

Welcome to PIREPS!

PIREPS brings you the latest news and information from Premier Aircraft Sales, Inc., and the aircraft manufacturers it represents: Mooney Airplane Company and Diamond Aircraft. Plus, each month, you'll get tips on aircraft ownership, safety, maintenance, and a lot of other insights that will help you get the most out of the aircraft you already own or are planning to buy.

Premier's Upcoming Schedule Of Events

Florida Aircraft Expos

See all the latest general aviation aircraft models in one day at an airport near you. Plus, get information on insurance, taxes, flight training, leasebacks and financing.

Orlando

Thursday, May 21

Sheltair Aviation

Orlando Executive Airport (ORL)

Daytona

Friday, May 22

Precision Aviation Group, Inc.

Daytona International Airport (DAB)

Melbourne

Saturday, May 23

FIT Aviation

Melbourne International Airport (MLB)

Florida Aircraft Expos are from 10 a.m. to 5 p.m. each day. Dates and locations subject to change. For more information visit www.floridaaircraftexpo.com or call Lucy Claiborne at Premier Aircraft Sales: 800.903.8402.

Virginia Regional Festival of Flight

Saturday and Sunday, May 30 & 31

Suffolk Executive Airport (SFQ)

Suffolk, Virginia

For information visit: <http://virginiaflyin.org>

Good Neighbor Day

Saturday, May 30

Epps Aviation

DeKalb-Peachtree Airport (PDK)

For more information call Misty Moore at Premier Aircraft Sales: 770.452.0727.

Premier's DA40 Cabin Cool™ Air Conditioning System Debuts.



Fresh off receiving its FAA Supplemental Type Certificate (STC) Premier Aircraft Sales, Inc., had the first new 2009 Diamond DA40 XLS equipped with the company's DA40 Cabin Cool™ air conditioning system on display in the Diamond booth at

last month's Sun 'n Fun fly-in in Lakeland, FL.

"We had a lot of interest in the Cabin Cool system during the show," explained Wes Dale, Director of Special Projects, Premier Aircraft Service. "One guy had signed a contract for a new DA40 XLS and when his wife saw the Cabin Cool air conditioning system she said they 'had to have it.'"

The availability of Premier's new air conditioning system is proving to be a major product differentiator for new DA40 buyers. Prior to Sun 'n Fun Premier sold a new DA40 XLS with Cabin Cool to a pilot who had already put a deposit down on a Cirrus.

"I've talked to a number of prospects who are considering the SR20 and the DA40 XLS," Dale said. "It's been pretty much unanimous in favor of the DA40 with Cabin Cool. The airplane is so much more comfortable and it's quieter too. With the outside air vents closed a DA40 XLS with Cabin Cool is 10 db quieter than one without A/C – that's a great benefit."

"People know that the DA40 delivers an unbeatable blending of performance, efficiency and safety," said Premier's President and Co-Founder Fred Ahles. "Now with Cabin Cool we've made the 'best first airplane you can own' even better."

For more information please call Wes Dale at 866.875.4347 or e-mail Wes at Cabincool@flypas.com.

Mooney's Wayne Fisher Talks About What's Happening In Kerrville In An AvWeb Sun 'n Fun Podcast.



AvWeb's Editor-in-Chief Russ Niles sat down with Mooney's Director of Marketing Wayne Fisher during Sun 'n Fun to catch up on Mooney's current status and future plans. Click here to listen to the complete interview:

http://www.avweb.com/podcast/podcast/SunNFun2009_AudioPodcast_WayneFischer_Mooney_200197-1.html?kw=AVwebAudio

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The Proficient Pilot: The Benefits Of Flying At Higher Altitudes

Corbin Hallaran, Director of Safety, Premier Aircraft Sales, Inc.



The one question I routinely get from our customers who are buying their first high-performance Mooney is: "What do I need to know about flying above 10,000 feet?" After all, they're buying an airplane that's made to go fast and far. And the higher you go the faster and farther you can go.

The reason for that is the airplane is traveling through less dense air – allowing

the true airspeed of the airplane to increase because of less resistance from dense air molecules. You also burn less fuel because it takes less fuel to saturate the thinner air.

But there's more to safer operations in the "flight levels" than many pilots realize. So how do I operate my airplane at higher altitudes? It starts with what type of aircraft you are flying.

If you're lucky enough to be flying a new Mooney Acclaim, you have the added advantage of "turbo normalizing" – the engine's twin turbos are compressing the intake air and forcing it into the engine induction system. The result is you enjoy higher engine performance at higher altitudes – up to 25,000 feet in the Acclaim's case.

But even a normally aspirated airplane like a Mooney Ovation can benefit from flying above 10,000 feet. Aside from lower fuel burn, you can often find favorable tail winds up there.

Comfort, for you and your passengers is another big consideration. You will be flying above most of the low-level cumulus clouds and that equals smoother air and a smoother, more stable ride: especially in the summer months. If one of your passengers is a nervous flier, smoothing out the ride will make them a lot more comfortable.

Remember, oxygen use is required during unpressurized flight operations above 12,500 feet in the daytime. If you fly a lot at night, oxygen is always a good idea. There is a recommendation from the AIM that explains the O2 level during night operations drops to about 5,000 msl. If oxygen is available, always use it during night flights.

I think it's a good practice to use oxygen any time you climb above 10,000 feet but it depends on your situation. Many times after a long day, I have used oxygen while flying home when I've been as low as 5,000 feet.

Another rule to remember is that you need to be Instrument Rated to fly above 18,000 (FL180). That's another great reason to get your Instrument ticket, if you don't already have it.

Of course, what goes up must come down and planning and executing descent profiles is another area where careful planning is needed when you're flying at higher altitudes.

Sorry to keep you "hanging" but we'll save descents for next month's column.

Running Rough? Spring Is Time To Get Your Teledyne Engine's Fuel System Adjusted.

Wes Dale, Director of Special Projects, Premier Aircraft Service



Now that spring is finally here, owners of aircraft powered by the Teledyne Continental engines may see some operational changes. Perhaps your engine is now idling and running smoothly as opposed to being rough and hard to keep running at idle, or now it is running rough and dying upon landing.

If you are experiencing any of these issues, it is time to perform the annual fuel system adjustments required by Teledyne Continental Motors. The TCM fuel system is unique in that it does not compensate for density altitude changes or airflow through the engine as the fuel injection systems do, to some degree, on the Lycoming engines.

At each annual or 100-hour inspection, TCM requires the fuel system be adjusted for idle and full power fuel flow as well as idle mixture. To accomplish the adjustments, a special fuel system test box must be installed into the fuel injection system and the engine is ground run. As good as many of the instruments are on the planes we fly, the fuel flow indicators that are permanently installed are not calibrated precisely enough nor show all of the parameters required to facilitate a proper fuel system adjustment or "set-up" as we call it. The test box used during the set-up must be calibrated each year by the manufacturer.

It is normal to see operational changes in the engine during the course of the year. During the colder months, the engine may require a simple mixture adjustment to allow enough fuel into the engine at idle, or in extreme cold, more fuel might be required at full throttle to keep the exhaust temperature well below peak during takeoff. Naturally aspirated engines are more likely to see the inadequate fuel flow at takeoff but all TCM engines are likely to see poor running and rough idle at low power settings as temperatures change. The more extreme the temperature changes the more operational changes you can expect from your engine.

During the summer months, engines that operate well in the northern climes during the winters may develop a rough idle from being too rich as can engines operated in the relatively warm south. If you are correcting the poor running by leaning on the ground or by running the boost pump on low, you need service. You should not have to lean a TCM engine during ground operations. Instead, visit the shop and have the proper adjustments made.

Regardless of how your engine is running, your shop must comply

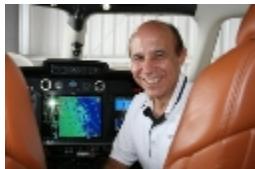
with TCM bulletin SID 97-3E covering fuel system adjustments at least once a year using the proper test equipment. If your shop has that ‘deer in the headlights’ look when asked about the fuel system set-up, you need to make an appointment with Premier Aircraft Service in Ft Lauderdale.

As the flying season cranks up, keep the need for adjustments in mind and do not tolerate a rough engine. Also remember those oil changes—four months or 50 hours—whichever comes first. Keep the corrosion producing critters out of your oil.

See you next month.

Buy A New Airplane Now: Another Aircraft Owner's Perspective.

Fred Ahles, President and Founding Partner, Premier Aircraft Sales, Inc.



Last month I discussed in general terms why now is a great time to buy a new airplane – prices, low interest, low insurance and great tax benefits. What also can't be emphasized enough is this is a time of opportunity for all entrepreneurs to act. In order to grow businesses, buy businesses, or reach customers more efficiently – a personal aircraft is a marvelous business tool. On top of that, a new plane is a lot of fun too!

The following article was written by nationally recognized aviation tax planning expert, Lou Meiners. In his article, Lou highlights the business decision he made to expand his business with a more capable airplane. The same rules apply to all business owners regardless of the size of purchase. We hope the article is insightful—and motivational.

Why An Entrepreneur Buys A New Aircraft In A Paralyzed Economy – A Compelling Economic Analysis

By Louis M. Meiners, Jr., CPA, President Advocate Consulting Legal Group, PLLC

In times of economic turmoil businesses often turn to retrenchment, cost cutting, and shift to a survival mode permeated by fear; but for those willing and capable of making an additional investment, there is often opportunity to reap great returns. One of the advantages of operating a family business is the freedom to make decisions based on long term goals, and not be burdened by quarterly reporting constraints. We believe an investment in a new aircraft is a great long-term opportunity for our company to increase market share and future revenue. Here is our story:

Background:

Advocate Consulting Legal Group, PLLC is a Florida law firm with roots to an Indiana Tax Firm, Advocate Consulting, LLC formed in 1993. We have operated aircraft from inception including a Piper Cherokee 6, a Piper Seneca, 2 MU-2s and now an Embraer Phenom 100. We have always operated our own aircraft under the noncommercial FAA Rules of FAR Part 91, and used the aircraft principally for carrying employees to clients, taxing authorities, and aviation events. The company attributes its success to both the responsiveness and the flexibility its aircraft provides.

As our aircraft grew in capabilities, we expanded from locally based clients, to regionally, then nationally. Through our aircraft and information technology, we are capable of serving our clients from a single office based in Florida; thereby allowing us to better control quality and efficiency of our greatest cost: payroll.

Our business is over 16 years old and we hope we are just getting started. We are not ignoring short-term risk, but we are investing with a long-term horizon. If we can control short-term cash needs, we can continue to develop client relationships that will survive a temporary cyclical downturn.

But why buy now?

Other than the fear of short-term uncontrollable events, there are some very compelling benefits of investing now including income tax savings, interest cost, and competitive advantage. Bonus depreciation provides for an immediate deduction of 50% of the cost of a new aircraft at the time of acquisition. The balance of the cost is recovered over 5 years. Assuming a 35% income tax bracket, bonus depreciation will fund a 20% down payment requirement. In an economy where cash is king, this is a significant benefit to our firm.

Interest cost remains at historic lows. Although it is more difficult to qualify for bank financing, those that do qualify will find surprisingly good interest rates. Our internal goal for each new client is to keep them for as long as they own an aircraft. Because aviation industry growth has paused, our only short-term opportunity to grow is increasing market share. Because we work within a limited marketing budget, we need to more closely monitor the effectiveness of the program. This may entail us making more frequent distant trips to aircraft abundant Arizona and California.

Analyze the mission:

Aviation is about tradeoffs; there are no good or bad airplanes, just good and bad fits. Any business analysis must begin with asking, what are our business goals? Some of the factors we considered include:

- 1) How many hours do we think we will fly this year?
 - a. Last year 250 hours; this year 300 hours at the same speed

2) What is our average mission length?
a. Last year 600 miles; this year 800 miles

3) What is our average payload?
a. Last year 2 people, this year 3 people

4) How critical is maximizing the effectiveness of the passenger?
a. Last year very critical, this year even more critical

The numbers:

We long ago substantially eliminated commercial aviation from our business planning. Except in the rare instance where we travel to a distant airport serviced by a hub, airline travel is too inefficient. The biggest limiting resource to our growth is our ability to reach people; we need to have three meetings in one day, not one meeting in three days.

In 2008 our aircraft was a MU-2 Solitaire. It is a great airplane; it is fast, requires a modest capital investment, and is somewhat reasonable to operate. Because we fly it ourselves, fixed costs are about \$50,000 per year. Variable costs are about \$560 per hour; total cost is about \$219,000 per year.

The Phenom is 33% faster than the Solitaire and has about the same variable cost per hour; it is therefore 33% cheaper to operate per mile. Fixed costs are approximately \$150,000 a year, so aggregate comparative cost will turn on utilization.

MU-2 Phenom

Total Miles 84,000 84,000

Hours 300 240

Fuel/hr 317 360

Maintenance/hr 245 215

Total Variable Cost \$168,600 \$138,000

Total Cost \$218,600 \$288,000

Cost per mile 2.60 3.42

The Jet's low variable cost provides an excellent opportunity to lease the aircraft and recover a significant contribution to fixed cost. We anticipate leasing the aircraft for 150 hours per year with a net contribution of \$1,000 per hour, or \$150,000 per year. Due to the significant contribution retaining the MU-2 with its low fixed cost might prove a viable alternative. A \$100,000 net contribution toward fixed cost will significantly reduce the total cost per mile of the Phenom.

And about that recession...

We are committed to reduce unnecessary cost and increase the effectiveness of all of our investments. As to our new airplane, we plan to work harder and smarter. We will ban personal use and challenge our users to make another stop to maximize utility.

We don't believe paralysis is the answer; with proper planning, a new aircraft can remain our most effective business tool.

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