



# The Business Express

## Al Jaber Aviation

Separating business from luxury travel for the layman is the bane of the private aviation industry but Al Jaber Aviation's new Sky Limo service may change the way we look at flying privately in and around the region.



**"Sky Limo won't offer the same levels of luxury as the big jets because it's designed to be used as transport to get there and back for executives. You do your business and come back."**

**The day before A6-GAL, a Hawker 800XP** made its first commercial flight from Abu Dhabi's Al Batten Executive Airport for a short, one hour flight to Muscat and back, we were sitting with Al Jaber Aviation's Dr. Mark Pierotti in his office overlooking the runway discussing his company's new business, Sky Limo.

The Hawker is a radical departure for AJA which has specialised in large jets since its formation six years ago having owned a fleet of BBJs, ACJs, Lineage and Legacies, but the small aircraft represents a fresh direction for the business which goes far beyond its new Sky Limo entity. "For us, 2015 is going to be super important," Chief Operating Officer, Dr. Pierotti said, adding that the company has sold its entire fleet and is now focusing on managing other people's aircraft.

"We are only managing now, that's what we do, along with servicing aircraft and maintenance. We've got the ACJ A318, two Embraer Lineage and the Hawker for Sky Limo all under management. The two Legacies have now left us and gone to private operations that were under our management.

The wash up is that the company now divides its big and small jets into different divisions with AJA continuing to covers the big jet management with its global ETOPS operations, while Sky Limo focuses on the smaller regional aircraft starting with the Hawker.

Sky Limo will make available small and mid size luxury jets for charter from any location for executives and VIPs needing to travel quickly with high levels of privacy and service. The Hawker 800XP seats nine and has a range of five hours and will soon be joined by a second Hawker which will be accompanied after by the likes of Legacies and Phenoms to

round out the fleet and fill the Sky Limo hangar with 10 aircraft by the end of the decade.

"It's perfect for the businessman who needs to get to Istanbul and back for a meeting or a VIP to Jeddah. It could fly from Al Bateen to Istanbul, then somebody could take it to Bahrain and someone else to Qatar so it will be buzzing around the region and come home for maintenance.

"Sky Limo won't offer the same levels of luxury as the big jets because it's designed to be used as transport to get there and back for executives. You do your business and come back, but being the smaller jet, obviously you can't get all the equipment on board or serve all the food as you could in a BBJ or ACJ, but nonetheless it's the privacy and a schedule that fits a VIP's diary to go where they want that counts."

Apart from moving offices within the Al Bateen facility to make way for a new VIP lounge currently under construction, AJA is also overhauling its big jet business by selling off its fleet and turning to a 100 per cent management business.

Its new fleet under management will include four ACJ 319s coming on line this year to take on the entourage and sports market as well as the VIP Lineage it recently sold to an American client.

"We've got to try and compete with the likes of Rotana Jet and Qatar Executive who are adding a similar ACJ and our fleet will seat from 19 to 44 passengers so there should be no cannibalization of markets between our jets.

"AJA has always been about big jets with the Legacy and Lineage being our smallest aircraft. We focused on low completion, high value of entry and high profit, but we have to look at other areas of revenue which is where Sky Limo



**AJA has looked into doing point-to-point flights but will focus on the adhoc charter for the immediate future. Hajj flights and the like may come in to play later.**

comes into the picture which had to be completely independent from the Al Jaber Group.

“We remain the leading experts with Airbus and Embraer and are always expanding our extensive BBJ experience. I’m ex-BBJ as is our head of maintenance. On our certificate we have the Airbus 320 family as well as the Embraer 135 and 190 families. We have a relationship and purchasing power with Embraer, we have knowledge of five years operation with both, plus I was the chairman of the Airbus Operators Board so I have access to the knowledge of Airbus. We are ETOPS operators of Airbus and are the only ETOPS operator of the Lineage.

“Changing the business model to 100 per cent management was a revenue decision because there’s no doubt that managing other people’s aircraft where the asset cost is with the owner is easier. When we launched in 2008, interest rates were enormously high so that’s the motivation to not have the aircraft asset on our balance sheet, depreciation, interest, the asset cost, you can free yourself and be a service company. “The shareholders were very clear to me, offload the assets, get into management, and let’s not forget that in today’s climate you have to be service focused otherwise clients will leave you.

“The requirement from the shareholders was that Sky Limo had to be self-sufficient but the knock on from all this is that we’ll do the maintenance as well. We will focus on the AOC to make sure it’s in tact for both the big and small jets and focus on the maintenance licence for each of those jets so that we can also offer that service to others as well here at Al Bateen. Aside from the business traveller, Sky Limo has the potential to woo holiday makers with destination like the Maldives being within easy reach and being able to land on smaller runways. “ It could be perfect for the type of person or family who would perhaps book The Residence suite with Etihad, but they are only available on a very limited number of long haul flights, whereas this could facilitate a weekend in Istanbul, Petra, Mauritius, Maldives, East Africa or Kenya etc.” Users sign up to a card system which credits their account with a specified number of flying hours and as the fleet expands beyond A6-GAL, the flying hours or “points,” will vary depending on the style of aircraft the customer selects for their trip. “Looking in to the future, we have been asked about doing point-to-point flights and we have thought about it, but it’s not we are going to do just yet.

Let’s stay focused on the adhoc traditional charter for the moment. If we see there’s a demand for point-to-point later such as a once a day flight from Al Bateen to Beirut at Christmas time or Hajj flights departing Abu Dhabi at 10am every morning could be perfect, so it might be in Sky Limo’s future but not right now.