

Air taxi breakthrough may be here

By Rob Varnon

Linear Air of Massachusetts is expanding its air-taxi service in the Northeast, inking a deal with Virgin Charter, an offshoot of Sir Richard Branson's Virgin Atlantic, and accepting a new jet into its growing fleet.

"Things are going great," said Bill Herp, president and chief executive officer of Linear. "We've been at it for four years now."

The company's planes fly out of White Plains, N.Y., as well as Sikorsky Memorial, Waterbury-Oxford, Danbury Municipal and New Haven's Tweed airports in Connecticut.

While delays at major airports have become common, Herp said the promise of the air taxi service is proving itself.

Linear and other companies fly out of and into smaller airports that are generally home to the private jet crowd. This eliminates some of the waiting time associated with flying out of crowded larger airports, he said.

The planes Linear uses are called "very light jets" designed to cut fuel consumption.

For example, Herp said, customers flying from White Plains to Boston can book one of the two new Eclipse jets the company has for \$3,500. In the earlier generation of jets, that trip would have cost twice that, he said. Linear also flies Cessna Grand Caravans, prop planes that seat eight. The cost for the Cessna is similar.

That \$3,500 price tag is for the entire jet, not per person, Herp said.

The Eclipse seats three passengers, so it drops the price into business-class range on a regular airline, he said.

That's one of the keys to the industry, said Douglas Royce, an analyst and editor with Newtown-based Forecast International.

Royce said the long-discussed air taxi is here at last, and will now have to prove itself. Its main competition comes from business-class service and automobiles.

If a company can send out three executives at a time, Royce said, the price of using Linear or other air-taxi service could be competitive. What the air-taxi companies will be doing is finding that area of service between the airlines and automobiles, he said.

Airlines will still stake out the longer hauls, while air-taxi trips will be a few hundred miles. But Linear and others must show that it's a value compared to driving and staying overnight in a hotel, according to Royce.

Royce said it's a great time for the industry to prove itself, despite an economy in turmoil on several fronts, because if these companies can work today, people will know how viable the service will be when economic times improve.

Air-taxi service is predicated on the idea that a person can call or schedule a flight from a local airport to another smaller airport 500 or fewer miles away. The difference between the taxi

service and the air-charter companies is the new jets are generally smaller and less costly to operate.

Linear took delivery of its third Eclipse jet this week and should have it flying between Boston and as far south as North Carolina later this year. They also fly west to Chicago, Herp said.

New Mexico-based Eclipse Aviation, which makes the Eclipse 500 VLJ, has opened up a service center in Albany, N.Y., to cover maintenance and standard service for its Northeastern customers. The company said in a news release it built more than 100 Eclipse 500s in 2007, and has a backlog of 2,650 jets.

While Linear is flying a new type of plane, it is also partnering with other companies to try to sell its services.

Linear's deal with Virgin, Herp said, is another way for people to find out about the Massachusetts-based company. Linear is one of several carriers Virgin signed deals with.

Herp said the company is privately held and does not release that information. But, he said, because Linear is a young company, its business plan doesn't expect profitability until the second quarter of 2010.