

# 2005 NEWSMAKERS

It's that time of year when *AIN's* editors reflect on the people and events that captured our attention in the past year and inspired the thousands of manuscript pages that filled our issues in 2005. Last year, as in most other years, business aviation garnered both positive and negative attention. Some high-profile accidents this

year captured the nation's interest; a crash at TEB intensified the scrutiny of the charter industry, while a landing accident showed pilots who did what they were trained to do and handled an emergency with aplomb. The biggest news of the year was Hurricane Katrina, to which bizav operators responded valiantly.

## 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 that BlueStarJets of New York City, which

had brokered the ill-fated flight, had "misrepresented 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.*

## Luís Carlos Affonso, Embraer business aviation division

Luís 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 Maurício 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 same engineering team that worked on the regional jet program is already in transition to the new executive aviation division.

At the NBAA Convention in Orlando two months ago it was Botelho who introduced the launch of the new light and very light business jets and Affonso who unveiled a mockup of the Phenom 300.

Embraer has earmarked \$235 million for 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 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.*



Luis Carlos Affonso

## Ed Swearingen's jet dream comes true

The late-October certification of the Sino Swearingen SJ30-2 completes Ed Swearingen's 23-year crusade to deliver a more efficient business jet. He began designing the twinjet in 1982 after studying the business jets available at the time. Swearingen quickly focused on aircraft operating economics, something he found lacking in business jet designs despite Boeing's and Airbus's attention to this detail in their airliner designs.

After pitching the idea to various OEMs, Swearingen told *AIN* that Lockheed executives liked his SA-30 business jet. Unfortunately, the company's board of directors didn't have the appetite for civil aircraft after losing money on its JetStar business jet and L-1011 TriStar widebody airliner, so the board mixed the idea of backing the SA-30.

In fall 1988, Swearingen partnered with Gulfstream on the SA-30 Gulfjet. At the same time, Williams International and Rolls-Royce signed an agreement to provide the 1,900-pound-thrust FJ44 engine for the Gulfjet. First flight at that time was expected in 1990.

However, the marriage between Swearingen and Gulfstream was short-lived. In September 1989 the partnership was abruptly terminated, with Gulfstream saying only that the SA-30 didn't fit into its long-term plans.

One month later, Ed Swearingen partnered with investor Doug Jaffe, and the aircraft was renamed the SJ30. Both claimed at the time that no outside funding was needed to get the aircraft flown and certified.

On Feb. 13, 1991, the SJ30 made its maiden flight and by that fall the prototype had logged more than 100 hours. But funding became an issue and the jet sat idle in a hangar



Ed Swearingen

until further investment could be found.

In the mid-1990s, Ed Swearingen found a Taiwanese suitor, and in 1995 the company became known as the Sino Swearingen Aircraft Company. In 1996 the aircraft design incorporated 2,300-pound-thrust FJ44-2A

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AP PHOTO/STUART FRANKSON

The Challenger 600 crashed into a warehouse after sliding across Route 46 in New Jersey.

## TIMELINE

**Dec. 17, 2004**  
Aviation Partners receives FAA approval for blended winglets on Hawker 800XP

**Dec. 20, 2004**  
AB139 receives FAA certification

**Dec. 23, 2004**  
Hawker Horizon receives provisional FAA certification; Embraer 175 receives Brazilian certification

**Dec. 31, 2004**  
Eclipse 500 first flight

**Jan. 1**  
International ELT mandate implemented; Bombardier Global XRS first flight

**Jan. 4**  
Russ Meyer retires as chairman of Cessna and is replaced by president and CEO Jack Pelton

**Jan. 7**  
Robert Gillette is named president and CEO of Honeywell's aerospace operations, replacing Robert Johnson

**Jan. 11**  
Gulfstream G500 receives EASA and FAA approval

**Jan. 18**  
Gulfstream G150 rolls out;

Airbus A380 unveiled in France

**Jan. 20**  
RVSM implemented in North America

**Jan. 24**  
Corporate Angel Network arranges 20,000th cancer patient flight

**Jan. 26**  
Bombardier launches Skyjet

International charter program

**Jan. 28**  
U.S. Presidential helicopter contract awarded to AgustaWestland/Lockheed Martin US-101

**Feb. 2**  
Challenger 600 crashes through fence at Teterboro Airport, crosses highway and crashes into warehouse, injuring

several people and sending ripples through the charter industry

**HELI-EXPO**  
**Feb. 6-8**  
Bell Helicopter introduces 429 to replace 427i

**Feb. 15**  
Dassault unveils Falcon 7X in France

# NEWSMAKER of the year

## Hurricane Katrina

The numbers associated with Hurricane Katrina are still soft. At press time more than 1,300 people were dead, and the count continues to rise. Some 600,000 households have been displaced; upwards 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 has no mechanism to use those resources.

Corporate aircraft operators began talking among themselves using NBAA's Air Mail forum. 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 convention slated for New Orleans. (Dan Hubbard, NBAA's v-p of communications, asserted afterwards that the organization had been engaged in organizing a relief effort early on.)

### Corporate Operators Lend a Hand

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

Walegir also networked with the Dream Center, a nonprofit shelter in Los Angeles that made 300 beds available for evacuees. Doug Schultz, chief pilot for Applera, is credited with the first mission flying supplies into 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 CitiHope 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 \$400,000 in medical supplies using its Sabreliner 65.

Without a doubt, volunteers who pitched in to coordinate the effort such as Walegir, Noel Fournier of Avjet, Robin Eissler of JetQuest, and Schultz and his wife, Marianne Stevensen, had a tremendous effect on relief



Helicopters were the first aircraft on the scene in the wake of Hurricane Katrina.

JACK DENHAM

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 Capitol Jet Center coordinated operations, 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 sought recognition, though many famous people showed up, including John Travolta in his 707 and Oprah Winfrey with her GII and GIV; all were loaded with supplies.

For weeks business aviation continued fly-

ing 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 BTR pointed out, "Only business aviation had sufficient lift capacity and operational flex-

ibility to make this 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 MSY lost one of its corporate hangars, but the FBO itself sustained minimal siding and signage damage. Signature also opened soon after and had minimal damage.

Lakefront did not fare nearly as well. As of

### Katrina Fuel Prices: Spike or Gouge?

Automobile fuel prices skyrocketed immediately after Hurricane Katrina made landfall, and the release of 6 million barrels of crude oil from the Strategic Petroleum Reserve appeared to have no effect. Business aviation 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 clobbered 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 doubtless

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 were deployed, the damage wasn't as bad as observers originally feared. Many of the refining and shipping problems were related to loss of power and the system was fixable. Eventually the cost of fuel dropped to its normal price per gallon. ■



ATLANTIC AVIATION

While Katrina destroyed some FBOs, others escaped with relatively minor damage.

early last month, Lakefront Airport still did not have electrical power or running water, and there was no estimate about when it would. The fuel farm was still not operational, and the Atlantic Aviation and Aviport facilities were destroyed.

Million Air was wiped out, but it has since brought in a temporary trailer, portable toilet and skid tank for fuel. It is the closest thing to normal on an airport that is limited to day VFR operation.

Katrina also devastated portions of Alabama and Mississippi. Avcenter FBO on Gulfport-Biloxi International Airport continues to operate out of a temporary, double-wide trailer though it does have fuel for sale. Despite extensive damage to the facility, the FBO was back in operation within a week. Mardi Gras Air on Stennis International Airport, Bay St. Louis, Miss., had the back wall of the hangar ripped off and six inches of water in the facility. Its two fuel trucks were also destroyed, but the FBO was back in business within five days.

"We had thousands of National Guard troops and aircraft operating out of here," a Mardi Gras Air spokesman said. "We didn't have much choice; they had to be taken care of." The company has since replaced the fuel trucks and is fully operational. —D.A.L.

**Feb. 28-March 3**  
GlobalFlyer and Steve Fossett circumnavigate globe without refueling

**April 1**  
Pete Bunce starts as president and CEO of GAMA

**April 2**  
Cessna Citation CJ2+ first flight

**April 23**  
Cessna Citation Mustang first flight

**April 25**  
Ed Iacobucci announces on-demand air limo service DayJet

**April 27**  
House Transportation Committee approves legislation to re-open Ronald Reagan Washington Airport to general aviation; Airbus A380 first flight

**April 28**  
Executive Jet Management ordered to pay \$27 million in child abduction lawsuit

**May 3**  
Embraer announces very light and light jet; Gulfstream G150 first flight

**May 5**  
Dassault Falcon 7X first flight

**May 13**  
Dassault Falcon 900DX first flight; Quest Aircraft debuts Kodiak utility turboprop single

**May 16**  
Stage III receives final STC for Gulfstream hush kit

**EBACE**  
**May 18-20**  
Hawker 800XPi and Beechcraft

Premier 1A introduced; Bombardier announces the Challenger 850, 870 and 890 corporate shuttles; Gulfstream receives approval for installation of the Broad Band Multi-Link high-speed-data system in the G350 and G450; Aircell unveils Axess wireless data hardware package

**June 1**  
Williams FJ44-1AP engine receives FAA approval

**June 3**  
Bell/Agusta BA609 civil tiltrotor returns to flight; court of appeals upholds Stage 2 jet ban at Naples, Fla.

**June 8**  
Learjet cleared in Payne Stewart crash

**PARIS AIR SHOW**  
**June 13-17**  
Grob unveils SPn Utility Jet;

▶ Continued from page 22

engines, allowing a stretch and redesignation as the SJ30-2.

The SJ30-2 has a long and storied history of flight testing under the Sino Swearingen banner—including a fatal crash in 2003 during flutter trials, killing test pilot Carroll Beeler—that finally culminated in FAA approval this year. As Sino Swearingen prepares to deliver its first aircraft, Ed Swearingen's dream of a more efficient business jet is finally coming true. —C.T.

## GA pilot violates restricted airspace

In an age when \$200 on eBay can buy a portable GPS that depicts restricted airspace, it's difficult to comprehend how a pilot could violate the deepest reaches of the most sacrosanct airspace in North America. But 69-year-old Hayden "Jim" Shaeffer unwittingly flew his flying club's Cessna 150 within three miles of the White House last May, while attempting to navigate from Smoketown (Pa.) Airport to a Lumberton, N.C. fly-in.

With his student-pilot passenger, Shaeffer was intercepted by fighters and Black Hawk helicopters. The Cessna was perilously close to being shot down before

at the White House at the time.

The incident made national news for several days and tarnished the public perception of general aviation pilots at all levels. Shaeffer's misadventure might have contributed to an effort to render permanent the temporary Washington-area air defense identification zone, which has been in place since 9/11. Also, the intrusion came at a time when business aviation interests were lobbying for re-admittance to Ronald Reagan Washington National Airport, access that has since been granted but so heavily restricted that there are few takers.

Shaeffer initially appealed the revocation of his pilot certificate but gave up his appeal when the FAA ruled he could reapply for his ticket in 10 months. —M.P.

## Patrick Goudou, European Aviation Safety Agency

Taking on a task that everyone has long agreed needs doing doesn't always make one popular. Patrick Goudou is the soft-spoken but resolute French official with the unenviable job of leading the establishment of the long-awaited and much-vaunted European Aviation Safety Agency (EASA).

In a rare outbreak of unity, the aviation industry has for years insisted that such a body is needed if the continent is ever to

have harmonized rules and a coherent process for ensuring air safety. But does this mean

they have rallied squarely behind Monsieur Goudou and his under-resourced team as they try to forge the new regime?

Heck no. In raucous harmony with some of the more vociferous national aviation authorities that they formerly lambasted, some industry figures have joined the chorus of carping, taking pot-shots at executive director Goudou's steadfast attempts to build the EASA's authority and its capabilities since its inception in September 2003.

But in the face of seemingly self-serving sniping by the industry and national aviation authorities (scrambling to protect their own turf), Goudou has impressed others with his determination to keep the EASA project on track. He welcomed the European Commission's announcement in November that EASA's responsibilities are to be extended by next year to incorporate aircraft operations, flight crew licensing and the oversight of third-country (non-European) airlines.



Patrick Goudou

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.A.

## 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. Uppermost 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 exhibiting companies 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 make 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 328Jet assembly line by last 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 evaded €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, 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



2005 GETTY IMAGES

**A Cessna 150 bumbled to within three miles of the White House last May, initiating a citywide evacuation and scrambling fighters and helicopters to intercept the errant pilot.**

Shaeffer finally established radio contact and diverted to Frederick (Md.) Municipal Airport, home to the headquarters of the Aircraft Owners and Pilots Association. Meanwhile, thousands of government employees evacuated their offices due to the airspace intrusion. President Bush was not

## TIMELINE

**Dassault Falcon 7X and Embraer 195** make international debut; Sikorsky outlines plans to build an experimental helicopter with a coaxial main rotor system

**June 17**  
Citation CJ1+ receives FAA type certification

**July 20**  
Grob SPn Utility Jet first flight

**July 22**  
Bell/Agusta BA609 civil tiltrotor flies in airplane mode

**July 26-Aug. 1**  
HondaJet makes world public debut at EAA AirVenture in Oshkosh, Wis.

**July 29**  
EASy Step 3 receives certification on Falcon 900EX

**Aug. 3**  
German police arrest AvCraft Aviation CEO Ben Bartel at Frankfurt International Airport for alleged tax evasion

**Aug. 11**  
European private equity group Permira announces it is buying a majority stake in Jet Aviation

**Aug. 29**  
Citation Mustang production

aircraft first flight; Hurricane Katrina causes widespread flooding on the Gulf Coast, forcing the relocation of NBAA's annual convention from New Orleans to Orlando

**Aug. 30**  
Embraer 190 awarded Brazilian certification

**Sept. 5**  
Embraer 190 receives FAA certification

**Sept. 7**  
Pierre Beaudoin replaces Peter Edwards as president of Bombardier Business Aircraft

**Sept. 13**  
Embraer delivers first 190 to launch customer JetBlue

**Sept. 20**  
Third Falcon 7X enters flight test

**Sept. 30**  
ATG Javelin first flight

**Oct. 3**  
Cessna Citation CJ2+ receives certification

**Oct. 4**  
General Atomics Altair is first commercial UAV to be certified

**Oct. 5**  
Permira Funds completes acquisition

bidders for Fairchild Dornier's manufacturing assets. —G.P.

## 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



Anthony Coscia

records), a Stage 2 ban and a weight limit of 80,000 pounds—down from the current 100,000-pound limit. The PANYNJ 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 aircraft's mtow 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 criticality of this airport for the local economy and the national airspace system, and

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.

## J.L. "Ted" Naimer, Universal Avionics Systems Corp. president and CEO

Although the November certification of the Vision 1 synthetic-vision system (SVS) in the King Air 350 put Universal Avionics president and CEO J.L. "Ted" Naimer firmly on AIN's top newsmakers list for 2005, the 56-year-old son of company founder Hubert Naimer might have made the list even without this milestone achievement.

The younger Naimer has operated behind the scenes of the Tucson, Ariz. company since its creation in 1981, taking the helm after his father's death in 2004. Since then, Ted Naimer has been a guiding force, developing and honing ideas for a host of new products.

Naimer lives in Switzerland, where he is also president of the holding company that controls the other family business, Krauss & Naimer, the nearly 100-year-old Swiss switch maker. Besides holding master's degrees in electrical engineering and business administration, he is also a high-time pilot who learned to fly at 17 and routinely occupies the left seat in the company Challenger 600.

Naimer said he presented the idea for Vision 1 to his father some years ago during development of the company's terrain awareness and warning system. Universal's SVS is the first developed specifically for business aircraft to be certified. He said he became interested in the technology (which presents a synthetic, video-game-like view of terrain on a flight display) based on his years of experience flying into mountainous European airports.

Although Part 23 certification of Vision 1 is an important achievement, approval in Part 25 airplanes will be a tougher challenge. Naimer said some within the FAA are opposed to bringing the technology to large business jets, but he added that flight demonstrations have helped change perceptions over time. The company hopes to receive an STC for Vision 1 in the Challenger 600 in the coming months, he said. —S.P.

## Nike GV crew solves gear malfunction with aplomb

The November 21 maiden flight of N225GV, Nike's recently acquired 2002



Captain Dave Newton (left) and Nike director of Aviation Don Bonta stand next to Nike's Gulfstream N225GV.

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 kept them calm, cool and collected."

Speaking to the media some 45 minutes after landing, a composed Perez praised the crew—pilot Newton, copilot Blair Gammon 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 assertion 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



James May

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 Bolen, who adds, "I 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 Tracon controllers

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. 6**  
Ray Siegfried II, president and founder of The Nordam Group, dies

**Oct. 8**  
NetJets pilots and management reach tentative agreement

**Oct. 18**  
First post-9/11 general aviation flight arrives at Ronald Reagan

Washington National Airport

**Oct. 21**  
Piaggio Avanti II receives EASA certification

**Oct. 24**  
Beechcraft Premier IA receives certification

**Oct. 27**  
SJ30-2 receives certification

**Oct. 28**  
Bombardier announces temporary suspension of CRJ200 production

**Nov. 3**  
Dassault Falcon 900DX gets certified; Avidyne and Ryan International announce merger; Bombardier EVS receives full operational approval

**Nov. 7**  
Gulfstream G150 receives FAA nod

**Nov. 8**  
Universal Avionics gains STC and TSO for its Vision I SVS on King Air 350

**NBAA**  
**Nov. 9-11**  
Aircraft announced: Airbus A318 Elite; Bombardier Challenger 605; Bombardier Learjet 60XR, Cessna Citation Encore+; Dassault Falcon 2000DX; Raytheon Hawker 800XP; and Spectrum Aeronautical 33 twinjet. Announcements: Embraer's very light and

light jet renamed Phenom 100 and Phenom 300, respectively; Garrett/Piedmont Hawthorne/Associated rebrands as Landmark; Honeywell Primus Epic CDS/R gets certified in Avanti; Piaggio Avanti II makes U.S. debut

**Nov. 15**  
Falcon 7X 100th flight

**Nov. 18**  
Sikorsky announces agreement to acquire Keystone Ranger Holdings, the

privately owned parent of Keystone Helicopter; Pogo announces resignation of co-founder Donald Burr

**DUBAI**  
**Nov. 20-24**  
Boeing Business Jets announces 737-900-based BBJ3

**Nov. 21**  
NetJets pilots ratify contract, becoming the highest-paid frax pilots in the industry ■

▶ Continued from preceding page

where 25 percent of the incumbents reportedly earned more than \$200,000 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 (NATCA).

As a result of the union schedule, overtime 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.

NATCA 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 NATCA 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 pay increase every year for the next four years, a seven-hour workday and—presumably for their New York brethren—50 percent more sick leave. —A.W.

### Private equity investors eye FBO industry

For all independent FBO owners who have slaved long years to build a successful business selling jet-A, now might be the time to cash in your chips and book that extended vacation to Tahiti. The past year has seen a dynamic expansion of a trend. Private equity funds have found a lot to like in the FBO business, and their buying habits have reflected that favor.

Cliff Runge was part-owner and day-to-day manager of Aspen (Colo.) Base Operation for 21 years before Trajen FBO Network, backed by private-equity firm CapStreet, made an offer that was too

good to pass up. Though terms were not disclosed, a source close to the deal told *AIN* that the selling price was well above 12 to 14 times the FBO’s earnings before interest, taxes, depreciation and amortization (EBITDA).

Other private equity firms known to be enamored of FBOs include the Carlyle Group (backing recently renamed Landmark Aviation) and Centre Partners, which bankrolled Ross Aviation in its acquisitions of FBOs in Denver; Scottsdale, Ariz.; and Santa Fe, N.M. Also on the FBO finance bandwagon is Macquarie Group U.S., the North American operating arm of financial giant Macquarie Bank of Australia.

Who is the money behind private equity funds and why are they so interested in FBOs? At a panel hosted by NATA during its annual convention last year, several representatives from private equity firms agreed that their investors—often wealthy individuals looking for greater returns (and



The German manufacturer unveiled its SPn Utility Jet at the Paris Air Show in June.

risks) than are available on the stock market—seek out industries that are “fragmented” with large numbers of independent operators.

The theory is that a chain of 20 to 40 or more FBOs can be run more efficiently 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.

### Grob springs June jet surprise

German airframer Grob had been quietly plotting a new business jet since January 2004. In an industry where news tends to leak swiftly, the company and its partners miraculously managed to keep the entire project a secret for 18 months until it launched the Grob SPn Utility Jet—seemingly out of thin air—at the June 2005 Paris Air Show, where *AIN* was the first to reveal full details of the program.

Grob had patiently kept its powder dry as all the new light jet contenders bragged about how they are going to change the face of business aviation, while it refined an all-composite design that it says will

replace Raytheon’s ubiquitous Beech King Air twin turboprops. With supersized landing gear, the SPn also promises to trump the new-generation jets by hauling more payload and reaching airfields that they can’t access.

Within a month of unveiling the first prototype at the Paris show, Grob had achieved the SPn’s first flight at its headquarters near Munich. Since then, the program has logged more than 60 flight hours as it heads for European certification in the first quarter of next year, with first deliveries of the \$7.1 million twinjet to follow during the second quarter.

Early this year a second prototype aircraft is to join the flight-test program. According to a company spokesman, Grob and its main partner ExecuJet Aviation are now evaluating “qualified” product support organizations and are likely to announce initial Grob SPn service providers by the end of the second quarter of this year.

The group says it has secured an unspecified number of firm orders for the aircraft, with interest coming from traditional corporate flight departments, private individuals and special-missions operators such as those in the emergency medical flight sector. —C.A.

### Two deadstick landings in one year?

These days, an unintentional in-flight engine shutdown is a rare event, thanks to the high reliability of turbine engines. Dual flameouts are even more rare, which is why the two dual flameouts involving business jets last year made news. But they weren’t just dual flameouts; both twinjets landed deadstick and, incredibly, with no reported injuries to those on board.

On September 30, a University of North Dakota (UND) Citation II research jet made an emergency landing near Beaver, Alaska, after both engines flamed out at 9,200 feet in clouds. Unable to accomplish an airstart, pilot Paul DeHardy maneuvered the aircraft to a successful emergency landing in a “fairly clear, burned area” 70 miles north of Fairbanks, Alaska.

The airplane, which DeHardy

Continued on page 28 ▶

## Final Flights

**Anthony “Tony” Linck**, 85, one of aviation’s most highly regarded aerial photographers, died on Dec. 5, 2004, of complications from Parkinson’s disease.



Anthony “Tony” Linck

**Henry “Hank” Wyble**, 68, president of Millville, N.J.-based Wyble Advertising, died Dec. 20, 2004.



Henry “Hank” Wyble

**Frank Jensen**, former president of the Helicopter Association International, died on February 12.

**Curtis Pitts**, 89, creator of the iconic Pitts Special aerobatic biplane, died June 10 from complications following a heart valve replacement.



Curtis Pitts

**Gordon Baxter**, 81, whose “Bax Seat” column ran in *Flying* magazine for nearly 30 years, died in June after a long illness.



Gordon Baxter

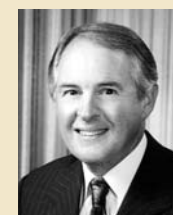
Former Dallas Airmotive president and CEO **Jim Donlan**, 49, died on July 23 from an apparent heart attack.



Jim Donlan

**Patrick DeBlanc**, 60, former manager of marketing and communications at Dallas Airmotive, died on July 21.

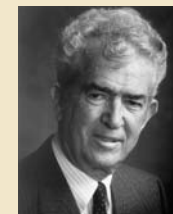
**Len Morgan**, a retired Braniff 747 captain and an avid aviation historian and author, died on March 11 at the age of 82.



Ray Siegfried II

Nordam Group chairman **Ray Siegfried II**, 62, died October 6 of amyotrophic lateral sclerosis, also known as Lou Gehrig’s Disease.

**Jack Real**, 90, personal aviation advisor, long-time friend of Howard Hughes and former head of Hughes Helicopter, died on September 6 of heart failure.



Jack Real

▶ Continued from page 26

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 icing 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 airmanship on the part of the pilot," said Bruce Smith, dean of UND's Odegaard School of Aerospace Sciences.

About two months later, on November 28, the crew of a Flight Options Beechjet 400A (N691TA) experienced a double engine flameout at FL380 on a positioning flight from Indianapolis International Airport to Marco Island Airport, Fla. According to the NTSB, the unidentified Beechjet 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 N691TA landed on Jacksonville's Runway 7 and stopped at Taxiway G, about 6,500 feet down the runway. A Jacksonville airport spokesman confirmed this information and said that, several days after the NTSB examined the fractional aircraft, the twinjet 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 marks the second such Beechjet duel flameout at the Cleveland-based fractional provider. On July 12, 2004, both engines of a Flight Options Beechjet 400A (N455CW) flamed out over the Gulf of Mexico with seven passengers aboard. The crew of N455CW was able to restart the right engine and safely divert to Sarasota, Fla. The NTSB said in January that N455CW had a lower-than-normal amount of anti-icing additive in its tanks. Beechjet 400As 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 WxWorx, all that changed. It is now possible to count on receiving

Continued on page 30 ▶

## HANDOFFS

### Cessna: Russ Meyer to Jack Pelton

After some 30 years at Cessna, Russ Meyer stepped down as chairman in January last year and handed the reins to president and CEO Jack Pelton, who now holds all three executive titles. However, Meyer, 73, continues to work with customers at Cessna, helps with product development and remains active in the aircraft industry, according to the Wichita-based manufacturer.



Russ Meyer



Jack Pelton

Additionally, Meyer remains a member of the FAA's management advisory board, a director of fractional provider CitationShares, in which Cessna holds a 75-percent stake, and president of the Cessna Foundation. Meyer joined Cessna in 1974, after serving as president and CEO of Grumman American Aviation.

Before joining Cessna, Pelton worked for McDonnell-Douglas, Boeing and Fairchild Dornier. He assumed the president and CEO role at Cessna in October 2003 after Charlie Johnson left. —C.T.

### Piper: Chuck Suma to James Bass

In September, James Bass replaced Chuck Suma as president of Piper Aircraft. Bass was appointed by American Capital Strategies, the Bethesda, Md.-based investment house that bought Piper in 2003. Now the company's vice chairman, Suma is expected to "be available in an advisory role to Piper management."

Bass, who had no general aviation background, was formerly president and CEO of Suntron, a Phoenix-based avionics manufacturing company. A press release indicated that the change in leadership was, "the result of an extensive effort to find the talent and skill sets necessary to lead New Piper Aircraft into the future."

There's precedent for installing a non-aviation financial executive to head Piper. Following the post-World War II general aviation bust, company founder William Piper Sr. was relegated to a small office in a hangar after he agreed to the company's New York backers' plan to send in one of their own. Piper told his staff (including three of his sons), "A man named Shriver will be arriving to take things over and get some bills paid. I think we'd better prepare for a change in things around here." —M.P.

### Turbulent ride for Bombardier execs continues

The Beaudoin dynasty at Bombardier (in the form of patriarch Laurent and son Pierre) has



Peter Edwards



Pierre Beaudoin

seen three top executives come and go in the past three years, starting with the departure of Robert Brown from the post of president and CEO at the diversified manufacturer in 2002.

His replacement, Paul Tellier, a Bombardier director since 1997 and president of Canadian National Railway for a decade, was at Bombardier for just shy of two years before being fired on Dec. 13, 2004, and replaced by a triumvirate consisting of the two Beaudoins and one other Bombardier executive. (In a likely related development, the company's stock price had dropped two-thirds since Tellier took office.) Peter Edwards, who replaced Pierre Beaudoin as president of Bombardier Business Aircraft in November 2001, lost his job last September 7, and control of the division again reverted to the younger Beaudoin. "Again," because Pierre Beaudoin took the reins of the division from Robert Gillespie in February 2001, nine months before he handed them to Edwards, a Bombardier employee since 1995. —N.M.

### GAMA: Ed Bolen to Pete Bunce

When NBAA plucked Ed Bolen from the General Aviation Manufacturers Association (GAMA) to take over as head of the business aviation lobbying group in mid-2004, it left GAMA with a sizeable void to fill. After operating with an interim president for several months, GAMA selected a career aviator with Capitol Hill lobbying experience to lead the association as president and CEO.

Pete Bunce was introduced to the general



Ed Bolen



Pete Bunce

aviation industry last February at GAMA's annual industry review and market outlook, just days after the association announced his selection. A graduate of the Air Force Academy, he holds commercial, multi-engine and instrument ratings.

While with the F-15 Squadron Command, Bunce helped field the operational use of fighter datalink and also commanded a unit flying A-10s and specialized C-130s. His bachelor's degree is in international relations, and he holds a master's degree in international affairs from Troy State University.

Bunce joined GAMA from the Pentagon, where he was director of the Air Force Congressional Budget and Appropriations Liaison working closely with staff and members of the House and Senate. But beneath the credentials, Bunce is an airplane guy. "I just love aviation and I have always loved general aviation," he told *AIN*. —P.L.

### Helicopter Association International: Roy Resavage to Matthew Zuccaro

A former Helicopter Association International (HAI) chairman slid into HAI's right seat in November following the retirement of Roy Resavage after seven-and-a-half years at the controls. Matthew Zuccaro came to HAI from his own consultancy firm.

During a 35-year career, Zuccaro has held several executive level and operations management positions, with commercial, corporate, scheduled airlines and public-service helicopter operations in the northeastern U.S. During his tenure with the Port Authority of New York and



Roy Resavage



Matthew Zuccaro

New Jersey, he served in an operations management position at JFK International Airport and the authority's public and private heliports.

In addition to his term as chairman of HAI, Zuccaro has served as vice chairman, treasurer and assistant treasurer, as well as a director for six years and special advisor to the HAI board. In addition, he served as either chairman or member of many HAI committees, and on numerous industry research and task force groups.

Resavage joined HAI after he found the job advertised on the Internet, although the association withheld its identity. He had developed a taste for politics and lobbying while working with a phone company after a 27-year career in the Navy. —P.L.

### NASA: Sean O'Keefe to Michael Griffin

Michael Griffin returned to NASA in April as the agency's 11th administrator, replacing Sean O'Keefe, a Louisiana native who left NASA to become chancellor of Louisiana State University.

Before he became NASA Administrator, Griffin served as the head of the space department at Johns Hopkins University's Applied Physics Laboratory in Laurel, Md. He was previously president and COO of In-Q-Tel and also served in several positions within Orbital Sciences, including as CEO of Orbital's Magellan Systems division.

Earlier in his career, Griffin served as chief engineer and associate administrator for exploration at NASA, and as deputy for technology at the Strategic Defense Initiative Organization.

Griffin reported to work at NASA headquarters in Washington on April 14, the same day that the *Expedition 11* crew launched to the International Space Station. A holder of five master's degrees and a doctorate, Griffin made it clear at his Senate confirmation hearing two days earlier that the "strategic vision for the U.S. manned space program is of exploration beyond low Earth orbit."

Nevertheless, while his eyes may be looking at the stars, Griffin's head remains firmly in the

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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 Baron is an avid pilot and president of WxWorx. But Baron 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 Cheyenne I owner with whom *AIN* talked has recently installed an Avidyne 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, TFRs, freezing levels and forecasts. (For an additional \$12.95 per month, pilots can also 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 underwhelming.

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 operated by 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 disembark was National Air Transportation Association president Jim Coyne, whose

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clouds. Griffin is a current CFI with instrument and multi-engine ratings. —P.L.

### Mercury Air Centers: John Enticknap to Kenn Ricci

The transformation of the Mercury Air Centers FBO chain has been quiet and enigmatic. At last year's NATA Convention in March, Mercury Air Centers president John Enticknap told *AIN* he expected some changes in management. By June, he had been replaced by Randall Jones, a former high-level executive at fractional provider Flight Options.



John Enticknap



Kenn Ricci

Jones deferred comment on the management changes to Kenn Ricci, founder of Corporate Wings and founder and former CEO of Flight Options. Another Mercury employee who asked 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 several divisions, to investment firm Allied Capital in 2004. (Not all locations were included in the deal. Specifically, Long Beach, Calif., 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. —M.P.

### Transportation Security Administration: David Stone to Edmund Hawley

It was "déjà vu" all over again when in April retired Navy Rear Admiral David Stone tendered his resignation as head of the Transportation Security Administration (TSA). After little 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 lavish spending, shoddy accounting and purchasing the wrong technology. One press report said the Bush Administration requested that he step down.

Replacing Stone was Edmund "Kip" Hawley, who had returned to private industry after helping Transportation Secretary Norman Mineta set up the TSA shortly after 9/11. He most recently had been an executive at Arzoon, a global trade and logistics software company based in California.

Hawley was previously a vice president for Union Pacific Railroad and served in the White House and Transportation Department during the Reagan Administration. He is also a member of the FAA's Air Traffic Services Committee.

His private-sector experience is expected to be particularly valuable to the TSA as it undergoes a high-tech makeover that will shift the emphasis from personnel to technology. —P.L.

### Boeing: Harry Stonecipher to James McNerney

When he assumed the chief executive's position from former CEO Phil Condit in December 2003, Harry Stonecipher promised a return to the ethical standards some of the company's top executives chose to ignore while resorting to underhanded 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's affair with a female subordinate—a clear 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.

CFO James Bell served as interim president and CEO while the board embarked on a two-month search for a permanent replacement. This time, Boeing bypassed two internal candidates in favor of 3M chief executive James McNerney. A Boeing director since 2001, McNerney came with extensive experience in the aerospace business and, perhaps just as important to the board, a squeaky-clean reputation.



Harry Stonecipher



James McNerney

McNerney inherited the reins of a company whose business fortunes had clearly turned under Stonecipher. By the time McNerney made his first public appearance as Boeing CEO at November's Dubai Air Show, the company's commercial division had already logged a record sales year. With more big sales from Asia reportedly imminent and most of Boeing's labor tensions resolved, nothing short of the kind of judgment lapses suffered by Condit and Stonecipher seems likely to spoil a charmed first year for McNerney. —G.P.

### No permanent replacement yet for Carmody at NTSB

At times during the past year the NTSB members appeared to be playing musical chairs.

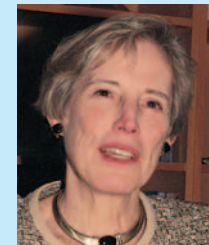
First, long-time member and former acting chairman Carol Carmody left the board at the end of her term on April 1 after nearly five years as a member. She served as vice chairman from 2001 to 2003, during which time she twice became the agency's acting chairman.

Ellen Engleman Conners, whose two-year term as NTSB chairman ended last March 23, eventually received the President's nomination to serve a second two-year term as chairman. But amid reports of dissension within the board over her management style, she announced on December 7 that she would not seek reappointment as chairman. She remains a member of the Safety Board.

Meanwhile, President Bush redesignated Mark Rosenker NTSB vice chairman on April 2. Rosenker



Ellen Engleman Conners



Carol Carmody



Mark Rosenker

is currently serving as acting chairman. The President also renominated him for another five-year term as a member, beginning Jan. 1, 2006.

On July 18, board member Richard Healing announced he would step down on August 1, 17 months before his term's end, in large part because of his rocky relations with Engleman Conners. —P.L.

### Honeywell: Robert Johnson to Robert Gillette

Honeywell last January named Robert Gillette president and CEO of the company's \$9.8 billion aerospace business unit in Phoenix, replacing long-time senior executive Robert Johnson, who is retiring this month after serving for the majority of last year as division chairman.

Gillette gained a reputation within Honeywell as a results-driven manager after his successful three-and-a-half-year tenure as president and CEO of the Morristown, N.J. company's transportation systems division, which includes a variety of automotive-related businesses. Before coming to Honeywell, Gillette worked for 10 years in General Electric's plastics division.

As his first order of business after taking the helm of Honeywell Aerospace, Gillette set in motion a reorganization of the division that split products by market sector rather than the



Robert Johnson



Robert Gillette

traditional Honeywell practice of grouping units by individual product lines. As a result, Honeywell's engines, avionics, and wheels and brakes divisions were cleared off the map and replaced by units centered on the airline market, business and general aviation, and space and defense. Among the cost-saving moves Gillette has instituted since taking the job are plans for as many as 2,000 layoffs in Phoenix and a push to hire more foreign engineers and outsource engineering and support jobs to countries such as India. —S.P.

### Jet Aviation: Hirschmann family to Permira

The Swiss family Hirschmann is, or rather was, a veritable business aviation dynasty. But since at least early 2002 there had been avid speculation about a possible change of ownership at its 38-year-old aircraft services group, Jet Aviation. Then, in August last year, and just when many had grown tired of guessing,

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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 govern-

ment 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.



A Hawker 1000 arrives at DCA after it reopens to bizav.

## HANDOFFS

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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 Krenz, 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. —C.A.

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