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# Television Station Slams Use of Corporate Aircraft by Utility Company, Despite Fact That Station Owners Are Pilots

by Dave Weiman

Last month we reported on the *USA Today* story that slammed federal support of general aviation airports. The article was intended to outrage the public over taxpayer dollars being spent on general aviation airports, when air carrier airports are supposedly more deserving.



In our assessment of the article we noted that there are two approaches to journalism: 1) to seek out the truth about something, and report it in an objective manner, or 2) to seek out information from people who will support preconceived notions of the reporter, and report the news in a biased manner. We believe that the *USA Today* reporter chose the latter approach for his front-page story entitled “Little-Used Airports Cost Taxpayers Big Money.” We also believe that the article was financially motivated to lend support to the airline industry at the expense of general aviation.

General aviation is also under attack by the media and politicians who criticize the use of corporate aircraft during these challenging economic times. The criticism started when the CEOs of the big automakers chose to fly their


corporate jets to Washington, D.C. to ask Congress for bailout money. While we feel their flights were an effective and efficient use of corporate aircraft, the CEOs were not thinking of how these trips could have been perceived. Just think of the “mileage” the CEOs could have gotten if they drove one of their production cars to Washington instead, especially one of their new hybrids. Instead, they flew their jets and surrendered to public opinion when they were criticized for doing so, rather than stand up and defend business aviation. As a result, the entire business aviation community has suffered, and so has our country.

This incident is well known throughout the aviation community. *So why on earth would any pilot support another attack on corporate aviation?* Read on.

The ABC affiliate television station in Minneapolis, KSTP, recently aired a story criticizing the use of corporate aircraft by the local utility company, Xcel Energy, because of recent rate increases. Rather than pick some other department to scrutinize, KSTP decided to pick on the flight department, possibly because corporate aircraft have been under attack, lately, and are on people’s minds.

KSTP tracked Xcel’s flights to see where their jets were going, had cameras positioned at St. Paul Downtown


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## **CORPORATE AIRCRAFT FROM PAGE 5**

Airport to count the number of passengers on each flight, and did their arithmetic to compare the cost of flying employees between their offices in Denver and the Twin Cities by corporate jets versus flying on the airlines.

In a story entitled *“Your Rates Go Up As Xcel Jets Soar,”* KSTP reporter, Bob McNaney, was critical of flights carrying only a few passengers or crew without apparently understanding the purposes of those flights. The flights could have been for maintenance, or Xcel may have needed the planes positioned in the Twin Cities for other flights.

KSTP could have also reported on the number of airline tickets the company buys each year to put things into better perspective. Most corporations large enough to have their own flight departments are also the airlines' best customers. In addition, KSTP could have also sought information from the National Business Aviation Association (NBAA) on the use of corporate aircraft, but the station did not investigate any further.

According to the story aired on November 19, 2009, Xcel's rates in Minnesota have gone up five times within a year and the current public service commission has approved the increases. In November alone, KSTP reported that Xcel asked the Minnesota Public Utilities Commission to raise gas rates by \$16.2 million, while they supposedly budgeted \$5.8 million for its corporate flight department.

If the reporter wanted to look at the budget, then why didn't he look at Xcel's total budget and how much money is allocated to each expenditure? Again, why single out the corporate flight department?

Seeing that the energy costs of 120,000 households in Minnesota are subsidized with federal tax dollars, KSTP asked a Congressional representative his views on Xcel's use of corporate jets and he commented that it seems there is a complete lack of

corporate responsibility.

The KSTP reporter then went to the streets to ask an Xcel Energy customer what she thought of company executives flying around in less-than-full corporate jets, while her energy costs rise. Of course she wasn't happy about this.

The reporter asked loaded questions to deliberately outrage the public. Had he instead asked people what they thought of Xcel Energy using corporate aircraft in its day-to-day business activities to make sure the energy needs of the community are met for the lowest possible cost, they would have responded favorably.

Regardless of whether or not Xcel Energy's rate increases are justified, we take argument with KSTP, its owners, and its reporter for asking loaded questions, and not presenting all of the facts.

It is bad enough when the news media criticizes general aviation, but when the news outlet is owned by a *pilot* that knows better, as is the case with KSTP, that is truly disturbing.

The Chairman of Hubbard Broadcasting, Inc., the company that owns KSTP, is Stanley S. Hubbard, and both he and his son are pilots and own general aviation aircraft. We contacted Hubbard about the story, which he defends:

**HUBBARD:** *“We are big believers in corporate aviation. We are involved commercially in selling products for corporate aviation, and we understand fully the importance of corporate aviation. But when you have a situation where the executives of Xcel refuse to justify the use of aircraft and refuse to talk, then you have to wonder why.*

*“Our news department is independent from our sales and other departments. If they find a reasonable story that is above board and honest, we do not interfere.*

*“Dave, I don't know how you can expect to present an objective story when the subjects of the story refuse to comment. I personally spoke to people very close to the management of Xcel,*

*and asked them to come on the air and just stand up and say, ‘yes, we have airplanes and here is where we use them.’ They refused to do that, which would lead one to believe that they may be hiding something.”*

KSTP traveled to Washington, D.C. to speak face-to-face with Xcel CEO Richard Kelley. He declined to appear on camera, but said he would be surprised if the planes flew with only a few people on board.

In a search for a more complete answer, KSTP sought out Xcel executive Judy Poferl to ask her why planes fly near empty so often. Poferl said, *“I think we are responsible in how we use corporate aircraft. I think it's a good use of our aircraft, and it improves our efficiency.”*

We asked Ed Bolen, President of the National Business Aviation Association (NBAA) about the importance of businesses responding to criticism about their use of corporate aircraft:

*“No response is interpreted by news organizations as no good response. Companies have to explain their use of the airplane. We are trying to help through ‘No Plane, No Gain’ by giving companies the tools they need to successfully respond. Clearly, we still have a ways to go.”*

Here is a link to the KSTP Television segment, “Your Money,” that ran on the 10 o'clock news on November 19, 2009:<http://kstp.com/news/stories/S1265644.shtml?cat=1>

Anyone wishing to forward tactful and well thought out comment to Mr. Hubbard may do so in care of Ms. Joyce Mahoney at [jmahoney@hbi.com](mailto:jmahoney@hbi.com).

If KSTP chooses to continue scrutinizing Xcel Energy's use of corporate aircraft as its way of objecting to rate increases, we ask that its reporters refrain from unethical journalistic tactics, seek the input of NBAA, gather more information such as the volume of travel the company does on the airlines, and tell the whole story, not just enough to prove their point. □