

# THE CHANGING WORLD OF BUSINESS AVIATION, A VITAL BUSINESS TOOL

**A**round the world, Boards of Directors today look upon business aviation as a vital tool with which to further the economic success of their corporations.

In this exclusive interview, **Edmund Stohr, Director General, International Business Aviation Council (IBAC)**, an aviation industry veteran, and a former Vice President, United Airlines, explains why.

***How is IBAC structured, how global is it, and what is its role with ICAO?***

Our organization is business aviation's recognized representative to ICAO. Indeed, we are located just across the street from its Headquarters on Sherbrooke Street. As such, we endeavour to fairly represent our constituency on matters of significant impact. That constituency comprises nine associations from around the world, including Europe, South Africa, Latin America, Australia and North America.

We also have affiliates in 24 countries and four territories, representing some 4,000 business

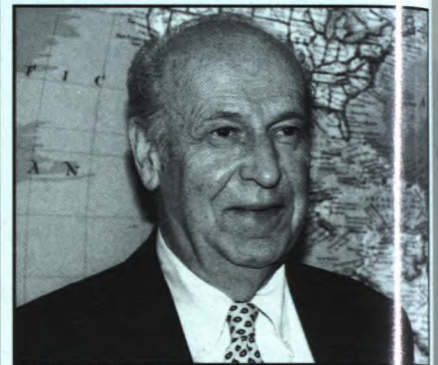
firms operating over 7,000 modern jets and turboprop aircraft. These firms using business aircraft collectively employ over 20 million people and have a total estimated gross turnover of four trillion US dollars.

***The statistics are impressive. But in simple terms, what does a business aircraft give a major corporation?***

Better control over one of our most precious possessions. That is time. In essence, the business aircraft is a "time machine" and business professionals are convinced that whatever the mission of the business aircraft, whether it is a single engine plane at 4,000 feet or a turbojet at 40,000 feet, the ultimate reason for its use is the same. To save time, make time, compress time, and expand time.

***In these lean times, there are still some who question the need for a corporation or business enterprise to use private aircraft. How would you respond to that?***

Well, a recent study by the prestigious Arthur Anderson auditing firm established some interesting facts. For example, Fortune



**Edmund Stohr**  
Director General  
International Business Aviation Council

Magazine publishes an "Honour Roll" to which any corporate management should aspire. It is Fortune's annual list of 50 companies with the highest total return to investors over 10 years.

Of these companies, 92% own or operate aircraft and they achieved an outstanding 30% compound average return each and every year between 1982 and 1992. This was measured by stock price gains and dividends received by their far-sighted shareholders.

In another part of the study the magazine Business Week ranks the "Standard and Poor's 500" on the basis of superior sales growth per employee. Interestingly enough, 80% of these productivity pacesetters own or operate business aircraft.

We have come a long way from the days when the use of business aircraft was perceived as being exclusive to the rich and famous. Today, it is a vital corporate tool that contributes immeasurably to the bottom line. →