

# Private Aviation

## A BUSINESS GUIDE

FOR THE  
EXECUTIVE  
TRAVELER

A SUPPLEMENT TO THE LOS ANGELES BUSINESS JOURNAL AND THE SAN FERNANDO VALLEY BUSINESS JOURNAL

NOVEMBER 29, 2004

## Card Commerce Takes Flight

After the 1986 introduction of NetJets, a Berkshire Hathaway company, and the growth of fractional jet ownership, a new level of safety, security and personal service was now available to individuals and companies that did not wish to purchase and maintain their own private aircraft. However, those with travel needs of less than 50 hours a year did not have a private jet solution of comparable quality and no viable commercial alternative to turn to.

In 2001, Marquis Jet in conjunction with NetJets, the acknowledged private aviation industry leader, introduced the Marquis Jet Card—offering exclusive access to the NetJets fleet—25 hours at a time. In so doing, Marquis Jet and NetJets created a new category of private aviation now coined “Fractional Jet Cards” by industry followers. The 25-hour Marquis Jet Card provides its owners with all the benefits of NetJets fractional ownership without a long term commitment.

Prior to the 2001 introduction of Jet Card Fractional, the only available private aviation alternative with a comparable level of commitment was charter. However, charter necessitates diligence each time you select a vendor as there is significant variation in the age, quality and consistency of the product. In addition, with charter you cannot be guaranteed that you will be able to secure a jet on the day you want it. The charter situation is particularly challenging during holiday travel, when owners typically use their planes and take them off the charter market, depleting the number of planes available for charter customers. Another potential trouble spot is the lack of charter recovery capabilities in case of a mechanical breakdown or a change in the aircraft owner's plans, as the

owner always has first rights to the aircraft.

When it comes to commercial air travel, convenience, comfort and total security are paramount—but, unfortunately, not generally associated with the current commercial aviation marketplace. Complicating matters are the long security lines, time consuming connections and frequently unreliable timetables (there is a 20-25% chance that every commercial trip will be delayed or cancelled). Furthermore, 70% of commercial airline passengers use only 30 airports—leading inevitably to congestion and delays.

### THE POWER OF THE CARD

When traveling for leisure, imagine the difference of your vacation starting when you leave your house and ending when you return

Cards provide their owners with the benefits of fractional programs minus the commitment

to your door. Fractional Jet Cards allow for a new level of spontaneity and maximizes your time with your family. And, it is far easier to get to or from remote locations as you can select from up to 5,000 airports.

“This is my second year flying with the Marquis Jet Card program, and I really didn't consider anyone else,” said Richard Thalheimer, CEO of The Sharper Image. “It goes without saying that, backed by the NetJets fleet; I'm flying on the newest equipment with the top pilots. Having used various charters for twenty years, I know how

unpredictable and inconsistent they can be.”

The Marquis Jet Card provides the safety, consistency and reliability of fractional ownership from the market leader, NetJets, with just a 25-hour commitment for one year. z

Low entry-level pricing for the Fractional Jet Card programs has greatly expanded the market of potential users of the world's best private aviation services. For instance, the Marquis Jet Card is available for as little as \$109,900 for a 7-passenger Citation V Ultra flown by two FAA certified captains. Although the cost on an hourly basis for Fractional Jet Cards is slightly higher than buying a fractional interest (much like paying a higher unit cost for a smaller size of any other product on the market), the benefits of a smaller upfront capital commitment, the flexibility of having only 25 hours on an aircraft and the ability to walk away after consuming 25 flight hours are obvious.

Individuals who use private aviation realize measurable competitive business advantages and quality of life improvements. They are successful at compressing trips that took three to four days flying commercially into one day of productive private flying. Finally, as the demands of professional life increase, private aviation users can create a better balance between business and personal commitments, thereby reducing the need to make difficult personal choices.

For those with who may not be interested in fractional jet ownership and who are looking for an alternative to commercial aviation, Fractional Jet Cards represent a very attractive alternative in private aviation.

Information for this article was provided by Marquis Jet.