

A Treasure Hunt

When you were younger do you remember going on a treasure hunt in which the host gives you a list of clues that would eventually lead you to discover the ‘treasure’? The first person to find the treasure would win the prize. It was all in good spirit and made for a great event. Similarly, I thought it might be fun to have an old-fashioned treasure hunt in this column, so I am going to give you all the clues. Together we can use these and the identity of the treasure will become clear. Here we go!

Our first clue is to find a place where there is no connectivity whatsoever (No 3G/4G network, no internet cafes or any other hot spots). This is not because the networks are down, simply that there are absolutely no means of using your computer, smart phone or tablet. It may take a week or so to figure this isolated location out and then travel there. Once you have found that Shangri-La let's continue with clue number two...

This next clue will take you all around the location identified from your first clue. You are to find a person or company that has no trade area outside this location. In fact, not only a limited trade area but a person or company that has never traveled outside the area. This one may be harder than the first one...

The third clue will narrow the ultimate treasure range even further. Now go find a person or company that meets all of the tests of the first two clues, and who has just hit the largest Powerball jackpot ever won. Please take your time... Now that you are successful with clue three let's go to the fourth and final clue which is to find that person or company who has no connectivity, no trade area outside of their current location, has won the largest Powerball jackpot in history AND has never seen a private jet.

It is time to identify the treasure. If you were the successful hunter you have just discovered the only person or company in the whole World that has no idea what airplanes

should sell for, and who would over-pay because they have not had any contact at all with the outside world. No internet, no friends that own aircraft, no brokers to guide them, and more money than sense.

My gut instinct says that person or company does not exist in this highly connected world – so you could actually be searching through your clues for a long time.

So why the discussion about treasure hunts? It's simple... as I look at airplanes that are for sale, I see within every category asking prices and sales price expectations that must have been set by sellers that are more certain than I am that that person or company may really exist. I talk daily to people who say, regardless of all the data points, they will not lower their price to meet what the market keeps screaming IS the market. Our treasure hunt becomes rather more of a wild goose chase!

I have said for months that this market is just not responding. We have seen endless quarters of lower prices. I cannot see anything in the near-term that will cause a reversal of this trend. We have way too much inventory; no real across-the-board financing solutions; entire segments of the inventory that - due to age – are not eligible for what little financing may be available.

The news is not all bad though. For those sellers who have seen through the misleading ‘clues’ and abandoned the idea of near-term better days of higher prices, their aircraft are selling; not in record numbers, but at least with a more brisk activity than existed two years ago. And of course, for buyers the opportunity to purchase at great prices has never been as real as today.

What is this month's take away? Find an aircraft sales professional you can trust, and make sure you entrust them. I assure you that I do not come to work each day to talk people into taking less to make my job easier. Even when aircraft are priced right this business of mine is not easy. I come to work each day to

gather the best Intel I can find, piece it together into a meaningful presentation and then offer it to my clients. I work hard to gain their confidence and help them to embrace the reality of these challenging times.

Our industry is full of great players who will guide their clients in the right pricing direction. This market is not changing quickly and prices are still edging down. If you are a follower in this parade you will probably get less in the long-term than you could get now. To join the leaders in this parade is the only place to be.

Let's just skip the treasure hunt-come-wild goose chase and work to help clients understand the market-pricing dynamics; highlight the benefits; articulate the offering correctly; and overcome the challenges with correct pricing.

Shout the opportunity to anyone who will listen. Don't be shy, silent or think that a pocket listing will get more favorable attention.

Today's market is not one to be still in. Be very loud and active!

› 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 now serves on the Jet Aviation Customer and Airbus Corporate Jets Business Aviation Advisory Boards (BAAB). 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, Twitter and LinkedIn. For more information visit www.jetsales.com. Do you have any questions or opinions on the above topic? Get them answered/published in World Aircraft Sales Magazine. Email feedback to: editorial@avbuyer.com ■



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