

The fall of GPA day by day

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GPA's failed initial public offering (IPO) in 1992 is still arguably the most significant event to have hit the aviation finance market. Without GPA there would be no Ryanair, no Gecas, no AerCap, no Pembroke, or Shannon Engine Support. Ireland would not be a key aviation finance location.

But despite its significance to aviation and Ireland – and the hundreds of newspaper and magazine articles written at the time – Christopher Brown's *Crash Landing – An Inside Account of the Fall of GPA* is the first book published about the company. While it is not fresh, it is still a fascinating story and an enjoyable read.

Crash Landing briefly covers the launch of GPA in 1970 but is mainly Brown's diary from April 1990 to April 1996. As well as covering the fall of the lessor, it also discusses individual airline clients and the problems GPA had placing new aircraft.

Brown's diary starts with him outlining his worries about GPA. He believes the lessor has over-ordered aircraft and that many of them are the wrong type. The aviation market is clearly entering the down cycle – and this is before the first Gulf war – and the company has too much debt. The rest of the book proves this thesis.

He outlines various restructuring initiatives, the failed IPO and the acquisition of much of the company by GE. It ends when he is made redundant by Gecas.

Although he was based in the UK most of the time – and like all GPA employees spent a lot of time flying – the diary shows that Brown spent a lot of time picking up as much information as possible from colleagues all over the world. In some ways it is a shame that he did not work in GPA Capital, where much of the action happened, but his stories about marketing aircraft and chasing debts are enjoyable.

While reading it is a bit like watching Titanic – you know how it is going to end – *Crash Landing* is an engrossing read for people who did not work at GPA. In fact, it is required reading for people who have to negotiate with former GPA staff, because it gives clues as to why they were such a tight-knit group.

Why now?

The biggest question is why has it taken so long for the book to be published. At least five books have already been published about Lehman Brothers in the 12 months since it collapsed; yet it has taken 13 years for Brown to open his diaries.

He says he did not want to publish too close to the event in case he damaged careers, and that emotions were so high after the IPO.

Cynics have assumed that he was worried that Tony Ryan, GPA's founder and chairman, who died in October 2007, aged 71, might sue for libel. Brown denies this, saying he started re-editing the book in 2006 before becoming ill, which delayed publication.

He says he was reminded of his diaries when he read a newspaper article explaining how to get a book published by Gill & Macmillan, Ireland's largest publisher, and he decided to contact the company. One of his life's ambitions had been to publish a book and he is now working on a novel.

Another reason for the delay may be that, at 64, he is no longer looking for new roles in aircraft leasing.

Brown says the diaries were barely edited, with the major change being the removal of names to make it more readable to people who did not work at GPA. This adds to the fun, as people who did work there can identify others.

Kieran Corr, now chief operating officer of Standard Chartered's Pembroke Capital, is referred to as "Our key numbers man on the trading floor", for example.

Brown says he was inspired to catalogue his time at GPA after regretting not writing an account of the failure of Laker Airways. He says he

would write the diary in longhand and then type it up at home.

Reading by index

GPA employed more than 300 people and many of them have been checking the index first to see how they are mentioned before reading through it. While Patrick Blaney, who led the turn-around of GPA and negotiated the sale with GE, comes across as the hero of the book, some people – particularly Brown’s managers and Ryan – are severely criticized.

“I would hate to think that would leave a nasty taste in anybody’s mouth,” says Brown. “I was pretty angry at the time, but the book was not meant to upset anyone.”

A number of former colleagues say they are disappointed by his account, which fails to capture the enjoyment that many had. “It was a tough place to work but it was also a lot of fun,” says one manufacturer.

This may partly reflect the fact that, although Brown had many friends at GPA, and former colleagues speak of him warmly, he was an outsider.

Brown had a very different background from many at GPA. He was older, having joined the lessor after working at Laker Airways and then advising Britannia Airways on aircraft leases. He started as a marketing vice-president in London, before moving to Shannon for just two years. Brown then moved back to Cambridge, England, but would fly to Shannon for the Monday sales meeting.

Brown joined GPA to make money. Ryan believed in rewarding employees and if the IPO had been successful it would have created many millionaires. GPA offered 40-year-old Englishman Brown a chance to make far more money than working for an airline when he joined in 1985.

Many of the people most annoyed by his account got on board earlier and stayed in Shannon. Ireland in the early 1980s was nothing like the Celtic Tiger it later became. GPA employed many of the brightest graduates from Irish universities and there were few other Irish employers offering such an exciting international job.

“We used to say it was GPA or the Milk Board,” says one Irish banker.

GPA – and Ryan – gave them exciting work, a large amount of freedom and good pay. They had to work very hard and many also lost considerable amounts of money by taking out loans to buy shares, but they still stayed loyal to Ryan because of the opportunities he had given them. The failed IPO and restructuring also brought many of them together.

Brown says he was a very loyal employee who loved the company. However, he started the diary when he became worried about GPA’s future and found the mistakes the company made extremely frustrating. At one point in his diary he is shocked that Ryan – whom he blames for the failure of the company – is given a standing ovation at a Gecas dinner.

Cold porridge

Although the book has upset people, it is good that it has been published. As Brown rightly argues: “History demands that someone published an account of GPA, as it was such a significant event.” It is just a shame the book was not brought out earlier.

Along with ILFC, GPA created an industry that is responsible for financing over 30% of all new aircraft, worth more than \$20 billion each year.

However, while *Crash Landing* is an enjoyable read, it is not a definitive history. The challenge is for another former GPA employee to write a book that captures the challenges, excitement, camaraderie and fun that existed when GPA was being built and, of course, the heartache that happened when the IPO failed. Brown after all, only started the diary when he became scared.

One senior Irish lessor, who used to work at GPA, doubts that any other diaries will surface. As he recalls: “Most of us were working too hard and drinking too hard to keep diaries.”

Crash landing: An Inside Account of the Fall of GPA, by Christopher Brown Gill & Macmillan, 229 pages, €25/£21.00 available from www.gillmacmillan.ie.

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