

# ferry fees could be on the way out

PAYING EXTRA TO FLY OUTSIDE YOUR PROVIDER'S SERVICE AREA? THAT COULD BE CHANGING\_by James D. Butler

FERRY FEES HAVE ALWAYS BEEN PART of fractional flying. Now, however, some fractional providers have made changes to their programs that substantially reduce—if not eliminate—the fees for their owners. As a result, these owners enjoy expanded ferry-fee-free travel horizons, and the other fractional providers' may find they need to respond in kind.

Every fractional program has a primary service area and perhaps a secondary service area. Traditionally, these areas have included the 48 contiguous United States, any point within 200 miles of them (including much of the Caribbean, northern Mexico and southern Canada), the Bahamas and the Turks and Caicos Islands. If you fly to or from a destination outside these areas, you've been charged a "ferry fee" for repositioning the aircraft to the closest suitable airport within the service area.

Ferry fees stick in the craw of fractional owners. Having purchased their share precisely to enjoy greater convenience flying to out-of-the-way places, owners are frustrated to find that they have to pay extra to get where they want to go.

Some owners negotiate individual deals with providers to waive ferry fees for certain trips—generally to warm-weather vacation spots or second homes. But such concessions are not available program-wide and the willingness of providers to grant them generally depends on the size of your investment. Recently, NetJets introduced a ferry-fee waiver program that expands its ferry-fee-free service areas based on the type of aircraft you own. For light-jet share owners, the ferry-fee-free zone now extends to all of Mexico and Canada, and from Bermuda to Trinidad and Tobago. Midsize aircraft owners also may now fly without ferry fees to all of Central America. Super-midsize owners enjoy the additional benefit of flying to Hawaii without paying ferry fees. And the service area for large-cabin aircraft owners now extends to Europe as well.

Flights to or from locations outside the ferry waiver zones still incur ferry charges based on the flight time necessary to



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position the aircraft back to the nearest suitable airport within the continental U.S. Also, NetJets owners may not interchange to take advantage of ferry waivers—in the case of upgrades, the ferry waiver zone is based on the aircraft owned, not the one flown; however, in the case of downgrades, the waiver zone is based on the aircraft flown, not the one owned.

Not to be outdone, Flexjet extended its ferry-free service area to include all of Canada, Mexico and Central America. Share owners in the Challenger 300 and Challenger 604/605 enjoy the added benefit of flying ferry-fee free to Europe and Hawaii.

Owners of smaller aircraft in the Flexjet program who want to take advantage of the expansion to Hawaii and Europe are encouraged to add a 25-hour share in one of the company's larger aircraft, explained vice president of sales Bob Knebel. The result, he said, is that "it's extremely rare that anyone pays ferry fees anymore."

Now that NetJets and Flexjet have expanded their ferry-fee-free zones, CitationShares and Flight Options may soon have to follow suit or risk losing customers to their competitors. In the end, it may well be that for many owners, ferry fees will become a thing of the past. ■