

THE USE OF AIRCRAFT IN BUSINESS

If you really need to go some place. BY RICK TUTT



Long-time MMOPA member Ron VandenBerghe

Long-time MMOPA member Ron VandenBerghe has been using aircraft in his construction and property-management business for more than 30 years. More than 45 years ago, after graduating from San Jose State University, Ron began his professional life as a Certified Public Accountant and started investing in apartment buildings shortly thereafter.

Ron was selected to attend the first class of the U.S. Air Force Academy in Colorado but was disappointed to learn the his eyesight was color-deficient and he would not be flying military aircraft. He chose the Air Force Reserves and served as a finance officer at his local San Francisco Bay Area unit. That unit in Hayward had P-51 Mustangs, and Ron became very good friends, then eventually a business partner, with the commanding officer, Gen. Al Santos.





Rick Tutt, Ron VandenBerghe, Ron Cox

In business, after years of using automobiles and the commercial airlines, Ron realized he couldn't move himself and his staff the distances required without spending a vast amount of time on the road. Driving between projects and properties or waiting for a flight, just to rent a car again and drive some more, his staff had just about run out of points on their drivers' licenses, due to the speeding infractions they had collected.

Ron decided it was time to learn to fly. He jumped into it in a big way, earning his ASEL/AMEL/Commercial/Instrument ratings.

He started out with an Aerospatiale

Trinidad. He flew that aircraft for a short while and soon realized his missions were compromised by the limitations of that aircraft. Besides, the oxygen mask was uncomfortable! He required something more.

Ron purchased a 1987 Piper Malibu. This was state-of-the-art and the first production model with Parker-Hannifin hydraulics. He also decided he wanted to fly with a safety pilot as his thoughts would often drift towards business and a safety pilot would keep everything in focus.

The aircraft was originally serviced at the Piper Factory-Vero Beach as they were providing after-the-sale maintenance/repair services. Apparently, it was very

expensive as Piper thought the aircraft coming out of annual should be just as good as a new one. I don't think that Piper maintenance program lasted very long.

While there, Ron also completed his annual recurrent while attending the Piper Learning Center. There he met Ron Cox, Mary Bryant, Lester Kyle, Jerry Sharp and John Mariani.

Needing somebody in California to work on his airplane, Ron eventually connected with Kevin Mead, the service manager of Central California Piper in Fresno, Calif. (KFAT). Ron had regular business in Fresno and would leave the ship with Kevin for service and repairs, picking it up

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afterwards and then flying back home.

Kevin eventually left Fresno and went to work for Flight Craft in Hayward. Ron was based nearby in Livermore and had offices in Hayward, so Kevin continued to be his maintenance contact. This went on until Kevin moved to Hutchinson, Kan.

Ron had a couple of corporate pilots during that time and, in early 1998, he needed another. Ron called his long-time instructor Ron Cox. Cox had been coming out to California each year to give Ron recurrent flight training. Ron asked Cox if he knew of a qualified Piper Malibu pilot in the area. Cox said that he'd been training pilots for the Duraflame Log Co. to fly its Mirage. MMOPA member Phil Berolzheimer was the principal and founder of Duraflame.

One of Duraflame's pilots, Reid Johnson, was not available as he was flying for several groups in Stockton. I was another. I owned a small flight school and charter operation and was more available. At first

Ron kept both aircraft in his hangar. He liked the notion of having a spare plane although he wasn't flying the 1987 Piper Malibu much. Almost two years later, I suggested that he sell it, and Ron agreed. Then I started thinking that I'd like to have it. I put together a fractional group, purchased the Malibu and today am half-owner in that 1987 with another MMOPA member, Gordon Heinrich. I have been flying that airplane ever since, starting with Ron back in 1998 and, as of December 2006, as a co-owner.

Since I only work on the West Coast, I use it to fly to my initial/recurrent training clients, going to locations where the airline would not be practical. That also frees-up the day before and the day after, allowing me to schedule work without wasting two days. Having unproductive days with a tight schedule is not practical in these times.

In the latter part of 2006 while visiting business interests in Fresno, Ron was invited by Cessna to look at the "on-tour"

that Hobbs meter and is a jet pilot.

One day he looked over while flying and asked if I ever thought I'd get to fly a jet. I said, "I didn't learn to fly until I was 38 and figured I was too old to get that far." So, with a tear in my eye, the answer was no, and I thanked him very much!

Now Ron uses both aircraft to suit his operational needs. He flies the Mirage on shorter trips when the passenger load is low and the Mustang on longer runs, when the passenger load exceeds the payload capacity of the Mirage or when the weather simply exceeds the operational limitations of that aircraft.

This is a great story on how private aircraft are used in businesses, large and small.

Most of us would not be able to grow our businesses without them. We need to get this message out loud and clear. It seems to be lost on the government and misunderstood by the general public. I'm tired of hearing about "greedy aircraft owners."

We hear that corporate aircraft owners

One of my recurrent training clients just told me of the \$11,000 property tax bill on his Meridian; ours for the 1987 Malibu this year is \$2,800.

At KSCK, in the Atlantic Aviation's hangar where I'm based, there are tens of millions of dollars of aircraft. There are millions of dollars of other aircraft all over the field. At 1 percent tax rate, we don't have to figure too hard how much of that goes directly into the coffers of the county government. Plus we pay all the local school, environmental and fire district fees in our hangar and aircraft property tax bills.

scheduling was difficult. I suggested that Ron fly the same two days each week and that way both of us could schedule other work around those days and each other's schedules. It worked well; Ron and I have been flying together every Wednesday and Thursday for the last 17 years.

In 2004, while attending the MMOPA convention in Palm Springs, Calif., Ron took a demo flight in a new Mirage. It had S-TEC Meggit Magic, dual GNS530, Bendix/King MFD, radar, two transponders and more.

As he and I flew back home, Ron was running the numbers. He's an accountant, and it's ingrained in him. He was first concerned with the added fuel consumption of the Mirage; it's considerable compared to the Malibu. He also weighed the updated avionics along with new ergonomics.

The next day, Ron called me, saying he found one, and I was to pick it up in Kansas City. Today Ron and I have 1,265 hours on that airframe.

Citation Mustang. A short while later they offered him a demo flight; he also worked one in for me.

Again on the way home to Livermore, he was running the numbers. He smiled and said, "I can't make any economic sense of this."


I asked him what his safety and the safety of his people was worth. I also mentioned that none of us are taking our money with us, adding that "the last shirt has no pockets." He might as well get something for himself while he can still enjoy it and, in this case, fly it.

Ron sent me an email the next morning, saying he would take delivery in the third quarter of 2009 and was given serial #335. He ended up taking delivery of serial #227. I suspect Cessna had aspirations of building and delivering more, but the economy got the better of them, of all of us, for that matter.

Ron and I attended FSI and completed their two-week initial course. Ron earned his CE510-type rating and I earned the CE510(s). Today Ron has 575 hours on

should be penalized and pay more taxes.

One of my recurrent training clients just told me of the \$11,000 property tax bill on his Meridian; ours for the 1987 Malibu this year is \$2,800. At KSCK, in the Atlantic Aviation's hangar where I'm based, there are tens of millions of dollars of aircraft. There are millions of dollars of other aircraft all over the field. At 1 percent tax rate, we don't have to figure too hard how much of that goes directly into the coffers of the county government. Plus we pay all the local school, environmental and fire district fees in our hangar and aircraft property tax bills.

Multiply that across the country. We pay our fair share! 

Rick Tutt is an 18,000-hour instructor pilot who provides initial and recurrent flight instruction in a variety of single and multi-engine piston and turbo-propeller aircraft. He is a member of the MMOPA as well as most of the other aviation and insurance trade groups. He learned to fly in Kalispell, Mont., in the late '80s and then returned to California in the early '90s to open a flight school and air charter operation. Rick uses his PA-46-310P traveling to train clients on the West Coast when it becomes impractical for them to reach Stockton.