

SUCCESS STORY

Private jets set Avolus on growth trajectory

ALEXIS GRABAR IS FASCINATED BY WHAT MAKES A COMPANY WIN. HE NOT ONLY ENJOYS RAISING MONEY FROM INVESTORS BUT IS SKILLED AT BACKING WINNERS. ONE SUCH IS HIS OWN COMPANY, AVOLUS, A LEADING PLAYER IN THE PRIVATE JET CHARTERING AND ACQUISITION SECTOR

W ealthy people are prepared to pay large sums for companies that will take the pain out of global travel. That is the simple truth that Alexis Grabar and his company Avolus have found profitable. By taking a limousine to the airport and a private plane or helicopter, whichever is more appropriate, and



Alexis Grabar, fascinated by what makes a company win

then another limousine at the other end, or perhaps a yacht to the ultimate destination, very high net worth individuals and senior businessmen will arrive at meetings in better shape, or be able to indulge their expensive fantasies. Avolus measures its success, in part, by the wealth of the people on its books, and Mr Grabar is proud to report that the company has five billionaires (out of a global universe of 1200) and 40 multi-millionaires on its books. He is too discreet to name any of them.

The tastes of his clients are extremely diverse. So while some will simply want to make a transatlantic crossing in a private jet in comfort, another, in this case a Russian, was prepared to pay 350,000€ for a 'huge flight' between Moscow and the Antarctic. This enabled the oligarch to celebrate his birthday with his friends. In fact, the company's average transaction is only 25,000€.

Although Mr Grabar says he does not accompany the client on every journey, it is no wonder that he and his team are constantly on the move. 'My team and I need to be on the planes, at the airports. This personal touch is the key aspect of our business. It is very important.' He says that 70% of the business is obtained from referral. So the element of customer care cannot be overstressed.

The hiring of private jets works in three ways. First, the planes can be chartered for single journeys; second, the client can buy blocks of hours; thirdly, the client can buy an aircraft. 'We call this business the Avolus jet ladder, because we follow the need of the client. Clients may not know a lot about aviation, but we take them on a learning curve. We have had a lot of people using private jets for the first time. We grew the business on

the basis that private aviation was something new.'

Clients who want planes for around ten flights are advised to buy a block of hours, ranging between 10 hours and a hundred hours. This is a more economical way of using a very expensive item. The frequent high net worth flyer, who needs to fly upwards of 400 hours a year, is likely to be advised to acquire his own aircraft and Mr Grabar says he buys or sells some five helicopters or planes a year. Avolus is also a significant player in the European market for aircraft hours that includes major players like NetJets.

The company was founded out of a small unit near Battersea heliport, by Mr Grabar in 2004. It has grown by some 100% a year over most years since then, and today has some 450 clients. Of these 40% are high net worth individuals, 40% are companies and the remainder tour operators. This is a diverse spread which gives him access to the growing body of oligarchs in Russia, Europe and the Middle East. Mr Grabar has particularly good access to Russia's wealthy elite as he has a part-Russian background and speaks Russian fluently: in fact, 20% of his clients are Russian and represent an important part of Avolus's revenue.

Alexis cites one of his key skills as raising money from investors. 'I love fundraising. I think it is fun,' he says. So perhaps one should not be surprised that his list of investors (and past investors) is star studded. It includes most notably, James Caan, one of the Dragons in the television programme Dragons Den who was looking to buy a plane, but bought shares instead.

Alexis Grabar's capacity to attract large sums of money from wealthy high-flyers to fund his concerns is impressive. It goes hand in hand with his interest in supporting business ideas and turning them into profitable concerns. Alexis' consulting and capital company Aviamedia Tech (a blend of aviation, media and technology) has served as an incubator for many small businesses, a number of which Mr Grabar has sold on. He speaks with passion about the cultural differences of the international venture capital sector, saying that 'New ideas are always welcome in England. This is contrary to the perception in France. Many people have trusted us and given us the funding and the early growth of their business.' Mr Grabar was also instrumental in the financing of the French magazine Zurban. He recalls, 'I put together a team to do the exit strategy of a magazine in France called Zurban. Zurban was the Timeout of Paris, quite a successful one, with 90 people. It was backed by private equity money and sold to the Lagardère Group. I helped with a team of five students from HEC MBA in Paris to put the exit strategy together. So that was quite cool, and it was my



Flying high, Avolus

first successful entrepreneurial business.'

In fact, Alexis Grabar, who is just 41, has had his own meteoric career in industry whose common thread is aircraft. His first employer Aerospatiale sent him when he was still in his early twenties and a recent graduate from the Grenoble school of Management, to Russia. He says, 'I was based in Moscow with the mission of trying to put together a Franco-Russian helicopter called Mil38. I was sent a bit as the forefront of French aerospace industry to understand how we could interact with the Russians. We created a joint venture in Moscow, and through my hard work and my trying to understand the Russians, we signed agreements with them.' He recalls that at the time, 'Russia was totally upside down, I met people who would become oligarchs. But at that stage they had not made their wealth.' He would later call on these contacts to assist him launch Avolus.

He subsequently joined Airbus as a regional sales director, the youngest ever appointed. His first market was Tunisia, his second, Eastern Europe. His work timetable was breath-taking. 'I was flying around, three destinations a week. I was on a plane 250 days in a year. But in three years I did 3 billion€ worth of contracts. I sold about 150 Airbus aircrafts. These were fascinating years. I would meet the French, British and German ambassadors, I was turning round struggling airlines,' however he declined a promotion to vice president rank. 'I wanted to take a new challenge.'

This was the cue for Mr Grabar to quit the corporate world and explore entrepreneurship. His MBA from HEC Paris and his Mid Career Master from the Fletcher School of Law and Diplomacy on the American East Coast put him in touch with energetic US entrepreneurs, an experience enhanced by his short stay at Marquis Jet Europe, which was later acquired by the industry leader NetJet Europe. The stage was set for the launch of Mr Grabar's own baby, Avolus. He remains at the cockpit and flying high. ■ NK