

Aviation Group

Sullivan & Worcester LLP is one of the relatively few U.S. law firms with a business aviation practice. Our business aviation practice covers a wide variety of skill sets, including the negotiation and documentation of purchase arrangements, the structuring of ownership and operation, aircraft financings, Federal and State tax advice, operation and management strategies, cross-border issues, employment issues, FAA regulatory issues, and dispositions and like-kind exchanges. Our aviation clients represent a wide cross-section of the general aviation community. They include prominent public companies, venture capital and private equity firms, and high net worth individuals. Despite the fact that business aircraft sales have fallen off dramatically since 2007, our practice has been very active.

The strengths of our business aviation practice are:

- **Project management skills.** The ability to access specialized knowledge, and to filter that knowledge, is an essential attribute of our aviation practice. Our experience is deep, and we have built up a network of advisers who can provide whatever peculiar expertise is required. Need an expert in geriatric Gulfstream aircraft? We know that person.
- **Judgment.** Members of our group have been through more market cycles than they would care to admit. Selling an aircraft in a hot market is normally straightforward. Selling an aircraft in a cold market is another story entirely. Separating the negotiating points that are "nice-to-have" from those that are "must-have" is an essential skill set for an aircraft seller's counsel in this market. Get it wrong, and the buyer moves on to one of the 15 other aircraft of the same model that are currently listed for sale.
- **Tax expertise.** There are significant federal tax benefits associated with the business use of aircraft, but Federal and State tax laws pose significant tax liability issues as well. Our ability to call upon the resources of our nationally recognized tax department has long been a strong selling point for our aviation practice.

An ever larger portion of our practice involves fractional aircraft programs. We have worked over the years with all the big fractional interest programs (NetJets, Flexjet, CitationShares and Flight Options), as well as with smaller fractional programs such as PlaneSense and Avantair. We have found that many fractional purchasers do not have business aviation expertise to draw on, and are sometimes unaware of the wide variety of aircraft types and pricing options that are available, as well as some of the regulatory and liability issues associated with ownership and operation of aircraft. For these clients especially, our goal is not simply to negotiate the documents and help close the transaction, but also to take as much of the mystery and drama out of the transaction as is possible.

Recent Representative Projects Include:

- The purchase by our client of a "whole" used aircraft from a major fractional program operator, and the leasing of that aircraft back to the operator for use in its fractional interest program
- Resolution of a dispute with a maintenance provider involving a client's aircraft
- The sale of a Gulfstream IV-SP
- The representation of clients purchasing fractional interests in NetJets and Flexjet program aircraft

Please visit Sullivan & Worcester's [Aviation Blog](#) which provides valuable information and promotes an active dialogue on developing issues within the business aviation industry.

Sullivan & Worcester is a member of the National Business Aircraft Association.

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For further information about our Aviation practice, please visit our website at www.sandw.com or contact

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