



## The Meter's Running

**Janice Wood**

1/5/2006

There's a lot of talk about the future of air taxi operations.

But the future is now at the Greenville Downtown Airport (GMU) in Greenville, S.C. That's where Smart Air Travel Solutions, or SATSair, is headquartered. Operated by Rhino Aviation, a 20-year-old charter business, the air taxi operation has taken off since its inception in late 2004. Flying a fleet of Cirrus SR-22s, SATSair has been such a success that it caught the attention of Cirrus co-founders, Alan and Dale Klapmeier. Negotiations are underway for SATSair to become a wholly owned subsidiary of Cirrus. The deal is expected to close sometime this month.

"The market is gigantic," said Alan Klapmeier when announcing the deal at AOPA Expo last November. "This is an unbelievable opportunity."

Steve Harvey and Tim McConnell, the men behind SATSair, agree.

"There is enormous market potential," said Harvey, a military and test pilot who's worked for some big names in GA, including Beech and Piaggio America. "There is a lot of pent-up demand."

It all started for Harvey with his association with NASA's Advanced General Aviation Transportation Experiments (AGATE) consortium, formed in 1994 to create a personal transportation aircraft. That evolved into the Small Aircraft Transportation System (SATS), which is an alternative to short-range automotive trips. Then a few years ago, he bought a Cirrus SR-22. "I operated it for six months, analyzing the costs to see if this was the right plane to kick it all off," he said.

That's when he met McConnell, who was also intrigued by the concept. The two decided to go into business together. Harvey is in charge of business operations and development, while McConnell runs the operations.

So how does air taxi differ from charter? The customer pays only for occupied hours. If you're in Charleston and need to go to Raleigh for a business meeting, the Cirrus will meet you at an airport convenient to you and fly you to Raleigh. You pay for the taxi time and time in the air, determined by the Hobbs meter. When you're ready to fly home, a plane will meet you in Raleigh and return you to Charleston. If you're really pressed for time, you can ask the plane to wait, but it will cost \$70 an hour.

SATSair sells blocks of time to customers, with a 10-hour package costing about \$4,500.

"That gives people the ability to fly with us and get to know the airplane and us," Hanvey said.

So far virtually every customer has bought more time, he added. Many buy the 50-hour block, which is \$19,750. When a company flies more than one employee, the savings add up, as the cost stays the same.

The company's service area includes much of the eastern part of the U.S. and continues to expand. Ideal missions for SATSair are those below 300 nautical miles, Hanvey noted.

But the market exists for longer missions and Hanvey and McConnell realize this. While continuing to add Cirrus aircraft to the fleet, they also are considering jets. "We just don't know which one," Hanvey said. "It could be the Mustang, Adam or the Eclipse or something else."

Hanvey doesn't worry about the new Very Light Jets (VLJs) encroaching on his business. In fact, he's thankful for them. "Eclipse, Dayjet and Pogo opened up a door that was not previously there," he said. "It gave visibility that we all can use."

Most air taxi customers are people who know little to nothing about GA. Many are business executives frustrated by airline travel and onerous security regulations. "This is expanding GA to a segment of the population who haven't used it before," Klapmeier said. "Think about the number of people who drive who can afford and would choose to get there by small aircraft, if the system was in place."

Some GA pilots use SATSair as a backup, in case there's a problem with their planes or they are uncomfortable making a flight on their own because of weather or other conditions, Hanvey noted.

The company has about 20 pilots on staff. Minimum time is 1,200 hours, but the ideal candidate is ATP qualified. McConnell, who is the check airman, also requires a standardization check, so that all pilots fly exactly the same way, down to leaving the flaps and radios in given positions at the end of each flight. This standardization is also important for customers. "It helps them feel more comfortable," Hanvey said.

Equally important to flying skill is the ability to interact with customers. No separation with a cockpit door in a Cirrus 22, with the passengers sitting close enough to see the panel and everything the pilot is doing.

Many customers, once they see how easy it is to fly the Cirrus, ask for referrals to Cirrus's sales department. "There's a lot of talk about buying one, but most opt to continue to fly with us and let us do the work," Hanvey noted.

As the air taxi concept grows and introduces more people to GA, there will be an added benefit for all GA, according to Klapmeier. "We will go into a lot of small airports that charters don't go into," he noted. "This should help us see a resurgence of those airports."

When the deal between Cirrus and SATSair closes, folks at GMU won't see much of a difference. "Tim and I will run the business," Hanvey said. "It will be the same company."

We'll just have the backing and support of Cirrus."

Well, there will be one change: More SR-22s parked on the ramp. The company now has 13 and plans to pick up a few more this month. While Harvey predicted at AOPA Expo that the company would have a fleet of more than 100 aircraft in the next year, he's more circumspect today. "We'd like to have a whole lot more planes," he said, "but we have a minimum threshold plan. Our customers coach us on how best to do this. As they increase their usage, we'll increase our fleet.

"We want to succeed in growing our business," he continued. "A lot gets touted in the media about so and so ordering 1,000 airplanes. I would rather see a headline that reads 'air taxi concept proven, business continues to grow.'"

<http://www.SATSair.com>

<http://www.CirrusDesign.com>

Reprinted with permission.

The Southern Aviator

<http://www.southern-aviator.com>