

AGENDA DATE: 10/13/2020

Supplemental Information for October 13, 2020, meeting

AGENDA ITEM #: 6a.

Award Contract for the Fixed Base Operator for the Cortez  
Municipal Airport

Letter from Right Rudder Aviation

## Right Rudder Aviation

4250 S Airport Rd  
Inverness, FL 34450  
(407) 734-1442



Right Rudder Aviation

# Business Plan

## OVERVIEW

To provide the city of Cortez with an understanding of how Right Rudder Aviation (RRA) intends to operate Cortez Municipal Airport (CEZ), please accept our business operations proposal.

In this proposal, we will discuss our strategy for the five essential business operations of CEZ. We have identified these five critical business operations as follows:

1. Fixed Based Operations
2. Flight Training
3. Aircraft Maintenance
4. Fuel Sales
5. Panthera Dealership

In each business operation's section, we provide an internal and external analysis of the operation for review. The internal portion of the analysis focuses on procedures and perceived opportunities for improvements where necessary to existing the customer base or process. At the same time, the external part of the analysis focuses on how to generate greater awareness of CEZ as a preferred destination by leveraging a web 2.0 marketing strategy. Utilizing this type of analysis allows us to illustrate how our unique strategy for CZE and core competencies will bring growth to the airport and greater utilization of a public asset that we believe is underutilized to date.

Please note that this proposal should not be considered exhaustive due to the request for a concise format. Some information has been purposely omitted from this proposal to meet guidelines and can be requested from RRA at any time.

## Fixed Based Operations (FBO)

The Fixed Based Operations (FBO) or terminal building is the hub of all airport operations, and for this reason, is the first business operation analysis we will present.

## Internal

Complacency is the poison that affects most FBOs. From unhelpful desk staff to missing phone calls and not following up. These are missed opportunities right in front of many municipal airports across the country that could access revenue from these potential customers.

To combat this critical customer service issue, our strategy is two-pronged. The first prong of the strategy is to correctly state and effectively communicate hours of operation across all communication platforms. We found that this clear communications strategy goes a long way in ensuring customer engagement and success.

The second prong of the strategy is to employ the staff to engage with the public in a friendly, customer-focused manner. These team members will greet and organize all incoming foot traffic and calls and intake all incoming information to ensure the customer is directed to the correct department. The utilization of customer resource management systems and scheduling software will be critical to ensure people don't fall through the cracks. By vigorously focusing on proper information collection and process, our customer service team can confidently gather the information we need to provide consistent and dependable service.

We can achieve the above strategy within the first two weeks of operations since it is already part of our company's culture and core competencies.

## **External**

The inability to access any information about CEZ is another major weakness that we discovered. A lack of a dedicated web or social media presence can deter potential customers from engaging with a business. Our strategy to remedy these issues is to develop and maintain a Web 2.0 presence by creating an informative website and engaging social media accounts that can answer frequently asked questions of potential customers. In addition to increasing our online presence by improving returns in web searches, this strategy will also simultaneously provide consistent and quality service, as mentioned in the above section.

We can achieve the above strategy within the first two weeks of operations since we can immediately implement the strategy upon undertaking the management of CEZ.

## **Flight Training**

Flight training has become a fundamental part of the business operations of FBOs across the U.S. A properly run flight school can increase the FBO revenue and create an economic impact that can ripple through the community. With some licenses and endorsements taking several months to achieve, students may opt to move into the community while training, thus generating revenue for small local businesses during such time. That is why we plan to extend our flight training program to CEZ.

## **Internal**

Our strategy is to carefully tailor our current flight training program at Inverness Airport (INF) for the unique market of CEZ. For years, we have provided superior flight training services to both the U.S. and international markets because we thoroughly understand our students' needs. Our success is due to the wide variety of flight training programs we offer, including primary instruction such as private pilot and commercial and specialized training such as tailwheel, aerobatic, light-sport, and pre-agricultural training. This array of training programs has attracted locals interested in aviation and individuals from surrounding states and foreign countries looking for niche instruction. We aim to create the same student traffic at CEZ.

Additionally, our flight training program's significant feature that differentiates us from our competitors is our focus on providing students with innovative, next-generation technology. Unlike many other FBOs, we offer motor-glider training in one of the most cutting edge aircraft of its kind as of date - Pipistrel Alpha Trainer. This aircraft piques much interest in both new and veteran pilots because it is uniquely innovative, making it a highly sought-after training vehicle regardless of location.

We can achieve the above strategy within the first two weeks of operations.

## **External**

Our strategy to generate awareness and capture customers is to leverage Web 2.0 platforms, specifically Facebook. Our ad engagement campaigns on Facebook have significantly increased traffic for the flight training operation and our company's overall online presence. We have also seen significant success through advertising on Barnstormers.com. As we establish our flight training program at CEZ, we will use those same tools to seek new students and drive online traffic to our CEZ specific online presence.

We can achieve the above strategy within the first two weeks of operations.

## **Aircraft Maintenance**

### **Internal**

Safety is the ONLY thing that matters in aviation. Promoting and enhancing safety in the industry begins with creating and maintaining a culture of safety, and implementing an unrelenting focus on safety. This obsessive focus on safety transcends all aspects of our operations, and aircraft maintenance plays a vital role in aviation safety. Our team of FAA certified Airframe and Powerplant mechanics, with Inspection Authorization, (A&P IA), keep our training and rental fleet in tip top shape. In addition to their initial training, each of our mechanics are encouraged and

required to conduct regular continuing education classes, in order to keep their skills sharp and to expand their expertise into new industry trends and technologies.

## **External**

Creating truly fanatic customers throughout each and every part of our business is part of our DNA. Naturally, this extends to external aircraft maintenance services. The scope of our services is extensive and we have the ability to perform almost all work required on general aviation aircraft- Including Airframe work- Aluminum, composite, and cloth. Engine repairs, overhauls, and complete rebuilds including opposed and radial engines of all makes and models. As the exclusive Pipistrel Panthera dealer, we are a factory service center for all Pipistrel aircraft, attracting customers from around the country to our facility. The most common maintenance our shop provides is annual inspections- our quality standards for this type of work exceeds industry standards. In addition to providing the highest quality of aircraft maintenance possible, our pricing structure is extremely competitive, resulting in extremely high levels of customer satisfaction and loyalty.

## **Fuel Sales**

The cornerstone of an FBO is its fuel sales. While this business operation may seem like a simple function, it is the most crucial and sometimes only interaction an FBO has with a customer. Therefore any strategy for fuel sales must reflect the lowest possible cost of business for the customer.

## **Internal**

Our two-prong strategy is to develop a comprehensive fuel sales operation that benefits the customer.

The first prong of the strategy is to provide an incentive program for repeat or bulk fuel customers. This program would give discounts to those who register for our program and prepay for fuel. We will utilize software that creates client accounts that allow for customized pricing to account holders to implement the discount, which means we can offer below retail pricing to customers we deem as "high consumers." And one of the first accounts we will pursue is Boutique Airlines. We will incentivize them to purchase fuel "locally" by offering tiered pricing based on consumption. We view Boutique Airlines as a missed opportunity and would like to leverage our proximity as a chance to form a vital partnership.

The second prong of the strategy is to provide a better fueling experience for customers. In conjunction with our partner Titan Aviation, we will offer each type of fuel sold at CEZ from a specialized truck to avoid the difficulty of refueling due to the placement of the fuel tanks. We will

also work with Titan to achieve best practices in safety and the necessary equipment needed to do so. Additionally, we will employ dedicated staff to service fuel.

We can achieve the above strategy immediately after taking control of operations. We aim to ensure there is no disconnect of fuel services. However, this will be dependent on the logistics of the transition.

## **External**

Our strategy to promote fuel sales and our incentive program is to provide accurate, up-to-date information on our website and the vast array of sources pilots and dispatchers utilize for essential airport information. Putting forth maximum effort to keep these price providers updated is key to our strategy, whether manually updating databases or fielding calls from the staff of significant source websites. By accurately advertising our prices and incentives, we will signal to the market that CEZ is a destination to fuel. Additionally, word of mouth will provide us with growth opportunities once people realize a change in management has occurred and that their business is wanted.

We can achieve the above strategy immediately after taking control of operations.

## **Panthera Dealership**

Aircraft sales are a significant business operation for FBOs. Sales contribute to an FBO's bottom-line but also attract would-be buyers to the area. The more unique the offering, the greater the draw of prospective buyers, and the more significant the potential impact on the local community.

## **Internal**

Our strategy and the primary reason for seeking out CEZ is to open an operation that can serve as the Panthera Dealership for Western and Central America. The manufacturer of Panthera, Pipistrel, set this directive for us. The company's Founder / President views the United States market as two halves, East and West, and believes it can not be adequately served without dealerships on both coasts. And we consider Cortez / CEZ as an ideal location for us to launch our Western operation.

Immediately upon taking control of operations, we will begin showing the Panthera at CEZ, which will result in an increase in aircraft traffic and visitors to Cortez. We will also require all buyers to complete a mandatory 25-hour training course conducted out of CEZ, increasing these individuals' economic impact on the community. Lastly, CEZ will be an option for aircraft delivery and assembly before it is flown to the final destination, which will create demand for A&P work to assemble all aircraft.

## **External**

Our strategy to increase the sales of the Panthera through promotional tactics is already underway. One tactic is leveraging internet influencers. We invited several of these individuals to our operations in FL to experience the Panthera first-hand. We encourage them to create videos and reviews in the moment, so the experience's authenticity shines through. These videos have attracted a large number of unique views. The most popular at the time is by FloridaFlyers (Link: [https://youtu.be/FRP\\_bCkE9K8](https://youtu.be/FRP_bCkE9K8)), which has gained over two hundred thousand views.

Another tactic is employing our own Web 2.0 presence. We are currently working to create promotional material for the Panthera unique to our dealership's particular offering. As our Team continues to develop these critical pieces of collateral for our Florida location, we look forward to creating specifically tailored marketing materials such as an announcement video for our new dealership site.

## **Conclusion of Operational Culture**

We have now given a summary of our short term operational beliefs, intents and objectives for the first twelve months of operation at CEZ. It must also be addressed here that the common theme in all of our segments has been our focus on external marketing. All of our business segments will work in conjunction and create a culture of success and service at CEZ. We have done it in our current location, which we have proven through financial documentation and letters of support from the local community, and we hope to have the same opportunity to create this effect at CEZ and Cortez.

## **Exhibits**

Please find attached along with this business plan, various exhibits we have supporting our arguments. All exhibits are found below:



## References

Rick Winkel | Former Citrus County Aviation Advisory Board Member

(352) 302- 3768

[Rickw@winkel-construction.com](mailto:Rickw@winkel-construction.com)

1919 West Main St. Inverness, FL 34452

Robert Galloway | FAA Designated Pilot Examiner

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To Whom it may concern,

I have been conducting FAA Checkrides for applicants from Right Rudder Aviation since the company was founded.

Applicants have always been well prepared for the checkride and shown above average skills for their experience level. This is a testament to the high level of flight and ground instruction given by all of the staff at Right Rudder Aviation.

Aircraft maintenance has never been an issue on any of my visits in fact the aircraft are typically better maintained and cleaner than we typically see at a flight school.

I would give Right Rudder my highest recommendation to any person looking for quality flight training.

Regards,

Franklin Burbank  
FAA Designated Pilot Examiner

A handwritten signature in black ink, appearing to read "Franklin Burbank", with a long horizontal flourish extending to the right.



## LETTER OF AGREEMENT

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### Monarch Air Group, LLC. and Right Rudder Aviation, LLC. Terms of Agreement

September 16th, 2020

Ms. Shavonna Reid

Dear Shavonna:

This letter confirms that **Monarch Air Group, LLC (MAG)** will be the exclusive FAA part 135 charter provider to **Right Rudder Aviation, LLC.** at Cortez Municipal Airport (KCEZ) in Cortez, CO effective immediately.

**Please note the following rules and restrictions:**

#### **TERMS OF AGREEMENT**

Monarch Air Group will provide charter aircraft based off of Right Rudder Aviation's clients' needs. Right Rudder Aviation will be the point of contact for all their clients needs. Monarch Air Group offers a commission rate of 5% on the total cost of the charter provided to Right Rudder Aviation, LLC.. Right Rudder Aviation will receive commission after the trip is flown and completed paid via wire or check. Each pricing presented will include Right Rudder Aviation's commission. If either party wishes to terminate this agreement they must provide a written 30 day notice of their intent to terminate this agreement.

#### **CANCELLATION POLICY**

Round trip cancellation policy: upon booking 35% of the total charter cost, 72 hours before departure 75% of the charter cost, 48 hours before departure 100% cancellation charge. For one-way trip cancellations, the Customer will be assessed a cancellation fee equal to 100% of the total cost of the trip. A no show will be charged the full amount of the charter cost. **ALL ONE-WAY ESTIMATES ARE DUE IN FULL AT TIME OF BOOKING. ALL ONE-WAY ESTIMATES ARE HELD TO 100% CANCELLATION AT TIME OF SIGNING.** Due to the availability of aircraft, during the Peak/Holiday season there is a 100% cancellation fee. The pricing indicates a cash discount. Such discount will NOT be provided for credit card payments. Total Trip Quote represents a 5% discount for cash, check or wire payment.

**MORE**

**DOCUMENTATION**

Photo ID's are required prior to flight. Additionally, official travel documents (passports, Visas, etc.) are the responsibility of each passenger. All passenger information must be received 48-hours prior to flight. Failure to do so may result in delays. All Passengers flying with Visas, Visa Waivers, and/or Recent Passport Submission with valid receipt and confirmation must fax documentation to our offices 48-hours prior to departure.

**ITINERARY CHANGES & TRANSMITTAL OF CHANGES**

Itinerary changes are permitted, but subject to aircraft and crew availability, and subject to price adjustments. Notification of changes and/or cancellations must be in writing and sent to our offices by fax/email. Client must call our office 954-359-0059 to confirm receipt of such changes.

**RESPONSIBILITY**

Monarch Air Group is an air charter broker operating on behalf of its customer, as defined by 14 CFR 295. The operator for this flight is dependent on each charter agreement and will be specified in each agreement for each charter flight. Monarch Air Group holds a non-aircraft operator insurance of up to \$1,000,000.00 USD.

I hereby accept these terms for the above referenced charter agreement.

Please sign below to indicate your agreement.

Sincerely,

Justin K.R. Collom

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Justin K.R. Collom  
Executive Account Manager  
Monarch Air Group, LLC.



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Shavonna Reid  
Director of Fixed Base Operations  
Right Rudder Aviation, LLC. (KCEZ)

CC: David Gitman, President

*David Gitman*

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# Memorandum

**To:** Mr. Andrew Chan, Right Rudder Aviation  
**From:** Shawn Knickerbocker, FAA DPE & Specialty Examiner  
**Date:** 8/31/2020  
**Re:** Reference Letter

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I have known Right Rudder Aviation and Mr. Andy Chan for many years. I have seen Right Rudder Aviation expand its operation professional. During this time, as a FAA Designated Pilot Examiner (DPE), I have had the privileges to evaluate Mr. Chan students and other instructors at Right Rudder Aviation.

Right Rudder Aviation and Mr. Chan has continually raised the level of proficiency, certification standards and overall has developed into a professional training program. As the FAA comes closer to providing Right Rudder Aviation's part 141 approval, again I look forward in engagement of his students and instructors.

When at Right Rudder Aviation, I have observed Mr. Chan's interaction with customers and he provides excellent customer service and relations. Right Rudder should be proud of being in business at the Inverness Airport/

In summary, I am honor to write this letter in support of Right Rudder and Mr. Andrew Chan.

Respectfully submitted,



Shawn Knickerbocker  
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Clermont, FL 34714  
[FAADPE1604@AOL.COM](mailto:FAADPE1604@AOL.COM) 904.382.9614



August 31, 2020

Russ Machen  
123 Roger Smith Ave.  
Cortez, CO 81321

Re: Right Rudder Aviation

Dear Mr. Machen,

It is with honor that the Citrus County Chamber of Commerce sends this letter of recommendation concerning Right Rudder Aviation.

Since Right Rudder Aviation became the FBO at Inverness Airport in Citrus County two short years ago, we have witnessed a stunning transformation to the operations of the airport. Although Citrus County and the FAA invested some years ago to extend the runway to 5000 feet and built a new terminal building, it was not until Right Rudder took over the operations that the airport became alive.

Within months, Right Rudder was bringing in new business through their fuel service, flight instruction and rental fleet. They added aircraft maintenance and opened a Hertz car rental service. Their innovative approach to teaching flying in a new way has been making it more accessible to a new generation of students. Soon, Inverness Airport changed from a sleepy, seldomly used airport, to a bustle of activity with a reputation as a fun place to fly. General and business use of the airport has increased substantially.

Recently, Right Rudder was chosen as the exclusive Panthera Aircraft dealer for the US, South and Central America. It speaks volumes about the knowledge and management skills of Right Rudder's team that Panthera would choose Andy Chan and his crew to debut the sparkling new Pipistral aircraft at our Inverness airport.

We are excited to learn that Right Rudder Aviation may have the opportunity to expand their operation to also become the FBO at Cortez Municipal Airport. We have no doubt that you will be as pleased with their operations in Colorado as we are here in Florida.

Please feel free to reach out to us if we can share any further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Wooten", with a stylized flourish at the end.

Josh Wooten, President / CEO