

DayJet air taxi lands new investors

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DELRAY BEACH — DayJet Corp., the air-taxi service that promises direct flights between small airports such as those in Boca Raton and Tallahassee, said Monday it has raised \$50 million from private investors.

Raymond James & Associates of St. Petersburg acted as DayJet's adviser in the deal and also is an investor, the company said.

However, DayJet Chief Financial Officer John Staten wouldn't identify other investors, which include eight institutions and private equity funds, plus "numerous" individuals.

The investors bought an undisclosed stake in the start-up airline, and the cash will be used for expenses such as salaries and marketing, Staten said.

DayJet had planned to begin flying last year, but now the company's first flight will take off sometime between April and June, Staten said.

He blamed the delay on Eclipse Aviation of Albuquerque, N.M., the company that's making DayJet's planes.

Richard Aboulafia, vice president at Teal Group, a research firm in Fairfax, Va., quipped that the \$50 million investment won't go far.

"That'll pay for several days of operating expenses," he said.

DayJet founder Ed Iacobucci has called his service a "TiVo for travel," a passenger-friendly service that will spare travelers the misery of switching planes in Atlanta simply to get from Boca Raton to Tallahassee or Pensacola.

"This is a utopian idea that is very unlikely to change the way Americans fly," Aboulafia said.

"You've got a fundamental disconnect. The improbably low fares depend upon the improbably high utilization rates," he added.

Other analysts, such as Ray Jaworowski, senior aerospace analyst at Forecast International in Connecticut, are more optimistic.

He expects air taxis to be successful, although he said the services face challenges such as getting insurance and finding trained pilots.

"Provided those hurdles are overcome, we do see a bright future for air taxis," Jaworowski said.