



Janine K. Iannarelli

AIRCRAFT

AIRCRAFT BROKER JANINE K. IANNARELLI

Par Avion's founder and president talks about her profession's role, and about what aircraft buyers and sellers need to know about it.

JAMES WYNBRANDT | JUNE 2019

Janine K. Iannarelli, founder and president of Houston-based aircraft brokerage Par Avion, was recruited directly out of college in 1983 by then fledgling business aviation data tracker Amstat. She says she accepted the position “based on advice from a professional in the advertising field, which I thought I was going into.” Iannarelli had also had a temp job at an air charter company and felt confident she knew that industry, which she says was “so not true, as I came to discover.” But Amstat gave Iannarelli “good exposure to brokers and dealers,” and from there she went to work for Texas brokerage AeroSmith Penny. “The rest is history,” she says.

When she founded Par Avion in 1997, only a few women were working in business aircraft sales, Iannarelli says, “so certainly the ranks have grown.” Now, with the brokerage business, like other aviation fields, facing job vacancies, she’d “like to see more women be the ones to fill them.”

Warm, stylish, and articulate, Iannarelli admits to a competitive streak. “I grew up with three siblings,” she says. “Everything’s a competition.” That’s a trait she brings to her work, along with an unabashedly optimistic viewpoint that she sums up this way: “I don’t see problems—I see challenges worth meeting.”

Where is the demand and where are the values in today’s preowned market?

There’s a lot of demand now in the super-midsize category—that’s where the popularity is. The bulk of activity is still super-midsize and midsize, regardless of age, like the classic Falcon 900s. There’s tremendous value for the money. It was a sleepy market at the beginning of last year. That market is sleepy no more.

Big jets enjoyed great activity in 2018. In the fourth quarter, we watched prices for Globals across the spectrum trend downward and saw price reductions in the Global 6000. We see real value in that market—the 5000, the 6000, the XRS.

How do you see your role as a broker?

I’ve always been a project manager, marshalling everyone toward the finish line. I’ve never left any client wondering, “What’s the next step?” I will take you from start to finish. Par Avion is small, with a couple of support people. We’re not a maintenance company, not a legal consulting entity; we’re a sales company with a little bit of knowledge in all those disciplines, and we contract expertise to help you achieve the best results.

Some brokerages tout multiple locations, transaction numbers, and gross sales figures.

I think statistics are smoke and mirrors. I focus on the quality of the transactions. I can’t dictate how many deals I’ll do in a year; if you’re truly applying your time and other resources, one deal could take four or five months. The number-one element, for a discerning buyer or seller, is quality, not quantity.

Some market watchers report a shortage of available quality preowned aircraft.

Look who’s doing the talking. It gets back to that “size matters” argument. A boutique [broker] is always better when you talk about inventory and shortages. People accustomed to selling perfect and near-perfect airplanes are at a disadvantage when there’s only less than perfect. But with prior experience, you can help clients see their way to a near-perfect airplane. You’re not necessarily going to stumble on an airplane that’s cosmetically acceptable, between inspections, and equipped like you want. That’s when you become a salesperson, and depth of experience becomes really important.

I concluded a classic Falcon 900 transaction last year with a first-time buyer. It was about to be input for a major airframe inspection and avionics upgrade, and it was going to take longer to start flying than he expected. But I saw that as an opportunity. I said, “You would have lived with the interior, but now you can do it the way you want.” Meanwhile, he needed lift so I sourced for him a perfect operating lease, and we delivered a heck of a product at the end of the day.

Who are your buyers?

People leaving fractional shares or adding to their uplift through whole ownership. They know what they want in terms of comfort, range, and quality. They need help after that. Last year the bulk of my business was first-time buyers. I've always worked with first-time buyers. It remains predominantly private individuals, "solopreneurs" who come on their own accord. Today maybe they have greater experience flying privately than they used to, but I'm not sure of the level of sophistication of someone new to this whole environment. Experienced buyers have learned a thing or two the hard way, or they find the right guidance along the way.



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What should a buyer or seller ask a broker they're thinking about hiring?

A good place to start is finding out whether they've worked with the type aircraft being bought or sold. Check their credentials, ask about their experience, and call their references; I cannot tell you how many people don't call references. You should vet a potential contract worker the same way you'd vet any employee. I've seen RFPs that ask whether someone's ever been involved in litigation. Some ask what sort, and some ask whether you have ever been convicted of a crime. Those are basic questions we want answered when we look for an employee. You should have a face-to-face with someone you're going to hire. The personality fit is also important.

I would not discount someone who's well recommended and has broad knowledge from taking on the project even if the make and model may be new to them. But I'd avoid someone who's new to the marketplace and the players.



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I haven't found it to be a stumbling block. I quote the American Marketing Association's mantra: If price were the only thing that sold, why would we need salespeople? If we were to work in a closet where no buyer had information, it would be like spearing fish in barrel. Instead, there is empirical data they can reference. The end user calls you and says there are 40 airplanes for sale. But you explain that based on what they're looking for there are really only three.

Do you have a typical day?

Sometimes you're thrown a curveball in the middle of the day, but it's typically pretty routine. I work around the world and do a lot of business in Europe, so I'm trying to knock that out before 7 a.m. and address business-related emails, and by 9 a.m. I focus on my core business. My number-one tool is the phone. I'm on the phone to prospective buyers, other brokers, new business-development contacts and all the people involved in projects in the works.

Many business aviation fields report a looming shortage of qualified professionals. Are brokerages impacted?

People entering the workforce don't even know the business aviation industry exists. It's incumbent on us to spread the word that this is a cottage industry that holds great potential. There's a whole commercial side besides pilots and engineers that are in short supply, and we don't promote the rest of the industry at job fairs or universities. We're recruiting technical people but not for all the other roles:

marketing, sales, management. I bring in interns every summer, hoping one will take it to heart, and they appreciate the opportunity, but they're ignorant of the industry. If they're studying business, they're planning to go into sales or consumer goods, but not selling business jets.

What do you see ahead?

We are due for a recession. The bankers I talk to don't know how long and how deep it will be. But we have to take into account that since 2008 nothing looks the same—no trend, no pattern. We might just fly right past it, but inevitably we are due. We should be good stewards and understand the consequences of overextending and ramping up. That's what I've been doing with my business: making efficient use of my resources, which includes people. The last thing anyone wants in a downturn is to be casualty.

This interview has been edited and condensed.

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Name: Janine K. Iannarelli

Born: March 15, 1961 in Fair Lawn, New Jersey

Position: Founder/president, Par Avion Ltd., 1997–

Education: B.S., Montclair [New Jersey] State University, 1983

Industry roles: Chair of the European Business Aviation Association's Associate Members Advisory Council Sales & Acquisitions Committee, chair of the governor of Texas's Aerospace and Aviation Advisory Committee, fundraiser for Houston's Lone Star Flight Museum

Personal: Lives in Houston. Avid cyclist and accomplished equestrian. Houston PetSet advisory board member. Girlstart Houston council member. Founding member of South Africa-based Peace Parks Foundation.

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