

Reprinted from
THE PROFESSIONAL FLIGHT INSTRUCTOR
MENTOR
VOLUME 8 NUMBER 1
NAFI
JANUARY 2006



The Reluctant Flight School

One company's experience with light-sport aircraft

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Everyone seems to have a strong opinion these days about training in light-sport aircraft. Unfortunately, most opinions are based on assumption rather than fact. Bring up the subject at your flight school and you'll likely draw a blank stare, or confusion, maybe even adamant negativity.

I know all of this as a fact, from personal experience. This is the story of one flight school's journey into sport pilot training—the barriers we found, even within our own

organization, and a few successful ideas we used to make it work.

Hard Sells

The first tough sell was the school's owner. He is 65 and has been in the flight-training business for more than half his years. He did not want sport pilot: "What? Are you crazy? It's fraught with liability! There's no money in it! It's not our focus."

Raising my voice to be heard over his, I pleaded that there may be more to sport pilot than what we knew. It took days to convince

him just to let me research it. Finally worn down, he groaned with a shake of his head, "You have the controls." I had won the battle, but knew I was on thin ice.

The instructor staff was unanimous. "No way! I want to fly larger planes, not smaller ones. I'm not flying anything with a snowmobile engine under the cowl, and I will never sign anybody off after 20 hours!" Instructors on the fast track to the airlines saw no benefit in training sport pilots or flying light-sport aircraft.

"I'm not working on anything

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that looks like a flying lawn chair,” shouted the director of maintenance, after throwing a rag down onto his toolbox. He shuffled away mumbling something I wasn’t intended to hear. Someone must have told a joke, because the mechanics all laughed as I closed the hangar door.

I felt certain that sport pilot training could bring in new customers and revenue, but I’ll admit to secretly having my own concerns:

How could a flight school maintain high safety standards and fly light-sport aircraft?

How could a business preserve an established company image of professional flight training while training sport pilots?

Could a sport pilot course be introduced without diverting customers away from the private pilot course or taking hours away from the normal fleet?

Could it be profitable?

Who had the answers to these and other questions? My research began at EAA, pressing forward to learn everything possible about LSAs. There are a dozen or so certificated LSAs, and new models being certificated almost weekly. Given the laundry list of restrictions, they all have similar cruise speed, performance, and weight capabilities. Not all of them, however, appear suitable for flight training. Few represented *The Airplane* that I could market effectively, that our instructors would be excited about flying, and that our customers would love.

To be successful at our flight school the LSA would need to be sleek and sexy, to fit in with the rest of our fleet as it sits on the ramp. It would need high-tech avionics to allow us to provide a solid foundation to our students—we expect that sport pilot graduates will advance into additional training at a later date.

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Most airplanes meeting these criteria are manufactured in the Czech Republic, and they are very different. Something as routine as cabin heat is not standard equipment. Most don’t come equipped with tachometers, and having only a Hobbs makes a difference when budgeting fixed expenses. Oh, and the standard warranty on an LSA is 200 hours.

Spend time educating yourself on LSAs, and know the mission that each unit was originally designed for. A few dealers told me straight up that their unit was not suited for the rigors of flight training. For example, a plane with a totally composite landing gear may not withstand years of take-offs and landings at the hands of student pilots.

Look beyond the fuel burn, power, and speed when choosing an airplane. Warranty, parts availability, and service after the sale lie among the more important items to consider. It’s the people involved in your airplane that will determine if your ownership experience is a happy one. Get to know who does what, because numerous levels of people are involved: the manufacturer, an importer, the distributor, and an array of dealers. These are business people, each handling a unique piece of the process.

Manufacturers vary greatly, from the organized, established aircraft factories (e.g., Zlin) to startup companies working out of a rented hangar. There are a few LSAs manufactured in the United States, but the established time-tested airplanes are imported. So, if something goes wrong, you won’t be calling Kansas. You may be calling the Czech Republic, Belarus, or Australia. Use diligence. Study all contracts and documents carefully. An LSA is an aircraft, first and foremost. Purchasing one is similar to purchasing any other aircraft,

and even in a perfect world with outstanding people, things can go wrong. Find out which people are responsible for delivering your certificated airplane to you, in showroom condition. Find out precisely when ownership—and its all-perils risk responsibility—is transferred to you.

An LSA will cost a bit, so brace yourself. A basic unit starts around \$65,000, and with an IFR glass-panel cockpit, it can run as much as \$150,000. Our certificated unit with cabin heat, lights, heading-hold autopilot, intercom, and a Garmin 296 came to \$94,000. The price will no doubt vary as the euro rises and falls. Unlike other aircraft purchases, the typical payment schedule for an LSA requires that the full purchase price be paid to the manufacturer before shipment to the United States. It felt a bit risky. In the end, we found a wonderful U.S.-based distributor to handle the details of importation. We negotiated to have our money sent to the distributor, rather than to the manufacturer. We felt safer negotiating with the distributor to take care of everything up to the point of delivery. The distributor was happy to smooth any details to keep the banker and investors back home secure and happy.

Plan to devote time and energy to selling the insurance underwriter on this new aspect of your business. Have written notes and diagrams to help you remember the important points and enable you to sound smooth and organized in the presentation. Depending on your situation, these notes could include the following:

- It is a certificated airplane.
- It’s a plane with lights, GPS, and so forth.
- It is an airplane that closely matches your experience (tail wheel versus nose wheel) and fits in with

your fleet.

The plan for integrating the LSA into your fleet, including instructor checkouts and training.

Plans for pilot credentials and checkouts for rentals.

The training syllabus that will be used in training, with confirmation that graduates will be trained to high safety standards.

Maintenance plans for the LSA, including any applicable maintenance technician training.

Insurance for LSA sport pilot training and renting was available through our current underwriter. If you stick with an aircraft matching your experience and properly supervise your new training program, insurance should not present a barrier. Just be ready to help the underwriter understand that your risks have not increased.

Introductory Offers

With so much fear and resistance, you may ask, "Why bother?" Why would a flight school with an established customer base even consider offering sport pilot training? For us, it was because of the people—particularly the not-yet flying public and the training dropouts who still dream of becoming pilots. While many people within our industry are wary, even skeptical about this new world of flight, the general public is wildly excited.

One September Saturday we offered Learn-to-Fly seminars to introduce sport pilot to our community. Placing a small ad in the local paper for only three days, we offered an all-inclusive, limited-time introductory training pack-



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age. We gave sport pilot candidates the opportunity to reserve a future training slot at a guaranteed price.

Promising to hold to a price for six months gave candidates a sense of security—doubly important, considering the uncertainty of fuel costs. We explained that 100 percent of the sport pilot training and hours would satisfy prerequisites for additional FAA ratings and training at our flight school, and we threw in a few other small incentives. It looked like a great deal, and it was.

We were flabbergasted by the response and had to call instructors in on their day off to meet the crowds that showed up. We talked seriously to more than 60 possible sport pilot candidates. Teenagers talked about saving money from their lawn-mowing service. A young father who'd always had the dream, but didn't think he could ever afford to fly, smiled at the opportunity. They pumped my hand and thanked me for allowing them

to come to the airport. They thanked me for offering this service. The phone rang two lines at a time for days.

At the seminars and on our website we collected non-refundable, prepaid \$350 training deposits. It's not a lot of money, but not insignificant, either. These sport pilot candidates have made an emotional and a financial commitment to flight training. The \$350 separated serious candidates from the tire-kickers. Most had previously engaged in training but dropped out just after solo, or simply when it got too costly. These people are now returning to avia-

tion and to the magic of flying.

The prepaid deposits got the boss's attention. I think I saw a thin smile and a nod of his head. The instructors were pumped up, too, delighted to see new students walking through the door.

Pilot Training

We are a Part 141 school operating in Charlie airspace. We want our sport pilot candidates to sit on the couch and share similar flying experiences with other students, so it was important to us to have an FAA-approved course leading to the sport pilot certificate.

Writing a sport pilot syllabus was easy. We rearranged the night and instrument maneuvers and some of the navigation elements in the private pilot course. Our course trains all candidates in risk management, controlled flight into terrain, and other high-level skills. After all, a safe pilot is a safe pilot. The standards of training responsible aviation citizens don't change.

I want sport pilot candidates to see that they are getting the same top-quality training as our other students. I want the instructor staff to know that the same training standards are used in training sport pilots. Obtaining formal approval for the course was not difficult, and it will go a long way toward protecting our graduates from the second-class-pilot image.

When it comes to medical issues, we have all sport pilot candidates sign a statement that they have not been turned down for an FAA medical certificate and have no known medical deficiencies; it's not a big deal. It's just one more paragraph on the "flying can be dangerous and you won't sue us" liability release. It is important to address the issue of medical fitness and to educate the new pilot candidate at the time of enrollment. It's one way to reassure people within our industry that pilots are medically fit and safe.

Once talk of sport pilot training began buzzing in the lobby, pilots started inquiring about leaseback opportunities. Almost immediately, serious investors for new LSAs showed up—investors who had never done business with our flight school before. These new business relationships, with people excited about purchasing and leasing back light-sport aircraft, have grown our business in ways we hadn't expected. Collecting prepaid deposits for training had assured these leaseback investors of the healthy market for the training.

Indeed, the profit-loss analysis on the LSA looks good. Maintenance expenses total far less than a 30-year-old trainer, and a factory-new LSA doesn't prompt the sticker shock of other new airplanes. The LSA financial picture is good for both the owner and the flight school. A two-year financial pro-forma shows

nearly the same return on investment as a factory-new C-172. The financial success of an LSA comes about because it's new, it looks sharp, and it's filled with high-tech toys. Pilots want to fly it.

We consciously designed a program that doesn't leech business away from our existing courses or the current rental fleet, and you should plan to have sport pilot training feed the higher courses and aircraft. Our sport pilot course can be seen as a private pilot course that issues a sport pilot certificate along the way—in fact, it's called the sport private. We offer graduates the benefit of FAA-approved training while 100 percent of their hours and training will count toward a private pilot certificate at a later date. All the customers who prepaid for training slots are new customers to our flight school. That's new revenue today, *plus* the possibility of additional training in the future.

It took about 60 days for us to conduct the research, gain an education, form a strategy, uncover new customers, and order our first LSA. We allowed our employees to make the journey at their own pace. In the end, without exception, every naysayer has become an enthusiast.

We've yet to conduct our first hour of sport pilot training. Our LSA is not scheduled for delivery until late November, but I am convinced that there is new business in sport pilot training. There are new customers with a passion for flying, and old ones wishing to return. There is money to be earned. You can incorporate an exciting new product into your course offerings with little risk. And if you choose to make the journey, you will end up in the same place I did—with a new training option to offer my customers. ■

Arlynn McMahon is the Training Centers manager at Aero-Tech, a flight school with three locations in Kentucky. Come spring, e-mail her at arlynn@aerotech.net for an update on her experience with sport pilot training.

Light-Headed

What is an LSA?

The term "light-sport aircraft" is defined by the FAA in FAR 1.1, General Definitions. There are 13 subparagraphs in the definition, but the most significant characteristics applying to airplanes include the following:

- Maximum takeoff weight of no more than 1,320 pounds (1,430 for a seaplane)
- Maximum airspeed in level flight with maximum continuous power of 120 knots
- Maximum stall speed (V_{S1}) of not more than 45 knots
- Maximum seating capacity of two, including the pilot
- A single reciprocating engine
- A fixed- or ground-adjustable propeller

There are other specific requirements for gliders and gyroplanes. No helicopter or powered-lift aircraft qualifies as an LSA, because of their complexity.

LSAs fall into three groups: special light-sport aircraft (S-LSA), experimental light-sport aircraft (E-LSA), and sport pilot-eligible aircraft. A special light-sport aircraft is a factory-built, ready-to-fly aircraft designed and manufactured in accordance with ASTM consensus standards for light-sport aircraft. Examples include the Evezor SportStar, the Flight Design CT, and the Tecnam Bravo. Sport pilots may fly aircraft certificated in the experimental categories, including experimental amateur-built, experimental exhibition, and experimental light-sport aircraft. And numerous standard-category aircraft—including many Aeroncas, Luscombes, and Cubs—also meet the LSA definition.

A comprehensive list of all eligible aircraft can be found at www.sportpilot.org/slsa.

—Rusty Sachs