

FUEL... And So Much More



Fuel is a fundamental requirement, regardless of aircraft mission, origin or destination. Its provision involves a complex industry, branching out to include the obvious – pipelines, bowlers and brokers – and less so – loyalty programmes, trip support and training.

Headquartered at Ann Arbor, Michigan, Avfuel is among the industry's major fuel players as Joel Hirst, Vice President of Sales, explains: "We're involved in fuel supply distribution from refinery to wing tip. This means we touch the aviation fuel supply infrastructure from the moment the fuel leaves the refinery, to the moment it's pumped into the aircraft."

"Our supply department has relationships with more than 90 refiners. It arranges for fuel to be delivered from a refinery to one of hundreds of fuel supply terminals via pipeline, truck, barge or rail car. Then, our 24/7/365 logistics team arranges for FBOs and airports to receive fuel from a supply terminal via Avfuel road vehicle or common carrier. From there, the FBO or airport receives the fuel in its storage system. Fuel is subsequently moved from the storage tank into the refuelling equipment from which it is eventually pumped into the plane."

"Our 650+ Avfuel-branded FBOs sell the fuel we supply them, but we also supply fuel to unbranded FBOs and airports. Our contract fuel customers can receive

Avfuel Contract Fuel at more than 3,000 global locations where we have special arrangements in place to service them."

The company fuels business and executive operations, large and small, through a variety of options. Jonathan Boyle, Vice President of Contract Fuel, notes: "Our commercial fuel operations serve larger customers, including corporate aircraft fleets. They benefit from retail, contract, bulk, domestic and international fuel supply, credit services, fuel quality assurance support, trip planning through Avplan, payment transaction processing, and fuel management programmes."

"But many corporate flight departments, large and small, take advantage of our Avfuel Contract Fuel programme. They use the Avfuel Pro Card to receive competitive pricing on fuel at more than 3,000 locations and they benefit from individualised attention from Avfuel Contract Fuel staff for a better fuel price. The card enables flight departments to streamline transactions, charging everything aviation related – fuel and ancillary services – to one account for one invoice. There are no annual or transaction fees and online systems simplify account management."

"FBOs benefit from the Avfuel Contract Fuel programme with zero processing fees on fuel purchases and access to a network of thousands of flight departments on the programme. Our Contract Fuel staff work extensively with branded FBOs to attract prospective flight departments, connecting with operators on their behalf."

The AVTRIP loyalty and rewards

programme is another popular Avfuel offering. Pilots sign up for free and receive points every time they fuel at one of more than 500 participating FBOs. Boyle says the scheme includes: "... new, tiered silver, gold and platinum membership, further rewarding pilots for their loyalty with more lucrative benefits based on the number of FBOs they visit or the amount of fuel they purchase. Pilots simply let customer service representatives [CSRs] at participating locations know they're an AVTRIP member to receive points; if they don't have their card, the CSR can find their account on the Avfuel FBO Dashboard."

Business Lines

Boyle mentions Avplan, an apparently non-fuel service offered by a fuel supplier. It seems something of a digression from the core business, but also points to a crucial Avfuel's identifier – the company sees itself as an aviation facilitator way beyond filling tanks. "It's a classic case of customer challenges creating business opportunities," Marci Ammerman, Vice President of Marketing, says. "Through more than 40 years of business, we've spent a great deal of time with our ear to the ground, listening to the needs of FBOs and flight departments, then adding to and fine-tuning our services."

"Some of our business lines, including Avplan international trip support and Avsurance aviation insurance, came about through smart, timely acquisition. Others, including Avfuel Contract Fuel and

AVTRIP, are home-grown lines developed in response to pilot and FBO feedback.

“More listening led to further discoveries, leading to an ever-increasing number of solutions. We became a branding partner offering customers a full suite of aviation services.”

It’s a sentiment echoed by President and CEO Craig R. Sincock. “Historically, companies that provided fuel and branding at airports also supplied automotive fuel at corner gas stations, and pilots purchased fuel directly from FBOs at a posted price. The services necessary to support FBOs and the underlying infrastructure of delivering fuel and services to the aircraft are people and capital intensive, requiring constant attention.

“This substantial resource investment caused many fuel suppliers to examine their return on investment, and to refocus on refining and exploration, leaving the heavy lifting of ‘downstream’ activities to companies specialising in aviation fuel distribution with the flexibility to proactively provide solutions – like Avfuel. Next, advanced aircraft and technology created a case for flight departments to request many more automated processes, including digital price and invoice files, credit services and so on, daunting tasks for busy FBOs.”

Added Value

Ammerman explains how Avfuel’s aviation expertise runs deep. “Avfuel is an OEM for its refuelling trucks and handles all 700+ pieces of equipment out of its 33,000sqft shop, for instance, while the AVTRIP loyalty programme is managed in-house, a full team of professional marketers plans and executes personalised marketing tactics for Avfuel Network locations and we developed the online Avfuel Training System (ATS) for our network.

“Because these operations are in-house, people from different departments are able to communicate by walking down the hall, or bumping into one another in the kitchen, not just on the phone – it provides a streamlined experience for our customers.

SAFETY AND ASSURANCE

Safety is always a primary concern where fuel is concerned, while operators need reassurance that the fuel filling their aircraft tanks is to standard. Avfuel Marketing Manager, Buffey Muth says: “In response to an industry-wide push for standardised safety practices, Avfuel developed its online Avfuel Training System.” It’s typical of the company that ATS emerged as far more than a fuel safety programme, designed to deliver exceptional service at manageable cost.

“Understanding that some FBOs simply couldn’t afford the steep cost of training programmes priced per seat – especially with regular employee turnover and recurrent training needs – Avfuel developed its learning management system as a cost-effective solution for its network. Each FBO, large or small, needs only one subscription to cover every employee in its operation.

“The ATS is designed to complement

FBOs’ hands-on training initiatives. With video tutorials, proficiency tests and supplemental training guides, it offers a learn-at-your-own-pace format ideal for both new employees and recurrent training.”

The ATS includes the Avfuel Rampside Training (ART), Avfuel Customer Service Training (ACST) and Avfuel Front Counter Training (AFCT) programmes.

Muth continues: “Avfuel also offers its branded FBOs free, in-person FAA-Approved Part 139 Fire Safety and Fuel Quality Assurance Training for Supervisors, while its in-house quality assurance team is available 24/7/365 to help branded FBOs with fuel quality assurance questions and enquiries. These offerings help assure both our FBOs and the corporate flight departments that visit them that the fuel and services they receive are safe and dependable.” ●

We collaborate, we share experiences and we adapt. For instance, our sales and marketing teams work hand-in-hand to heighten visibility and attract business to our FBOs’ ramps. Our supply and logistics teams work tirelessly to provide reliable fuel supply, even during special events and weather emergencies – situations they handle on a daily basis.”

And weather emergencies seldom come greater than those posed by Hurricanes Irma and Maria. As they ravaged the Caribbean and moved up into Florida, Avfuel launched its well practised storm response procedures. “In the case of major storms, Avfuel’s supply division works with logistics to find available fuel before, during and after the storm, working around refinery or terminal closures. Logistics communicates frequently with customers in and surrounding the storm’s path, helping provide proactive and reactive supply.

“Proactive supply helps ensure FBOs receive fuel to evacuate passengers and

planes, keep tanks heavy for stability during storms and sustain operations for medevac and helicopters, relief efforts and their tenants’ return. This means repositioning tanker trucks across the country to haul fuel where it is most needed.

“To better know which customers to contact, logistics works with Avplan Trip Support’s meteorologists to stay abreast of the storm’s path and discern which customers may need support with a shift in trajectory. This is an around-the-clock effort with additional staff on hand for increased support. These divisions communicate with Avfuel’s marketing department to communicate special fuel considerations to the network in the aftermath of the storm.

“In addition, Avfuel’s quality assurance team is available to help assess damage to fuelling equipment or fuel integrity after the storm, so safe operations can resume; this may require our refuelling division to arrange for loaner equipment as necessary.

Working closely together, each division and business line can more efficiently keep customers fuelled up so they can remain focused on the truly important job at hand: sustaining relief efforts, and keeping employees, passengers and planes safe.”

Back and Forth

Looking back over more than 40 years in the business, Sincock says: “Fuelling the business aviation world has changed immensely. When we started, there weren’t contract fuel or loyalty programmes. These came about from changes in the market landscape, and needs creating opportunities for FBOs and fuel suppliers. AVTRIP was the first pilot loyalty programme in the industry and now there’s a whole slew of them. Each of these business segments serves their purpose, but ultimately the marketplace decides what’s of value. Over time, it’s weeded out those business models that couldn’t survive, effectively shaping the current landscape.”

And what of the future, with new fuels and perhaps alternative energy sources on the horizon? Hirst reckons: “The best thing Avfuel can do is continue to listen and adapt. The industry will undoubtedly change as new regulations and technologies are introduced. We don’t know what it will look like in 50 years, but we do know that Avfuel will continue to be whatever its customers need. That’s why, with a commitment to industry development, we created Avfuel Technology Initiatives Corporation.

“It was founded in January 2012, with a mission to further industry advancements, including bio and renewable fuels, on several fronts, and create no-lead avgas replacements, domestically and internationally. In addition to the development of these products, Avfuel Technology Initiatives Corporation thinks through the logistics of market introduction to help ensure a new product is sustainable, reliable, competitively priced, and fairly accessible in order to guarantee success with market introduction.” ■



FLIGHTWORX FUEL SERVICES

AVFUEL’S business scope is huge, but the market is broader still. London Stansted-based Flightworx includes a Fuel Services division supplying customers globally. Its business is very different to Avfuel’s, yet it provides a service on which its clients are no less dependent. Fuel Manager James Kossick (above) explains: “We’re an independent, unbiased aviation fuel reseller. We shop for fuel, for any client, anywhere in the world. We work hard to offer our customers the lowest prices we can, examining options at every location to see if there are different supply lines available. Even where there’s only one, several resellers might be operating and we aim to bypass the reseller for our client and go direct to the supplier.”

Common sense suggests that where an FBO sits on a major commercial airport, millions of gallons of fuel are being delivered to and uploaded from the facility and economies of scale ought to make fuelling a Learjet cost-effectively a simple procedure. Apparently not... “Customers often stick to a supplier, especially if they’ve been with them for a long time, or use the local supplier just for convenience. But the market is competitive and there are other options. Many clients come to us not to take fuel, but to seek quotes and alternatives for a particular location.”

And Flightworx’s advice isn’t only good for securing cheap fuel. Sometimes it identifies the best source at an airfield, which may not be the cheapest. “Fuel can be booked from a direct supplier, for example, but because its primary business is commercial, business aviation has to wait until the airliners are fuelled. However, the FBO might have its own fuel truck, which may be available at additional cost. If the passenger simply can’t wait, we can switch their fuel supply to the FBO, provide a new quote and have them refuelled and away to meet their slot.”

Flightworx is also there to ensure customers are fairly billed and remedy issues, preferably before they reach the client. “Our quotes highlight the elements of a fuel price, including base price, fees, taxes and their validity. We also note any one-off fees, since every location has its own fees.

“We go through everything on the invoice and if we find a discrepancy between what we think we should be charged and what we have been charged, we’ll dispute it before it reaches the client. We pride ourselves on our accurate, transparent billing, but on the rare occasion something slips through, if the client comes back to us with a query within a standard seven days, I immediately to the supplier and find the solution.”

On the occasions when a client orders fuel in advance, Flightworx quotes at the best price available at the time of the order, then monitors prices at the uplift location and re-quotes nearer the time to reflect the best price on the day.

Its ability to react to changing rates is therefore fluid, but fuel quality is an area over which it has no control. Like all resellers, Flightworx must rely on local regulations and good practice to ensure fuel quality, but if a customer calls in with a complaint, Kossick’s team is there to help.

“We had an incident where we had two drums of fuel delivered into a remote location in Africa. The pilot called to say one drum was damaged and the fuel contaminated. I went back to the supplier and refused payment for the battered drum.”

Interestingly, fuel is but one aspect of Flightworx’s offering. It also offers a variety of trip support services and Kossick reckons this broad portfolio enables best pricing for its customers across their trip, taking into account fuel costs, hotel rates and other factors. So if fuel isn’t available at an attractive rate at a location, there are often savings to be had on other services. ●