

Charter jets land more execs looking for flexibility

BY KEITH REGAN
SPECIAL TO THE JOURNAL

In the charter jet industry, it's a widely held belief that any individual or business that flies direct on a private aircraft will have a difficult time going back to flying commercial airlines ever again.

The reasons, say industry experts, are numerous. There's increased flexibility, both in terms of geography — with more than 5,000 airports to choose from around the United States compared with the 500 or so that handle commercial flights — and time, with charter travelers able to set their flight times rather than adhere to schedules set by the airlines.

"I talk to businesses all the time whose executives are very highly paid and who can use private jet travel to be in and out of 10 cities around the U.S. doing a road show," said Paul Svensen, chief operating officer of JetNetwork in Braintree. "Even if you wanted to do it on commercial aircraft, forget the cost, it would be impossible because of the hub-and-spoke system."

The level of attention and service on private flights also makes going back to flying in coach a non-starter for many businesses.

More businesses are also taking advantage of charter options because

they have become more affordable, thanks to industry changes that have made more planes available and technological advances that have improved the usage of the private jet fleet to eliminate so-called empty legs where planes without passengers fly back to their home airport.

Many businesses that need charter flights turn to charter brokers, who serve as intermediaries and handle much of the legwork involved, from ensuring a plane is available at the time and place needed to screening the carrier for safety, customer service quality and insurance coverage.

"The key is transparency," says Nathan McKelvey, the CEO of Quincy-based Jets.com, which uses online auction technology to match travelers and available aircraft. "It's so important to know whom you are flying with."

Even knowing who owns a plane that might be chartered, which itself can be confusing given fractional ownership and time-sharing of jets, is not always enough, with the key being "operational control," McKelvey adds.

Jets.com reviews those issues, as well



McKelvey:
Transparency
is key

DON'T WING IT

- To find the best air-charter service for your business, assess how long the trip will be and what size aircraft will best suit the trip.
- Get a thorough safety report from an independent source.
- Ask about costs and potential extra charges upfront.

as pilot experience with a specific type of aircraft — accident rates go down significantly after a pilot has logged 250 hours in any given aircraft — insurance coverage rates and information from third-party auditing services on issues such as customer service and on-time histories.

When a business finds itself relying heavily on private jets for travel, some may be right for fractional ownership of aircraft or even ready to buy their own aircraft. Another approach is the "jet card" which sells pre-priced time aboard a jet, an approach Svensen said this might have likely local appeal because the conservative nature of Boston businesses makes outright ownership a less common option here.

"Within charter, there are inconsistent levels of service," says Svensen. "Some are fantastic and some are not so fantastic."

Recommendations and insight from third-party sources such as Argus can also be helpful, and most brokers have their own rating systems for carriers. For instance, Jets.com maintains a list of carriers that earn perfect feedback scores on customers service from past fliers.

Jim Coyne, president of the National Air Transportation Association, a charter trade group, said the industry continues to gain converts on the passenger side and gain access to more inventory on the aircraft side. Added airport security after Sept. 11 has added considerable time to traveling commercially while businesses have become more comfortable with flying charters.

Looking ahead, the charter industry is in line for more changes. Very light jets, or VLJs, are expected to proliferate in coming years and offer a lower-cost option for short-leg flights, such as Boston to New York.

"A lot of operators are going to be looking at the VLJ opportunity and that's going to help keep rates lower, which will mean more people will be able to experience the benefits of flying privately," says McKelvey.