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For more than a century, Gottschalks has stayed true to its founder’s vision—delivering big brand names and competitive prices into regional markets and smaller cities. Its success is US retail history: with some 60 department stores and 10 specialty outlets, Gottschalks is the largest independently-owned chain in the western part of the country.

True to that commitment, Fresno-based Gottschalks has moved into additional niche markets during the past few years. Most recently adding department stores in Idaho and north to Alaska. CFO Gregory Ambro notes, that revenues have significantly increased, but the company faces a significant management challenge.

“When you’ve got multiple stores in cities across six states, that’s a lot of territory to cover,” he says. “Visiting these stores, conducting meetings, establishing an efficient management regimen...it takes huge blocks of time because the stores are so spread out. And there’s just no cost-effective way to do it on regular commercial airline schedules.”

Gottschalks followed the store acquisitions with an acquisition of a different type. A twin-jet, seven-passenger Cessna Citation. Purchased and certified from Cessna in Wichita, Kansas in May, 2006, the aircraft spends a lot of time in the airspace between California, Washington State, Alaska, Idaho, Oregon and Nevada. “In order to get to—just our Alaska stores (Juneau, Fairbanks and Anchorage) it makes commercial sense to own and use our own aircraft,” notes Ambro. “To be competitive, we need to look for operational efficiencies across the board, and transportation is one of them.”

In purchasing a \$3,000,000 aircraft, the company was also looking at a \$375,000 Sales and Use tax bill from the State of California. “Again, we looked for a logical way to deal with the issue,” continues the Gottschalks CFO. “That’s how we came to contract Aero & Marine. They’re the professionals.”

With Gottschalks, it was a matter of documenting every hour flown and where. And about being meticulous with engine logs, maintenance records and gas receipts. Plus taking the company through the process, step by step, checking their reporting and letting them know where they needed additional information. The result...in just three short months, after the completion of the test period, was an exemption from the Board of Equalization.

“We were very pleased with the service from Aero & Marine,” notes Ambro. “They were involved from the moment we decided on the aircraft’s purchase, and took us through the entire process, all the way to the tax exemption. This has turned out to be a good deal for Gottschalks; from its purchase to its use and to its cost, the aircraft has worked out really well from our point of view. We’ll be recommending the service that Aero & Marine provides.”

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