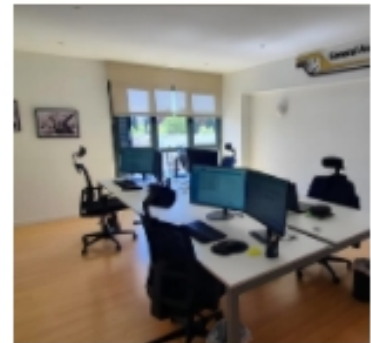
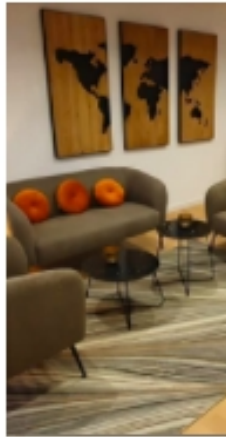


BUSINESS AVIATION ABC - BREATHTAKING WORLD OF FBOS BY GENERAL AVIATION SERVICE

News / Business aviation



Featured by  General Aviation Service

Business aviation is an easy target for the most ferocious accusations since several years now. 50skychades intends to proceed with a Business aviation ABC series to educate, to show the real life of business aviation industry players, to discuss needs and issues. To explain the direct and indirect impact of the industry and its importance, especially for the most remote regions. To tell the story of the daily lives of the various players and their concerns. When you start a new project, it's more than important to do it with a trusted partner. There's nothing better than start with a company with which you share the same values, the company that has been recognized by industry professional, customers and colleagues for more than 45 years. I would like to thank General Aviation Service and Commercial Director Evgeny Shadov for their involvement, creativity, and openness. The real life of FBOs in Spain - the challenges, the results - immerse yourself in the breathtaking world of FBOs.



T.O. Why we are here? As I told you, we've had discussed that briefly at EBACE, we decided that we need to tell the truth about business aviation. A lot of peoples, professionals, close to professionals, we don't event talk about larger public, have no clue what exactly business aviation is. And they are telling something without having any background, any information at all. So, let's do like in school, let's start with business aviation ABC. We start with you, with the FBO business. Those three magical letters, FBO. People are saying without any idea what's behind. And this is what I want to show and explain. How hard job is done behind all flying. What is the FBO. What it is in real life? Only peoples working at the FBO will know. You're in Spain. What is the real life of Spanish FBO? What's happening, how it is different? What is the real situation today?

E.S. OK Tatiana, very good question. Thank you very much for having me here today with you! I am so excited to share what we are doing, what we know, what our daily business is. Especially how things are done how things are working here in Spain. Because every country is different. Every country has his own rules and procedures. I will be talking about Spanish side. About like you just said three magical letters. We hear them so much, at the airports, at the shows. I was thinking the other day, how many times have I said 'FBO' in my life? It is countless I believe. It seems quite easy – FBO, OK, business aviation. There is still a lot of mystery around these letters, this activity. Basically, because when we compare an FBO in United States, because this is where everything is coming from, where everything started. We compare to those in Europe, especially here in Spain. Because here is Spain, we heavily dependent on local regulations, procedures and authorities here. In other words, what you can do in the US, you can't necessarily do in Europe and in Spain specifically. When we say FBO, normally, what we think? We imagine these fancy VIP lounges, smiling staff, private business jets everywhere, and a lot of famous peoples just passing throe. This is truth. All these peoples are flying business because they want to avoid these commercial main terminals with long queues. So, what's the thing and the deal in Spain? What is the FBO here and what we understand behind this word. Here's the interesting part. Spain is well known, it is a different country in a lot of aspects of life, in aviation as well. In Spanish aviation, we

have a state organization, we call them aviation authorities, called AENA – another 4 magical letters. Every operator who flies to Spain knows who they are AENA – it's everything. They regulate all airport activities, FBO activities as well, as well as parking, slots and so. The setup of AENA is very very strict and it includes FBO as well. Here is something that can surprise you and a lot of people who will be watching, listening, or reading this, what I am going to say... Maybe someone will hate me.

T.O. Don't worry, it is even better – you will get popular!

E.S. Yes, so probably some colleagues will hate me. In Spain, there are no FBOs, there is no FBOs. There's no FBO like you'd imagine in the US or those fancy FBOs in Dubai. In Spain, what we have are liberalized private aircraft handling services. So, any company that wants to handle a private jet or to provide handling services, can go to AENA, do some paperwork, pay fees, provide an upfront deposit, meet some security and insurance requirements and obligations and voilà, you're in the business. Tomorrow, they can have their fancy website and claim they provide FBO services in Spain or provide handling services in Spain for business aircraft. So, this is the truth. What about those terminals...in Spain.

T.O. Who holds them?

E.S. Yes this is Good question, who holds them. In Spain, and this is very important to understand! Well, in Spain, only five airports have separate buildings, dedicated, independently constructed, having independent accesses from the commercial aviation. Those are only Palma de Majorca, Ibiza, Madrid, Barcelona, and Malaga. That's all! What I want to say these are just buildings, maybe not super VIP not super fancy, not like the FBOs in Dubai or Los Angeles. They have access, outdoor parking for passengers, security access to the ramp, passport control, and various VIP lounges for passengers and crew. So, now, the very important part: remember how I mentioned that there's no limit on the number of private flight handlers at airports in Spain? So, within these terminals, you can find up to nine different companies doing basically the same thing.

T.O. I have a question – if it's like that, how you deal, how you operate and how you manage these what we call FBO, terminals?

E.S. How it happens. Well, I will tell you another story, related again with AENA, the airport authorities and it is very important to understand to all our audience who's interested to understand how things are happening in Spain. Like I mentioned before, all terminals are owned by AENA. Every five or seven years, AENA opens a public tender process to commercialize these terminals. So, companies, any companies in the world can come, can go through a lot of paperwork and true financial obligations to win the contract. So, AENA then awards then two licenses to manage those buildings. These companies who gets the license, they will be overseeing terminal activities including maintenance, cleaning, VIP lounges, and others. These two companies, it is important, can be completely unrelated to aviation, it is just let's say a manager of the building; and like in Spain in our case, they can be related to aviation, they can hold a license to manage terminal building and do handling as well. But it doesn't mean that only these two companies can provide let's say the FBO services conformed to the demand. No. They have the obligation by the law to give absolutely open access to any of companies who wants to perform activities at the airport. You asked before, how you're managing this. So, I think I will let Google to answer that question. Because when you google for example Palma de Majorca FBO, Ibiza FBO you probably can find up to 9 different options. It does not mean there are 9 different buildings or accesses. It is the same one but with 9 different operators working in the same facilities.

T.O. It is complicated!

E.S. It is complicated, yes, you can see it now.

T.O. It is quite different in France, it is different in two more countries where I was working in business aviation. You never stop learning! Easy part of my question: after everything I know now, how General Aviation Service is dealing and surviving in this “wild West” of Spanish FBO?

E.S. We're surviving and actually doing good! Because there are still some companies, of course I will not give their names, who are trying to especially at the events we're travelling... This is true, I mean when we're at EBACE or now I am travelling to attend Air Charter Expo at Biggin Hill next week, or later to Las Vegas to NBAA... Our competitors they are trying to say: “I have my own FBO at Palma de Majorca!” And this is not true! Now we now. We work under the same roof in Palma de Majorca. You have your beautiful peoples working and I have mines as well and there it is. So how we survive. You know right now General Aviation Services, thank you for the question, we operate in nine Spanish locations. We have opened our brand-new location in Alicante airport just a bit more than a month ago. It gave us very good results. Our luxury locations are Ibiza, Palma de Majorca, Madrid, Malaga, of course Girona in summer and Valencia, Granada as well. So how we survive, the important part how do we prepare to survive. First, the important is to have your own people and equipment on-site and not to depend on anyone. So, in all our locations I just mentioned, you can google it or have it on our website, we have our own station manager, quality control, all necessary equipment to handle the aircraft and what aircraft needs: like tractor for pushback, toilet water service, GPU, baggage belt or stairs when needed. We do have all this, and we do not depend on other parties. So, we can handle from the smallest planes or turboprop to biggest ones. For example, right now in this moment we're handling a lot of military aircraft. NATO is doing some things in Spain and during these months in different airports in Spain we are providing handling services and facilitating other services for NATO flights.

T.O. My next question will be an easy one for you, because you know how it works. There are a lot of newcomers in business aviation: after Covid there are a lot of people trying to fly business aviation, not because they want to have something “bling bling” or golden, but it is more related to health issues, or they are still not happy with crowded airports. Newcomers in business aviation who have less knowledge of how to do and what to ask. It seems very easy to book and pay for a private flight with all Apps. You have to be very determined to have good services, so maybe spend a little bit more time and check everything. **How could people do the right choice? To choose the best provider.** You told it yourself, many of them will google. Having no clue, no background, they maybe won't look at the history of the company... How do they choose the right provider, when there are so many, you have up to 9?

E.S. It is a great question. You know, my main duty in the company is Commercial Director. So, I am holding all the commercial activities. Taking care of relationships and keeping relationships running with customers. When it comes to choose the right FBO provider, handling provider in any of airports... It is not just about the building, the lounges, or the ground equipment. It is about selecting the real partner where you can trust operations of your flights. It is about gaining this trust of your clients and paying attention to thinnest details. For me, as well as for our board members, it is important that all of our peoples understand this. Every time we have our meetings with stations managers we say: “We are not just handlers, not only FBO, but we are part of luxury passenger's experience.” This is one of most important things they have to understand. General Aviation Services have over 45 years of experience on Spanish market. We are like a symbol of trust because of these years and experience. Our peoples are incredible! I am so proud and happy

about every member of our team! It is like a family. We value them so much and we know they will take excellent care of every operation on the ground.

T.O. About luxury experience. This is something I want people to understand. This word luxury – it is not about golden or diamond. **This luxury is the way of traveling just because people around them are taking care in a luxury way.** It is not about the price of the aircraft. Your team members, they are smiling and they are welcoming passengers and for them it doesn't matter if it is a Beechcraft, turboprop or BBJ. This is what I want people to understand. You can fly with a tiny little thing and you will be luxury handled in the very same way if you would fly on BBJ.

E.S. You are right. You know when we talk about luxury. Those passengers who can afford this kind of travel, they already have this luxury style of living. Their houses and their cars; this is their daily life. Sometimes these are just minutes they will spend inside the FBO or inside of one of our Mercedes Viano. The point is how they are treated during this time. In most cases passengers don't even use VIP lounges at the FBO, they have more luxury lounges at their home or inside the aircraft they will be taking in just some minutes. It's incredible inside, much more incredible than all our lounges. Or they are travelling they are coming to Palma de Majorca, they are taking a yacht, a beautiful boat. So, this luxury when we are talking about FBO is the way they are treated during their stay. Passengers and of course crew. When passengers are gone, they took their transportation to the hotel, we're dealing with the crew. We provide all services and we are making them feel comfortable and very well attended as well.

T.O. I have to say thank you for the first of many discussions, I hope. Because the deeper we're going in details of FBO life, more questions we have, more issues to discuss. Crew members, team members, where you get the staff and many more details. After the first discussion I know that Spain and FBO is quite different if we compare to UK, France, United States and so on. I guess colleagues will not hate you.

E.S. If they do, I mean it's OK. You know where to find me. They can find me in LinkedIn, they can have my telephone number. So, no problem.

T.O. It will be my pleasure to discuss many sides of FBO business. We have to clarify things.

E.S. We have to clarify things, exactly. You are right. There are a lot of things we can discuss. Our industry, our daily work. FBO or handling agents we deal with customers. For me customer is operators in the majority of cases, directly operator. We also work with brokers, which is different; sometimes I deal directly with passengers, to make them use our services and not my competitors. But 90% of cases it is relationship between an FBO network like our and operator. For us for example VistaJet, Paltoon Aviation, Air Hamburg, NetJets, Exxaero, Harmony Jets, Jet Story, Jung Sky, Excellent Air, Arcus Air, CTR Atmospherica, and many others. More relationships you have, more good things you have, but sometimes it means more difficulties you have. Difficulties on contractual side, on legal level, payments level. And of course, the point to understand that every single day we are under a lot of pressure. As I mentioned before – these few minutes that passengers and crew members will spend with us they want everything to be perfect.

You know, one of things I get the most on my WhatsApp 24/7? Our management is 24/7 just because we understand the value of that. When customer want to contact someone from the management team to give you special instructions or so. The thing I get the most on WhatsApp – Evgeny, they are super VIPs. I know they are. I look on my daily program and I see all of my 50 flights for today are super VIPs. For us every single flight is the same, like you just said – it doesn't matter if it is a small plane or a BBJ. I can give you some statistics, we are very proud of these

numbers: in July we've managed over 1000 flights in our locations in Spain. Each of them was super VIP. So, you might understand now how much pressure we have in our daily operations. A lot of things can be discussed. Thank you, Tatiana, really appreciate this project you've just started.

T.O. Get ready because we will continue. And if you will be hated after the first Episode, we will continue anyway!

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