

The Future of Business Travel: Very Light Jets May Change Industry



Very light jets (VLJs) are new smaller aircrafts suitable for private air travel. The VLJs cost between \$ 1.5 million and \$ 3 million, weigh less than 10, 000 pounds, seat about eight people and can fly more than 1,000 miles at speeds approaching 460 mph. In comparison with business jets the cheapest VLJs are about 50% cheaper. On the other hand they are slower and fly shorter distances.

There are only two companies in the world with Aviation Administration certification for the VLJs. They are Eclipse Aviation and Cessna Aircraft Co., a unit of Textron Inc. However, there are other companies that want the certification e.g. Embraer SA, an alliance by Honda Motor Co. and Piper Aircraft Inc. They want to enter the market in the next few years.

According to Richard Aboulafia, a Teal Group aviation analyst The VLJs are the greatest growing market the aviation industry has seen in a long time. The VLJs market should be worldwide. The main market, however, is and probably will be in North America.

Cessna has received 250 orders for its Citation Mustang, which costs \$ 2.6 million. Eclipse plans to deliver 515 Eclipse 500 jets, priced at \$ 1.5 million, next year.

There are two companies, Pogo and DayJet, waiting for the VLJs to start transporting the business travelers. However, Linear Air is already offering this service to business travelers.

Herp, president & CEO of Linear Air said that they fly Cessna Grand Caravans which can carry up to eight passengers and two pilots. The planes have executive-style club seating, and AC power outlets for laptops and phones. About 80 percent of their travelers are business travelers and the remaining 20 percent are leisure travelers.

Linear Air flies from Hanscom Field in Bedford, Massachusetts, Teterboro Airport in Teterboro, NJ, and Westchester County Airport in White Plains, NY. The average cost of a roundtrip on regular routes is about \$600 per person. Linear Air also provides a charter service to most airports throughout the Northeast United States.

Date: 2006-11-21

Article link:

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