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# Forbes®



**THE ENLIGHTENED  
BUSINESS TRAVELER**  
*BREAKING THE TIME BARRIER*



# THE ENLIGHTENED BUSINESS TRAVELER

## *BREAKING THE TIME BARRIER*

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**B**usiness has never had so many communication options. Cell phones. E-mail. Teleconferencing. Text messaging. The ubiquitous Blackberry. Yet, a more traditional technology is on the leading edge of the communications revolution: the business aircraft. Indeed, with the pace of business accelerating and its scale expanding, business aircraft are more critical to success than ever. Despite the array of new ways to stay in touch electronically, there's no substitute for being somewhere physically, be it inspecting a facility, walking around a property, shaking the hand of a prospect or meeting a client face-to-face. And increasingly, business aircraft are the way successful enterprises choose to be there.

# The Enlightened Business Traveler

The ways business aircraft have evolved are manifold, and the ways to take advantage of those benefits have soared. Innovative product offerings are emerging to meet the rapidly expanding needs of the marketplace. Options in outright ownership are attracting more customers. But amazingly, with fractional share plans, charter and the hot new jet card programs, you don't need to own an aircraft to gain the full advantages and then some. Access to these advantages has never been easier, and business aircraft benefits have become more affordable to a vastly broader audience who, once they try them, quickly find them indispensable.



More change is just ahead. A new class of small jets is poised to enter the marketplace, potentially heralding an era of affordable air taxi service and enabling growing numbers of businesspeople to fly themselves where they need to go. In addition, a number of supersonic business jets, which will slash transatlantic flight times to under three hours, are in conceptual stages.

## IMMEASURABLE VALUE

The bottom line that drives the tremendous attraction to business aircraft isn't the advances of the latest model, or the addition of a new communications technology in the cabin. It's the tremendous advantages that

business aircraft provide in today's competitive environment.

"A business aircraft enables executives to reach multiple locations in a day and call on more customers. It provides a safe, secure environment that turns travel time into productive time. A business aircraft puts companies back in charge of their own schedules and eliminates the grinding wear and wasted time of flying commercially. It allows companies to locate in areas that may offer lower operating costs or a more livable environment, because their aircraft bring them wherever they need to be. And it helps businesses attract and retain key employees, who understand business aircraft can max-

imize both their work time and the time they have with their families," says Edward Bolen, president and chief executive officer of the National Business Aviation Association (NBAA).

The Enlightened Business Traveler is your guide to this new world of business efficiency. It explains the aircraft, the access options and how businesses are using aviation as key components in their success stories. It profiles the major fractional companies, the jet card programs and leading charter providers. It explores the key benefits of business aviation and the ways organizations of all sizes are using air power to achieve success. And it explains the key issues anyone who wants to be part of this travel

revolution needs to understand. Have you or your company investigated this priceless opportunity? If not, read on and start thinking about ways to make it work for you.

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## FLIGHT LOG

### BODY BY JAKE

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Innovator, motivator, street-smart entrepreneur and world-recognized fitness icon Jake Steinfeld is attributed with creating the personal fitness industry. He made his reputation as the first nationally recognized personal trainer, buffing the bodies of Hollywood notables like Steven Spielberg, Harrison Ford, Priscilla Presley and others. Since then the "Body By Jake" fitness expert has expanded his empire to include exercise equipment, infomercials, publishing and two fitness/lifestyle TV networks. And, if that was not enough, Steinfeld founded Major League Lacrosse and authored several books, the latest on making a success in life and business out this fall, *I've Seen A Lot Of People Naked And They've Got Nothing On You!*

So where does the man with boundless energy find the time? Because his hectic schedule frequently required him to travel from coast to coast for meetings with sponsors, television executives and business associates, air travel was extracting an enormous toll. Then Steinfeld discovered that a business jet could create time and amplify his productivity exponentially.

## PRESERVING QUALITY OF LIFE


Enter the Marquis Jet Card. Steinfeld was one of the first aboard five years ago when Marquis Jet launched a new era in jet travel. The Jet Card provided everything he needed, including access to the consistency, quality, safety and service of the Net-Jets fractional ownership program, but in bite-sized, affordable chunks. "The most important thing in my life is my family. Now I'm able to do a whole lot of things in a very short

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amount of time and still get home at night to be with them,” he says. “I just know that wherever I am, whenever I need a plane, it’s there. The Marquis Jet Card makes travel a pleasure.”

Steinfeld recalls a recent trip during which he began in New York, then moved on to Boston for the lacrosse league’s first televised event, and followed it up with a dinner meeting in St. Louis with sponsors. “I was still able to get home to Los Angeles that night and wake up to make breakfast for my kids.” The Marquis Jet Card, which gives him the flexibility to use larger or smaller aircraft to fit any mission, made that possible.

Steinfeld still travels commercially when the schedule makes sense, but what commercial travel cannot do is provide an atmosphere conducive to business. He often finds the time aloft in his jet perfect for closing deals. “This is the best way to do business in the world,” he says. “It’s a very captive audience.”

Tommy Hilfiger refers to Steinfeld — the start-from-scratch, do-it-yourself motivator who recognizes that the best rewards in life are a product of hard work — as the “quintessential American success story.” For Steinfeld, the American Dream “is creating and living your own dream.” There is little question about how a business jet is helping him to do that. 

### THE ULTIMATE PRODUCTIVITY TOOL

David Wyndam, partner in Conklin & de Decker Associates, a Boston-based aircraft consultancy, points out that there are many ways to gain business aircraft benefits — outright ownership, fractional shares, charter or the hot new jet card programs — and travel frequency, distance, location, airline options and budget may dictate some of the answers. However, “once a company decides to acquire a business aircraft, there are many more decisions to be made, and often professional advice from an aircraft con-

sultant or one of the leading aircraft management firms can lead to the best solutions,” Wyndam says.

Although a prospective owner may have the financial resources to buy an aircraft, he or she may lack the desire or human resources to manage a flight operation in-house, Wyndam



points out. All of those necessary functions, however, such as crew hiring, maintenance requirements, flight operations, regulatory and tax issues, can be outsourced to a professional management firm that will handle all the ownership and operational responsibilities for you. And, if utilization is less than optimal, he says, the larger management firms can charter your aircraft, which can produce revenue that offsets some of the fixed ownership costs.

“Aircraft operation is a specialized discipline, and although aircraft owners may have some knowledge, they don’t always have the comprehensive range of necessary skills and experience,” says John Thomas, national vice president, key accounts for Jet Aviation Business Jets based in Teterboro, New Jersey.

Jet Aviation is a 40-year-old global business aviation services company with 60 locations in North and South America, Europe, the Middle East and Far East. The company offers worldwide aircraft management and charter, aircraft sales, maintenance, refurbishing, fueling, executive terminal operations

and aviation staffing. Its aircraft management and charter divisions jointly operate more than 160 aircraft, and in 2004 it exceeded 60,000 hours in global flight operations.

In addition to its major aircraft completion centers in the U.S. and Europe, Jet Aviation operates factory-

authorized service and repair facilities strategically located in the U.S. and abroad, and handles maintenance and refurbishing for many of its top charter, management and fractional ownership competitors.

### YOUR JET IS BUT A PHONE CALL AWAY

A select group of firms including Jet Aviation, TAG, Executive Jet Management (EJM), PrivatAir and others like them with impeccable reputations are experts in providing a turnkey management service. “Committed to safety, top management firms operate to rigorous standards, follow airline-style training and maintenance regimes, provide dedicated crews, maintenance, hangarage, insurance, as well as administration functions and can fly you anywhere worldwide,” remarks Gil Wolin, vice president, corporate communications for TAG Aviation USA.

Thomas adds that the leading management firms also have the in-depth knowledge, experience and resources to provide advice regarding the selection and acquisition of the very best aircraft for the requirement.

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They also offer significant added value, including domestic and international flight planning, continuous monitoring of world events, dispatching, economies of scale and volume buying power, resulting in lower owner cost; and provide highly personalized customer service on a 24-hour basis. “It would be difficult for an individual company to assemble these resources and expertise in-house,” says Thomas.

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## FLIGHT LOG

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### THE MANAGEMENT FUNCTION IN ACTION

When rapidly developing business opportunities in Europe and beyond demanded considerable attention, one Massachusetts entrepreneur realized that a business jet could play an essential role in his firm’s growth strategy. To gain necessary global reach, he purchased a new, long-range Gulfstream G IV SP. But, while the large-cabin jet was everything he needed, what he didn’t want was the concern and the administrative overhead associated with running a flight operation.

He concluded that outsourcing was the best solution. However, he had several tough demands: He needed a company with significant expertise in large jets and international flight operations that could provide a complete turnkey management program; he wanted to locate the aircraft in rural northern Connecticut; and, because his flight requirements were probably less than 200 hours per year, he wanted to charter the Gulfstream when it would ordinarily be idle.

He turned to San Francisco-based TAG Aviation USA for help. With more than 30 years of experience and operations bases in the U.S. and Europe, TAG operates a fleet in excess of 150 aircraft and offers management services and charter at 55 sites across the nation.

Like dozens of other TAG-managed aircraft at remote bases, this highly mobile entrepreneur receives



the same comprehensive service, the personal attention that he wants, plus a great deal more. Now he merely picks up the phone and his plane is ready.


### PERSONAL SERVICE TAILORED TO YOUR NEEDS

TAG’s client aviation manager, Bill Thomas, who personally handles all the management and aircraft-related issues, took charge of the entire flight operation on-site, including overseeing three pilots, a full-time flight attendant, a Gulfstream-trained maintenance technician and a hangar. “My entire focus is this single client, and the arrangement is structured so I can be immediately responsive to any of his needs. I’m involved in the day-to-day detail, and he has my undivided attention.”

Thomas’s client is happy. “He knows all the people who fly with him or work on the airplane, so he has the same kind of personal relationship that he would have with his own flight organization — the same level of confidence in the crew and maintenance, but without the inconvenience,” says Thomas. “He also has access to TAG’s extensive resources in the U.S. and Europe.”

In addition to peace of mind, the owner gains the advantage of large company buying power. With a sizeable fleet operating worldwide and contracts with all the major aviation suppliers, TAG has the market clout to negotiate significant discounts on

fuel and maintenance, crew training, insurance and other operational needs. “An individual flight department doesn’t have that kind of leverage,” Thomas emphasizes. So, while there are costs involved in the management arrangement, much of that is offset by considerable savings.

On any day, the spacious long-range Gulfstream with as many as ten aboard might be flying nonstop to the heart of Europe as easily as it does across the state or across the country. Although these are private flights, TAG crews always operate to the higher safety standards and more demanding requirements that TAG stipulates for all air charter, Thomas emphasizes. “We take care of him like a member of the family.” 

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## EASIEST ROUTE TO BUSINESS AIRCRAFT BENEFITS

Because it operates on a pay-as-you-go basis, charter is one of the simplest and least expensive ways to take advantage of business aircraft benefits, points out Robert Seidel, senior vice president/general manager, Jet Aviation Business Jets Charter based in Teterboro, New Jersey. “There is no long-term commitment, major capital investment or capital risk,” he adds.

Jet Aviation took simplicity a giant leap further last year with the introduction of The Privileged Travel Card — the company’s own branded charter-based jet card program that incorpo-

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rates the appeal of fractional ownership, including guaranteed availability and fixed flight-hour pricing, and one pays only for the time aboard. This is currently the only program to offer an introductory 10-hour card in addition to standard 25, 50 and 100 occupied-hour increments. “While the majority of our clients are traveling on business, we are talking to a much broader spectrum of customers and seeing a marked increase in the number of people who are buying The Privileged Travel Card for personal use,” Seidel says. The new Jet Aviation jet card, which can be used nationally, makes one-way trips economical and offers a choice of three distinct aircraft categories. Another unique feature is bonus hours on certain round-trip flights.

Jet Aviation is among a small cadre of the world’s foremost charter providers that subscribe only to the highest standards of safety and service. All are experiencing an upsurge in business, which TAG’s Wolin attributes to a favorable economy, the rapid deterioration of commercial airline options and the wide-ranging availability of business and private jet advantages that are vastly more affordable than ever before. “Their time is perishable,” says Seidel. “They can accomplish things with a business jet that would be impossible any other way. They are squeezing even more value out of the experience by filling seats and traveling to more places that commercially are impossible to reach.”

### ABSOLUTE FOCUS ON SAFETY

Jet Aviation and TAG, like the other industry leaders, have an unblemished safety record; but Wolin cautions that not all charter is equal, and despite federal regulations, which are only a bare minimum standard, quality and safety vary widely. “There is a demonstrable difference between those that do it right — who spend a lot of money and time making certain that training, procedures and policies are focused, without compromise, on the safety and comfort of their clients,” says Seidel.

“Then there are those who are more driven by their own bottom line than they are in providing high quality and high value to their customers,” Wolin adds. “If you put dollars first,



you severely jeopardize safety, security and service, and that’s what the consumer is paying for. If one shops strictly for price in the charter market, the chances are those three crucial components are gravely marginalized,” he says. “Ask a lot of questions: Who owns the airplanes? Are they maintained at factory-authorized facilities and with factory-trained mechanics? What’s the experience level of the crews? How frequently are they trained? Is training conducted by professional training organizations using latest-technology flight simulators? Ask specifically about their safety record,” he implores.

Like all the major charter firms, Jet Aviation not only organizes charter but is also a consumer. “If we cannot fill a request,” says Seidel, “we turn to highly trusted sources with which we have long-standing relationships that also meet our own demanding standards.” His firm works with only those that have the highest ratings from Aviation Research Group/U.S. Inc. (ARG/US) and Wyvern Consulting Ltd., the two nationally recognized independent safety-auditing firms. “The evaluations are confirmed by our own physical, on-site audits,” says Seidel, “and we not only check

the operator, but also the crew and the airplane on that specific day.”

According to ARG/US, there are 857 air charter companies in the U.S. operating turbine-powered aircraft,

and of those, only 287 have an ARG/US Gold rating and a mere 45 have the coveted Platinum rating. Jet Aviation, like TAG, chooses to work with only the top 70 firms, a mere 8% of the total. “These are the best of the best,” says Seidel.

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### FLIGHT LOG


#### LANCE TOLAND ASSOCIATES

It’s very understandable that Lance Toland would own his own business jet. After all, Toland, the son of a former Navy pilot, was practically born in the back of an airplane. He spent his early years hanging around airports, worked as a freight pilot, finished law school and later formed what is now the largest independent aviation insurance brokerage in the nation.

As a small-business owner with seven employees, a business that spans the nation and only so many hours in a day, Toland knew he needed to make the best use of available resources. He also realized that a well-maintained airplane with updated avionics and a refurbished interior offered considerable advantages, so he purchased a pre-owned Dassault Falcon 10 from a corporation that was updating its fleet. He uses it daily to gain vital business benefits.

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“The Falcon allows me to manage my time and my employees’ time better,” he says. He can depart from the small 3,700-foot strip in Griffin, Georgia just south of Atlanta and touch down in Olathe, Kansas about an hour and a half later. “I regularly fly to Fort Lauderdale to meet with clients and can be back in the office for the entire afternoon,” he says. The flight takes less time than the drive to the Atlanta airline terminal.

“The Falcon lets me operate as fast and efficiently as possible, and that has helped me to expand my business,” he says. But saving time and meeting with clients in a personal way is not the only advantage. “You have to factor in the quality of life,” he says — the wear and tear that drains productivity, keeps one away from home and family and arouses dissatisfaction. “If you can provide your people with a better quality of life, you make them more effective in their jobs,” he assures. 

## JET CARD PIONEER CREATES NEW BUSINESS JET BENEFITS

Just as fractional plans changed the course of business jet ownership, Sentient Jet, which pioneered the jet card, launched a completely new paradigm by opening the floodgate of accessibility to jet travel even further.

By melding the safety, consistency and guaranteed availability of fractional ownership together with the pay-as-you-travel simplicity of charter and eliminating the long-term investment and capital risk, the Sentient Jet card idea made private jet travel advantages affordable to a vast new audience of individuals and small businesses. Today, jet cards are one of the hottest ways to gain business jet benefits. And Sentient continues to stand among the best.

Sentient Jet members prepay for future travel, and each trip is debited to their accounts based on a predetermined fixed hourly rate. Much like fractional ownership, the plane is

guaranteed when you need it and you pay only for time aboard. There are no positioning costs and no empty leg charges, as with traditional charter, so one-way trips become practical and affordable. With Sentient, there are no time limits on usage and the unused balance is fully refundable.

According to chief executive officer Steve Hankin, jet card demand is reaching record highs, driven by confidence in the economy, continued poor service from commercial carriers and the low-cost entry point to personal and business jet benefits. “We are seeing more business flying than



ever before,” he says. “I think relationships remain a central element of business, and we make it that much easier to be out there on the road building those relationships.”

Sentient offers three broad classes of aircraft — small cabin, midsized and large cabin — and within each class jet card holders can select from the Preferred category of newer aircraft or from the Select group of quality older, but economically priced models. Although occupied flight hour charges are at a fixed rate for each class and category, round-trip discounts are available for those who choose to return to their departure point.

While continuing to operate as a broker through an exclusive network of top-quality preferred charter operators, Sentient became its own jet provider this year with the recent

acquisition of Atlantic Aviation, a highly rated charter and aircraft management organization. The purchase creates an additional controlled source for quality aircraft in the face of growing jet card demand.

## JET CARD GOES GLOBAL

This year, Sentient also teamed with U.K.-based Air Partner, the world’s largest charter broker, highly reputed for quality and safety. The strategic alliance creates a unique, seamless business/private jet network launching Sentient into a global arena. Now Sentient Jet members, in a reciprocal arrange-


ment with Air Partner, can take advantage of attractive fixed hourly rates and guaranteed availability throughout Europe. For trips to anywhere else in the world, Air Partner’s traditional charter rates apply, but charges can be deducted from the Sentient card balance. “Our business outside the U.S. has boomed since the announcement,” said Hankin. “It’s been a pleasant surprise to see how much this product was needed.”

Safety is the cornerstone of Sentient’s business, and Hankin makes it his primary focus. Sentient’s board includes former FAA Administrator, Jane Garvey, and the company recently hired a former National Transportation Safety Board lead investigator who will continue to evaluate and define the standards and requirements for all charter providers with whom Sentient

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works. “We audit and evaluate the service quality of all of our operators. We have a field team that goes to see all the planes. And we keep track of every crew, every operator, every plane, every service issue,” Hankin says. “We want

to-reach parts of Wisconsin, and flying commercially from New York takes a full day. His demanding clients aren’t always prepared to invest that time, so Goldman investigated the idea of using a business jet.

the time worth? It may be more expensive, but it represents tremendous value,” he says. “To me it’s the cost of doing business, and my business is up as a result of being able to bring customers and employees on these trips, not to mention what it does to improve your overall quality of life.” 



## A JET WHENEVER AND WHEREVER YOU NEED IT

When Richard Santulli invented NetJets fractional aircraft ownership in the late 1980s, he launched a revolution that forever changed the way people look at business and personal travel. Gone were the days of private jets as the solitary domain of the rich and famous. Companies large and small, as well as entrepreneurs and private individuals, could at last gain all the convenience, safety, and flexibility advantages that a business jet offered at a fraction of the cost.

to be certain that we are working with companies that represent the highest commitment to safety.”

Sentient recently took another step forward on the customer service front by offering access to medical support from The Cleveland Clinic. Sentient Jet card members now have direct access for medical advice or referrals at all times wherever they happen to be, worldwide.

### FLIGHT LOG

#### GOLDMAN ASSOCIATES

Established in 1952, Goldman Associates is a family business and exclusive New York area distributor of high-end brand name appliances like Sub-Zero, Wolf, Asko and others. A crucial part of the selling process is demonstrating how to take advantage of the key product features. “We have to provide great customer service in order to maintain our exclusive franchise, and that’s why I travel so much,” says Goldman. “We do a lot of cooking demonstrations, and we regularly take customers to the factory for training sessions.”

The problem is that most of the manufacturers are located in not-easy-

### SELECTING THE BEST AIRCRAFT FOR THE TASK

After considering a number of jet card programs, he selected Sentient Jet for the flexibility and affordability. Because he travels with up to eight or ten customers and staff, Goldman wanted a program that allowed him to adjust to a small, mid-sized or large-cabin jet, depending upon the most suitable aircraft for each trip. “When I did the math, Sentient was the most cost-effective for my needs,” he says, “and the service is excellent.” Now he is accruing the benefits.

While he still flies over 100,000 miles annually by commercial airlines, Goldman uses Sentient when it makes the most business sense. “We are flying over 100 hours a year right now with Sentient, and I am using the service more than ever,” he says. On a recent trip he departed from Farmingdale, Long Island with a large customer group, landed in Waukesha, Wisconsin less than two hours later, visited a manufacturer and returned late in the afternoon. “It was amazing,” he said. “They were home in time for dinner.”

Using a business jet is costly, Goldman concedes. “But with six or eight of us on the plane, you have to ask, what’s

The idea is simple. You buy as much as you need and pay the equivalent fraction of the aircraft ownership price (a one-eighth share equals 100 annual hours and a one-sixteenth share equals 50 annual hours). After that, all you do is call and your jet is ready whenever and wherever you want it. If you’re in Kalamazoo, you can have it there, and if you’re in Tupelo you can have it there. In fact, you can have it both places at once. Every operational detail is taken care of, so even though you own only a fraction, you have access to the entire jet fleet. There is also a monthly fee and a per-flight-hour charge, only for the time spent aboard.

For those whose needs are less or want to make it even simpler, there’s the 25-hour Marquis Jet Card, which, for a single payment, provides all the NetJets ownership benefits in 25-hour chunks. Although the per-hour price works out higher than that for fractional shareowners, there are no additional charges, long-term commitments or residual risks.

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## GAIN CONTROL OF TIME

NetJets put the business traveler back in control of schedules and time. Despite the naysayers, Santulli was confident he knew what the market needed, but even he underestimated how much they really wanted it. “I made some bold statements in 1986. I thought that NetJets would be very significant, but not to this point,” he said.

Even with formidable competitors, NetJets, backed by Berkshire Hathaway, remains the largest fractional ownership provider with the most diverse fleet. It operates more than 550 aircraft in the U.S. and Europe, including 14 different aircraft models ranging from the Cessna Citation Bravo to the Boeing Business Jet. In 2004, NetJets flew a total of 275,000 flights covering 100 million miles to over 140 countries. The company claims more than 5,500 fractional owners and Marquis Card holders and also offers fractional ownership through NetJets Europe and NetJets Middle East. These are the only fractional ownership programs outside the U.S.

U.S. customers have guaranteed access to the international fleets without having to purchase individual international shares. With the growth in demand for international flights, NetJets removed ferrying costs between Europe and the U.S.

“Our owners feel like they are part of a special club or family,” Santulli comments. As part of that relation-

ship, NetJets owners and Marquis Jet Card members can take advantage of a variety of special services, including call-in medical support provided by the Mayo Clinic available at anytime, anywhere worldwide. NetJets also hosts a variety of private sporting and social events for owners.

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## FLIGHT LOG

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### MAJOR BRANDS INC.

St. Louis-based Major Brands is the exclusive Missouri distributor of eight of the top ten brands of wines and spirits in the nation and has suppliers all over the country. “Being able to get to our customers and suppliers efficiently and quickly is a real advantage,” says Major Brands’ chief executive officer, Todd Epstein.

Epstein had chartered occasionally, which demonstrated the advantages of traveling on his own schedule, but his need became acute when airlines slashed service in St. Louis and other Major Brands’ markets. After careful research, he turned to NetJets for the answer.


“Owning a plane outright was well out of reach for a midsized company like ours,” he says, “but fractional ownership represented an excellent solution.” Now he owns a one-sixteenth share (50 annual hours) in a NetJets Cessna Citation Encore. “We have the full benefits of ownership, including tax advantages, plus a lot more,” he says. “We don’t worry about

a plane being available, as we would if we operated one ourselves, and if we need a larger or smaller plane, NetJets can accommodate us easily.”

## FLY DIRECT — BE HOME TONIGHT

While Epstein frequently meets with vendors across the nation and vintners in hard-to-reach areas of the California wine country, there is also a lot of travel between five company offices across the state, which can take three hours or more flying commercially and demand a night away from home. Now he flies to Kansas City on his jet in under 30 minutes. “The big advantage for us is that even in a light jet, we can go practically anywhere nonstop, and we take advantage of the efficiencies by bringing four or five people if necessary.”

Flying to Rochester, New York, for instance, used to be a major challenge — a six-hour flight commercially — but Epstein can be there in an hour and a half. “And if a meeting is running late,” he says, “we merely call up and the plane waits.” Try that at Gate 36 at JFK.

“Fractional ownership gave us the mobility that we need in markets like ours that are underserved by commercial air service,” says Epstein. “We visit two or three distributors in a day or two in a few different markets, and we do that in a very effective way,” he says. “Ultimately the jet is a time machine and what you’re paying for is that level of enhanced efficiency and flexibility. The service is amazing,” he adds. “I am very impressed.” 

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## REGAL TOUCH FOR NEWEST JET CARD PROGRAM

When Regal Aviation took off at Dallas’s Love Field in 1998, David MacDonald, as founder, realized that this small upstart would be butting heads with the top aircraft management and charter companies in the business. To compete, MacDonald knew he had to assemble the best aviation talents



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and deliver unsurpassed service combined with uncompromised safety.

MacDonald delivered on that promise and then some. Today, Regal is thriving. The company quickly acquired a reputation for quality and safety. As a result, the two leading independent safety-auditing firms, ARG/US and Wyvern Consulting Ltd., awarded Regal their top accolades, placing the company in an exclusive group of the nation's most prestigious charter and management companies.

But while Regal, which offers a complete range of aviation services, was blossoming, MacDonald saw another niche opportunity. Once again taking on the industry giants, Regal created the Jet Concierge jet card program, which instantly launched this regional operator into a nationwide arena. "The Jet Concierge program was designed to specialize in elite transportation," remarked MacDonald, "and we wanted the high-end consumer to have all the benefits of fractional ownership without the acquisition costs."

### QUALITY, SAFETY AND SERVICE

Although most of Regal's fleet is Dallas-based, Jet Concierge can provide quality service anywhere in the nation, "and we guarantee you will only fly on aircraft provided by ARG/US Platinum, Gold or Wyvern Wingman-approved operators," MacDonald says. Currently, only 15 of the nation's top charter companies meet Regal's demanding requirements. "We personally hand-picked them, checked out their airplanes, their pilots, their safety procedures and selected only the best for our Jet Concierge customers," he says.

The Jet Concierge card operates like a debit card and comes in three different prepaid values. Those making a larger dollar commitment receive more favorable hourly rates. A try-before-you-buy opportunity is also available at attractive introductory pricing, and the unused card balance is fully refundable if plans change.

While the Jet Concierge program incorporates traditional jet card know-before-you-go, fixed one-way pricing, MacDonald added some unique enhancements, including an economical round-trip plan, as well as door-to-door sedan service on depart-



ture and arrival, plus catering at no extra charge.

Aircraft are available in three different categories — large, midsize and light jets. "You're buying time, and you can utilize that in any aircraft that fits your needs," MacDonald says. "And you're dealing with a personal representative who understands your requirements and can provide customized service 24 hours per day."

It is clear that MacDonald is providing added value in a highly competitive market. In its first year of operation, Jet Concierge is already a success story and standing tall among giants.

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### FLIGHT LOG

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#### JOHN MILLS, RETIRED COO

It was during a road show — those grueling, intensely orchestrated four-city-per-day, weeklong marathons to launch an IPO — that John Mills realized the value of a business aircraft. Mills is the former president and chief operating officer of Aéropostale, Inc., a fast-growing, mall-based casual apparel retailer, and when Aéropostale went public in

2002, Mills learned firsthand how you can literally do the impossible with a business jet.

How else could you take off in the morning, prepare en route, land, hop in a car, head for a presentation, turn around, head back to the airport,

board the waiting plane, catch your breath, review, cover 500 miles, land and start all over again? "The advantage certainly became clear," says Mills. "It just couldn't have been done flying commercially."

Dallas-based Regal Aviation, the charter and aircraft management company that now provides Jet Concierge personal flight service nationwide, handled the IPO travel. The experience turned Mills into a believer.

Aéropostale then hit the fast track, expanding at a rate of 80 to 100 stores per year. After the IPO experience, Mills was convinced that a business jet could play an essential role in Aéropostale's growth. "The most important thing to Aéropostale was its culture, and when you are expanding as rapidly as we were, it's very difficult to maintain that cultural connection. Being able to get out there face-to-face and interact with the people running your business was crucial." Regal's jet service made that possible.


"We evaluated the use of the business aircraft in terms of how many cities, how many stores, how many people we had to see and how pro-

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ductive we could be in a very condensed period of time,” said Mills. “It’s all about productivity.”

## STRESS RELIEVER

When Mills retired last year, he decided that the same time savings and productivity benefits would be advantageous to his personal life. Since his travel needs were now personal, he did a careful cost analysis and settled on Regal’s Jet Concierge program. Although he was familiar with Regal aircraft and crews, the Jet Concierge program was national, and the chances were good that the jet showing up could actually be one operated by a partner firm. “I felt confident that their selection standards were the most demanding, and that safety was always the number one priority,” he said. In addition, Jet Concierge personal service makes a big difference. “Everything down to the last detail is covered,” he said. “You land, the car is there and you go.”

Today Mills enjoys the peace of mind private jet travel provides. “You avoid the stress, anxiety and aggravation associated with air travel today,” he says. “You arrive refreshed and alert, and you absolutely feel the difference. That really does have value.” 

## ADDING FLEXIBILITY TO FRACTIONAL OWNERSHIP

Although the original fractional ownership model was a good one, it needs constant tweaking and flexibility to adapt to a changing market. And who better to put the flex in but Bombardier Flexjet? Although Flexjet offers fractional shares exclusively in Bombardier aircraft, including the large cabin Challenger 300 and 604, the midsized Learjet 60 and the smaller Learjet 40XR and 45XR, Michael McQuay, president of Bombardier Aircraft Services wants it to be known for a great deal more. He emphasizes that fractional ownership

is only one option among a continuum of business jet solutions that he can suggest, including charter and charter-based jet card programs (through sister company Bombardier Skyjet); the Flexjet Membership Card, which provides 25-hour blocks of time on the Flexjet fleet; and whole aircraft ownership (through parent company Bombardier Aerospace). “Every customer has unique and evolving needs,” says McQuay, “and our goal is to offer whatever makes the most sense so we can fulfill those needs today and continue doing so tomorrow.”

## A VARIETY OF NEW BENEFITS

Flexjet continues to bring new and flexible innovations to the original fractional ownership blueprint. For instance, the “Versatility Plus” program allows owners to adjust their hour requirements through a Flexjet owner exchange pool. “It’s a cost-effective way to sell unused time or access additional hours on the same model or one different than your own,” points out Robert Knebel, vice president, sales.



“Anytime Options” enhances flexibility by allowing owners to purchase program benefits over and above those in their contract, such as guaranteed use of two or more aircraft on the same day or guaranteed upgrades or downgrades.

Flexjet also dropped ferry fee

charges to the Caribbean and Bermuda for all aircraft and eliminated ferry fees to Europe and Hawaii for all Challenger models.

In addition to the fractional ownership program, the aircraft themselves are gaining major enhancements. “We reconfigured our long-range Challenger 604 with expanded seating for 12 in a new configuration with new cabin amenities such as high-speed Internet, DirecTV and satellite capability providing global voice and data communications,” says Knebel.

Flexjet also breaks new ground with a totally unique “sixteen sixteenths share plan,” which combines the benefits of outright ownership with the advantages of fractional ownership in a comprehensive aircraft management program. “It’s a hybrid fractional product where the owner buys all the available shares in a Challenger 604 and we then manage it for them,” explains McQuay. What is unique from a whole ownership perspective is that any unneeded hours can be placed in the pool to

generate revenue, and the owner can call for the plane at anytime from anywhere. Upgrades or downgrades are also available in any Flexjet aircraft, and the owner can use multiple Flexjet aircraft simultaneously. That’s magic that even David Copperfield can’t top.

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## FLIGHT LOG

### HERMAN MILLER, INC.

As one of the nation's premier manufacturers of furniture for business and industry, Herman Miller, based in Zeeland, Michigan, is known for creating great places to work through its aesthetic, functional and innovative designs. And there's no better place to explain how their products enhance the workplace than at company headquarters where customers can meet executives, actively experience the full range of products and discuss needs, points out Bob Hieftje, Herman Miller's director of customer experience.

These meetings are fundamental drivers for sales, Hieftje says, "and the more visits we have, the more successful we are." But, located in a com-

mercially less-than-accessible part of Michigan, Herman Miller had a significant problem: bringing customers in by airline via Grand Rapids, Detroit and other awkward routings was protracted and trying. A one-day visit became a three-day commercial travel marathon.

mercially less-than-accessible part of Michigan, Herman Miller had a significant problem: bringing customers in by airline via Grand Rapids, Detroit and other awkward routings was protracted and trying. A one-day visit became a three-day commercial travel marathon.

The company turned to Bombardier Flexjet to gain an enormous competitive advantage by conveniently delivering clients literally to the front door — the local airfield is but minutes away. If travel time can be reduced by a day or more, says Hieftje, the top decision makers are more likely to visit, and

## JET POWER BOOSTS SALES

that's where a business aircraft really makes a substantial difference.

The key to Herman Miller's logistics dilemma is two quarter shares in Bombardier Flexjet Learjet 45s, used almost exclusively for customer visits. Each quarter share gives the company 200 flight hours per year and the option to use two aircraft simultaneously, providing greater flexibility and cost savings than operating one's own aircraft. "In fact, we frequently have four airplanes in the air at once," says Hieftje. "Multiple aircraft when we need them is one of the biggest advantages for us because we can react very quickly to customers' varied schedules. We want to make their trip as convenient as possible and make the absolute best use of their time," he

mentions. "Time spent with the customer is absolutely precious."

Hieftje estimates about 350 top-level client and prospect groups visit the Herman Miller headquarters annually, and about one-third arrive on the company jets. Each visit is carefully orchestrated, Hieftje points out. Their first impression of the company, however, is not when they arrive but when they board the plane, so Herman Miller entrusts Flexjet service, consistency and quality to set the tone. "When they arrive, they feel like they've received special treatment," Hieftje says. "That's huge.

We're looking for a 'wow' experience for our customers. That is part of our brand identity," he says "and Flexjet's role is a critical piece for us." ✈️

## VERY LIGHT JETS SPELL BIG OPPORTUNITY

Call them "evolutionary" or "revolutionary," but there's no arguing that the emergence of the very light jet (VLJ) is ushering in a new era of travel opportunity. And while many have imagined this new breed of small, six-seat jet aircraft, the act of actually bringing them from concept to consumer is attributed to former Microsoft executive, Vern Rayburn, president and chief executive officer of Eclipse Aviation. "It became clear to me that the day of the one-day business trip, the day of easy transportation in the United States, was gone," he said; "and so much of business is still, and I believe will always be, based on personal interaction. That is more important today than ever."

Rayburn has made an enormous investment in his belief that now's the time for a safe, efficient and affordable mode of personal jet transportation. That belief has led to the creation of the Eclipse 500 jet. With its breakthrough technology design features, a price tag under \$1.5 million and cruise speeds of 375 knots at 41,000 feet, the twin-engine Eclipse 500 will carry a pilot and five passengers up to 1,450 statute miles. Businesspeople everywhere: meet the one-day business trip.

Rayburn definitely broke the conventional mold for aircraft design, fabrication, affordability, durability, maintainability, reliability, pilotability, training and customer service and transported them into a new era. Not only does his new jet have broad appeal across significantly different market segments, it generates whole new markets that never before existed, including a promising on-demand, per-seat, not per-airplane, air taxi idea that's creating quite a buzz.



# The Enlightened Business Traveler

## WHEN HE BUILDS IT, THEY WILL COME

While the advantages of a business aircraft are apparent to many, Eclipse eliminates the entry barrier. Now small-business owners, entrepreneurs and individuals, who before this could only dream, can afford the benefits.

Large corporations also find Eclipse appealing to supplement their existing business jet fleets and bring the comfort, convenience, safety and timesaving value of a business jet to not just managers but sales teams, researchers, technicians and engineers. Rayburn envisions a massive expansion of that business market. "Today more and more business trips of 400 miles are being driven, not flown. So we see a lot of our potential customers coming off the highways, not out of the airliners," he says.

Forecast International's senior aerospace analyst Ray Jaworowski predicts nearly 4,000 VLJs will enter the

marketplace over the next 10 years.

The amazing market acceptance and interest shown in the Eclipse 500 by individuals and companies has not gone unnoticed by others. Industry giants Cessna, with the Mustang, and Embraer, which recently announced a family of small jets, as well as "upstarts," including Adam Aircraft and Diamond Aircraft, have their own VLJs in development. Even auto giant Honda has a VLJ flying, although it has yet to commit on whether or not it will ever see production. But Rayburn welcomes all this competition, real or implied, because it validates his assessment of the pent-up demand.

The Brazilian company Embraer, well-known for its regional airliners and the Legacy corporate jet, recently announced not only a very light jet, but another in the light jet category. The Embraer VLJ, specifically designed for

high utilization, is projected to be the largest of those currently in development, reports Luís Carlos Affonso, Embraer's senior vice president of the Corporate Aviation Market.

## YELLOW CAB WITH WINGS

Despite the competitive environment, Embraer is forecasting unqualified success in traditional as well as new markets. Affonso believes fractional ownership and the so-far undeveloped air taxi services will generate a strong demand for the latest Embraer product line. While the low acquisition and operating costs of the VLJs are key to making the fractional business work, they are also crucial to making the air taxi industry a reality. "There is considerable demand in the market [for an air taxi service] because there are so many airports in small communities in the U.S. that are no longer served by regular airline

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flights,” says Affonso. “If you can sell an individual seat [on a chartered jet], this reduces the price of the trip to unprecedented levels,” he says.

DayJet and Pogo Jet are two companies that agree. Both announced plans to offer just such a per-seat, on-demand service. “We will be complementary [to the scheduled airlines] by offering point-to-point connections between places that don’t have any direct commercial service,” explained DayJet’s president and chief executive officer, Ed Iacobucci. “We go where you want, when you want,” he said, “and you pay only for the seat you require, not the whole plane.” Iacobucci knew that it would take a brand-new aircraft design to make his per-seat, on-demand air taxi model work. DayJet currently has over 300 Eclipse 500s on order.

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### FLIGHT LOG

#### SYNTHES

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Hansjörg Wyss does business the old-fashioned way — face-to-face. Wyss is chairman and chief executive officer of West Chester, Pennsylvania-headquartered Synthes, an innovative pioneer in biomaterials and one of the world’s leading medical device companies. Although his company is technology focused, Wyss shuns high-tech communications. Instead, he prefers to use his Dassault Falcon 900 EX, as well as two Cessna Citations to meet personally with

customers and employees throughout the U.S. and Europe.

While the small-cabin Citations are useful on frequent short, two-hour trips, the long-legged Falcon comes into its own on international flights or longer-range domestic trips, particularly when six or more are traveling. “We have no rules that only certain people can use the airplanes,” says Wyss. “We fill the seats with whoever needs to go, including engineers, product manager or division presidents,” he says. “This really makes it justifiable.”

Wyss departs from local Chester County airport, just outside Philadelphia, and heads to small airfields up and down the East Coast. Although trips to the major university teaching hospitals frequently take him and company people to large metropolitan areas, he rarely uses the major airline hubs and chooses nearby reliever airports instead.

In the West, he shuttles between Tucson, Arizona; Moab or Hanksville, Utah; or Paso Robles, California. “These places are very hard to get to and take huge amounts of time by airline and road,” he says; but in his jet he flies direct and lands minutes away. “I could not do my work without these airplanes,” he says.

### UNPARALLELED SPEED AND CONVENIENCE

While Wyss acknowledges that it’s hard to justify a business jet on the basis of airfare comparisons, he is acutely aware that time savings and

convenience are key factors in the value equation. “We use the jets to travel to places that are inconvenient to go to, so they save staying overnight and often a full day of work. People are less tired. They can go in the morning and come back in the evening and they can be in the office the next morning,” he says. “It makes a lot of sense.”

The Falcon heads to company facilities in Basel, Switzerland or elsewhere in Europe seven to eight times per year. “We will have a lot of people on board most of the time,” he says. The long over-ocean flights provide quality time for Wyss to consider important business decisions with his staff.

While the time savings and convenience factors are paramount, Wyss points out that the economics of operating the long-body Falcon on trips like these is hard to beat. “We can meet and discuss important issues and the cost is about the same as airline business class when you have eight or ten people aboard,” he says. “And you don’t experience jet lag in the same way as you do flying commercially.”

Wyss likes the Falcon’s spacious cabin as much as the operating economics, short-field performance, advanced flight deck and peace of mind that three engines provide on the long overseas flights. “From our 5,200-foot strip in Chester, we can take ten people and full fuel and fly direct to Europe. It’s fabulous,” he says. ✈️

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### NEW OPTIONS FOR EVOLVING TRAVEL NEEDS

By adapting its fractional ownership model to changing market conditions and customer needs, Flight Options, owned by Raytheon, maintains a steady growth course while continuing to develop new and practical options.

To make the aircraft selection process easier for prospective owners, Flight Options’ chief operating officer and acting chief executive officer, Michael Scheeringa, simplified the choices. Flight Options now offers

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only one aircraft in each of four main categories, including the Raytheon Hawker 400XP light jet, the Hawker 800XP midsized, the Cessna Citation X super-midsized and the Embraer Legacy large-cabin jet.

The Legacy, introduced to the fractional ownership fleet last year, is an industry exclusive for Flight Options. According to Scheeringa, it has been a big hit. “We needed a large-cabin airplane that offered the highest reliability, maintainability and efficiency for the type of flying we do,” Scheeringa said, underscoring the benefit of the Legacy’s regional airliner heritage. This Brazilian-made beauty, designed to seat 13 passengers in three distinct sections, has a cabin that rivals the largest long-range jets. Yet, despite its massive cabin, huge baggage capacity and coast-to-coast range, the Legacy’s acquisition and operating costs compare favorably with much smaller midsized aircraft. Scheeringa reports that the new Legacy is seeing heavy use for both short trips and longer cross-country flights with large passenger loads.

## TWO JETS FOR THE PRICE OF ONE

Flight Options’ innovative 75/25 program was recently extended to all aircraft including the Legacy. This means an owner can purchase a 75%/25% combination of a small and midsized or a midsized and large-cabin aircraft with a single share, yet either aircraft has guaranteed availability at any time.

Following an industry trend to extend the basic service area further offshore, Flight Options also offers an extended service area option, which includes Mexico, Bermuda and the Caribbean. This increases the number of places to which owners can fly without ferry fees.

For one-sixteenth share (50 annual occupied hours) owners, there are also the Premium and Select options. The Premium option is available for those who wish to have peak travel day access and require a shorter call-

out time. The Premium plan also includes a 15%-hour bonus for booking travel 48 hours in advance.

Another big winner for Flight Options is JetPASS, a 25-hour prepaid jet travel card exclusively using the Flight Options fleet. While JetPASS is the answer for those with only limited travel needs, Scheeringa points out that it has been a bonus for owners who need to add hours from time to time but don’t wish to increase their share size and long-term commitment. It is also a good way to introduce



prospective owners to business aircraft benefits, he says. The JetPASS, with access to the full range of Flight Options aircraft, includes guaranteed availability, full refunds on the unused portion and carries no expiration date. Card members experience the same consistency, quality, reliability, safety and great customer service that Flight Options is known for.

## FLIGHT LOG

### NORTHWEST HARLEY-DAVIDSON

Olympia, Washington is at best an hour drive from the Seattle/Tacoma International Airport. Fly anywhere commercially, which typically means an intermediate stop, and it will probably take you an entire day. For Steve Boone, owner and president of Northwest Harley-Davidson, that was excessive. He knew a business jet could recoup lost time, but owning his own

jet was but a dream. Now his dream is reality, thanks to the Flight Options fractional ownership program.

Today, Boone leaves home 15 minutes prior to takeoff, boards his Flight Options Beechjet 400, and he’s airborne minutes later. “You don’t realize how convenient it is until you experience it,” says Boone. “An hour and twenty minutes after takeoff, we’re landing in Sun Valley.”

Boone’s Harley dealership has grown “like you wouldn’t believe,” he says, and now he is reaping the har-

vest. “You can watch your financial statement for the rest of your life or you can live life to the fullest,” he says.

## GAIN PERSONAL FREEDOM

Boone settled on Flight Options after speaking with several owners. “They couldn’t stop talking about the convenience and the service. They said it increases your personal freedom like nothing ever before, and I’m just discovering this for myself.”

Flight Options has spoiled him. “The planes are always on time and the service and attention to detail is amazing,” he says. “It is so nice being able to own a plane and not have to do anything. You just call, the plane shows up, you go and that’s it. You know how much it’s going to cost, and there are no surprises afterward.”

Boone has trips planned to remote areas of Canada, Montana and Colorado. “We’ll be able to fly directly

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from Olympia,” he says. “I think that the freedom gained with a personal aircraft has a value far greater than any material possession. It’s just such a great feeling, and you can only describe it after you experience it,” he says. “I know I sound like I sell these things, but it’s the best thing that I could have done for myself, and it’s the best way that I know to really enjoy life.” ✈️

## FLIGHT LOG

### MACHINE PARTS MANUFACTURER

With a growing business and manufacturing facilities in Massachusetts, Wisconsin, the Dominican Republic, Puerto Rico, Sweden and Germany, it’s no wonder that this South Carolina-based machine parts manufacturer chose a business jet to reach out to his expanding market and key customers. “We definitely needed to be able to take 10 to 12 people, depart from moderate-length runways and still have nonstop capability to Europe or the Caribbean,” said the company’s chief executive officer.

With a cabin rivaling those of the largest intercontinental jets, a humongous baggage compartment and an attractive super-mid-sized aircraft price tag, the Embraer Legacy offered the perfect combination of features. “It is particularly well-designed for business travel with room for 13 passengers who can

travel in spacious comfort,” he says. “The cabin can be divided into three separate areas so it’s a great working environment, and we’ve incorporated high-speed Internet, which is a tremendous bonus.”

### MOBILE BRANCH OFFICE IN THE SKY

With satellite telephones, computer power ports at every seat and virtually any audiovisual device imaginable, live news, weather, sports and market updates, DirecTV plus complete high-speed Web surfing and downloading capabilities, this South Carolina manufacturer views his Legacy as an office in the sky.

The Legacy had additional benefits. Designed around the successful Embraer 135 regional airliner, the Legacy is acknowledged for its maintainability and reliability, which make it highly desirable for charter. In fact, the new owner plans to charter the Legacy for 250 hours annually in addition to his own requirements, and Cincinnati-based Executive Jet Management (EJM) will fully manage that aspect of the operation.

EJM’s president, Al Pod, is delighted. Pod reports growing demand for larger cabin aircraft as larger groups travel and embark on multicity day trips. “Companies are increasingly realizing that getting their people out in the field and getting them back quickly can have a positive impact on profits,” says Pod. After all, there is no additional cost for bringing more passengers, and with

high last-minute fares combined with inconvenient schedules, chartering an aircraft like the Legacy offers considerable value.

With the Legacy’s low acquisition and operating costs, spacious cabin and baggage compartment combined with the ability to depart from smaller airports, Pod sees it as a winner.

Flight Options, which has an exclusive to offer fractional shares in the Legacy, reports the aircraft has been in high demand since it became part of the fleet. Flight Options’ experience to date has been nothing but positive.

“The ability to work and stay in constant contact while I’m in the air, then meet personally with my customers and suppliers and do that in two or three locations in a day is an outstanding enhancement to my ability to build my business,” says this South Carolina manufacturer. “It’s going to allow me to do a whole lot more with the time that I have.” ✈️

## ADDING A NEW TWIST TO FRACTIONAL OWNERSHIP

For many, the term “fractional ownership” is synonymous with business jets. But Steven Santo, chief executive officer of Avantair, transformed the idea of business aircraft ownership into an entirely new concept when he launched his own uniquely conceived Avantair program. Avantair exclusively offers fractional shares in the futuristic-looking Piaggio P180 Avanti turboprop. As the fastest-growing fractional ownership firm, Santo has the industry behemoths taking note.

Climb aboard this turboprop with jet speeds and be convinced. “About 80% of the people who get on the airplane buy into the program,” he says. Initially a regional concept, Avantair took a skyrocket trajectory, rapidly expanded nationally and now serves owners from coast to coast.

Santo believes that Avantair’s continued success is based on the extraordinary value it brings to a market thirsting for fast, efficient, cost-effective air travel.



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“In the light-jet market, there is nothing that comes close,” says Santo. At 450 mph. and altitudes of 41,000 feet, the Avanti outperforms many entry-level jets. Its exceedingly quiet, nine-passenger stand-up cabin with a fully enclosed lavatory provides more space and amenities than many midsized jets, and it can land at much smaller airports. It adds a level of convenience, accessibility and flexibility unheard of in the business jet world, not to mention a price tag that beats anything in the fractional ownership market today.

## UNSURPASSED ECONOMY AND CAPABILITY

Santo selected the Avanti for its economy and capability. Although the average trip is only one to two hours, with five aboard plus baggage, the Avanti can fly 1,700 sm. nonstop — the equivalent of New York to Aspen — and many owners take advantage of that.

It requires more than a great airplane to be successful, however, and Santo focused on safety and customer service as top priorities. He has achieved his goals admirably. Avantair owners also like the financial aspects of the program, including the low cost of entry and minimized capital risk since the Avanti maintains its value better than many jets. They also like Avantair’s unique billing program. Owners receive one preset monthly invoice that averages their flight costs throughout the year, so regardless of how many hours one flies in a month, the bill is always the same. It makes budgeting easy and predictable.

Santo says that not only is he seeing a wave of new buyers entering the program, he is also finding that existing owners are opting for greater utilization. “Half of our one-sixteenth share owners add another sixteenth share within the first six months, and small-business owners have purchased as much as half an airplane,” Santo says. “They are doing many more trips than they planned.” Recently there has been an increase in trips where perhaps three people will stop in three cities and

return home that night. “That’s great productivity,” he says.

In the wake of unprecedented demand for his unique program, Santo says, “I never realized the market was this big.”

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## FLIGHT LOG

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### VENUS SWIMWEAR INC.

In the early 1980s, college student and competitive weight lifter Daryle Scott launched a clothing company in his dorm room. Today Scott’s company has grown into Venus USA, one of the largest direct marketers of swimwear in the world, with annual sales of some \$100 million.

Venus Swimwear circulates more than 30 million catalogs annually, and to showcase the trendsetting designs, Scott relies on fashion photos shot in tropical beach settings. That means an entire Venus team spends the equivalent of 15 weeks on the road each year heading to

mostly commercially inaccessible locations along the Florida coast.

Key West, located 500 miles from Jacksonville, for example, is eight hours by car or more than half a day by airline, including a compulsory stop in Miami, and Tampa, on the Gulf Coast, is a four-hour drive.

As travel demands multiplied and the company expanded, Scott began researching fractional ownership alternatives. For his modest needs on trips typically under 500 miles and periodic flights to New York and Chicago, he found that jet programs were just too expensive. Then he discovered Avantair. The fast, economical Piaggio Avanti turboprop offered just what he was looking for: cruise speeds comparable to light jets, a roomy cabin the size of a midsize jet and a price that fit his budget. The operating economy of a turboprop also translated to much lower per-hour costs. In addition, the Avanti lands easily on the 4,000-foot

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runway at local Craig Airfield, four miles from his office.

“The plane is such a good work environment, you’re literally losing no work time. It’s a traveling office and it’s a tremendous time saver. It also allows six of us to go to New York or Chicago for a meeting and be back in Jacksonville the same day without any difficulty and no stress. That’s something truly impossible on a commercial flight,” he says. “You waste no time in airports or hotel rooms.”

Initially, Venus Swimwear purchased 87.5 hours annual hours of flight time in the Avantair program. “We are using every single hour of it,” Scott says. “It has saved us amazing amounts of time, increased our ability to have personal, face-to-face relationships, and I think that has definitely helped the business. I’ve been universally pleased.” ✈️

## THE JET CARD THAT TAKES YOU EVERYWHERE

Business jet travel is reaching new heights with a jet card that’s been around for a long while. While fractional ownership, charter and the hot new jet card programs make business aircraft benefits available to thousands who never dreamed it possible, American Express makes them far more accessible.

“Private jet travel is becoming increasingly popular, and card members have told us they want the con-

venience of using the American Express card,” says Kyle Curtin, vice president, Travel Industry Development, American Express Establishment Service. Now, using the card instead of other forms of payment makes it easier and more convenient than ever to take to the air.

“We are committed to supporting the needs of all card members,” says Curtin, “and that includes specific programs throughout the travel industry ranging from jet travel to luxury resorts and destinations.” While all American Express cards are usable, useful and welcomed at a growing range of charter and fractional ownership providers, Platinum® and Centurion Card® card members may take special advantage of the new American Express Private Jet Services Program.

“The Private Jet Services Program really complements the other benefits and services we provide to our members,” explained Curtin. The Program affords special value-added benefits when booking travel through any of six leading jet charter and jet card partners. Currently, the select group includes Citation-Shares, Sentient Jet, Delta AirElite, Bombardier Skyjet, TAG Aviation and Le Bas International. Curtin points out that American Express travel counselors are available 24-hours a day to help card members select the service that best fits their needs.

The value becomes even greater for those enrolled in the American Express Membership Rewards® program. Purchase a jet card and you will probably acquire enough rewards points for a couple of free round-trip, first-class airline tickets to Europe. And while earning the points is great, it gets even better when it comes to using them. American Express recently announced “Private Jet Rewards,” which allows card members to redeem points through an exclusive partnership with Bombardier Flexjet and Skyjet.

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## FLIGHT LOG

### CROWN CORK & SEAL COMPANY

Open any pop can and the chances are that the container was produced by Crown Holdings Inc., parent company of Crown Cork & Seal. This century-old Philadelphia, Pennsylvania-based company produces one out of every five beverage cans used in the world and one out of every three food cans used in North America. Last year, Crown Holdings capped more than \$7.2 billion in sales, and in a very important way, business aircraft have played an essential role in this success story. Crown Cork has been operating aircraft for nearly four decades, and today, the company’s globe-spanning Gulfstream GV is helping to sustain global growth.

With 191 plants in 43 countries, Crown is the world’s packaging leader, and its executives are frequent flyers. “Face-to-face meetings are essential to our business, and the airplane facilitates that,” says Jack Kandravi, flight department manager. “That’s why top management, vice presidents and department managers are using our airplane more than ever to maintain intense schedules,” he says. It gets them where they need to be, when they need to be there, says Kandravi. “That’s the really neat thing about this airplane. They’re able to do so much in so little time, and we maximize the

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value of each trip by making as many stops as possible.”

With a range in excess of 7,400 sm., the Gulfstream, which logs about 500 hours annually, can reach virtually any Crown location with no more than a single fuel stop. While over half the trips are international, the long-legged Gulfstream is equally adept at shorter flights and to small airfields that typically serve Crown facilities throughout the U.S. The plant in Batesville, Mississippi, situated minutes from the local airport, is a good example. The Gulfstream flight from Philadelphia takes two hours, but it takes a day when traveling commercially.

## AMERICA'S HEARTLAND NOW OPEN FOR BUSINESS

Much like Batesville, many Crown destinations are in small towns isolated from commercial air service. Teams of senior executives, marketing and sales managers, professional staff and others often fly out, making five or six stops, or they may bring customers to plant facilities and return them home quickly. Customer trips are on the increase, says Kandravi, underscoring the variety of ways to take effective advantage of a business aircraft and enhance company profitability.

In the spacious GV cabin, there is plenty of room and separate areas to work alone, relax or hold group discussions. But Kandravi also points out that in parts of the world where business facilities are less than sufficient or telecommunications less than secure, executives often invite local guests to a meeting and dinner on the airplane, work long hours using global fax and satellite telephones or sleep onboard. “The big advantage with our Gulfstream is that it’s an office away from home, and it is as functional on the ground as it is in the air,” he says.

Kandravi points out that the company’s Gulfstream is a vital resource

that allows Crown’s management to be hands-on, nimble, effective and responsive on a global basis. “How do you put a price on that?” he asks. “The benefits are incalculable.” ✈️

## TOPPLING THE BARRIER TO BUSINESS JET ACCESS

When Cessna Aircraft, one of the world’s most prolific business jet manufacturers, teamed with TAG Aviation, a top global charter and aircraft management company, to form CitationShares, they hit on a formula that was hard to beat. By mapping out a fractional ownership program that takes advantage of a range of fast, economical Cessna jets with low acquisition and maintenance costs, CitationShares brought the convenience and flexibility of private jet travel to a wide range of small businesses, entrepreneurs and individuals at a price point much lower than ever before. The company

continues on that lower-cost-of-entry flight plan, and after introducing the 25-hour, single-payment Vector JetCard program last year, it appears there are even more clear skies ahead.

Fueling company growth, CitationShares calls the aggressively priced Vector JetCard one of its biggest developments. Now the JetCard is pushing the envelope of affordability even further with the introduction of a 20-hour version, and it is drawing considerable attention from those who have only limited flight time requirements. The Vector JetCard also generates a low-cost test-flight opportunity for those thinking of powering up to CitationShares’ fractional ownership program, but want to try it before they buy.

## AUGMENTING JET TRAVEL AFFORDABILITY

CitationShares also remains on the leading edge with innovative ideas that continue to add value to its fractional ownership plan. Of note is the “Pre-

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ferred Positioning Program,” through which owners can purchase — at reduced cost without affecting their program hours — what would ordinarily be empty positioning flights that relocate the aircraft for the following day’s schedule. Owners can receive daily e-mails listing available flights.

In addition, CitationShares is launching “Caribbean Express,” a new program that waives all ferry fees for owners traveling to or from the Caribbean or Costa Rica on Saturdays.

Vector Value Plus is yet another new program that allows owners to purchase incremental hours in an aircraft type other than their own at a rate discounted from the Vector Jet-Card rate and on a guaranteed per-trip basis without affecting program hours. This program is an enhancement over normal upgrades or downgrades, which are not guaranteed and require trading remaining hours.

## FLIGHT LOG

### NORTHERN STAR INDUSTRIES

Hidden away 260 miles north of Chicago in Michigan’s Upper Peninsula is Iron Mountain. The location could be a major problem for any company executive, but not David Brule.

Brule is president and chief executive officer of Iron Mountain-based Northern Star Industries, a 300-employee company that supplies critical components to the nation’s largest electrical utilities. “People ask me how I manage a business that’s as large as it is in a location like this and with no customers within 300 miles,” he says. “You have to go where the business is, and a business jet aircraft makes it that much easier,” says Brule. “The jet gives us access — very fast access — to our customers.”

Five years ago, Brule purchased 100 hours of annual flight time in a CitationShares Cessna Citation Bravo, and it’s made a world of difference. Typically traveling to major cities, Brule comments, “I don’t necessarily go to out-of-the-way places. I’m in an

out-of-the-way place, and getting to any of these cities is a real pain. We’ve often looked at the airline schedules and said, ‘This would be quicker to drive.’ That’s when the jet works out very well.”

## ESSENTIAL BUSINESS TOOL

Brule is pleased. “Our experience with CitationShares has been nothing short of phenomenal,” he says. Recently, Brule upped his interest to 150 annual hours, and it’s still not enough. “When you’re expanding, you’re always short-handed, and to have key people away from the office for unnecessary periods because of travel is detrimental to growth,” he says. “What we now do in a day with the business jet would take three days flying commercially,” says Brule, “and with the jet, we have the flexibility to take more people if necessary.” There is also an intangible value. “When you live in a remote area and you ask people to travel on your behalf, it’s nice to not have to beat them up traveling.”



Although jet service is far from inexpensive, Brule considers it essential to doing business. “We need to be out on the road as much as possible, and I can’t afford to allow business to go unserved because we can’t get there,” he says. “Being out there with the customer is key to our success,” says Brule. “That’s where we are most effective, and that’s where we make the money — not spending time in

airports. That’s wasted time that we cannot afford to waste.”



## SKIES UNLIMITED

Like the top charter providers that he works with, Bombardier Skyjet managing director Alexandre Monnier is reporting a considerable uptick in business. Monnier, however, attributes the strong interest not just to his company’s reputation for quality pay-as-you-go on-demand charter, but also to the unique features, flexibility and choice built into Skyjet’s charter-based jet card programs. “I think the market is changing quite fast. People are now realizing that private jet travel is actually a lot more affordable and accessible than they once thought it was,” says Monnier, “and the Skyjet Card makes it as simple as it gets.”

With Skyjet, you choose the aircraft category — light, super-light, midsize, large or ultra-long range — your jet arrives and only the hours you are aboard are deducted from the card

account. Jet card memberships are available in 25-, 50- or 100-hour blocks based on a fixed hourly rate in the aircraft size category that you select. Monnier points out that Card members can also upgrade and downgrade to other aircraft when desired. An added bonus is that Skyjet Card members can earn credit toward Bombardier fractional ownership, whole aircraft ownership, aircraft maintenance and pilot training.

# The Enlightened Business Traveler

## JET CARD OPTIONS — FRACTIONAL OWNERSHIP BENEFITS

While many jet card programs are based solely on one-way rates, Skyjet also offers a combo 50/50 program, where hours flown are split equally between round-trip and one-way flights. “Since charter is more efficient when you bring the aircraft back to the starting point,” says Monnier, “we are able to reduce the cost of those round-trips.” The 25-hour 50/50 program costs about 20% less than the standard one-way card.

Skyjet customers also have a choice of the generic Skyjet Card, or they can choose a Learjet or Challenger Card, which brings the Skyjet experience a step closer to fractional ownership, Monnier explains. So, in addition to guaranteeing price and availability, Skyjet can also guarantee that a specific aircraft type will show up at the airport, not just one in a similar category.

To provide quality, consistency and service to card members, Monnier emphasizes how selective the company is in choosing charter providers. “There are hundreds of charter companies in the U.S., but only 80 meet our rigid standards. And of those, we choose to work with only about 20,” he says. In addition to ARG/US and Wyvern safety audits, Skyjet has its own safety standards and crew experience requirements, “and we conduct on-site audits ourselves to assure the highest levels of safety.”

In a unique move, Skyjet expanded its service area to Europe, Hawaii, the Caribbean and Bermuda, so now Skyjet Card members can fly as easily to Paris as they can to Portland and at standard card rates with no ferry fees. Once abroad, card members can take advantage of Skyjet International, and receive the same quality service throughout Europe and the Middle East. Card hours are

deducted at a fixed international interchange ratio.

## FLIGHT LOG

### DAVIDSON DEVELOPMENT INC.

It was a cool evening in the Kalahari Desert in central Botswana as Jim Davidson sat around the campfire. While others were discussing the lion and leopard hunt, Davidson, the ultimate dealmaker, was talking business and discussing private jets.

Davidson doesn't own a jet, yet he has all of the value and benefit. After an introduction to Bombardier Skyjet, he opted for a 25-hour Learjet Card, giving him exclusive use of a midsize Bombardier Learjet 60. “It's been terrific,” he says. When he needs it, his jet is no more than eight minutes away at the local St. Augustine, Florida airport. “To be honest, we couldn't be more pleased,” he says.

Davidson's real estate development

company plans, develops, constructs and markets long-term, large-scale, mixed-use real estate projects. “Deals come and go,” says Davidson, “and when there's a deal to be made, you've got to be there to make it. It's all about timing,” he says. So having the jet is not just convenience. It's a necessity.”

Davidson frequently flies to Texas, Nevada and South Dakota, sometimes with as many as six aboard. He wanted nonstop capability, which is why he chose the Learjet 60 card program. The more he flies, the more he values it. “We used the 25 hours up in six months,” he says. “The next time we'll probably sign up for 50 hours.”


## CONVENIENCE COMBINED WITH PERSONAL CONCIERGE SERVICE

In addition to adding a newfound way to manage his time, Davidson loves the Skyjet service. “The whole flexibility of the system is what appeals to me. If you need a larger or

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smaller aircraft, they can do that easily,” he says. “They handle everything. If you want a car to pick you up, it’s sitting there ready for you on arrival and somebody loads your luggage. The entire experience is as if you had a personal concierge to deal with every aspect of your trip,” he says. “I’m really thrilled.”

As the day ended, Davidson reflected on the serenity of the Kalahari and the thousands of miles separating him from home and work. “Time is the most valuable thing in the world, and what this [jet card program] does is give me time. I honestly believe that your greatest return on investment in a program like this is the fact that you have more time to do what you want to do and be with the people you want to be with and still make those business deals that you need to.” 

## TIME IS THE NEW CURRENCY

The trends driving the growth of business aviation are unlikely to wane. “Companies today are trying to do more with less, and that means making the most productive use of their most precious assets,” says NBAA’s Edward Bolen.

Product offerings and access options will continue to increase and improve, and equivalent costs will decline. The need for efficiency, to take control of time, to have the capability to reach any place at any time is not going away. Three well-regarded

industry forecasts recently revised their long-range sales projections upward, suggesting that demand for business jet benefits will continue to accelerate.

One of the fastest-growing categories of business aircraft is the ultra-long-range class. With the flattening of the business world, companies have increasing needs to travel halfway around the globe. These large-cabin aircraft, such as the Gulfstream G550, have the range to reach anywhere on the globe with a maximum of one fuel stop. And the spacious, well-appointed aircraft, with complete global communication capabilities, often serve as secure meeting places when they arrive at their destinations.


## IF YOU THOUGHT TODAY WAS GOOD, JUST WAIT TILL TOMORROW

As for the time it takes to travel halfway around the world, in the not-too-distant future executives may travel supersonically. Commercial and business aircraft manufacturers are actively investigating the possibility, and a new U.S. company has announced plans of its own to create a supersonic business jet.

On the other hand, an emerging class of very light jets (VLJs) promises a new era in air transportation at a cost possibly one-third of that of current-generation small jets, making them more affordable to a mass market. And while no one’s predicting an airplane in every garage, the VLJs will bring a new

corps of business flyers to the skies. Featuring enhanced safety attributes that are more capable and reliable than those in today’s airliners, more businesspeople will be opting for do-it-yourself air travel. These small jets will also create new markets and new opportunities never before imagined, including air taxi “yellow cabs” and same-day logistics services where “absolutely positively overnight” is not fast enough.

Meanwhile, as a countervailing and contributory trend, commercial airline service shows no signs of reversing its downward spiral. With high oil prices now a fact of life, airlines will likely continue to reduce flights to maximize seat load, raise fares or both. Security procedures will continue adding significantly to overall travel time.

What won’t change, however, are the underlying bottom-line benefits of business aviation; the quantifiable results that render the costs minor, if not a bargain; and the ability it has to transform businesses and the lives of those running them. 

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