

The eToolkit supports NATA's Safety 1st Management System (SMS) for Ground Operations and NATA's Professional Line Service Training Program (PLST Online). This monthly newsletter highlights known and emerging trends, environmental and geographical matters, as well as advances in operational efficiency and safety. Additional issues include a section of real-time incidents on the ground. Flight and ground safety have been enhanced and many accidents prevented because of shared experiences in this newsletter.

FBOs to Compete on Service, Not Price in 2013 – Steady 6% Growth Forecast for FBOs

by John L Enticknap and Ron R Jackson Principals, Aviation Business Strategies Group

Recently, we attended the National Business Aviation Association's (NBAA) Schedule and Dispatchers (S&D) Conference in San Antonio. While there, we had the opportunity to address a group of FBO leaders regarding the present state of the industry and where we saw the future headed in 2013.

Throughout the year we have many opportunities to talk with FBOs from various parts of the country. At the <u>NATA FBO Success Seminar</u>, we conduct twice a year, we network and exchange ideas and information with FBO owners, operators and managers. Also, we receive feedback from this blog we write for <u>AC-U-KWIK FBO Connection</u>.

In addition, we attend various aviation shows including the annual NBAA Meeting and Conference as well as the S&D, and we review industry information and forecasts released by a number of companies and organizations including:

- Honeywell's Global Business Aviation Forecast
- FAA Aerospace Forecasts
- GAMA
- JETNET
- ARG/US
- NBAA

2013 Forecast

To summarize our findings, the FBO industry has not fully recovered from the economic downturn of the past several years. Yes, 2012 was a better year than 2011, but there has been a modest shakeout of FBOs who have been operating marginally.

Going forward, airframe manufacturers are starting to see a recovery in their orders for new aircraft and used aircraft inventories are starting to shrink. The industry is forecasting a slight uptick in the number of hours flown by corporate flight departments and charter operators. However, more efficient aircraft and the practice of tankering will make 2013 another challenging year for the FBO industry.

In general, what we find is a more positive business outlook for FBOs. To be sure, confidence in the economy is rising. Many are seeing more activity on their ramp than a year ago and a slight increase in the number of gallons being sold.

We feel most FBOs have an opportunity to grow their business in the range of 4 to 6 percent this year. If an FBO achieves a growth of 6 percent or more, they will be a star performer.

One of the biggest challenges for FBOs in 2013 will be competing for business aviation transient traffic.

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Although being competitive with fuel prices is important, FBOs can't afford to heavily discount Jet A and then give away their ancillary ramp services - while trying to maintain a first class facility.

As we discuss during the FBO Success Seminars, FBOs competing on an aggressive fuel discount pricing strategy is an archaic way of doing business. In today's tough business climate, FBOs are operating on very thin margins, yet the cost of doing business continues to rise. Therefore, in order to stay in business, FBOs can't afford to sell fuel at heavily discounted prices. No one wins with this strategy.

Competing on Service

Many FBOs have gone out of business by lowering their prices over an extended period of time. Yes, FBOs need to be price competitive, but they must maintain healthy margins and find other ways to compete through differentiation. One of the best ways to differentiate is to offer an outstanding and memorable customer service experience.

Therefore, for 2013, we see a shift in the FBO industry away from a price sensitive business model to one based on providing exceptional customer service.

More and more FBOs are taking customer service training very seriously. Just as FBOs don't tolerate mishaps on the ramp, they are becoming more conscious of eliminating miscues with the way they deliver customer service.

Research indicates that loyal customers don't stop doing business with a company solely because of price, but rather because of a poor customer service experience. However, most will return if you recognize and correct the problem.

One way to improve customer service is to standardize training and aim to motivate employees in a way that encourages them to take ownership of problems when they arise.

Here are suggestions for improving your customer service experience:

- Standardize your customer service training.
- Empower your employees to own their mistakes.
- Teach employees to deal with customer dissatisfaction.
- Motivate your employees to work together as a team.
- Measure your customer service delivery with a short survey.
- Ask the customer the really tough question: Would you recommend us?
- Monitor your loyal customer database. If you haven't seen a regular customer in a while, find out why.

Just like a restaurant owner, you have to be there for the customer. Empowering your employees to own their mistakes at the time of transaction is crucial. Teaching them to effectively deal with customer dissatisfaction helps make for a long-term profitable customer relationship.

At our next NATA FBO Success Seminar, March 11 and 12 in Las Vegas, we go into detail regarding each aspect listed above in developing an effective customer service training program. If you would like more information on this acclaimed seminar, please <u>click here</u>.

If you would like more information on our *Don't Forget the Cheese*[©] Ultimate Customer Service Training Program, please <u>click here</u>.

Your feedback is important to us. Please, let us know your thoughts on subjects covered in our blog by emailing John Enticknap at jenticknap@bellsouth.net or Ron Jackson at Ron@thejacksongroup.biz.

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Education Corner

Supervisor Training – NATA Safety 1st Adds More Options To Training

Line Service specialists are taking advantage of NATA's new Supervisor Online training released the beginning of January.

The Supervisor Online program provides the training fixed base operators' (FBO) line supervisors and managers need to become more proficient in lesson planning, supervising staff, motivating others, communicating and coaching a team. The supervisor training includes eight online modules - Line Service Supervision & Training Management; General Fuel Servicing; Fuel Farm Management; Refueler Safety; Personal Protective Equipment; Hazard Communication; Fire Prevention and Evacuation and Fire Safety. In addition to the online modules, participants receive a line service supervisor training guide containing training resources, lesson plans and trainer guidance to help support training.



"NATA members asked for online supervisor training, and we are pleased to be able to respond quickly to this need by combining our extensive line service training expertise with our industry-recognized online training platform," said NATA President and CEO Thomas L. Hendricks. "The training of our members in safety and efficiency is always a priority for NATA and will continue to take precedence with this and other new initiatives to be announced in the coming weeks."

Once the online course is completed, it will fulfill the Federal Aviation Administration's (FAA) 139.321 supervisory requirements. The employee's certificates will meet both the 14 CFR Part 139 Section 321 (e)1 supervisor fire safety training requirements and the Line Service Supervisor Training requirements. NATA's Safety 1st team talked with one seasoned supervisor who said, "This training is great! I'm so glad it is now online, giving us another way to certify with great materials for training others at our FBO."

"We recognize that traveling budgets are limited and employee scheduling is tight for many of our members," stated NATA Vice President, Operations Amy B. Koranda. "Our Supervisor Online program opens our comprehensive training to an even broader audience than we have been able to reach in the past. At the same time, NATA is remaining supportive of the immense value of face-to-face interactions in networking, idea exchange and sharing of best practices by continuing to offer its popular seminar series."

NATA will hold its Line Service Supervisor Training (LSST) March 11-12, 2013, at the Las Vegas Hotel during the NATA Spring Training seminar series. The LSST is an informative in-person seminar that also fulfills the FAA 139.321 supervisor requirements. This high-impact, high-energy seminar includes guided group debates, interactive discussions and various case studies designed to take FBO supervisors and managers to a new level of leadership. For more information about NATA Spring Training, please visit www.nata.aero/springtraining.

For more information, including pricing, on the NATA Safety 1st Line Service Supervision & Training Management (Supervisor Online), please visit www.nata.aero/plst.



NATA's 2013 Events Schedule

The National Air Transportation Association is pleased to announce its 2013 schedule of conferences, committee meetings, educational opportunities and events.

"In 2013, NATA is taking a new approach to several of our events and programs. We are aligning our goals strategically and utilizing top talent to build and reposition the association in Washington," said National Air Transportation Association President and CEO Thomas L. Hendricks. "We invite you to attend our events to find out how we are moving your issues along successfully in Washington and to obtain the best training and knowledge in the industry."

Conferences, Committee Meetings & Events

NATA Industry Excellence and AMT Employer Recognition Awards Presentation and Dinner April 22, Renaissance Capital View, Arlington, VA

Aviation Business & Legislative Conference (formerly the FBO Leadership Conference) April 22-23, Renaissance Capital View, Arlington, VA

Congressional Reception
April 23, The Capitol, Washington, D.C.

Presidents Council Dinner April 23, Washington, D.C.

Spring Committee Meetings April 24, Renaissance Capital View, Arlington, VA

Presidents Council Dinner June 17, Dulles, VA

Air Charter Summit
June 17-19, Marriott, Dulles, VA

Fall Committee Meetings September 23-24, TBD

Aviation Business Roundtable November 13-15, Arlington, VA

Educational Seminars

NATA Spring Training Week March 11-14, Las Vegas Hotel, Las Vegas, NV

FBO Success Seminar March 11-12

Line Service Supervisor Training Seminar March 11-12

NATA Safety 1st Trainer Seminar March 13

NATA-Conklin & de Decker Commercial Operators Tax Seminar August 6-7, Chicago, IL

Line Service Supervisor Training Seminar NATA Safety 1st Trainer Seminar September 24-26, TBD

Presidents Council

Visit <u>www.nata.aero/presidentscouncil</u> for an up-to-date schedule of Presidents Council activities and information on how to join.

Webinars

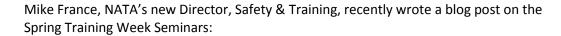
Visit <u>www.nata.aero/webinars</u> for an up-to-date schedule and a link to purchase archived webinars.

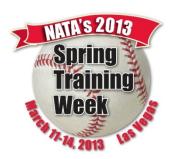
For updates on conferences, events, seminars, webinars, and the Presidents Council activities, please visit the NATA Web site at www.nata.aero/events or www.nata.aero/presidentscouncil. Sponsorship Opportunities are available by contacting Diane Gleason, Director of Conferences & Meetings at dgleason@nata.aero or (703) 575-2050.



Spring Training – Save Time And Money

Time is money, and we aim to save you both. Take advantage of your time in Las Vegas for Spring Training, March 11 - 14, and attend multiple seminars to cover all of the bases: safety, environmental and training.





"It was just a few years ago that on a morning like this I was out on the ramp at the airport pulling aircraft out of their hangar or clearing snow off a fuel truck. It was back during those times that I got my first introduction to NATA and the Safety 1st training seminars. My employer sent me to the NATA Line Service Supervisor Training (LSST) in Chicago. The first seminar marked the moment my job became a career; the opportunity to talk with other attendees and meet with industry experts broadened my horizon beyond just the FBO and airport where I worked.

Now, we are coming up on one of my favorite events of the year, our NATA Safety 1st Spring Training Week in Las Vegas, NV. NATA Safety 1st Spring Training Week is Safety 1st's premier training event, combining the LSST Seminar with the Safety 1st Trainer Seminar, Environmental Compliance Seminar and FBO Success Seminar. I love this event because of the opportunity it provides to interact with line service supervisors, general managers, training coordinators and compliance specialists from aviation facilities around the country. The discussions that occur during the seminars and even between sessions never fail to teach me something I did not know about our industry."

Click here to read the full blog post.

Click here for more details on Spring Training Week.

Spring Training In Vegas - Join Your Peers Beginning March 11

NATA's Spring Training Week is a popular training event that teaches FBO managers and supervisors' safety techniques and tools to maximize productivity and minimize accidents. The skills and techniques learned at NATA's Spring Training Week help ensure safer operations for your team. Spring Training Week provides an opportunity to complete FAA-required 14 CFR 139.321 Fire Safety Training. Seminars during the week include; **Line Service Supervisor Training, FBO Success, NATA Safety 1st Trainer**, and **Environmental Compliance**. Attendees get a chance to meet the NATA staff and participate in networking and training discussions with peers. This fun, educational event covers all of the bases designed to enhance safety practices, provide major league knowledge and help you coach your team to a winning season.

See what previous attendees said about Spring Training seminars:

LSST: Clifton Adams, Wilson Air Center, Charlotte, NC

LSST: Tom Milard, Swift Aviation, Phoenix, AZ

FBO Success: Andi Montgomery, Montgomery Aviation, Zionsville, IN

Click here for additional details and registration opportunities.



NATA Safety 1st Online Training – View Our Five Minute Video

NATA's Safety 1st learning management system's user interface was changed the first of the year. Take time, if you haven't done so, to listen and view Elizabeth Nicholson's recorded video on our "new" look.

All of the features that you are familiar with are still there, but may be in a different location now. We made these changes with input from many of you, our users, and with streamlining and simplifying uppermost in our minds. We include updated instructions with training and encourage all users to read the instructions so they will understand the changes.

Some key elements that changed:

- Assigning curriculum;
- Viewing current and past curriculums and
- Additional management tabs.

We recorded a webinar to illustrate the changes and updates first-hand. Please take advantage of watching it by <u>clicking</u> here.

We hope you like our new and improved look, and as always, please let us know your thoughts via email at safety1st@nata.aero or by calling us (703) 845-9000.

Safety Corner

Illinois Governor Announces \$9 Million Investment In Illinois Airports

On January 23, 2013, Illinois Governor Pat Quinn and Illinois Department of Transportation Secretary Ann Schneider announced a \$9 million investment program that will create hundreds of jobs and improve 19 airports across the state. The investment, set to be part of the state's State-Local Airport Improvement Program for Fiscal Year (FY) 2013, will restore aging infrastructure, improve ease of access for travelers and businesses and economically improve development opportunities at airports around Illinois.

Specific improvement projects include terminal and taxiway rehabilitation, aircraft parking ramps and entrance roads and the modification of airport parking lots. Funding for the program comes from Governor Quinn's \$7.3 million capital program *Illinois Jobs Now!* as well as a local match of \$1.6 million.

"Airports are a local economic engine for communities, regional trades and professional services, and are essential to making sure Illinois remains competitive in today's growing economy," stated Governor Quinn in a <u>press release</u>. The Governor sees the investment as an opportunity to strengthen Illinois' position as a national leader in infrastructure.

To view an Economic Impact Study of the contributions Illinois' airports provide to the state's economy, click here.



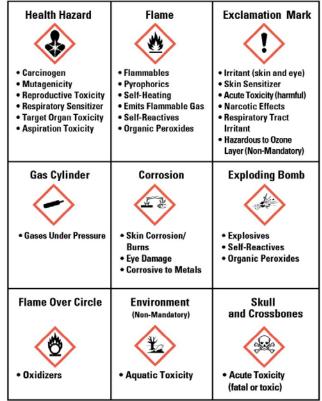
OSHA Quick Card – Hazard Communication Standard Pictogram



Hazard Communication Standard Pictogram

As of June 1, 2015, the Hazard Communication Standard (HCS) will require pictograms on labels to alert users of the chemical hazards to which they may be exposed. Each pictogram consists of a symbol on a white background framed within a red border and represents a distinct hazard(s). The pictogram on the label is determined by the chemical hazard classification.

HCS Pictograms and Hazards







Members' Corner

Aviation Business Journal - Q1 Available Online

The 1st Quarter edition of *Aviation Business Journal* is available online. This edition features:

- Walk A Mile In My Shoes First of a three-part series examining the art and science of doing business with airport sponsors
- Doing Business In A Part 135 Environment For aircraft operators considering certification
- Member Profile of Epps Aviation
- Key Leadership Staff Changes at NATA
- First NATA Safety 1st FBO Audit Completed

Click here to view the Aviation Business Journal.

The National Air Transportation Association (NATA), the voice of aviation business, is committed to raising the standard on ground safety. <u>Subscribe to NATA Safety 1st eToolkit.</u>