



# THE SKY'S THE LIMIT

It takes a team of experts to make an aircraft transaction work well for the customer. With plenty of legal, regulatory and technical issues to get right, aircraft ownership requires careful planning and flawless execution. That's where Premier Group comes in.

Steven Allen, Jr. knows where the trip-ups and snares are when it comes to aircraft. "First and foremost, owning any turbine size aircraft or larger is the equivalent to owning a second or third small business in and of itself. Make no mistake, the most expensive part of owning an aircraft is not the acquisition of it, the most expensive part of aircraft ownership is the operation and maintenance of that aircraft.

"When executed properly, aircraft ownership is quite costly. When executed incorrectly, aircraft ownership is short lived," Steven says.

Doing it correctly takes the right team.

"My first advice for successful aircraft ownership is, surround yourself with a knowledgeable team with significant tenure in aviation. Aviation companies come and go as the wind blows. Secondly, utilize a team that does not profess knowledge in aircraft ownership; locate and utilize a team that owns and operates aircraft themselves. My team provides that, coupled with a full-time experienced legal department, maintenance consultation, and a global network more than 46 years strong," Steven says.

It takes experience to put together the kind of deal that works for everyone. And those are the kind of deals that Premier Group and Steven Allen, Jr. specializes in.

In any given aircraft transaction one can expect to actively work with 20 to 40 people from a dozen or more separate entities across the nation and or world. Some of these people are straight-forward professionals; others are not so easy to accommodate.

"One will encounter numerous state and federal agencies across numerous jurisdictions, numerous states and counties all with varying

tax implications, compliance with the Federal Aviation Administration, compliance with the SEC in some cases, compliance with the anti-terrorism background checks, and the list goes on," Steven says.

The steps are pretty well-defined but they can get complicated quickly. There are loan pre-approvals, closing timelines and transaction details. And that is even before locating the right aircraft that will meet the customer's safety, maintenance and cosmetic and design requirements.

"Once an aircraft is located, we negotiate the showing, relocate the aircraft to the client or the client to the aircraft. Often it is not as easy as it sounds. I encourage making an offer prior to ever laying eyes on the aircraft. This typically eliminates months of wasted time and numerous misrepresentations of the aircraft. Once an offer and terms are accepted, then you can go and visually accept or reject the aircraft based on the cosmetics. At this point, we have already reviewed all of the aircraft maintenance and history in great detail. After agreements are executed, the aircraft is flown to a certified inspection facility for a pre-purchase inspection (PPI). Pre-purchase inspections start at a flat rate of \$6,000 and quickly climb to \$350,000. The squawks that a purchaser would expect a seller to correct in inspections such as these usually begin around \$10,000 and go to \$1,000,000 or more depending on the age and components of the aircraft."

The PPI portion of an aircraft transaction is where most deals die. "If the PPI process is completed successfully and closing takes place, you are well on your way to aircraft ownership. Having a team that completes this process well over two dozen times per year will make

most of these issues non-existent or painless and will increase the success rate of acquiring and or selling an aircraft that is safe, meets the client's needs, and will position the owner to take advantage of the greatest exit strategies available—whether trading up or down or exiting aviation all together.

"Everyone knows how to do aviation best! At least that is what they will tell you," says Steven.

"You should utilize a team that will listen first, ask the correct questions second, and approach every scenario with a third party, bird's-eye view to deliver a solution that meets the mission of the client. A pilot will sell you what they want to fly. A mechanic will sell you what they like to work on. A broker will sell you what they have listed or what makes him the most money. An insurance agent will sell you what they want to insure. A friend will sell you their problem.

"A large asset dealer such as our team will sale or trade you our inventory or show you how to buy like we do. Period," Steven says.

An important sale or purchase like an airplane naturally requires legal help in putting it all together.

"I have a full-time legal team with Brunson, Barnett, and Sherrer, P.C. J. Scott Barnett, Esq. is the team member whom I rely on the most when working through complicated transactions. I chose Scott Barnett to represent me along with my clients due to his superior diplomacy, significant experience in corporate and governmental relations, and his precision for commercial transactions both large and small. Scott's ability to utilize these tools with the FAA, domestic and foreign governments, and other clients alike directly affects the positive outcome of our transactions. Importantly, Scott ultimately heavily contributes to the retention of our valuable loyal customers. I am proud to say that the majority of our customer have worked with us for more than twenty years and have been key to the growth of our company through referring friends, family, and associates," Steven

says.

These days, Steven says, every project he is working on is exciting. "I currently have six new aircraft inbound for inventory, and around twenty trade projects that are actively being worked and will close out between the next 1 and 12 months. We are forecasted to close approximately 50 transaction this year in this unprecedented aviation economy.

"The majority of my transactions are out of state and many are out of the country," Steven says. "I am working with a very interesting, self-made gentleman who is a worldwide leader in marketing. We are replacing his Gulfstream III, IVSP and V for a Gulfstream 450 and 550. Complete flight department trades are extremely complex and one of our specialties. We have a couple of local large flight departments that we have been privileged enough to provide our services to and complete a total flight department transformation; these opportunities are what have built our reputation in the industry."

Steven's most exciting project has been kept confidential until now. "In June 2018, a well established team approached me to join in on the development of a new airline that is re-inventing private and commercial aviation. The airline is focused on making commercial air travel easier with private airport to private airport service, dedicated security service, catering service, and private concierges. Steven says more details will emerge shortly about this exciting development.

This new airline, along with Steven's customary work in the purchase and sale of aircraft, make this an extraordinary time in the aviation business.

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