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INTERVIEW

The Jet Business ; Managing clients' expectations

The Jet Business located on London's Park Lane, is the world's first and only street-level corporate aviation showroom for the marketing and acquisition of business aviation aircraft. As the world is slowly coming out of confinement, everyone in the industry keeps wondering what the «*new normal*» might be post Covid-19. Founder and President of The Jet Business, Steve Varsano voices his thoughts while we're «*navigating through this crazy and surreal environment.*»

By Sylvie Peron
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How is The Jet Business functioning during the quarantine?

I personally have been in the showroom every day. My team has been abiding by the stay at home work rules. Most all of my competitors are normally working like this, so it probably changes their day-to-day operations as much as ours. I believe that having the team together on the trading floor multiplies the flow of information to each team member. Now we are forced to adapt to the temporary rule changes, which I am sure hurt our productivity.

What is the impact on your business?

The quarantine doesn't only hurt the scheduled and unscheduled walk-ins to our showroom, but it also prevents us from showing aircraft, reviewing books and records or scheduling pre-buys. Since almost all our business is cross border and there are significant border crossing restrictions when you get out of the U.S., it puts a number of transactions on pause awaiting for the restrictions to be lifted.

BizAv has been through many crises before. The current crisis has a global impact, how are you adapting to the situation?

It is what it is. As they say, this too will pass. It is about keeping in touch with our client base and using this downtime to building more phone relationships as our clients and potential clients have more time on their hands and are more willing to speak than under normal very busy business as usual periods.

What was the situation on the pre-owned market before the pandemic?

The market was in a very good position. Deal flow was very good and the prices were fairly stable. The OEMs were delivering a steady flow of new aircraft models which kept their buyers feeding the pre-owned market with a good flow of pre-owned aircraft to pick from, but definitely not growing the supply too quickly to force prices down before the best aircraft being absorbed.

How do you perceive the 'New Normal' will be like?

I honestly don't think there will be a new normal. Our market has always had ups and downs and a lot of the professionals in the pre-owned market have been there a long time and are used to adapting to a changing market. It really is all about managing your clients' expectations and not just agreeing with everything they say. When they are wrong, they need to be told. If they are real buyers and not just testosterone filled tire kickers, they will listen. On the other side, those people in our business screaming the 'Chicken Little cry' that the sky is falling aren't doing their clients, the industry or their peers any good.

Is now a good time to buy an aircraft?

If you need an aircraft that is always a good time to buy one. You shouldn't be buying because you can get a good deal if you don't have the need. However, the choices of aircraft that are available are so much more abundant than it was 10 years ago, you can spend a lot less money to buy an aircraft that does so much more. This is not necessarily or only because prices have dropped, but more so because there have been so many more models introduced in to the market and fed in to the global fleet giving more choices for less money that do what buyers need.

How do you prepare for the post-crisis back-to-business as usual mode?

We have nothing to do to prepare. As soon as the owners and potential buyers are able to have hotels, restaurants, factories, maintenance shops, etc. open, they will start flying more and we just continue to do what we always have been doing. There is no magic to working harder. Most of us live for that.

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