TUCK SCHOOL OF BUSINESS AT DARTMOUTH

GLASSMEYER/MCNAMEE CENTER FOR DIGITAL STRATEGIES

TC6-0036
Rev: February 1, 2013

CENTER FOR DIGITAL STRATEGIES CASE SERIES

XOJET

Blair LaCorte T90 glanced out the window as his Virgin American flight approached San Francisco International Airport, and thought about the challenges facing XOJET and the private aviation industry as a whole. LaCorte almost always flew commercial, as did the rest of his management team, because when they were on a XOJET plane it meant it wasn't available for customers. With demand up 50% YOY they needed every jet they owned. It was October, 2011, and LaCorte had been CEO of XOJET for two years, during which time his team had grappled with difficulties both short and long term that faced the private aviation industry. Their analysis had determined that the industry wasn't just in a cyclical downturn, but faced structural challenges that would require XOJET to alter its strategy.

When he landed, LaCorte had only a fifteen minute drive to XOJET headquarters, where his team was gathering to make a final decision on whether or not to acquire up to twelve Hawker Beechcraft 800XP jets. The company had 30 super-mid jets in their current fleet and believed they would need around 50 planes to reach operational scale. The Hawker 800XP jets were smaller and slower mid-sized planes that did not have the transcontinental range of its current fleet. These jets however were much less expensive to purchase, had operating costs similar to the company's current fleet and could be more appropriate for shorter distance flights which made up about 30% of XOJET customer demand (see Exhibit 1 for XOJET fleet detail).

LaCorte and his team knew that the Hawker 800XP decision would be important for the future of the company. To make the decision, XOJET needed to balance increased demand against current capacity, provide their customers with best-in-class service, and ultimately manage company profitability. At issue was an important question: was adding a smaller cabin and less expensive alternative the right decision to drive capacity? On the surface it appeared to be contrary to the original super-mid transcontinental strategy. It also added more operational complexity and risked degrading the premium XOJET brand. The Hawker jets, however, did offer major cost advantages.

Private Aviation Background

Prior to XOJET's arrival on the private aviation scene, customers had three distinct options for their travel needs:

This case was written by Jordan S. Esten (T'12) and Professors M. Eric Johnson and Joseph M. Hall of the Tuck School of Business at Dartmouth. It was written as a basis for class discussion and not to illustrate effective or ineffective management practices. Version: February 1, 2013.

© 2012 Trustees of Dartmouth College. All rights reserved. For permission to reprint, contact the Center for Digital Strategies at 603-646-0899.

1. Purchase their own plane for individual use,
2. Purchase a fractional share in a plane, or
3. Charter on a per use basis, from someone who purchased a plane but registered it as a rental.

Purchasing a plane required a high upfront cost, but guaranteed consistency, control and flexibility. Only minimal notice was needed for the pilots to have the plane ready to take off. The plane could be decorated to the owner's tastes including the cabin and exterior stripe pattern and the amenities were exactly to the owner's specifications each time they flew. However, the plane would also sit idle anytime the owner wasn't flying. Along with the high upfront investment, the hiring and management of full-time pilots and the on-going costs for maintenance meant aircraft ownership wasn't feasible for most people.

In 1986, NetJets introduced the fractional ownership model, allowing customers to purchase a pro-rated, guaranteed share of a plane rather than an entire aircraft, and receive annual flight hours at their disposal. Customers were guaranteed a flight with only four hours' notice and could fly anywhere they pleased. In addition all planes were a standard configuration and the pilots all wore matching uniforms. This time-share model allowed customers to feel like owners. In addition to the purchase price, the customer paid a monthly management fee along with the variable costs and fuel each time they used the jet. Fractions became the alternative to buying a full plane. While your share would be very expensive on a pro rata basis, the benefit was you did not have to buy a whole plane and they would manage it.

The hidden cost of purchasing a fractional share was a significant depreciation and residual value risk for the customer at the end of term. As long as the market was growing this risk was hidden in the supply-demand imbalance but when the 2008 recession hit, demand evaporated, valuations plummeted, and many consumers had to sell and take a major loss on the residual value of their plane.

The only alternative option that existed for customers who didn't want to purchase upfront and take this ownership risk was to go to the charter market to find someone willing to rent their plane. Plane owners would often rent out their aircraft on a per trip basis when they weren't using the plane as a way of making up some of their ownership costs. This could allow owners to avoid long-term commitments, residual value risk, and often find low-cost alternatives in a very competitive marketplace. In 2007 about 50% of the hours flown were charter.

However, while offering an easy point of entry, the charter market introduced many frustrations for the customer. 1) There was no guarantee of the quality of the plane; customers gave up consistency as they could be on a different plane on any given day. 2) Prices had to be negotiated for each trip directly with the owner or a management company or through brokers who had no physical control or contact with the plane. 3) Operationally if there was a delay because of maintenance or weather issues there was often no way to find another plane at last minute. In short, on any given day customers were

buying hours on “one” plane from “one” individual owner, not a fleet, so there was a great deal of variability and inconsistency (see Exhibit 2).

XOJET History

XOJET was launched in 2006 as an alternative to the fast-growing fractional private aviation model. The founders saw an opening in the market for customers who didn’t want to “purchase” large pro-rated shares of a plane and were looking to fly fewer than 200 hours/year. Unlike its fractional competitors, XOJET would own and operate its entire fleet of aircraft. In essence, XOJET would pioneer a “private airline” model where clients could buy hours on a plane without buying a portion of the plane itself. The product would have the consistency of a fractional product but without upfront obligation, and it also promised lower “all-in” hourly costs and no residual value risk. XOJET’s original product offering was called a membership (vs. a share) for a guaranteed a number of hours a year.

XOJET in turn would take on aircraft ownership and strive to offset the asset cost with superior fleet management. The original fleet of Citation X and Challenger 300 aircraft had the ability to fly a transcontinental (trans-con) flight across the United States in around five hours, could accommodate 8-10 passengers and would allow access to over 5000 small regional airports or FBO’s (vs 500 commercial airports). It was sold as “All the benefits of ownership with none of the risk”.

Through the XOJET model, risk of ownership had been moved from the customer to the company so it was key that when the members were not using the planes that they were made available for use on the wholesale charter market. This model worked very well in the growth market of 2007/2008 when demand was greater than supply and XOJET could get high prices and select the trips to sell to charter brokers to make their fleet efficient with low “dead head” (empty legs).

The company was rapidly growing both revenue and customers and at one point publically claimed to be the fastest growing private aviation company in the world. Maintaining this growth required significant investment to expand the 12-plane fleet. By 2008, it had raised both equity and debt to purchase the new planes and begin to scale this disruptive model. However, the late 2008 financial crisis was a significant blow to the entire private aviation industry. Customers were choosing to fly less or fly commercial altogether and the excess demand evaporated. By early 2009 new fractional and membership sales came to a complete standstill. In October 2009, NetJets the largest fractional share company announced losses over $800M.

XOJET, as an owner, had its own challenges as it had no retail option to sell trips to customers when its members were not flying. The excess supply in the industry was being sold at cut rates through wholesale brokers both depressing price and devaluing brand. While several of the founders’ original assumptions remained valid, such as the importance of having operating control of the fleet and putting a focus on super-mid planes, other assumptions, such as the growth in membership products as the market for fractional products was shrinking, was wrong. The markets were linked and while guaranteed flying

would continue, it would be a much smaller part of the mix. Customers were looking for a new product that was coined "branded charter" or "owned fleet charter" that offered consistency and quality of ownership with lower upfront commitment and risk.

The investors in XOJET recognized that a small additional investment would allow them to bring in a new management team and offered a chance to adapt products and operations to enhance the business model.

Corporate Transformation

One of the investors, TPG, had a number of experienced operating partners amongst its ranks and called on this resource to come up with a plan. Blair LaCorte a T90, who had come to TPG after a successful executive management career across a variety of industries, was asked to take over. LaCorte had worked at his family's regional airline in New England early in his career and was familiar with the aviation industry. LaCorte joined as interim president in July, 2009 and began to assemble a team around him who were focused on finding ways to successfully transform the company.

While LaCorte made a number of executive hires, there were two team members who he realized would greatly influence the company's ability to execute on this new branded charter model. The first was Brad Stewart. Stewart joined XOJET initially as an advisor in March, 2010, before joining full time as President when LaCorte moved to CEO. Stewart had prior experience working closely with turnaround situations for private equity portfolio companies and also had an earlier background in Consulting with McKinsey in Transportation, Hospitality and High Net worth sales.

The second was the SVP of Revenue Management, Ted Botimer. Botimer had spent over 15 years in the travel and transportation industry. He held a doctoral degree in transportation from MIT, and had worked in utilization and planning in the car rental industry and run revenue management operations at several commercial airlines. Botimer had been at XOJET since December, 2008 and had developed very strong points of view before LaCorte and Stewart joined.

In a small company conference room, they used a whiteboard to sketch out the private aviation industry and attempted to validate or invalidate the perceived drivers of value going forward. They developed a comprehensive value chain within the industry and then looked at XOJET's limitations, risks, and opportunities. As LaCorte noted, the team was concise and purposeful in determining the best course of action:

> *"We were forced to really rethink what the company was; what it has to do well; and what it could do well? Most importantly we had to ask: was this just a downturn or were consumers structurally changing? The answers to these questions had to become the foundation for every decision we made going forward."*

LaCorte had a long history in change management and had often quoted a simple mantra: "a team needs to have a point of view, a bias to action, and the ability to learn fast and adapt."

The team realized that as the only private aviation company who owned planes as a business, it needed to act differently than its competitors as the market matured and could no longer compete head to head with same products or value propositions. The team concluded that XOJET needed to be at the intersection between an asset management company on the operations side and a high-end multi-level distribution company on the market facing side. The beginnings of a new business model were in place, and now the challenge was how to take it off the white board and institute it throughout the company.

Asset Management Company

> *"You can't ever make money chartering if you own the private Jet."*
> *Industry Myth*

> *"If you own private jets, you have to buy them right and then fly them more than 85 hours a month. Then you can make money. It is all about utilization."*
> *Ted Botimer*

Long before LaCorte and Stewart joined XOJET, Botimer had been trying to get others within the company to think about private aviation in a different way, but he had a hard time convincing anyone that the current strategy was leading the company astray. Botimer thought the team was too focused on attracting customers by guaranteeing them flight availability to compete against fractional:

"I wanted to focus on charter and lower our prices to get people to fly, but the former leadership team did not agree. We were searching for bad business at the time. Everyone was saying that the guaranteed products like those offered through fractional or card programs should be the core focus because they had the highest price"

XOJET at that time had a top-line focused strategy. They wanted to increase yield instead of maximizing utilization and contribution margin. The problem was that anyone who owned a plane or a fraction had to use their capacity before looking for supplements and anyone who had sold and taken a loss was not interested in paying up for a guaranteed product when they saw plenty of supply. Botimer needed to prove to the current management team how important utilization was to profitability, and this would require changes to the pricing structure. In this way he could incent changes in both customers and usage patterns. He harkened back to his previous experiences and wondered why private jets couldn't have a similar system to rental car revenue management systems or hotel room bookings, where the strategy was to recognize you have a fixed asset and find ways to use it to its' full potential. Initially many of the old guard in the company fought creating a retail branded charter product and changes to the pricing structure, out of fears it would diminish XOJET's standing as a premier brand.

But with the new management team in place, Botimer had the opportunity to openly share his concepts. Botimer wanted to test two concepts

1. First he wanted to move away from only guaranteed products to have a full range of products and services which included "on demand charter" where you could control how the customer used the asset. He wanted the ability to say "no" to flights that did not make sense. At the time this was considered very risky for a company to mix these clients with those that had longer-term memberships.
2. Second he suggested an industry first for "on-demand" charter with a strong brand and transparent, fixed prices rather than quoting each trip at different rate. Within this framework he proposed a pricing structure where trans-con flights were lower than the market rate that would entice customers to take their longer trips with XOJET (see Exhibit 3). Botimer's analysis led to a single metric as the key component to return XOJET to profitability—length of haul. In order to get better cash contribution to overhead, they needed to fly a longer distance (see Exhibit 4).

Botimer preached these concepts to the entire company, and found Stewart willing to listen:

> *"Ted was not caught in a trap of looking at how aviation had worked. He was interested in how it should work. He came in with experience at rental car companies, hotels, and trucking companies, and pushed the logic of those businesses rather than traditional aviation thinking. At the end of the day, we're just an asset management company, and Ted realized that."*

Botimer's analysis was detailed, but the message was simple. If XOJET could increase the length of haul, it could get the number of flight cycles down. The operations would run much smoother flying coast to coast, and fewer planes would be out of commission since landing gear repair was the largest piece of maintenance. It all added up to higher utilization, the sacred goal for a fixed asset business.

The other positive from increasing the length of haul, was that it minimized the impact of dead-head. If a jet is flying from Los Angeles to New York, or San Francisco to Boston, then most likely there will be another passenger at the destination ready to fly back across the country. If not, the furthest you needed to dead-head a plane was to another major city down the coast. As Botimer complained:

> *"Before, we were constantly pulling planes from Texas and flying them all the way back to New York, empty."*

Distribution - Finding the Right Customers

> *"We knew how we wanted to fly trips that improved utilization - and the challenge was to find the people who wanted to fly those trips. This company is all about finding the client base that is right for the asset base."*
> *Brad Stewart*

Brad notes that owners of private jets have been trained not to think about efficiency or tradeoffs as they would in their own companies. The models of the last 20 years "guaranteed" a client four standard components for each trip:

1. Fixed trip cost (program fees and hourly costs set up front, which was calculated to cover the worst case of the non-controllable variables below).
2. Ability to control the exact plane model they will fly.
3. Ability to control timing with limited notice.
4. Ability to control where the plane lands, no matter difficulty, down to specific general aviation terminals.

The prevailing thought among the fractional industry was that a standard product needed to replicate these four features to create the feeling of full ownership. At the beginning, XOJET followed suit and tried to offer customers each of these attributes in some form or another. But the competition to provide so many options had a crippling effect on XOJET's utilization. The dynamic also created a scheduling nightmare for the XOJET operations team.

LaCorte and Stewart realized that they needed to chart a different course that added some pricing incentives to move customers away from the traditional 4-feature model. As LaCorte remarked:

> *"We stopped making it difficult on ourselves. First, selling a multi-year standardized product with an upfront commitment in a collapsing market is difficult. Second, a guaranteed (fixed price) product, by definition, means that the average customer is paying more to cover the costs of the customers with more costly flights.*
>
> *We decided to show customers that if they could be more flexible on #2-#4, we could lower prices by 20-40% because we would be more efficient. Basically, they should not be paying for the least efficient customers and if they made us efficient we could give them better service at lower prices.*
>
> *In most industries this would be an easy sell —give the customers a chance to decide what the need before you charge them, In aviation, this threatened a buying process that had not changed in 20 years! So the key was finding those early adopters and influencers who would lead the way.*

XOJET's price structure was predicated on incentivizing customers to take the flights the company wanted, which would best utilize the assets they had. They discovered that most customers didn't need a jet in four hours' notice and would go to XOJET's preferred airports instead of demanding busier hubs. Most were happy switching between a Challenger 300 and Citation X, and would change their behavior if incented.

In order to maximize utilization, XOJET also needed to effectively manage its fleet. In 2010, they built the most integrated and technologically advanced operations center in the industry to support its fleet. It allowed XOJET to achieve the highest safety and efficiency standards in the country as well as manage this new real time flight optimization model. Inside XOJET's 26,000 square foot operations center in Sacramento, CA, a team of over 100

employees worked around the clock to handle flight logistics, schedule XOJET's more than 200 pilots, organize customer preferences, and plan airplane maintenance timetables. On a typical day in 2010, XOJET handled 40 flights per day, but that number could swell to 100 flights during peak days. Having the right type of plane in the right location was essential for the company. A change of itinerary for a customer, delay due to weather, or a busy airport could all have significant effects on XOJET's inventory control, not just for that day, but for days or even weeks later.

The XOJET Brand

> *"We had a new brand and a new model and needed to drive trial to capture hearts and minds. If we had $25 million per year to spend on marketing it would have been a lot easier. So we tested, and understood if you fail, fail fast and small and if you find a breakthrough run with it" Blair LaCorte*

The traditional marketing approaches or bold advertisements would be too expensive. XOJET needed to be different when it came to branding and they found a way succeed without the deep pockets most thought would be necessary. As LaCorte noted:

> *XOJET was inspired to get creative and decrease sales and administrative costs from 23% to less than 8% of revenue, and lower marketing costs from 10% to 1% of revenue. While it made the product a better value by reducing costs, LaCorte wondered how he could build the XOJET brand, when he couldn't actually spend any money.*

One tactic was to stand out in the crowd and let the plane create an impression. For years, private jets had always had stripes on the side of the plane. Over objections from some industry stalwarts, even within their own company, XOJET painted the planes a sleek white, and added the XOJET logo on the engine. LaCorte needed the product to become the brand so it could sell itself. "We wanted to have billboards at every airport, but could not afford it. Then we realized we parked one there every night." The strategy worked and within weeks the XOJET sales team was getting calls from potential customers, simply because they had seen the jets on the runway.

Another tactic was to attract high-potential clients to specific trips that increased utilization with a lower price, which LaCorte admitted is counter-intuitive to high-end branding. However once customers tried XOJET, the team had a chance to establish a relationship based on an "experience". Potentially this one experience could lead to a premium relationship based on a number of trips—not just one.

> *"Our challenge was how to dynamically price the product and still maintain our premium positioning. The solution was to move from making the trip the product to making the relationship the product." Brad Stewart*

Next XOJET needed to build a strong emotional connection and referral base amongst its customers to brand through affiliation. They wanted CEOs discussing XOJET at dinner parties, detailing the sleek interiors, friendly pilots, and top-of-the-line planes. It was

common for customers to fly what their friends were flying, and if XOJET could create a memorable experience for their clientele, it would likely translate into additional customers. To LaCorte, that meant that customer service needed to be above and beyond the rest of the industry:

> *"Customer service shouldn't be defined by "normal" standards, because life isn't normal. Some days are easy and some are difficult. From the sales team to the pilots, every step along the customer's journey is a chance to have superior customer service. In aviation, you have many factors that are outside of your control, like weather or maintenance. How you handle customer disappointments actually defines your customer service.*
>
> *We also continually take customer feedback and make changes to better their experience. We have identified over 22 key touch points on a normal trip. One customer driven improvement was adding Wi-Fi to our entire fleet, and we remain the only private aviation company that has this distinction. We had built a strong brand around super-mid planes. The question was would a smaller plane degrade the brand."*

Next Steps

Besides improving utilization, the changes implemented between 2009 and 2011 spurred growth leading to capacity constraints. In 2011, XOJET's flight hours increased 50% while the private aviation industry, as a whole, saw little growth. The company achieved this growth through record utilization of its fleet (see Exhibit 5). They had improved the length of haul, increased average flight hours, and driven profitability. However, this strategy was forcing them to reject many shorter flights. They were also experiencing some issues with legacy guaranteed contracts. Those customers often still wanted to fly shorter flights, of their choosing, on a super-mid plane. One option to solve both the issues was to add more super-mid aircraft. Another option was to buy the less expensive Hawker 800XPs and offer a choice at a lower price.

XOJET currently had only two plane types in its fleet: Citation X and Challenger 300. They knew the more complicated the story was, the more difficult it would be for the customer to understand the value proposition. However adding smaller jets could position XOJET as a full service provider. There was a trade-off between a one-stop shop, which solved all of the customer's aviation needs from long flights to short hops and everything in between, and being focused on trans-con flights.

The XOJET corporate finance team had determined a fair value for the twelve Hawker jets and the seller was willing to accept LaCorte's offer. The executive team gathered in LaCorte's corner office to make the final decision on whether or not to go ahead with the acquisition of the planes.

Questions on the whiteboard included:

1. Would the addition of a new fleet type confuse the company's simple positioning and business model?
2. Would it add operational complexity that would nullify any gains from lower ownership costs?
3. Would the smaller planes degrade the hard-fought premium brand progress?
4. Would the less profitable trips distract their focus on higher margin opportunities?

Exhibit 1: XOJET Fleet Detail

Plane	Manufacturer	Purchase Price *($millions)*	Seats	Range *(NM)*	Cruise Speed *(Mach)*	Cabin Height / Width / Length *(Feet)*
Citation X	Textron Cessna	$20.0	8	3,070	0.90	5.7 / 5.5 / 29.4
Challenger 300	Bombardier	$22.0	10	3,100	0.80	6.1 / 7.2 / 28.6
Hawker 800XP (proposed)	Hawker Beechcraft	$10.0	8	2,550	0.65	5.9 / 6.0 / 21.4

Citation X (with stripes)

Challenger 300

Exhibit 2: Choices in Private Aviation

A. Types of Privation Aviation Licenses

License	Use	Comments
Part 91	Owner	The owner of the aircraft maintained operational control of the aircraft and was responsible for plane operations, the actions of the flight crew and flight safety.
Part 91-K	Fractional	Required fractional managers to maintain procedures and documentation similar to Part 135. The fractional owner was ultimately responsible.
Part 121	Commercial	Had the ability to schedule flights and sell individual seats.
Part 135	Charter	The operator (not the aircraft owner) was responsible. Not allowed to schedule flights or sell individual seats.

B. Customer Options - Citation X

Type	Upfront Cost	Annual Ownership Costs	Cost Per Hour	Hours	Notice Period
Ownership	$20.0 million	$1.5 Million	$2150	Unlimited	Unlimited
Fractional (1/4 share)	$5.0 million	$142,000	$3380	200	4 Hours
XOJET Programs					
Elite Access	$100,000	$0	$8500	50	12 Hours
Coast2Coast	$115,000	$0	$6800	25	12 Hours
Preferred Access	$200,000	$0	Varies ~$5000	Varies ~40	96 Hours
Brokered Charter	$0	$0	Highly Variable	Per Flight	Varies

Exhibit 3: Fixed Price Examples vs. Industry Average.

A. XOJET Super-mid Fixed Prices and Flight Length[1]

Departure City	Arrival City (Airport Code)				
	(TEB)	(MIA)	(MDY)	(DEN)	(VNY)
	Teterboro	**Miami**	**Chicago**	**Denver**	**Van Nuys**
Teterboro	-	$ 15,000	$ 15,000	$ 22,000	$ 21,000
	-	2 hrs 30 min	1 hr 45 min	4 hrs 10 min	5 hrs 15 min
Miami	$ 15,000	-	$ 19,000	$ 22,000	$ 22,000
	2 hrs 30 min	-	2 hrs 50 min	4 hrs	4 hrs 45 min
Chicago	$ 15,000	19,000	$ -	$ 16,000	$ 21,000
	1 hr 30 min	2 hrs 35 min	-	2hrs 25 min	3 hrs 45 min
Denver	$ 22,000	22,000	$ 16,000	$ -	$ 15,000
	3 hrs 30 min	3 hrs 45 min	2hrs	-	1 hr 45 min
Van Nuys	$ 21,000	22,000	$ 21,000	$ 15,000	$ -
	5 hrs	4 hrs 30 min	3 hrs 30 min	1 hr 30 min	-

B. Comparable Market Prices[2]

	Per Hour Price		
Plane Type	**Average**	**High**	**Low**
Citation X	$ 4,400	$ 4,788	$ 4,216
Hawker 800XP	$ 3,471	$ 3,679	$ 3,236

[1] Typical flight length is provided for a Citation X. Due to the jet stream tail winds, a route is shorter in time when flying east.

[2] Source: Avinode. Industry standard is to price flights per hour, not a fixed rate per route.

Exhibit 4: XOJET Cash Contribution per Flight

Revenue and Cost Structure for XOJET Flights[3]

Category:	**Short Hop**	**Trans-Con**
Departure:	Van Nuys	Van Nuys
Destination:	Denver	Teterboro
Stage Length:	1.5 hours	5 hours
Revenue	$15,000	$21,000
Direct Operating Costs:		
Repositioning	$3,000	
Fuel	$2,150	$7,100
Crew Expenses	$1,050	$3,450
Trip Expenses	$400	$1,400
Maintenance	$2,400	$3,050
Total Direct Operating Costs	$9,000	$15,000
Cash Contribution to Overhead	$6,000	$6,000

[3] Cost data is derived for case purposes and class discussion only.

Exhibit 5: XOJET Utilization

Contribution and Fleet Size

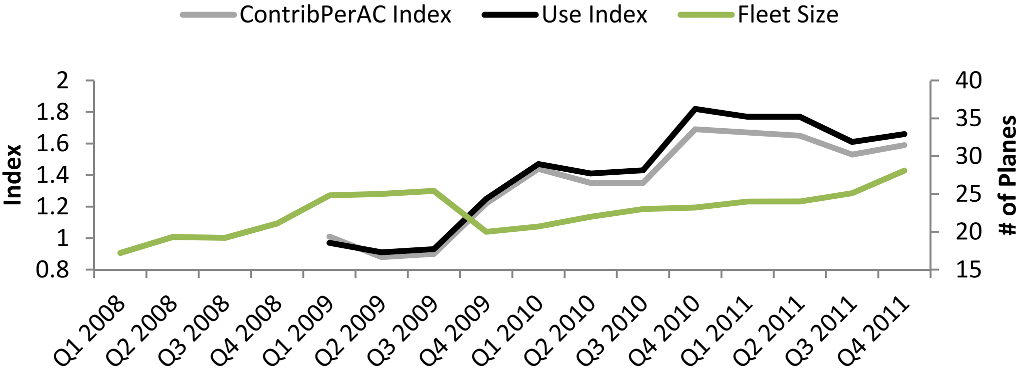

Exhibit 6: Private Aviation Industry Growth[4]

	January 2009 vs. January 2008		
	Charter	Fractional	Combined
Light Cabin Jet	(45.0%)	(59.6%)	(47.3%)
Mid Size Cabin Jet	(60.4%)	(48.7%)	(45.7%)
Large Cabin Jet	(53.3%)	(42.4%)	(38.7%)
All Aircraft Combined	(47.1%)	(49.6%)	(42.5%)

	January 2010 vs. January 2009		
	Charter	Fractional	Combined
Light Cabin Jet	3.1%	(13.8%)	2.1%
Mid Size Cabin Jet	10.6%	(0.2%)	4.9%
Large Cabin Jet	(8.1%)	15.2%	6.5%
All Aircraft Combined	2.8%	(0.8%)	5.3%

	January 2011 vs. January 2010		
	Charter	Fractional	Combined
Light Cabin Jet	(7.3%)	(8.4%)	0.7%
Mid Size Cabin Jet	(1.1%)	0.7%	2.0%
Large Cabin Jet	(1.0%)	(6.0%)	3.0%
All Aircraft Combined	(7.2%)	(0.5%)	0.5%

	January 2012 vs. January 2011		
	Charter	Fractional	Combined
Light Cabin Jet	(10.9%)	(6.9%)	0.6%
Mid Size Cabin Jet	(9.9%)	(9.0%)	(2.1%)
Large Cabin Jet	(10.2%)	0.2%	(4.3%)
All Aircraft Combined	(8.3%)	(6.3%)	(0.9%)

[4] Source: TRAQPak © 2011 Aviation Research Group / U.S. Inc.