



Department of Transportation

Division of Secretariat

Office of Air, Rail & Transit

700 East Broadway Avenue
Pierre, South Dakota 57501-2586
OFFICE: 605/773-3574
FAX: 605/773-2804

TO: South Dakota Aeronautics Commission

FROM: Jennifer Boehm
Office of Air, Rail, and Transit

DATE: February 21, 2017

SUBJECT: Aircraft Dealer License Appeal

Roger Johnson of The Royal Company SD, Inc. is asking the Aeronautics Commission to waive the requirement of selling and/or brokering 6 aircraft in the past 24 month period so he may renew his dealer license for another 2 years.

Mr. Johnson has been a dealer off and on since 2009 and has three (3) aircraft listed as part of his dealership since 2015. He has sold 1 of the 3 to date and asks that the Aeronautics Commission allow him to be a plane dealer for another 2 years. Per his letter (attached), he has been unable to sell his remaining 2 aircraft due to a variety of reasons.

Our office recommends that Mr. Johnson be allowed to continue as a dealer for the next 2 years. If unable to sell his 2 remaining aircraft by then, the dealer will need to pay the taxes for each airworthy aircraft listed under his dealership.



Mailing Address: PO Box 1372
Rapid City, SD 57709

February 10, 2017

Department of Transportation
Division of Secretariat Office of Air, Rail & Transit
700 East Broadway Ave.
Pierre, SD 57501

RE: Renewal of Aircraft dealers license #106

Dear Aeronautics Board Members:

Please accept this letter of request to extend The Royal Company SD, Inc. Aircraft Dealers License for another two-year term. The challenges of working from a small town like Custer, South Dakota and a lack luster aviation buyers pool has been discouraging. Please allow one more two-year period to turn the dealership around and become compliant with the minimum sales requirement by 2019.

With the new laws for pilots and their third class medical, aircraft sales should recover. More aging pilots may be willing to purchase aircraft without the fear of being grounded by their lack of a medical.

Aviation fuel prices have become more affordable. This helps folks with the rationalization of purchasing a fifty-year-old machine for more than \$50,000.

These factors have brought new light to the profitability of being a dealer. Please extend the license.

Thank you for your consideration.

Sincerely,

Roger M. Johnson President