



PICTURED: AVOLUS'S  
CHIEF EXECUTIVE  
AND CO-FOUNDER,  
JUSTINE ANGELLI

# FLIGHTS OF FANCY

Travel business Avolos is setting its sights sky-high despite the economic downturn. **Alicia Buller** reports

**A**volos specialises in providing private jets, helicopters, yachts and chauffeured cars worldwide. You'd imagine business has been low velocity in these frugal times. Not so, according to the firm's chief executive and co-founder, Justine Angelli.

"The super-rich are still flying privately; they just don't want people to know about it," she says.

"It's called stealth wealth. People are still splashing out – but they'll just fly slightly less often. And they'll buy five pairs of Jimmy Choo shoes a month, perhaps, instead of 10."

Angelli adds that once you've tasted the high life it's very difficult to go back; a sentiment that stands her premium travel business in good stead, particularly during a global financial crisis. The Middle Eastern taste for luxury is one of the most insatiable in the world, she says.

"I'm being very aggressive about the Middle East. I am going to buy distressed assets and expand," she says.

Avolos is eyeing expansion in Dubai and throughout the Middle East, the US "at a later date" and the UK, where it has begun strengthening its aircraft sales and acquisition business.

"Around 20 per cent of our business is in the Middle East and we are looking to increase that," she says. "Around 50 per cent of our sales and acquisitions of private jets are in the Middle East – especially the larger planes."

The plans come as the global business jet market has declined by roughly 20 per cent in the Gulf because of the economic slowdown, although the local market has fared better than those in Europe and North America.

"The Russians, along with the Middle East, are our biggest jet markets. We only started in Dubai a year ago, so we started in the dirtiest time and we haven't seen the high point yet," says Angelli.

"But I believe in the Middle East, Dubai has got the right credentials, it will get back on its feet and be stronger than ever." **>>**



Angelli set up Avolus (from the Latin *volare*, meaning “to fly”) with partner Alexis Grabar in 2005. Together they spotted a gap in the market: customers wanting luxury travel for speed as much as convenience.

Initially they planned a network of limousines covering Europe for older passengers who were travelling by jet and needed a car at each end. But unexpectedly the first calls they received from customers were for private jets, so they rapidly changed the concept and decided to offer an integrated service of limousines, helicopters, jets and yachts.

Since then the company has witnessed exponential growth. “When we sold our first flight for £6,000, I thought it was a miracle. Back then, I thought someone with a disposable income of a quarter of a million [pounds] was doing well. Now, I probably won’t do business with you unless you have more than a billion,” Angelli told the UK’s *Daily Telegraph* newspaper last year.

Today Angelli has lost none of her *tour de force* attitude and says that, due to the cash-rich nature of Avolus, she is out to make the most of the recession using two tactics: the “slow burn” and the “fast burn”.

The former is a strategy of building new terminals and expanding access, particularly in eastern Europe, where Avolus is building a US\$16.9m VIP terminal in Bucharest’s Banaesa airport. The fast-burn approach, she says, involves buying all the distressed assets she can get her hands on, with help from “a new investor”.

“We’re buying four new aircraft. We’re also evolving our fleet, and adding staff,” she says. “And I’m interested in buying up distressed assets: yacht brokers, aircraft

leasing companies, financial instruments, anything in the luxury sector,” she says in the same tone as if she were reading out a Spinneys shopping list.

Angelli insists that anyone who is cash-rich right now is in a great position to expand their business. “My marketing spend is the same, but adverts are cheaper – so I can expand my brand for half the cost.”

According to Angelli, firms in the region are yet to clock on to the fact that Avolus is the only company that provides the full gamut of travel services: jets, helicopters, yachts and cars. She also claims that clients are still going straight to operators, due to habit or loyalties, when it’s possible to get a cheaper price through her firm.

But Angelli won’t be giving up her focus on the Middle East market after committing to the region last year and launching a Dubai office. “The UAE is hungry for growth, ideas and progress,” she says. “Even amid the national debt, they can’t hide or get away from the hunger – it will resurface and come to life again.”

**“I’M INTERESTED IN BUYING UP DISTRESSED ASSETS, ANYTHING IN THE LUXURY SECTOR, SHE SAYS, MUCH LIKE SHE IS READING OFF A SPINNEYS SHOPPING LIST”**

The CEO claims, too, that she has already spotted signs of life in the aviation industry, with a glut of orders in the past few weeks. She attributes part of this upturn to the fact that there are now fewer operators in the market and so those companies that still stand are mopping up the excess demand.

But a bigger indicator of health in the private aviation market lies in the sales and acquisitions market, she says. The market was full of sellers a few months ago, but now the buyers are returning in their droves.

“The biggest losers are those who bought private jets a year ago. Twenty per cent of the private jets in the market are now up for sale,” she says. “They would have paid a silly premium two years ago to get the exact spec they wanted. But now is a fabulous time to buy a private jet.”

But even if the recession is lifting, the Middle East market throws up its own challenges, she admits. The biggest obstacle to cracking the region lies in its closed people networks and local systems.

“Everything happens through my best friend’s dog,” she says, “so my biggest challenge now is to become their new best friend.” ●