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Air Taxi Firms' Jets Ready to Take Off

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WASHINGTON -

Two companies launching light-jet service this month between smaller U.S. airports should have an easy time getting customers amid persistent record-breaking travel delays.

Major carriers and some experts argue, however, that the success of Linear Air and DayJet Corp. may worsen congestion in the air and on the tarmac, which the "air taxi" firms promise to alleviate.

Linear and DayJet are targeting travelers who can and will pay extra for customized flights on "very light jets" built by Eclipse Aviation Corp. that land at small airports with runway capacity for the planes, and expedited security and processing. The jets fly up to 425 miles per hour and for more than 1,000 miles without refueling.

Fliers on Boca Raton, Fla.-based DayJet can book seats on flights between five cities in that state. Linear customers can rent planes by the hour for flying into area airports outside of Boston, New York and Washington with service expanding to San Francisco and Los Angeles next year.

An Aug. 24 report from the Government Accountability Office - the investigative arm of Congress - concluded air safety should not be a problem even though business aviation forecasters predict thousands of the jets will take to the skies the next 20 years.

The GAO report acknowledged that experts are divided on whether the increased traffic will cause problems.

"Many experts believed that very light jets will travel to small airports that have excess runway capacity," the report said. But others worry the planes will fly into airports "with significant airline traffic, which could (cause) ... delays."

The prospect of longer delays could not come at a worse time. Transportation Department data show the airline industry's on-time performance through July was its lowest since 1995, when comparable data began being collected. Causes range from increased demand, unpredictable weather and major carriers' efforts to fly more smaller planes with no empty seats and fewer partly full, bigger aircraft.

"The process of booking a seat and catching a flight being so much more painful in the last two years ... is certainly leading people to explore alternatives," said Bill Herp, president and chief executive of Concord, Mass.-based Linear Air.

The Air Transport Association, the trade group for major airlines, says very light jet traffic will worsen travel delays.

"It will strain the system terribly because these are aircraft that will fly in the airspace where commercial airlines fly," said ATA spokesman David Castelveter. He reiterated ATA's call for a rapid upgrade to the nation's air traffic control system.

The Federal Aviation Administration estimates up to 500 very light jets a year will be added to the nation's skies starting next year. However, agency officials don't expect the traffic to significantly alter the number of passengers or flights the next six years, according to the GAO.

By the middle of the next decade, though, corporate aircraft of all kinds, including very light jets, will increase rapidly every year, resulting in the number of corporate jets flying to more than double to 22,800 by 2020.

That increased traffic "may pose resource challenges" the FAA plans to address by moving inspectors to where there is increased demand and not issuing more certificates for on-demand services "until we're confident we have the resources to administer and oversee the carriers safely," says FAA spokesman Les Dorr.

Other companies have applied for FAA approval of very light jet service but only DayJet and Linear Air have a green light, Dorr said.

James Fallows, whose 2001 book "Free Flight" explored the future of private aviation, doubts the very light jets will further clog the nation's busiest airports and traffic routes.

"The whole point of these jets is that they can and should go to airports other than the 15 or so hubs where ... virtually all the congestion occurs," Fallows wrote in an e-mail while traveling in western China. "The rest of the airports and the rest of the sky are very lightly used."

Airline consultant Michael Boyd says the emergence of an air taxi system should not have a noticeable impact on the business of the major carriers in the near term.

"We're not talking about hundreds of thousands of people. They'll be moving two-sies and three-sies around," Boyd said. "It's another transportation system ... but will not take people off scheduled airlines."

Linear's Herp acknowledged "it will take a while before there's enough to really have a significant impact."

Albuquerque, N.M.-based Eclipse Aviation delivered 22 jets, which cost more than \$1.6 million each, in the first half of 2007, said company spokesman Andrew Broom. **Honda** (nyse: [HMC](#) - [news](#) - [people](#)), Cessna, Brazil's **Embraer** (nyse: [ERJ](#) - [news](#) - [people](#)) and others also are developing very light jets.

Linear's CEO called the ATA's position on his company's business a "red herring" to support the trade group's position that corporate jets and small plane operators should be responsible for a greater share of airport and passenger taxes and fees paid to the FAA.

Congress has until Sept. 30 to reauthorize the FAA's budget and is considering hiking airlines fees to help pay for overhauling an antiquated traffic control system, which uses 50-year-old analog radar technology and handles 85,000 flights per day, a number expected to jump 31 percent by 2020.

Building a satellite-based system is expected to take 20 years and cost more than \$15 billion. **ITT** (nyse: [ITT](#) - [news](#) - [people](#)) Corp. was awarded a contract last week worth up to \$1.8 billion to begin the first phase.

"The FAA has used (the addition of very light jets) as a rationale for budget growth but most of this is just a mirage," said Richard Aboulafia, an aviation analyst at Teal Group Corp., one of the companies GAO consulted for its report.

Aboulafia expects 300 very light jets a year to join the skies and said additions would be minimal compared with the "regional jet surge" that occurred between 1998 and 2002, when thousands of planes a year were added, some to very congested airports.

Ed Bolen, president and CEO of the National Business Aviation Association, says the new jets could be added to the system with "no problems whatsoever" since they are designed to take off and land at airports with little or no commercial activity.

The ATA members "blame everyone except themselves for the delays they are causing," said Bolen, whose group represents 8,000 companies and other operators of private aircraft.

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