

Major European airlines are expanding private jet capacity to compete against charter companies and retain first-class passengers. Lufthansa is acquiring two CJ3s and two XLS+ adding to a previous order for four of the CJ1+. Scheduled for delivery between March 2008 and mid-2009 they will operate in the Lufthansa private jet fleet which provides point-to-point flights among 1,000 destinations in Europe and Russia. But the target is to have a total of nine corporate jets operating within one year.

KLM, the Dutch subsidiary of Air France-KLM has investigated the potential for a VLJ service. It is among several other airlines that have considered the benefit of a private charter arm. And JetAlliance, the Vienna-based charter operator, reports rising demand for the services of Austrian Business Jet, its private jet service connecting clients' chosen journey starting points to Austrian Airlines' intercontinental flights.

Lufthansa says the private jet service offers Lufthansa and Swiss long-haul flights exclusive, seamless travel to onward regional airports. Analysts say that there is an established trend for companies to commit resources to the high-end of the market - in partnership or on their own account. Goodwood Travel, for example, which ceased trading after the retirement of Concorde in 2003, will now use Twinjet's 34-seat A319, for high-end tourism connoisseurs prepared to pay £14,950 per person.

Raphael Bejar, Airsavings' ceo comments: "Lufthansa is continuing its strategy of catering to exclusive clientele that desire more autonomy in terms of scheduling and services. It first offered business class only trans-atlantic flights and then subcontracted Netjets to provide additional services to first class passengers arriving into Europe."

