

NetJets' Latest Wings

By Mark Huber

BILL JOHNSON IS THE FIRST PERSON TO OWN THE LONG-RANGE BOMBARDIER Challenger 650, a new private jet that critics are praising for its 4,000 nautical-mile range, good operating economics, and comfortable 7-foot-11-inch-wide cabin. The Challenger 650 is exceptionally plush, and how Johnson bagged the first model off the production line is a story worth telling.

Johnson, 66, is the respected brand builder who ran H.J. Heinz for 15 years, until 2013, when the food company was bought for \$28 billion by Warren Buffett's **Berkshire Hathaway** (ticker: BRK.A) and 3G Capital. Johnson promptly retired—his shares were worth more than \$100 million—and suddenly he had time on his hands.



The 650's 7-foot-11-inch width gives ample room for the grandchildren and the dogs.

Not a comfortable feeling. Johnson's father, Bill "Tiger" Johnson, played in the NFL and later went on to coach the Cincinnati Bengals; he also instilled a fiercely competitive nature in his son. So, after retiring, the hard-charging Johnson joined some corporate boards, got into private equity, and began riding commercial airlines in pursuit of his various freelance gigs. It was a shock. While at Heinz, Johnson had moved around effortlessly on a fleet of corporate Gulfstreams, and he hadn't been on a commercial jet post-9/11. Like the rest of us, he didn't love the experience. "I turned to my wife in the security line and said, 'Do I really need to take off my shoes?'"

Soon afterward, Johnson was on the phone to NetJets, the fractional-share company, also owned by Buffett, signing up for a one-eighth share in a new Bombardier Challenger 650. On Nov. 14, Johnson became the first customer to get the new airplane. Alas, NetJets isn't big on transparent pricing and wouldn't reveal to *Penta* how much it charges for a fractional share in the Challenger 650, nor its related charges for the airplane's running costs. But we can give you an idea: The Challenger 650 costs \$32.35 million, with direct hourly operating costs coming in at \$3,384.82, according to jet-research firm Conklin & de Decker.

"I love the Challenger for one simple reason—it's wide," Johnson says. "I have five grandkids, and my wife, Susie, and I can ferry them back and forth from our homes in Pittsburgh and Naples [Fla.]. We can see them more often, and we can bring the dogs; it's great. My wife is a dog person, and we have two Cotons." He pauses. "I think they were as expensive as NetJets."

To get a new, proprietary 650, NetJets worked with Bombardier to fashion a Signature Series interior uniquely available to its clients. Take the seats. NetJets specified a custom seat-foam density that gives more cushion in the seat bottom. The lavatory is 1.7 feet wider, yielding enough space to use it as a functional

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changing room. The cabinetry is more thoughtful, too, with more storage room for personal items. The reconfigured galley has an added four-compartment, temperature-controlled beverage chiller.

There is also a large convection oven, espresso machine, and coffee maker. The forward wardrobe

has veneered doors instead of the typical curtain, and the drawers and inserts have more space. There also is more and smarter technology. An on-board server wirelessly streams TV, movies, news, weather, and flight information to passengers' electronic devices. All of this new structure and tech is wrapped in a unique combination of fabrics, finishes, colors, and materials—things like West African Makore wood veneer and ostrich-pattern leather, satin-nickel plating, and hand-tufted carpets.

Johnson hasn't been on any trips with NetJets that we would consider long—yet. There was one from Florida to California, and he's thinking of going to Europe next summer and maybe the Caribbean—"because we can fit the whole family on the plane."

One trip, however, already sticks in his mind. "We flew with our 6-year-old granddaughter and 4-year-old grandson from Naples to Pittsburgh, and it was their first time on a private plane. We had our dogs with us, and the flight attendant was fantastic and kept the kids occupied for the most part, but my grandson kept running up to the cockpit. I kept thinking, 'Don't do that, don't do that.' But the pilots couldn't have been better. When we got off the plane, my grandson said, 'Poppa, what do I have to do to be a NetJets guy?'"

Which suggests to us that NetJets is itself pretty good at the brand-building business, and its uniquely luxurious Challenger 650 interior is part of that greater effort. ■

MARK HUBER reviews aircraft for Business Jet Traveler.

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If you are still not convinced this is the right time to buy a second home in London, sit tight because the fallout coming from recent tax increases—hitting particularly hard wealthy foreigners buying expensive U.K. properties—might not have run its course. It could be that the 5.5% fall in Central London housing prices this past year, for properties worth more than £5 million, is just the start of an overdue correction that could spill over to the bottom end of the market.

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