

Joining the club

A variety of membership programs have sprouted up for business jet travelers lately, and customers are embracing them.

by James Wynbrandt

Comedian Groucho Marx famously said that he didn't want to belong to any club that would accept him as a member. That's clearly not how business jet travelers feel, because in less than five years, membership programs have fully established themselves in the air charter market. They range from relatively low-cost, subscription-based so-called "private airlines" to bespoke operators of ultra-long-range jets, and many of them have little in common besides providing access to a closed fleet, but demand is reportedly strong across the spectrum.

Here's a look at the latest news from six leading providers:

Surf Air

In back-to-back moves in June, California-based Surf Air bought its Texas-based clone Rise, and launched Surf Air Europe. Surf Air—the first of the all-you-can-fly subscription carriers—plans an almost 100 percent increase in scheduled flights on the former Rise network, says spokesperson Angela Vargas.

With some 850 Rise subscribers added to its rolls, Surf Air now has about 3,850 members. Coming soon, the company says, is a premium membership that will offer Monday-through-Friday flights linking California and Texas, and weekend service to Cabo San Lucas, Mexico; Aspen, Colorado; and Sun Valley, Idaho. More immediately, Surf Air is adding flights to Bentonville, Arkansas (home of Walmart); Midland, Texas; and Oklahoma City, Oklahoma. Additionally, the Rise fleet of Beechcraft King Air 350s will be replaced with about a dozen Pilatus PC-12/12NGs, the models Surf Air already uses in California. Additional memberships providing various levels of access to the network will be created, Vargas says.

Meanwhile, Surf Air Europe, with monthly Select subscriptions



at £1,750 (\$2,280) and Prime subscriptions at £3,150 (\$4,078), is now flying Phenom 300 light jets between London's Luton Airport and both Ibiza, Spain and Cannes, France. Plans call for adding service by year's end from London to Zurich and Geneva, Switzerland; Munich, Germany; and Milan, Italy.

JetSmarter

In July, JetSmarter—which has popularized shared business jet flights between some popular city pairs—added SharedCharter services to its membership plans, which include Sophisticated (\$50,000 per year), Smart (\$15,000 per year), and Simple (\$5,000 per year; surcharge for SharedCharter use). SharedCharter enables customers to schedule trips on any route and let JetSmarter market the unused seats to other members. Based on the number of takers, the initiating member will be reimbursed with flight credits worth up to 100 percent of the charter cost for future bookings. Meanwhile, members who join the flight can save up to 90 percent on charter costs, according to JetSmarter.

XOJet

Though not a membership-program pioneer, California-based XOJet brought one-way pricing to the charter world in 2009

with its low, all-inclusive transcontinental fares. Now, riding a 40 percent spike this year in program sales for its owned-and-operated fleet of Cessna Citation Xs and Bombardier Challenger 300s, XOJet has updated or launched a trio of membership programs under its new XOJet Access Solutions banner and made “a slight pivot, changing to a subscription model requiring a monthly fee,” says Brad Stewart, XOJet’s president and CEO.

For a refundable \$200,000 deposit, the company’s Elite Access program offers fixed hourly rates across light (\$5,500), midsize (\$6,750), and super-midsize (\$8,500) jets. (This is the first time XOJet’s light and midsize aircraft have been offered at fixed prices, according to the company.) Elite Access requires a \$3,000 initiation fee and allows use of one, two, or three classes of aircraft for \$1,000, \$1,500, and \$2,000 per month, respectively.

Preferred Access is aimed at those flying 25 to 100 hours annually. It requires a \$100,000 deposit and offers a 4 percent bonus credit on all trips booked on the XOJet fleet. The initiation fee is \$3,000 and monthly fees are \$500.

Select Access targets entry-level flyers and requires a \$50,000 refundable deposit and \$250 monthly fee. It provides a 2 percent flight reward for all bookings on the XOJet fleet.

Wheels Up

The four-year-old Wheels Up saw 75 percent year-over-year growth in the first half of 2017, founder and CEO Kenny Dichter says, and will begin 2018 with more than 4,000 members. Individual members pay a \$17,500 initiation fee and \$8,500 annual dues in following years while corporate members pay \$29,500 up front and then \$14,500 per year. There’s also an entry-level membership that costs \$6,950 annually and guarantees access to the company’s King Air 350i and Citation XLS aircraft at fixed hourly rates of \$4,295 and \$7,495 per hour, respectively. Wheels Up, which plans to purchase 17 more King Air 350is, also offers shared shuttle flights. Routes include New York–South Florida; New York–Nantucket; Boston–Nantucket; and in the winter, San Francisco–Truckee, California. During football season, Saturday shuttles to college games are popular, as were shuttles between California and Reno during the Burning Man festival, Dichter says.

JetSuite

At JetSuite, demand for lift has been strong among SuiteKey members, who receive discounted hourly rates and other perks for deposits of between \$50,000 and \$400,000. This led the company in late May to launch a three-tiered management program aimed at getting more aircraft into its fleet.

JetSuite owns and operates Phenom 100 and Citation CJ3 light jets and is looking for Embraer Phenom 100s and 300s and Legacy 600s and 650s to add to its charter certificate. The company just signed its first Legacy 600 to the program, says Cameron Gowans, vice president of sales and marketing. JetSuite’s new RedStripe, GreyStripe, and WhiteStripe management agreements offer owners varying levels of aircraft access and charter revenue opportunities.

JetSuite also operates JetSuiteX, which provides scheduled service within California aboard 30-passenger, executive-configured Embraer E135 regional jets. But in contrast to other “private airlines,” it charges no subscription or initiation fee, and offers no membership program for the service, though SuiteKey members get a 10 percent discount on JetSuiteX tickets.

VistaJet

VistaJet, a Malta-based provider of bespoke membership and ad hoc charter aboard its owned-and-operated fleet of long-range Bombardier Challengers and Globals, reports that membership sales jumped a record 57 percent in the first half of this year. The growth comes from “large corporations and high-net-worth individuals,” according to the company, which attributes increased demand in part to its recent elimination of positioning fees. VistaJet notes that its customer retention rate is 91 percent, with subscription flight hours in the first half of the year totaling about 6,000.

These developments leave little doubt that the membership business model is popular. And, says Surf Air cofounder Wade Eyerly, “I think you’ll continue to see the model explored and extended as people get more and more aware of how ‘democratized’ private flying can become.”

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