



By Sharon McDonnell



JOINING THE JET SET

THE DEMAND FOR PRIVATE JETS IS GROWING. BUT DOES IT MAKE SENSE FOR YOU AND YOUR BUSINESS?

Ever dream of joining the private jet set? No lengthy lines for check-in, security and baggage claim. No arriving hours ahead of time. No dawn flights if you're a night owl or aggravating flight connections. You'd have the freedom to leave when and where you want. And you'd enjoy perhaps sweetest perk of all: the ability to choose the

NetJets or Flexjet, which give you the freedom and flexibility without the responsibility of hiring pilots and aircraft maintenance.

Or you might spend far less on a jet card, which buys a certain amount of flight time, usually 25 hours, on a private jet from programs like Marquis Jet, Sentient Jet, Flight Options' Jet Pass or Cita-

air travel—and subtract the fun. The perks are substantial: at many tiny airports, you can almost drive a car right up to the plane, and you merely present photo ID to board a private jet.

Prices vary greatly, based on whether the jet is small, midsize or large, and whether it can fly trans-Atlantic, coast-to-coast or regional. But the cost is often less



passengers who travel with you—meaning no crying babies (unless they're yours, of course), no maddening crowds jostling you and no guy in the next seat snoring on your shoulder.

You don't have to spend millions to buy your own private jet. Instead, you might pay several hundred thousand dollars to buy a share in a private jet through fractional jet ownership programs like

tion Shares' Vector Jet Card.

Another alternative: Participating in an online air charter marketplace, like Jets.com or One Sky Jets, which match your flight request from a certain city on a certain day with a private jet operator and owner, **Priceline.com**-style.

The demand for private jets is growing as terrorist threats add inconvenience, waiting time and danger to commercial

than it would seem. Paying \$14,000 to fly from New York's Westhampton Beach to Clearwater, Florida (as listed on an online marketplace), may seem exorbitant, for example, but for that price you charter the entire plane. Divide the cost among, let's say, seven to 14 passengers, and each ends up paying about \$1,000-\$2,000, which may be well worth the first-class perks and much time savings involved.

Let's look at a few major players. NetJets, the biggest player and pioneer in fractional jet ownership, offers the biggest choice of private jet—14 different types, from a Cessna Citation Encore with seven seats and a maximum flight range of 2,056 miles, to a Gulfstream 14-passenger large jet whose 4,989-mile range makes it capable of trans-Atlantic flights, to Boeing Business Jets. The smallest NetJets share, a one-sixteenth share, represents 50 hours of flying time in a year. Currently, a one-sixteenth share is \$412,500 for a Hawker 400 XP, a seven-seater with a maximum range of 1,687 miles, described as an ideal entry-level business jet by NetJets. A monthly management fee of several thousand (to cover crew, training and insurance), an hourly fee for flight time (for maintenance, landing fees) and a fuel surcharge are charged as well. Your contract is for five years; if you want to end early, NetJets will buy your share back at fair market value, less a renting fee.

YOU DON'T HAVE TO SPEND MILLIONS ON A PRIVATE JET IN ORDER TO FLY LIKE THE RICH AND POWERFUL.

You can easily search for a jet that meets your needs on its website, www.netjets.com, by choosing the number of seats (between 1 to 7, 8 to 10, or 11 to 18), the flight range, and whether you want a flight attendant on board. Detailed guides on aircraft selection, fractional ownership, and how to buy a share can be downloaded, as well.

Marquis Jet, the dominant jet card, sells 25 hours of flying time on jets owned by NetJets, starting at \$119,900, plus federal tax, fuel surcharge and insurance. Flexjet, another fractional ownership company that also sells a jet card, sells shares in Learjet and Challenger jets only, since its owner is Bombardier Aerospace, the Montreal-based maker of these jets. Flexjet sells jet cards for 25, 30 or 35 hours of flying time.

Because many private jets fly empty back from an airport, online marketplaces have sprung up to sell these "empty legs." At Jets.com, you can search by route, state or hot deals so that private jet operators can bid for your business, and you will be notified by e-mail if a jet meets your needs. Another online marketplace, One Sky Jets, sets prices based on demand for routes, but also offers a program that strives to beat the price charged by fractional ownership or jet card programs. For example, a customer of a jet card program saved over \$21,500 on a two-day round-trip from Birmingham, Alabama to Casper, Wyoming (normally \$52,975 on a Hawker 800XP) thanks to One Sky, which found him a somewhat older Hawker jet for \$31,400.

No less a player than Sir Richard Branson's Virgin Group launched an online private jet marketplace on June 12 in an invitation-only test version. "Virgin Charter's centralized marketplace will revolutionize private aviation by providing tremendous efficiencies to what has been a highly fragmented industry," says Scott Duffy, CEO of Virgin Charter, based in Santa Monica, California.

How to choose the program that's right for you? "A major difference between owning a private jet versus a fractional or jet card program is that if you don't want to use it, you're not paying for it. A rough rule of thumb: if you're flying between 150 to 200 hours a year you're probably a fractional customer, 200 to 250 hours probably look at buying your own aircraft, 50 to 100 hours you're probably an air charter customer," says Stewart Lapioka, a partner in Goldstein Lapioka LLP, a law firm specializing in private aviation transactions in Boca Raton, Florida.

"The difference between fractional ownership and a jet card is that with a fractional ownership program you're paying for professional management and standardization of maintenance and crew training across the entire fleet it owns," Lapioka says. "A lot of jet cards are brokers that engage different charter operators—there's a trust factor, so you need to do your own due diligence and see their history and safety record." ■



JUST THE FACTS

A free comparison of fractional jet ownership programs and private jet purchase costs, plus a free newsletter, is available from the aviation consulting firm ARG/US on its website, www.aviation-research.com. Safety reports on private jet operators are available for a fee from Wyvern, another aviation consultant at www.wyvernlimited.com.

Here are a few of the major fractional jet ownership, jet card and online air charter marketplaces:

- **NetJets**

www.netjets.com
1-877-356-5823

- **Flexjet**

www.flexjet.com
1-800-FLEXJET

- **Marquis Jet**

www.marquisjet.com
1-866-JET-1400

- **Sentient Jet**

www.sentientjet.com
1-800-760-4908

- **Jets.com**

www.jets.com
1-800-370-7719

- **One Sky Jets**

www.oneskyjets.com
1-866-663-7591

