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## Going Private

**Whether for sales incentives, territory look-sees, or other meetings needs, private jets previously may have been just too much. But today's brand of charter jet services offer economies and conveniences worth looking at.**

**By Suzie Amer**

Something strange happened on the way to Costa Rica. When the plane carrying Subaru of New England's car dealers to their incentive destination touched down, no one wanted to get off.

"We were headed to the Four Seasons Resort, which is of course very nice, and we'd been flying for five hours, but they actually did not want to leave the plane," says Joseph Appelbe, general manager for Norwood, Massachusetts-based Subaru of New England, who organized the trip. "I got the feeling they would have been happy just to fly around for a while, and have that be the trip."

Appelbe had flown his 60 or so dealers to Costa Rica aboard a private jet. He chartered a Boeing 757—which normally seats about 300 passengers but had been reconfigured to luxuriously accommodate just 64—through Hampton, New Hampshire-based Private Jet Services Group. "There were swiveling seats, good food, you could drink anytime you wanted, and you didn't have to stay seated the whole time," Appelbe says. "It was like going to a carnival."



Sales and marketing managers, as well as meeting and travel departments—particularly those planning executive and incentive meetings—are finding that hiring a private jet isn't as rarefied an undertaking as generally assumed. Rather, flying privately can offer logistical and practical benefits above and beyond simply traveling in style.

## **Avoiding Commercial Hassles**

Flying privately eliminates many of the hassles and headaches that have plagued commercial airline passengers for years and that were only exacerbated after the September 2001 terrorist attacks. "It's all about convenience," says Kathleen Stahl, owner of Des Moines, Iowa-based corporate and executive travel consultancy Stahl & Associates. Sales and marketing programs that use private jets often enjoy enhanced control over schedules, increased reliability (they're sure their flight won't be delayed or canceled, for example), high-quality catered meals, guaranteed luggage arrival, and the ability to bypass the long lines at airport security as the most immediate benefits of chartered flights.

"It's really hassle-free," says Stephanie Smith, senior vice president and general manager with Philadelphia-based Comcast SportsNet. "There are never any worries about flights being oversold, passengers getting bumped, or missing a flight." Private jets also gain praise for the ability to chart a direct course to destinations for which commercial airlines require connecting flights. And, as in Appelbe's case, the experience is one attendees won't soon forget.



## **Doing A Cost Analysis**

Yes, the convenience costs more, but just how much more varies widely. The cost of a private jet charter depends on several factors, including the type of jet used, the length of the flight, the choice of destination, the length of stay, and the choice of airports (each of which assesses its own passenger taxes and landing fees). The price gap between commercial and charter seats narrows more when flying to so-called "air-challenged" destinations, including Aruba, Bermuda, Great Exuma (Bahamas), St. Kitts, and St. Thomas (U.S. Virgin Islands). "We can provide surprisingly inexpensive solutions to these hard-to-reach places, when compared with commercial airline pricing," says Greg Raiff, president and CEO of Private Jet Services Group. Furthermore, he argues, the costs of flying privately are often offset by savings in other areas. "Our planners place a

lot on the fact that it doesn't make sense to take their best [salespeople] out of the office for longer than necessary and experience all the hassles of travel, including lost luggage, delays, and unexpected overnight stays." Raiff's proof is on his balance sheet: He says his company's sales has increased 100 percent every year for the last three years.

Some potential customers of private air charters cite rising fuel costs as a barrier to the mode of transportation. But suppliers disagree. "Fuel costs have returned to where they were twelve months ago, give or take ten percent," Raiff says. And to reassure wary planners, Raiff says, "PJS launched an exclusive program this year that guarantees no fuel surcharges and includes an upgrade in catering and an open bar."

### **Planning for The Unforeseen**

For Stahl, the benefits of flying privately far outweigh the costs, particularly when faced with unforeseen circumstances. Recently, Stahl brought a group of the University of Pennsylvania's most generous donors to Palm Beach, Florida, and was scheduled to fly them up the coast, by chartered helicopters, to Vero Beach. But she awoke that morning to find extremely high winds in the area.

The charter company came over at 10 a.m. and indicated it couldn't fly helicopters in that kind of weather. Bad news, since the group was scheduled to leave at 1 p.m. But in less than three hours, the charter company secured a private jet instead, made all the arrangements, and flew the donors to their destination without any delays or inconveniences. "It was wonderful," Stahl says. "If we'd been flying commercially, it would have been all over right there."

### **There's Something Special in the Air**

Every year, Philadelphia-based Comcast SportsNet hosts a six-day, five-night incentive trip for its top salespeople and top advertisers. But following the 2001 terrorist attacks, Senior Vice President and General Manager Stephanie Smith had to turn on a dime. People were afraid to fly commercially, and airlines had reduced the frequency of service to that year's destination: Nevis, in the Caribbean. "We needed to get everyone there on the same day, and on time," Smith recalls, "so I chartered a private jet."

Smith realized she had stumbled upon a marketing tool. "After that, my top customers were like, 'You're not going to have us go commercial again, are you?'" she says. "Most media companies host this kind of trip, but we were the only ones using the fabulous party plane." Moreover, using the admittedly expensive jet boosted business. "I would tease my top clients when they asked for the jet, and say, 'Are you willing to spend more for it?' And they were. It paid for itself in increased sales." Smith raised the level salespeople and clients had to sell and spend, respectively, to qualify for the trip, and hit those new targets.

Smith counts other benefits to private flight. For a trip to Costa Rica, "chartering the jet not only saved time, the private jet company faxed copies of passengers' passports to immigration ahead of time, so getting through customs was easy."

And, she says, the fun begins at boarding. "On a five-hour flight, we pick the music and the movie to suit our theme. Everyone has a few drinks, and by landing, everyone's having a grand old time." And they know whom to thank for it. On a recent trip, Hampton, New Hampshire-based Private Jet Services Group surprised Smith with custom headrest covers with her company's logo. "You're branded from the moment you board. You know who your host is and that you'll get personal attention, not two-year-old peanuts."

Nevertheless, adding the cost of a private jet to an already high-end incentive trip does furrow a few brows in accounting. "I have to show a certain profit margin, and when I do, they sometimes say, 'Well, it could be even bigger if you didn't incur the expense of the jet,'" Smith says. "But flying privately does add a certain peace of mind, and you don't feel like a dishrag when you arrive. Besides, if I cut the private jet from these trips, there'll be a revolution." —S.A.

***Private Jet Services Group (PJSJG) acts as agent for our clients in negotiating and facilitating transportation with licensed air carriers. We have no affiliation with any carrier except that our sister company, Private Jet Management Group (PJMG), may act as agent for one or more carriers. Transportation to be furnished by any PJMG-represented carrier will be arranged through the interaction of PJSJG on behalf of its client and PJMG on behalf of the carrier.***