

Greenwich-based Citation hopes business is taking off

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WHITE PLAINS -- Inside the Panoramic Hangar at [Westchester Airport](#), well-heeled guests clustered together in small groups, drinking and enjoying hors d'oeuvres and talking about whether they should buy the world's fastest business jet.

This was the third stop for Citation Air's road show, in which the Greenwich-based company hoped to boost sales of its Cessna-made Citation X. Staff were also hoping to expand services to existing customers, including programs that allow customers to book jet travel by the hour. The X can fly at just under the speed of sound.

The private and business jet market was hit particularly hard in the last recession -- not just by poorly performing portfolios and dropping income -- but also because of the public relations gaffes by [General Motors](#) and Chrysler auto executives, who flew to Washington in 2008 aboard private jets to plead for bailout funds.

But the economy has turned around and there is a need for corporations to get people back in the air, according to [William B. Harford Jr.](#), senior vice president and chief revenue officer of Citation Air, a division of [Cessna Aircraft Co.](#), which is owned by Textron Inc of Providence, R.I.

"They need to get on their planes and make deals, face to face," he said.

He declined to comment on sales figures and profit margins for the group.

Citation is also expanding the use of jet travel through a program that allows customers fractional ownership of a plane without putting up capital, he said. Harford said the customer agrees to use the plane for 50 hours and pays a fee that's far less than the cost of ownership.

It's like a "supercharged jet card," he said, referring to plans that allow customers to buy hours of air time.

Joel Wartgow, director of the [Carlson Wagonlit Travel](#) air solutions group, said business travel is recovering in the U.S. The global firm manages and provides consulting services specifically related to air, ground and hotel services.

"What we're seeing is that business has rebounded and it's trending positively," Wartgow said in a telephone interview. He said commercial carriers are still flying fewer planes despite increased demand, what may be fueling growth in the private business area.

"There's a convenience and cost factor," he said of weighing whether to go commercial or private with your corporate travel. He said if you're flying between two destinations often it might make sense to go private.

But he said Citation could also feel competition from rail and from rental cars in the near future if travel prices continue to escalate.

Ray Jaworowski, senior aerospace analyst with Newtown-based Forecast International, said Citation is in an interesting market. It is one of two business jet companies that is owned by the aircraft maker. Bombardier owns Flexjet he said, while the other two main competitors are Berkshire Hathaway's NetJets and Flight Options, owned by equity firm [Directional Capital](#). The advantage may be in how the operations are perceived by the parent companies, Jaworowski said.

While all want their divisions to be profitable, Cessna might view Citation Air as not just a service organization, but also a marketing division. So the profit margin might not have to be as high as other businesses and "it might even be a loss leader."

"It's a way to get more aircraft out into the market," he said.

This business is about more than just business, Jaworowski said, business jets, particularly the Citation X are about prestige.

The Citation X is the fastest business jet in production right now, he said. "Having the fastest is part of the appeal."

The Citation X travels at just slightly less than the speed of sound at 0.92 Mach, or more than 600 miles per hour. It has a range of more than 3,000 miles. And it was this plane that people came to see.

One couple sat in the Citation X and reflected how comfortable the eight seater was, but the man expressed concerns over its ability to land "in the Islands," and that its range would force a refueling stop in Spain before being able to get to Italy.

He appeared half joking as a salesman went off to confer with Cessna representatives about the runway requirements for the Citation X. He said buying an X would be a big step up in not just prestige of travel, but also cost.

Used Citation Xs more than a decade old are still selling for more than \$5 million, according to Globalair.com. A new Citation X usually retails for \$21.7 million, according to Harford.

While the X was the star of this show, it might soon be the second or even third fastest in the world. Cessna is building the Citation Ten and Gulfstream, a competitor, is flight testing the G650. Both companies use [Rolls Royce](#) engines.

Read more: <http://www.ctpost.com/default/article/Greenwich-based-Citation-hopes-business-is-taking-1359431.php#ixzz1LIEnn227>



