



SUPERCHARGED GROWTH

PRECISION AVIATION GROUP IS GROWING RAPIDLY BUT STAYING TRUE TO ITS ROOTS.

BY BEN FORREST

Precision Aviation Group's (PAG's) president and chief executive officer, David Mast, speaks in the calm, measured tones one would expect from the top executive at one of the world's largest privately held and most-respected maintenance, repair and overhaul (MRO) companies.

His enthusiasm is moderated and contained, always within the boundaries of a friendly and unerringly professional demeanor. But the energy is certainly there, and if you're Mast—guiding one of aviation's fastest-growing companies at a pace that continues to accelerate—why wouldn't it be?

"It's a really exciting time for the business," he said. "We're doing the things we've done historically, but now we have a new partner . . . that is letting us get into areas that we have not been in before. We've kind of supercharged the growth, and it's a really good relationship."

The partner is GenNx360, a New York based private equity firm that acquired PAG last summer. This led to massive additions to PAG's rotatable pool and planned expansions of facilities in Atlanta, Georgia; Brisbane, Australia; and Lafayette, Louisiana.

PAG and GenNx360 also recently announced their first joint acquisition: Momentum Services Corp. (MSC). MSC, an avionics cockpit-display repair company, was subsequently closed on Aug. 31, 2019.

"This gets us into a very unique

avionics repair business," said Mast. "We will integrate MSC's capabilities with our two existing avionics repair facilities—Atlanta and Long Beach [California] to provide our customers with a greatly enhanced portfolio of 'flat panel' avionics services."

At press time, PAG had letters of intent to acquire three additional companies, with the potential for more.

There are also plans to open a new geographic location in 2020 to meet a goal that is central to PAG's business philosophy: To become a better company every day by providing local support to customers around the world.

"At the end of the day, enhancing our customer experience remains at the forefront of everything we do at PAG," said Ketan Desai, PAG's vice-president of sales and marketing. "Having the ability to service components locally is a big deal for the customers we serve. We have a broad MRO offering and stock [US]\$40 million in rotatable inventory, which is a very big component to our success over the last decade, but also more importantly into the future."

HERE TO SERVE

Exceptional service has always been a calling card for PAG, and it's one of two factors that set the company apart from its competitors.

"Our differentiation factor is [that] we make a tremendous investment," said Desai. "We place an incredible amount of value on the way we take care of our customers. But it's not just the people—it's

the resources we bring; it's the inventory that supports the MRO operations."

PAG has a trademarked approach called inventory-supported MRO (ISMRO) that emphasizes the unique size of rotatable pools at PAG's nine locations in the United States, Canada, Australia, Singapore and Latin America.

"We stock what we service—both internally and externally," said Mast. "And that's a huge investment. . . . Nobody else in this industry even comes close to doing what we do. That's not hyperbole, that's a fact."

"The reason nobody else does it is because it's incredibly capital-intensive to make an investment in the amount of rotatable inventory we have globally to support our customers."

INVESTING IN PEOPLE

To maintain and improve service quality as PAG scales its business, the company is also careful to invest in the training of its skilled workforce.

PAG has weekly sales meetings to discuss any issues a customer has raised. The entire staff has annual recurrent training. And, managers share best practices throughout the company.

Key performance indicators are evaluated every day, providing an opportunity to both celebrate success and guide improvement.

Desai has spearheaded sales training efforts at PAG for the last 16 years. He noted the effect of simply listening to and empathizing with customers: it contributes to unmatched customer service.

"At PAG, our sales team doesn't rush through orders like they're dialing for dollars," said Desai. "Instead, our team takes their time to listen to the customer's needs, empathizes and then provides (delivers) a timely solution [that] gets the aircraft back in the air. Our tagline says it, and we do it every day, 'Others sell parts, we sell support.' We listen."

FUTURE GROWTH

PAG is poised for growth, both in the year ahead and further into the future.

The company sees key partnership opportunities with the U.S. Department of Defense and the emergency medical services market in both North America and the Asia-Pacific region. The Canadian market remains a key focus, thanks to the company's 25,000-square-foot (2,323-square-meter) facility near Vancouver International Airport. PAG is also cautiously exploring the possibility of a new facility in Eastern Canada. And a possible European expansion is also under consideration.

"Exciting times [are] ahead for PAG for the next year to two years," said Desai. "But we've had a heck of a track record over the last 26 months consecutively."

As for Mast, he noted the larger goal is the same as it has always been: "It's to be a better company every day. Giving the customers a great experience and being able to provide a larger suite of product and services is what we try to focus on." ✦



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