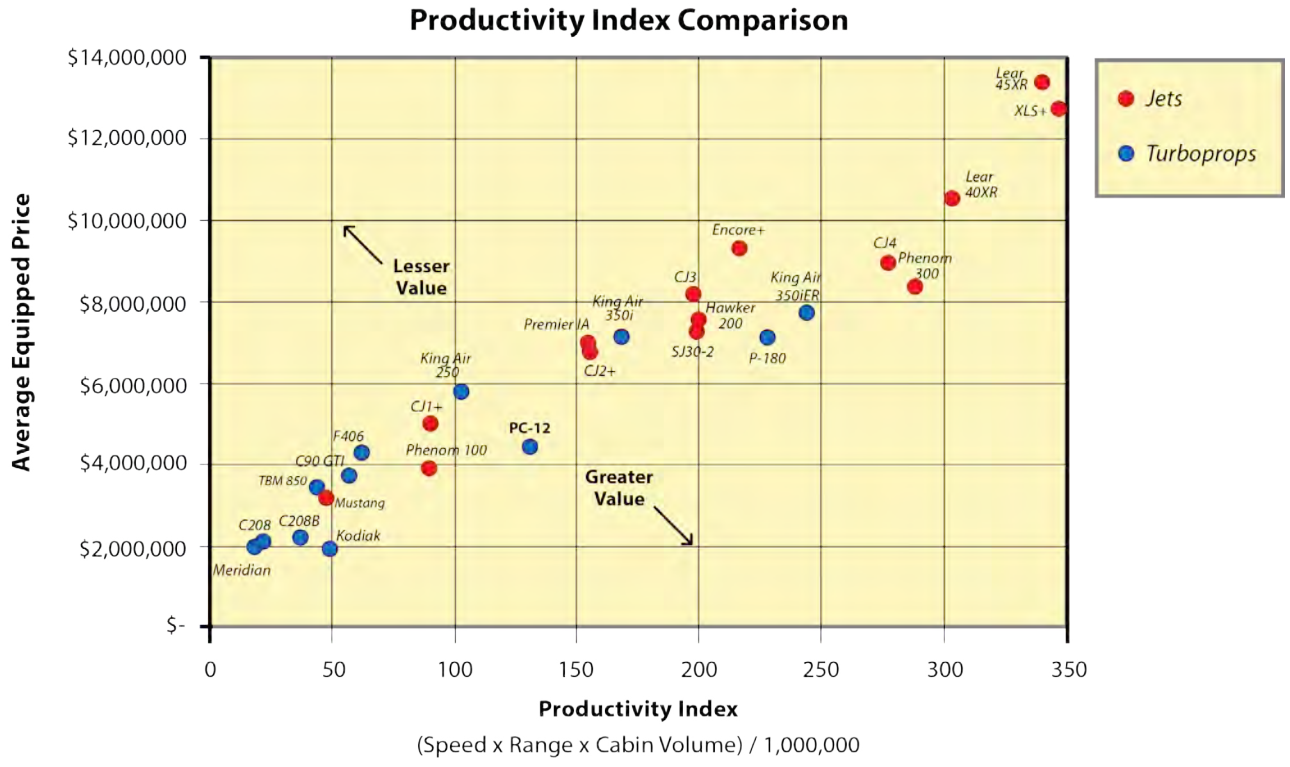
AIRCRAFT PRODUCTIVITY: A FORECAST OF MARKET VALUE

We've all heard the phrase in business: "the more you can do the more valuable you are". In a lot of ways that same logic can be applied to aircraft as well. Versatile features and adaptability to wide ranges of operating conditions equates to more demand in the market place. This concept can be proven time and time again. Some of the most celebrated aircraft in history have enjoyed careers in a variety of settings. The DC-3, for example, performed equally as well in airline roles as it did in military, cargo, executive, special missions, etc… Many are still operating today even though production has long since ceased. Take a look around the current day General Aviation landscape and you can see many aircraft following this similar (although not quite as historic) path. The Cessna Caravan for example is a champion of versatility. Cargo, airline, executive, amphibian – it's an airplane of many missions. The Pilatus PC-12's robust design and amazing flight characteristics have enabled it to penetrate into nearly every segment of the market as well. The point is – the more versatile the airplane, the more demand in the market place. However, that doesn't mean you are always comparing apples to apples. The personal market doesn't always lend itself to the same features of the dedicated corporate world. The bottom line is, the more your aircraft can do combined with competitive pricing equates to value.

How then do you look to determine where an aircraft's value lies for you? The 80% rule is one good place to start. When looking to purchase an aircraft, focus on acquiring an asset that can seamlessly perform the majority of your travel – not always 100%. For example, if you only occasionally need to fly coast to coast but routinely stay under 500 miles, then buying a large jet that can do the one extreme doesn't lend well to the normal profile. Charter if necessary to fill in the gap, but stay in that 80% range and you'll likely maximize your value. Determining an aircraft's value in the whole market can be a little trickier. A few years ago Business & Commercial Aviation (B&CA) did a study on the productivity of current production aircraft. The formula to graph aircraft uses the following equation utilizing High Speed Cruise, 4 passenger ranges with NBAA IFR reserves and Conklin & deDecker cabin volumes:

PRODUCTIVITY INDEX = (SPEED X RANGE X CABIN VOLUME) / 1,000,000

Using this formula, the aviation landscape appears as below. Take a look at how some of the models stack up, think of the variety of missions they can perform and how that compares to their success in the over-all market place. Taking the PC-12 as an example, its productivity index is 130. The Socata TBM 850: 44, the Beechcraft King Air C90GTi: 62. This formula can be debated, but when used to compare models of similar missions it does provide good information. Your unique purpose will dictate which aircraft is right for your mission. When that aircraft also adapts well amongst many segments of the industry you are sure to have an asset that holds its value for a long time to come. ■



Aircraft Brokerage Services

We Specialize in YOUR Aircraft

Consider giving Skytech the opportunity to represent your aircraft at resale. It's our promise that we'll treat your aircraft - and those who respond to our marketing efforts - with the highest level of honesty, integrity and accuracy as we strive for the highest price in the shortest period of time. Proudly serving the aviation community since 1976, consider what the Skytech Advantage can do for you.

- Sales Staff with Over 100 Years Combined Experience
- Industry Affiliations & Product Knowledge
- 10,000 + Skytech Proprietary Database
- Fully Insured
- Factory Trained and Current Pilots
- Dedicated Sales Inventory Hangar Availability

888-386-3596
sales@skytechinc.com
www.skytechinc.com

Full Service FBO Locations:
Baltimore (DMW) Charlotte (UZA)

Skytech, inc.

Aircraft Sales – Service – Management – Brokerage – Acquisition – FBO Services

Skytech, inc.
Experience the Skytech Advantage
200 Airport Drive
Westminster, Maryland 21157

a word to the wise

BY DAVE CONOVER

BROADEN YOUR SAFETY NET....

The stellar safety record of business aviation is a testament to the systematic approach commonly utilized by operators to monitor their overall operations. Safety Management Systems (SMS) were recently credited by the NTSB as one of the prime examples of how business aviation continues to maintain this impressive safety record and implied that other segments of the industry would be well served to take notice. Basically, SMS programs systematically have a goal of eliminating, reducing, and/or mitigating injury and loss as a result of accidents and incidents.

Every operator, FBO and service facility can benefit from a defined SMS program. In fact, many facets of a program may already be in place, just not actually outlined in an organized SMS format. Some examples include: crew training requirements, operations manuals, emergency plans, spill management, accident preparedness plan and safety committees. There are many ingredients to a successful SMS program, but one of the key elements is overcoming the reporting challenge. All employees must be confident that they can report a hazard or incident and be free from any recrimination. In an organized SMS format every level of the company is committed to safety as a behavior pattern and a pervasive way of life.

Organizing or finding out additional information on SMS programs can present a monumental task for an operator. However, there is an abundant amount of assistance available. NBAA has workshops throughout the year; a "prototypical aviation safety program manual" as well as a "safety management tool kit" that covers a wide range of topics. Additionally, NATA offers an "Audit" system that can be performed as a "self audit" or with their assistance.

If you are not an aircraft operator and are shopping for a charter operator, you may have seen the terms ARG/US Gold or Platinum and Wyvern. These organizations perform exhaustive analysis of operators to ensure that they meet very stringent standards in all of their operational practices, safety and security procedures prior to putting their stamp of approval on them. If you happen to be looking for an international charter operator you may look for an IS-BAO approval as well.

For the typical GA operation, getting started with an initial audit of your existing policy and proactively putting together a plan to identify and manage potential risks will go a long way towards reaching the lofty safety levels of business aviation operators. The benefits can be far reaching and will lead to a safer and better equipped company to proactively deal with any issue that could arise. ■