

# Judging Stability In An Unstable Environment

**H**ave you ever been in a rain storm in a tin building? The noise inside can be deafening, often creating so much noise that you can hardly hear yourself think. Sometimes that is how I feel when I watch all of the global economic data points come crashing down around us each day. Europe's mounting debt issues; the unrest in the Middle East (and its effect on the price of gas); the housing market right here in the U.S. - new housing starts are at an all-time low and pre-owned housing prices seem to still be sinking.

How do we predict the recovery and the corresponding sustainability of our industry with all of this activity going on around us? Is there a single indicator to watch or listen to? I believe there is. It is our own phone activity. It is right under our own individual noses, sitting right on our desks!

As I try to connect the dots of the external indicators, I often find myself too busy talking to prospects whose calls and inquiries have steadily picked up, not dropped off. I will catch myself at the end of many days thinking how exhausted I am from that day's activity in our office. I process this activity into action items for the next day, and before you know it, the housing market, the European debt and the price of gas all seem far away.

Please don't misunderstand me - all of the external indicators are critical to the health of our global economy. I do pay attention to them and believe that no matter how good I feel about our business, these factors can change the shape of our progress in an instant. I just choose to not hang onto these factors and allow them to diminish my positive outlook on my business. My hope is that this article will help give the reader another perspective in which to look at the market - not one with rose-tinted glasses or blinders, but with a focus on the single-most important indicator: your own business.

There are increased numbers of first-time buyers coming back into the market. This gives me a clear signal that at some level there is real confidence in a long-term recovery. I have always felt very positive about what

happens in our industry when a first-time buyer comes into the market: pilots get hired, insurance policies get written, hangar space gets rented and fuel gets sold - jobs, jobs, jobs!

First-time buyer activity is just a small part of the overall activity that we are currently seeing. New contracts and transactions are occurring at all levels of our inventory. This activity sends business to maintenance facilities for pre-buys, completion companies get paint and interior jobs, and avionics upgrades often take place around a sale.

Since there are typically two brokers at work for every transaction, I know we are not the only ones enjoying a nice steady pick-up in business. I believe it is incumbent on us to tell the "rest of the story" as we are barraged daily with the darker economic input. It is not all doom and gloom.

There are some very positive bright spots, and we are part of those. As activity continues in this steady upward direction, inventory

**“I believe it is incumbent on us to tell the “rest of the story” as we are barraged daily with the darker economic input.”**

levels in many of the aircraft categories begin to thin out. We are a long way from price increases except in some very thin high-end segments of our market, but in many others this will at least begin to stop the declining price points.

Another area in which we are starting to

see some improvement is lending. This critical segment of our collective market is starting to breed some lenders who on a case-by-case basis are willing to provide funding on the older, more compliant aircraft. It was not too long ago that there were no players in this older sector of the market, whereas today there are a few. This is wonderful and will also contribute to the steady upward direction of our recovery.

As the levels of pre-owned inventory decreases, the attention will focus back to new aircraft sales. The lack of compelling reasons to buy new will diminish, and the value proposition for new aircraft purchases will find new legs.

So step-by-step (even though they may be baby steps) we are finding a more robust environment for all of us to operate in. I encourage each of you to focus on your company's activity rather than the news. Be a beacon in the midst of the storms that are still raging outside, and stand tall against the rains of the external environment.

We need to cheer-lead for those that say, "Things are bad, the sky is falling". Don't ignore the realities and paint fake smiles when tears are warranted. But take the time over the next few days and look at the business you are experiencing... I bet you just might see what we are seeing. What you choose to focus on will determine what you see.

› Jay Mesinger is the CEO and Founder of J. Mesinger Corporate Jet Sales, Inc. Jay is on the NBAA Board of Directors and is Chairman of AMAC. He served on the Duncan Aviation Customer Advisory Board for two terms and now joins the Jet Aviation Customer Advisory Board. Jay is also a member of EBAA and the Colorado Airport Business Association (CABA). If you would like to join in on conversations relating to trends in Business Aviation, share your comments on - Jay's blog [www.jetsales.com/blog](http://www.jetsales.com/blog), Twitter and LinkedIn. For more information visit [www.jetsales.com](http://www.jetsales.com) ■

