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PAUL STANLEY

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Avfuel's

Craig R. Sincock



MARK WAGNER

His company provides fuel for business and commercial aviation. Meanwhile, he fuels the company with enthusiasm.

by Jennifer Leach English

When Avfuel president and CEO Craig Sincock acquired Avfuel in 1983, it had fewer than a dozen employees; since then, he has built it into one of the world's leading aviation fuel suppliers, as well as a provider of such services as flight planning.

The Ann Arbor, Michigan-based business—which has more than 4,000 customers—boasts more than 3,000 locations around the world, including 650 Avfuel-branded dealers throughout the U.S. and Europe.

Sincock's unbridled joy about his job and pride in his company appear to be infectious to everyone around him, and may help explain why more than 10 percent of the 200 employees at Avfuel headquarters have been with the company longer than two decades. Our interview took place on the last day of the EBACE business aviation show in Geneva—the end of a notoriously busy week that leaves most exhibitors exhausted—but Sincock exuded energy and enthusiasm when we spoke.



"I guess what drives it is that we have so much fun. People say, 'You want to retire and play golf?' Are you kidding me?"

How did you get started in aviation?

Some guys I was living with at the end of college were flight instructors. I said, "This is fun, this is a ball!" I got my pilot's license really fast, and four of us decided to buy a modest twin-engine Piper Apache. I just loved it. For about a decade [before buying Avfuel] I worked in investment banking but I was always flying.

How many people did you start with at Avfuel?

Maybe eight or 10, if you include the drivers. We were really fortunate in the early years to get extremely good people, and good people attract other good people. Today we have 700.

What would surprise people about Avfuel?

We supply fuel for a lot of things you might not even know are flying—freight of all types, ambulance services, military, corporations that have their own hangars. Some of them will buy fuel from the FBO but other times they will buy it on their own and put it in their tanks next to their hangars.

A major U.S. airline needed somebody to manage all their fuel for diversions that happen all the time because of thunderstorms, troop movements, anything that wasn't on the schedule. We do it for them because otherwise they would have to ramp up 24/7 and on weekends, trying to cover it. We are the exclusive manager for all their fueling needs outside their [official] schedule.

How does Avfuel itself utilize business aviation?

Our Cessna Citation XLS+ and Corvalis are indispensable for conducting business. Our team members utilize these aircraft regularly. The time we save traveling and the ability to work while traveling make for an extremely efficient experience.

We've frequently been able to visit four cities a day using business aviation. That's far more than you could hope for in a week using commercial transportation.

What's happening behind the scenes that we don't see?

It's all logistics. We aim to get the right amount of product in the right places at the right time. We are working with about 100 refiners and 300 locations where we pick up fuel

at terminals with big tanks. Then we move it around using trucks, pipelines, and barges.

How do you prepare for events like ski season, where demand peaks?

You have to anticipate the amount of fuel and have extra resources and assets to move it around. Fuel for the ski areas will come usually from Denver unless there is a big snowstorm and they close the Eisenhower Tunnel. Then we've got to replan—in real time as it is happening—and come from the other direction.

Florida is the same thing. It is very busy during holiday season and spring break. We'll schedule pipelines for the product to come in [approximately] million-gallon tanks, and we always have to use a multitude of trucking companies.

The 10-day period of the Masters in Augusta, Georgia is a lot of activity. We schedule extra fuel six months in advance. We position the trucks onsite. We put employees right on the scene at many events—boat shows, car shows, Indianapolis 500, Kentucky Derby.

Many times the FBOs can't pull all the product that they need to use right away, so

RÉSUMÉ:

NAME: Craig R. Sincok

BORN: June 13, 1952

POSITION: President and CEO, Avfuel

AIRCRAFT: Avfuel-owned Cessna Citation XLS+ and Corvalis

EDUCATION: University of Michigan's Ross School of Business

BOARDS: University of Michigan's Hospital Advisory Board and Ross School of Business Advisory Board, General Aviation Manufacturers Association

PHILANTHROPY: Susan L. and Craig R. Sincok Scholars' Endowment Fund, providing grants for University of Michigan medical and bio/pharmaceutical disciplines

PERSONAL: Lives in Ann Arbor, Michigan, with wife Sue. Enjoys boating (has sailed the Mackinac Boat Race). Licensed pilot (frequently flies company's aircraft).

we have extra trucks waiting. At a busy location, you've got to have trucks arriving every one to four hours, depending on the usage that day. We are also a major supplier to the FBO chains—the Atlantics and the Signatures.

Are there people behind the scenes handling these complicated logistics?

Yes, 24/7. We have to layer on the weather. When Hurricane Katrina hit [in 2005], we immediately cleared the launching of fuel trucks from Chicago and Detroit all the way to the Gulf Coast, because we knew once the hurricane came on shore the electricity was going to be out, and you wouldn't be able to load fuel into the tanker trucks. Our dealer went from having approximately 10,000 gallons every five days to 50,000 or 60,000 gallons a day.

We know exactly what needs to happen. Even with something smaller, like a snowstorm in the Rockies—if Aspen closes, we know where all the [diverted aircraft] go, and we will have trucks ready to go there, because that is where they are going to need the fuel.

What does it mean for an FBO to partner with you?

It's somewhat like a franchise, like Hilton Hotels. Normally, when you see an Avfuel-branded dealer, it will be independently owned. There is training in place for each location. A customer can go online and say, just like you would for a hotel, "Where's the Avfuel dealer in any town in the Atlanta area?" You can make reservations or you can send them your fuel order, and we can fuel you around the globe.

How does an aircraft owner get the best deal on fuel?

Generally, there are about 30 places you can buy fuel. Do you need to look at all 30? Probably not. If you have two or three sources that will cover your needs, extend the credit, provide the right accounting, you are probably OK.

Avfuel has something called "contract fuel," which is a way for [owners and operators] to buy fuel for less than the posted price. We give pricing commensurate with volume. If somebody has 400 or 500 airplanes, they deserve a little bit better price, but smaller users can still get a good deal.

"If a snowstorm closes Aspen, we know where all the [diverted aircraft] go, and we will have trucks ready to go there, because that is where they are going to need the fuel."

The company has grown so much. Did you have a master plan?

I just kept looking at the goal and adjusting it upward. I guess what drives it is that we have so much fun. People say, "You want to retire and play golf?" Are you kidding me?

How do you hire?

First of all, do they fit the culture? We look for people who are bright, who are curious and ask questions if they don't understand something. Somebody who is passionate, somebody who's going to have fun, somebody that you would want to be working next to. Someone who is solution-oriented.

Your son is your director of international business development. What's it like having him working beside you?

C.R. and I get along really well about 90 percent of the time—if I said 100 percent it wouldn't be real. He brings different strengths to the company than I do. He is very analytical. He kind of grew up in the business—we would be flying around as a family and stopping at FBOs. After college he worked in private equity, at a Fortune 500 company, and at a hedge fund, then went back to grad school and came with us full time after that.

Why did you start your foundation?

My wife and I have always had an interest in helping out

and we are both University of Michigan alumni. They have the oldest teaching hospital in the country. We have established annual grants so that faculty and students can take early medical research and move it along until they pick up sponsorship from the federal government. In recent years, we've provided research grants to early-on biomedical pharma concepts. *[Typically, Avfuel will choose the grant based on a client or employee's personal or family struggle with a rare disease or cancer. —Ed.]*

How did you learn to do business in other cultures?

What helps is curiosity and knowing how to listen carefully, and we do a lot of research. We go on customer tours and we write things down so we don't forget.

When someone at Avfuel makes a major mistake, how do you handle it?

I try to make them feel like it was the right thing to do just to say, "Hey, I got a problem." Then we get out the white board, start writing down the facts, and figure out how to solve it.

What are the current challenges facing Avfuel?

There are not enough hours in a day for all the things we want to do. **BJT**



Sincock with son C.R.

Jennifer Leach English (jenglish@bjtonline.com), BJT's editorial director, interviewed hospitality entrepreneur John Terzian for our February/March 2018 issue. This interview has been edited and condensed.