Jim Taylor with one of the long line of aircraft to which he gave the name "Citation."

My name's Taylor. I sell jets.

Falcon Jet, Citation, Challenger, Learjet. Marketeer-Pilot James B Taylor captained sales for them all. And now he takes on Shorts FJX. Part 1: Falcon Jet and Citation.

By C V Glines Senior Contributing Editor Colonel USAF (Ret) and Command Pilot

ON Jim Taylor's desk in the study of his Westport CT townhouse is a silverplated horseshoe encased in clear plastic. It is a symbol of his past, present and future in aviation. He is widely known as a man who has brought many new ideas and innovations to the fine art of selling airplanes. To do so he has had to overcome resistance, cynicism and skepticism. He has won most of the battles he has waged. The horseshoe represents a particular victory of which he is justifiably proud.

Jim retired as president, chairman and CEO of Gates Learjet a year ago, having completed what he set out to do: eliminate the company's debt, retire unprofitable projects, expand international sales and develop two new Learjets. With his mission completed, the company was acquired by Integrated Acquisitions, subsidiary of Integrated Resources, a New York-based diversified financial services company.

There was a good reason why Jim had been asked to join Gates Learjet. He had behind him a record of accomplishment in marketing business aircraft and the company that Bill Lear had built was in deep trouble. When the rescue job was done, Jim moved back to Connecticut where his roots are deep and where three of his four grown children reside.

Like father, like son

Bring up the name of James B Taylor in Navy aviation circles and you have to answer the question, "Which one?" James B Taylor Jr, Jim's father, was a famous Navy test pilot who learned to fly in 1914, won his wings of gold during World War I, and was a contract test pilot between wars. In 1918 he piloted the initial flight of the Loening M2 Kitten, the Navy's first monoplane. The next year he was one of the first to test catapult takeoffs from platforms on battleships and cruisers.

Recalled to active duty in 1939 to test the Navy's latest fighters, Lt Cmdr James B Taylor Jr is believed to be the first to fly 500 miles an hour (albeit in a dive). On one test flight he pulled 13.5 Gs, perhaps the first person to pull that many G forces and live through it. He was killed testing an XF4F-6 in early 1942. In his lifetime, he had flown 461 different makes of aircraft, many of them fighters and attack planes designed for Navy carriers. This is thought to be a unique achievement which should be noted in the Guiness Book of Records.

Aboard the World War II aircraft carrier *USS Yorktown*, anchored permanently in Charleston Harbor, there is a hall of honor dedicated to naval test pilots. In October 1987 ceremonies were held there to dedicate the James B Taylor Jr Memorial Room and Carrier Aviation Test Pilot Hall of Honor. Harry Bruno, author of "Wings Over America," called Taylor "one of the greatest test pilots in American history" because he "tested more planes and prevented more deaths and air disasters than anyone who ever walked this earth." Bruno called Taylor's death "one of the blackest days in our air history."

His son, the subject of this story, could sport a III after his name but dropped it when his father died. Now Jim III has a son by the same name who could tack a IV after his. All four of his children have earned their private pilot licenses; Thorne, 33, is in customer services at Pratt & Whitney.

Aviation above all

The current elder James B Taylor grew up with a father who lived and talked aviation all his life. Jim III had his first flight at the age of three and probably from that moment on there was no doubt in his mind that he was going to be a pilot. He received a certificate stating he "completed" the 12th grade at Taft School, Watertown CT, but that didn't mean he had graduated. If he had, his certificate would have said "successfully completed." The Taft School awarded him the diploma after he earned his wings.

Jim went to work on the production line at Grumman Aircraft on Long Island after leaving Taft. When war began, he tried to enter Navy flight training but was ineligible because he didn't have two years of college. When the Navy lowered the requirements to a high school education, Jim took his Taft certificate to the recruiting office and was sworn in as a naval cadet, the first to be admitted without the required two years of college. Because he was first, he was sworn in on the "Double or Nothing" radio show in New York City to publicize the new pilot academic admission requirements.

Jim left for flight training just a few hours after his father's funeral. Although devastated by the loss and reluctant to leave, the family convinced him "that's what your Dad would want you to do." He knew flight training would be tough because he had to compete with men with more education, but he was so determined to make the grade that he put in extra time in ground school to make up for what he lacked in formal education. He graduated near the top of his class in early 1943 and had subsequent assignments as an instructor, test pilot and carrier-based fighter pilot. He did not see combat. His only claim to fame during the war, he says, is that while a cadet in preflight training in the First Battalion at Chapel Hill NC he set a record for consecutive pushups. His record stood throughout the war.

Electing not to stay in the Navy, Taylor returned to Connecticut and got a job flying lobsters and passengers ("but not at the same time") in a DC3 for Airborne Freight and Passenger Service. The company folded after a year and he was hired by Mallard Air Service, an aircraft distributor, as sales manager and demo pilot for Navions in the northeast US. It was there he learned the rudiments of selling airplanes directly to those who would fly them.

Airplane as key to sales

In 1948, Jim joined Upressit Metal Cap Corporation, a manufacturer since 1913 of patented closures for containers that sealed the contents until pressed, hence the name. He learned the company had sales representatives all over the country who had not seen anyone from the Upressit company for many years. He convinced the board of directors to buy a Navion and toured the country as the company pilot, visiting the sales reps to encourage them to push Upressit products. As a result of his efforts, sales burgeoned and he served progressively as VP, president and CEO.

"That's where I learned that sales representatives are not always best for a company," he says. "If they represent a number of products they won't give their undivided attention to yours."

It was during this period that Taylor accomplished his first major marketing job. "I had to convince the many Upressit preferred and common stockholders (many of whom were lost) to vote for the sale and liquidation of the company," he says. "A majority

Jim Taylor (left) receives congratulations on his acceptance as a Naval Aviation cadet (May 1942) from his father, LCmdr James Taylor Jr, a noted Naval Aviator and test pilot.

was required for the sale and two-thirds was required to liquidate in order to finalize the sale. The preferred stock was heavily in arrears and we offered the common stockholders *nothing* for their vote. Breed, Abbot & Morgan, our law firm in New York, said it couldn't be done. We did it."

The company was merged with American Flange & Manufacturing Co and Jim was made vice president and general manager of one division. "I left when they sold the airplane," Jim says with a grin. "The boss said we had to use the airlines."

Feeling sure now that his future should be tied to aviation, Taylor joined an aircraft brokerage firm as vice president, sales. In his many calls on potential buyers he learned that Pan American World Airways was going to get into the aircraft marketing business. About 1950 Pan Am President Juan Trippe had bought 16 surplus Douglas B23 bombers, had them converted for executive travel and sold them to top executives he knew. Always the visionary, he then decided to get into aircraft marketing in a big way with business jets. Trippe had his engineers evaluate the Lockheed Jetstar and North American Sabreliner, the first two small jet transports developed for the military in 1961 and 1962. The Hawker Siddeley HS125 (then known as the de Havilland DH125) was also evaluated. In 1963, Trippe selected the French Avions Marcel Dassault Mystère 20 business jet and Jim Taylor was hired as vice president and general manager of the Business Jets Division to market and support the aircraft in the Western Hemisphere.

David Anderton

An early Dassault Falcon 20 bears the Pan Am meatball logo on its nacelle, recalling Pan Am President Juan Trippe's 1960s venture into the sale of business jets with Jim Taylor as his VP/gen mgr for marketing and product support.

Selling the Dassault jet

"It was a risky venture," Taylor says. "In those days of Charles De Gaulle's anti-American attitude, few people wanted to buy a French airplane with a French name." He decided the airplane should have a catchy, clearly American name and forwarded a list of suggested names to Trippe. Nothing happened. He forwarded others. Still no reply. He sent another list forward which included the name "Falcon." When still nothing happened, Taylor got an audience with Trippe, who had just had lunch with Henry Ford II, then marketing the Ford Falcon. "We'll call it Falcon," Trippe said. To this day, Taylor doesn't know whether it was because of Trippe's luncheon talk with Ford about automobiles and airplanes or whether the choice was made from his final list.

Convinced that the Falcons not only had to be sold to corporate pilots but also to their bosses who signed the checks, Taylor established the first direct marketing organization to sell aircraft. Taylor and his team would first convince a company's pilots of the Falcon's qualities and then woo the top executives of potential customer companies by inviting both groups to tour the factory and meet Dassault executives. The technique worked and he began to set new records for the industry by focusing on what the customer wanted before and, just as importantly, after delivery. He continually pushed Dassault to include the latest in technological improvements, including avionics, high-lift devices, additional fuel capacity and better performance in the aircraft at competitive costs. As a result of Taylor's sales organization efforts, the Falcon became the world leader in all classes of business jets in 1967 and 1968 in terms of units sold and total dollar value.

Birth of the Citation

Taylor's sales accomplishments at Pan Am did not go unnoticed in the world of aircraft marketing. In the late Sixties it looked as if American corporations would seriously consider buying smaller jets for executive transport. Dwane L Wallace, an irrepressible optimist, was the founder and top decision-maker of a reestablished Cessna Aircraft Co formed in Wichita to pick up the pieces after Clyde Cessna went bankrupt. After graduating from Wichita State University as an aeronautical engineer, Wallace, who was Cessna's nephew, had scraped up enough money to reopen the company. He met the payroll by winning air races on weekends.

Wallace decided to take the plunge

into the Jet Age. He hired Taylor as VP and general manager of the commercial jet division in 1969 to sell a five-seat jet about to come off the production line.

At the time, Cessna was making more than 40 different models of small prop-driven planes and had cornered just over 50 percent of the total light plane market. But trying to break into the small jet market was difficult and very different from Cessna's previous operations. It was the kind of challenge that Wallace had faced most of his corporate life. It cost nearly $8 million in tooling alone to turn out the first of the new jets.

"As you know, Cessna always used numbers for their different models and they had a large dealer organization to market them," Taylor told *Pro Pilot*. "After my previous experience with the Falcon, I was convinced that high-priced jets should not be marketed through dealers as Cessna had done so profitably with their light planes. And I thought the airplane needed a catchy name, one the public would remember. Piper had done very well naming theirs after Indian tribes."

Taylor had difficulty selling Wallace and the other executives on the direct marketing idea but slowly won them over. With the help of a public relations firm, he considered a number of names trying to come up with something that would imply winning and was different from competitors' aircraft names. He thought of race horses and listed a number of famous winners, one of which was Citation, a Triple Crown victor and one of the winningest race horses of all time. Taylor recommended the name to Wallace, who said there was no way he was going to name an airplane after a racehorse.

"I kept after him, President Del Roskam and the other top executives," Taylor recalls. "Then I had an idea. I bought several horseshoes and had them silver-plated. Early one morning, I left one on the desk of each man. When Dwane saw his, he laughed, gave in, and the Citation was born."

Fighting the doomsayers

Very few in the industry thought Cessna would be successful getting into executive jets, especially with one that was then priced at $695,000. The Citation was competing with turboprops like the Beech King Air as well as the Learjet and the Jet Commander. Wallace tried to convince the FAA to certify the Citation for single-pilot operation so that buyers could save pilot salaries but was turned down. Orders were slow in coming. (The Citation eventually did get single-pilot certification a couple of years later. Unfortunately, according to Taylor, the insurance premiums for a single pilot made it almost even money to hire a copilot.)

Forbes magazine in 1972 published an article highly critical of Wallace's decision to go ahead with the Citation. It claimed that he had "missed the mark" with the Citation design and could not fill the gap between the MU2 and the smallest bizjets then on the market. The magazine criticized Cessna for having "fractured the company's highly regarded dealer network" and claimed, "Several of Cessna's own dealers are talking prospects out of Citations and into competing planes. Why? For money. Competitors offer 5% finder's fees; Cessna doesn't pay a cent. Instead of relying on its dealers, Cessna has created a special 80-man marketing team (reported annual salaries: $800,000) to sell the jet directly to big business." (Not exact, says Taylor.) "We had about a dozen factory-direct salesmen on salary plus commission. The remainder were in administrative and after-sales support, all an integral part of marketing.") *Forbes* further chided Cessna for "building three million-dollar centers to service the jets." Wallace was ridiculed as an "optimistic flyboy" and "an old-time barnstormer flying by the seat of his pants."

Of course, all this was a direct slap at Taylor who had to defend himself within Cessna. He boldly told Wallace that he thought he could sell 1000 Citations within a ten-year period. Wallace, stung by the public criticism, agreed with Taylor and publicized this figure widely. It was up to Jim Taylor to make his prediction come true.

(This is the first part of a two-part profile of James B Taylor. The second part will appear in the April issue of Professional Pilot.*)*

Sept 15 1969: At conclusion of first flight of the Cessna Citation prototype—still at that moment known as the Fanjet 500—Test Pilot Milton Sills (left), now Cessna's VP of engineering, receives congratulations from Cessna officials Jim Taylor (center, dark suit), then VP for commercial jet sales, Del Roskam, company president, now retired, and Chairman Dwane Wallace, now retired.

See reverse side for Part 2

James B Taylor, super salesman - part 2

A thousand Citations. Fired from Cessna. On to Canadair. Challenger engine dispute. Learjet turnaround. Selling FJX for Shorts.

By C V Glines
Colonel USAF (Ret) and Command Pilot

WHEN Cessna Aircraft Chairman Dwane Wallace in 1972 gave wide publicity to Jim Taylor's boast that he could sell 1000 Citations in a ten-year period, it put Taylor, as VP for commercial jet marketing, precisely on the spot. The prototype had made its first flight only three years earlier, sales had been very slow and Cessna had not yet received the single-pilot certification it had counted on as an extra buyer attraction.

But none of this fazed Jim Taylor. He invited pilots and their bosses to the Wichita factory and went on the road with a Citation mockup mounted on a truck, a new idea in jetplane marketing. His theory: people would rather deal directly with someone from the factory than with a middleman dealer whose loyalty to the company was limited to his sales commission. In addition, Taylor knew that the sale wasn't the end of the relationship with an aircraft manufacturer; service had to be included and that service should be controlled by a company's sales department, not the production division. ("My successors at Cessna," Taylor says, "didn't stick with this policy in order to placate some dealers. Unfortunately, for this does not boost the morale of the direct sales force who did most of the work for less money.")

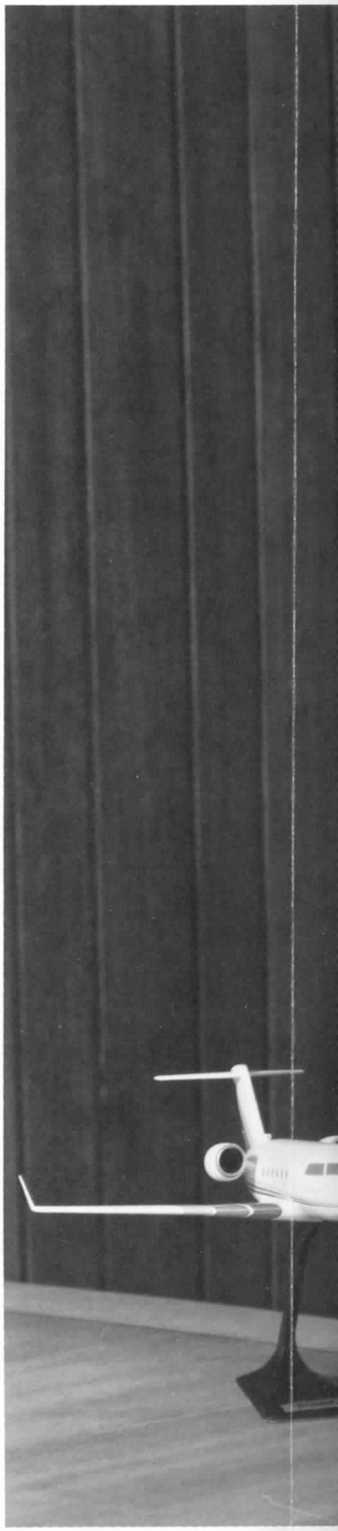
Repeating success

The direct sales approach worked for Taylor at Cessna as it had before with the Falcon. Sales records for the Citation were set in 1973, 1974 and 1975. In the January 1982 issue of *Forbes*, Taylor's concept was vindicated when the magazine reported with bowed head that Cessna had sold its 1000th Citation within the projected 10-yr time frame. The magazine reported increasing orders for Citation IIs and IIIs and recommended that "Cessna, then, may be worth a flier. At a below-market multiple and priced near book value, its shares offer relatively little downside risk."

Cessna presented Taylor with his own lucky silver-plated horseshoe to put on his desk. Beside it now is a Mickey Mouse wristwatch with all the numbers reading "1"—indicating that the Citation was number one in the industry during his Cessna years.

Meanwhile, Taylor left Cessna in 1976 after being summarily fired by Wallace's successor, Russell Meyer. The stated reason, Taylor says, was "differing philosophies." Taylor feels that his philosophy prevailed since Cessna still sells its jets direct from the factory. A 1980 news story reported that Cessna had also adopted direct sales as the marketing technique for its turboprop aircraft "with the support of Cessna's dealers."

In March 1976 Taylor joined Canadair as a consultant to help them convince the Canadian Government to approve the design concept of the Learstar 600 and its market potential. Completing this task in September 1976, Taylor became a senior VP of Canadair in Montreal and president/CEO of Canadair's subsidiary in Westport CT. The US firm is world marketing and support subsidiary for the Challenger, a larger, widebodied offshoot of the Learstar 600.



Jim Taylor's aircraft models recall his sales successes: Canadair Challenger 601, Citation I, Falcon 20/200.

Taylor liked the Challenger because, as he told *Business Week* at the time, "This plane meets a need. Corporate executives don't want to sit in the prenatal position in an executive mailing tube for long periods of time."

But there was much trouble with the airplane's engines. Taylor and his marketing team had strongly recom-

(This is the second installment of a two-part profile. The first installment ran in the March issue of Professional Pilot.)

mended the General Electric CF34 engine over the Lycoming ALF502 but they were overruled and the decision, Taylor says, "was a disaster. It set the program back a number of years just when the marketplace was at its very best. Unfortunately, there is no way of knowing how much more successful that program would have been if it had started off with the GE CF34. After this unfortunate beginning, GE engines were installed after a long, hard internal selling effort."

Again, Taylor followed his basic philosophy of direct marketing of high-priced jets and set up an aggressive sales organization for the Challenger. It was an even greater challenge than selling a French jet in America and a business jet for a company noted only for small aircraft. Here was the first wide-bodied business jet and it was being built in Canada, a country that had never manufactured a commercial jet of any kind before. Canadair's offering was a formidable challenge to the aircraft manufacturing world. Hence the name Challenger.

Despite the engine problems, Taylor's sales organization sold more than 100 Challengers before the prototype ever made its first flight — an unprecedented aircraft sales achievement. By 1980, 260 Challengers had been sold for a total of $1.8 billion. Only 4% of this figure was charged to Taylor's office for its extensive marketing efforts.

This success meant promotion and Taylor became chairman and CEO of Canadair's US subsidiary in 1984. He took early retirement from Canadair two years later but retirement was not to be. Charles Gates asked Taylor to come aboard at Gates Learjet to change the company's ink from red to black and make it a worthwhile acquisition. Twenty-one months later Taylor had arranged to pay off more than $270

The fuselage mockup on a flatbed truck (right) was a Taylor innovation that helped him sell 100 Challengers before the prototype made its first flight.

million in loans. The company had previously entered into a disastrous lease agreement with the Air Force for 80 C-21As; Taylor changed the lease into a sale. He cut the workforce and negotiated the company out of two other contracts that were also bleeding the bottom line severely: building Tomahawk tailcones for General Dynamics and participation in development of the Piaggio P180 Avanti. On the positive side, he oversaw development and introduction of the Lear 31 and 55C before he left the company in September 1987.

Life after Learjet

The sale of Gates Learjet was not the end of Jim Taylor's life in the fast-moving world of aircraft marketing. He is now a consultant to the industry and recently signed on as a corporate adviser to Short Brothers for its FJX, the regional jet transport that may bring the Irish manufacturer of the unpressurized Shorts 330s and 360s into the pure jet age. When the company establishes the performance figures, selects the engines and is ready to seek firm orders, Taylor will probably first recommend that the airplane get a recognizable name because he feels that the "FJX" designation sounds like a fighter, not a transport. He will then take on the challenge of advising Short Brothers how best to introduce it to the world's regional/commuter airlines, air forces and corporations. Taylor believes that passengers don't like to ride in turboprops for more than about an hour because of the noise and vibration. Turboprop costs are getting too high and he thinks the time may be right for the Shorts version of tomorrow's pure jet transport.

In addition to Shorts, Taylor does consulting for two other clients: Corporate Aviation Associates of Southport and Flight Services Group (FSG) of Fairfield, both in Connecticut. FSG is one of the fastest growing aircraft management and aircraft brokerage firms in the country. Besides buying and marketing aircraft, they are now operating more than 30 aircraft for corporations and individuals in the US and abroad. The FSG fleet includes Cheyennes, Learjets, Challengers and a Falcon 900.

Bizav future

Jim Taylor, ever lighthearted, optimistic and personable, has some definite ideas about the future of business aircraft. "The need is there," he says, "because busy executives just can't afford to waste time in airline terminals. There will always be a market to satisfy their requirements for speed, direct flights and face-to-face contacts." However, he believes there are too many manufacturers out there vying for a share of the business aircraft market and a shakeout may be inevitable.

As for a supersonic business jet, he says there are still too many shortcomings for any viable program to be taken seriously in the near term: high cost, limited range and the fact that extremely high development costs ("probably three times higher for a

One of Jim Taylor's "missions impossible" was returning the faltering Gates Learjet firm to profitability in less than two years as CEO. Below, Taylor's next project: helping Short Brothers market the revolutionary FJX regional jetliner.

supersonic aircraft") must be distributed over a market of questionable size.

Taylor is concerned that there have been very few completely new and commercially successful business aircraft of any kind certified, built and in full production in the United States since World War II. He doesn't believe pusher type aircraft are the answer for tomorrow's business aircraft. "There hasn't been a successful pusher yet. I think engines need clean air and they don't get it in the back end of an airplane," he says. However, he reserves judgment about the propfans now being touted by several manufacturers.

True to form, Jim Taylor has a new idea he would like to see a major airline adopt: non-scheduled, "random access," first-class executive service on demand that would take advantage of a large airline's training facilities, maintenance, experienced personnel, various types and sizes of equipment, and savings through large quantity fuel purchases at many airports. "The public image of a major airline," he says, "would be an important factor to sell the program and a reservation/scheduling system like American's Sabre System would make it most efficient." He believes the need is there and that there are enough people, companies and governments willing to pay the price. "The first airline that realizes that they are in the transportation business, not just the airline business, will leave competitors at the starting blocks." He adds: "Remember the railroads."

Taylor's formula

James B Taylor III can look back on an exceptionally successful career of selling airplanes. Does he have a secret?

To answer, he quotes someone who, when asked the same question by a *New York Times* reporter, replied, "I found that the harder I worked, the more successful I was." He also takes pride in the fact that he has selected and trained good people who stayed with him to make a true team effort. And he has never hesitated to go outside his companies to get advice from consultants and public relations agencies.

Taylor normally goes to bed early and is up at three every morning "because that's when I can do my best thinking, planning and writing. There are no phones ringing, there's total silence and no one bothers you. When everyone else gets to work, you get so tied up with the day's business that you can't do much creative thinking." People who call him at breakfast time invariably ask, "I didn't wake you up, did I?" Taylor always replies, "Oh no. I've already had lunch."

Although he is often accused of being a workaholic too busy for anything else, Taylor likes to swim ("almost every day wherever I am"), hunt birds and shoot skeet. He is a world-class competitive skeet shooter who was runner-up in the Great Eastern 12-gauge Championships and world 28-gauge championships in the 1960s. As this is being written, he is on a trip to Africa to "shoot" animals and birds, this time with a camera.

Is there a conscious mental transfer from shooting competitively and selling? Maybe so. Taylor admits to having a "competitive attitude" and feels that any success he has had in selling can be attributed to his always wanting to win any contest he is in. In regard to selling airplanes, he likes to quote Frank Hedrick, late president of Beech: "Nothing ever happens until somebody sells something."

Jim Taylor also firmly believes, as someone once told him, "Show me a good loser and I'll show you a loser."

Jim Taylor is no loser. He is looking forward to continuing his aircraft-sales winning streak with Shorts. Those who think Shorts doesn't have a chance to break into the pressurized jet market had better take a look at Jim Taylor's selling record.