

# Robb Report

## **Amid Unprecedented Demand, Delays and Downgrades Are Now Private Aviation's New Normal**

Clients are paying \$5,000 to \$25,000 per hour for private jets, and, in turn, are seeing delays and downgrades. What gives?

A chief executive recently shared an email about a jet charter his company had arranged for important clients. Scheduled for on-time departure from Austin, the pilots noticed a blinking light in the cockpit and called in the mechanics. Several hours later, the issue was resolved but the crew had exceeded FAA-mandated hours for the day. Unable to secure a replacement aircraft, the clients completed the flight to Phoenix the next day. The CEO, an experienced private flier, was incensed: “One of the most incredible sh\*t shows ever by a charter company.”

Delays and downgrades—swapping the client’s jet of choice for an older, smaller model—are the two main complaints. “We’re in a perfect storm,” notes Anthony Tivnan, president of [Magellan Jets](#), whose company logged a 240-percent increase in jet-card sales from January through August.

A shortage of pre-owned aircraft and higher fleet-utilization rates meaning fewer replacement jets, while maintenance delays take airplanes out of service longer. Air-traffic control delays and parts, fuel and labor shortages are also exacerbating the situation.

“Passengers are also scheduling flights in a much shorter window,” adds Tivnan, who doesn’t foresee much changing through the end of the year. “*Every* weekend last summer was comparable to peak periods like Christmas and July Fourth. We’re forecasting record traffic for November, December and January.”

Compared to tens of thousands of aircraft in the US commercial fleet, only 3,314 jets from 549 operators in the US are available for charter. The limited availability of pre-owned aircraft and fractured makeup of the charter world—only 66 operators have ten or more jets on their Part 135 certificates, and 149 operators have just a single jet—are creating a wild-west dynamic where demand continues to push up pricing, while service issues continue.

Magellan is spending “significantly more” on customer outreach, says Tivnan, by trying to educate clients on how to minimize delays—avoiding flying from Thursday to Sunday, booking earlier, and flying around peak periods.

Others are investing in fleet expansion. “We’ve recently taken delivery of six new aircraft,” says Nicholas Correnti, founder and CEO of Nicholas Air. “I think companies like ours who own and operate their own fleets are in a much better position than charter operators beholden to their suppliers. If they can’t deliver the flights, they’ll erode trust among their clients.”

**UMV’s: 1,954,844**