

Would you buy a £34 million jet from Steve Varsano?

Steve Varsano's customers used to be in their seventies. Now they're more likely to be under 40. The man who flogs billionaires the ultimate status symbol tells Ben Machell about his new, young clients, and how his first deal ended with a gun at his head

Ben Machell

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Steve Varsano, 61, in his showroom in London
ANDREW WOFFINDEN/CAMERA PRESS



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Imagine, for a moment, that you are rich. Really rich. You want to buy a jet. A big jet. A jet that can whisk you and your entourage wherever you wish in style and comfort, cutting through the sky like an arrow, its low engine hum barely audible beneath the clink and fizz of champagne glasses being refilled at 40,000ft. You have a budget - £30 million, £40 million, £50 million - and, just to reiterate, you really want a jet. Of course

you do.

If there's one thing I can tell you about jets, it's that once you start imagining what it would be like to own one - waiting for you on the tarmac, gleaming in the sun, freshly fuelled and utterly at your disposal - it does not take long before the idea starts to haunt you. I cannot afford a jet but, nevertheless, for the past week or so my thoughts keep returning to the possibility, and I've been repeating the names of makes and models in my head like a litany: a Falcon 7X. A Gulfstream G650. A Challenger 850. A Global 6000. And so on. And so forth.

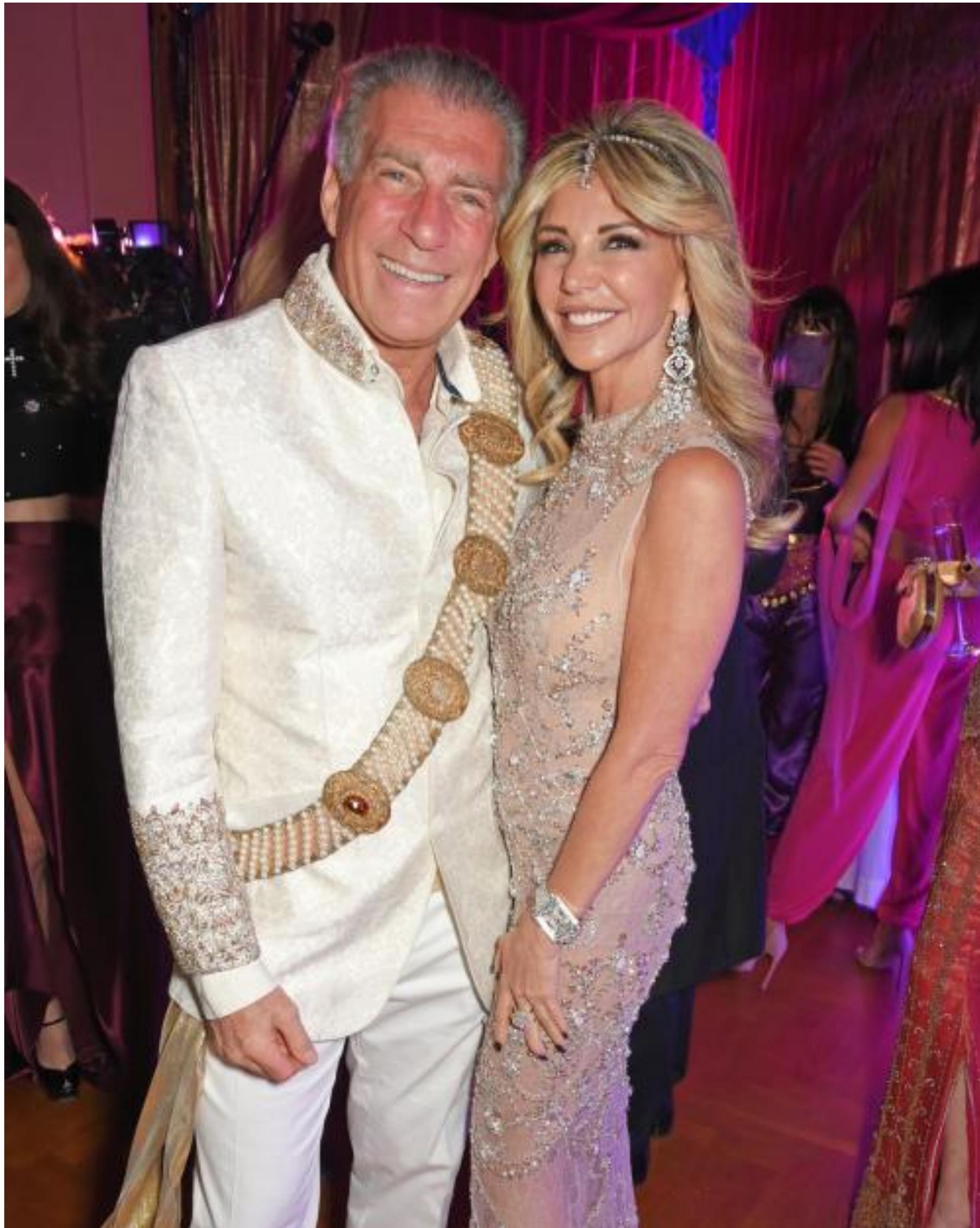
But you? You can afford a jet. And you want one. So where do you go? This is a bit of a trick question. Because, while there are plenty of brokers and dealers you can call and speak to about making your dreams a reality, there is only one place in the world where you can just walk in off the street.

It's called the Jet Business, and it's in London, on Park Lane, right next to the Hilton, opposite Hyde Park. It's hard to miss. There is, displayed in the long, elevated front window, a large section of an Airbus A319 fuselage. Literally, a slice of luxury jet, for anyone passing by to see. If you crane your neck, you can peek at the plane's interior, which, bathed in soft light, exudes a quietly confident ritz: comfortable cream leather sofas, velvety grey carpeting, art deco touches in black and silver. There's a glass-fronted drinks cabinet. A backgammon set on a low coffee table. A heavy cream swivel chair, like something from the command deck of the Starship Enterprise.

The super-rich individuals who cruise up and down Park Lane in their Bentleys or Ferraris pass this window display day after day. And finally, perhaps after a week, or a month, or a year, they snap. And they pull over. And they walk in. Because they want to buy a jet.

They will be met by Steve Varsano, a tall, broad 61-year-old from New Jersey. He has been selling jets for almost 40 years. In that time, he calculates he has shifted at least 300 aircraft, which represents something like \$4 billion worth of sales, although he says both these figures are conservative estimates. "You stop counting after a while," he says, almost a little bashfully. Varsano has a rich, sonorous voice, a deep tan and strong, handsome features, not least a strong, handsome nose. He wears a navy pinstripe Ozwald Boateng suit and brown loafers. He could be a Roman senator or a

retired baseball star or a Rat Pack crooner (he gets that last comparison a lot). In fact, when he was “24, maybe 25”, he sold Frank Sinatra a Learjet, an experience that was “beyond surreal, like a dream”.



Around this time, Varsano had produced a load of T-shirts bearing the slogan “Happy Holidays, Happy New Year, stop apologizing for your success, buy a jet!”. He would hand them out to friends and clients. “I still have some in my office,” he says. “I’m happy to give you one.”

The bulk of Varsano’s professional life has been spent among the highest stratum of the super, super, super-rich. No one knows the private aviation industry – and the customers who power it – better than he does. During our time together, his phone hardly stops vibrating. “People are always emailing me, whatsapping me,” he says. “I’m always on the phone, because successful, powerful people want instantaneous responses. And if they don’t get it, they move to somebody else. You don’t want to lose that moment of opportunity.”

We sit together inside the slice of Airbus A319. Varsano takes the *Star Trek* swivel chair, I take a sofa. An assistant brings bowls of nibbles and drinks. Through the window, I spot a green Lamborghini inching through the traffic. Varsano’s job is essentially that of a broker. He keeps records of all the private and commercial jets coming on to the market – there are only about 7,000 genuine luxury jets in the world – and records of the individuals or organisations that own them.

When somebody wants to buy or sell a plane, Varsano calls his contacts. This is what most jet brokers do. But, unlike most brokers – unlike any broker – he has physical premises where customers can come. There are few places in the world where attracting passing customers can lead to the purchase of a £50 million asset. But Park Lane is one of them. “That’s why we’re here,” says Varsano. “We want people to walk in.”

What, and just buy a plane?

“Well, nobody just walks in and says, ‘I want to buy a plane. What do you have? I’ll take it now,’ ” he says. “The principle behind this concept is to get face to face with more people than we would do if we just had an office block. Here, we find people we would never have met. People we don’t know exist.”

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On the plane, the man held a pistol to Varsano's head and said, 'No, we're going to Venezuela'

Since opening the Jet Business on Park Lane four years ago, almost 120 billionaires – not millionaires or multimillionaires, but genuine billionaires – have been through his doors to discuss their aeronautical needs. Varsano's "showroom" is a gigantic wall of high-definition screens. Onto this wall, he can project a scale floor plan of almost any jet on the market, so potential customers can see how much space they might get for their money. He can also project cross-sections of jets, and he encourages his guests to walk up to the screen and check how much head space it would give them.

Then, at the touch of another button, he will make a huge map of the world appear, so customers can compare the ranges of different jets. Perhaps they need to get from London to New York nonstop once a week. But what if they also want the option of occasionally nipping to Abu Dhabi? What are your options then? And then what of running costs?

Some jets set you back £1 million a year to run. Do you want that hassle? Or do you want something a little more economical? These are the questions that Varsano, sitting beside you, looking at the screen, invites you to consider. For 15 minutes, we pretend I have £30 million to spend, and I genuinely agonise. I tell him I want to be able to take my family to America to visit my sister, who lives in Washington DC. I think I want a Gulfstream G450. Varsano gently points to the £1.7 million annual costs.

"You're getting a big plane, but do you really need it? It might be overkill," he says. I chew my fingers. In the end, I decide on a Falcon 7X, which is slightly smaller, but cheaper to run and has a longer range. We see what's available and find a relatively new model on sale for £22 million. I'm happy with it, and Varsano is happy that I'm happy. "You can fly that right out of London City airport and go straight to Washington DC. See? You're done."

But before any potential customer gets to this stage, before they enter, there is a wait of about two minutes in a separate reception area. During this time, one of Varsano's employees runs a quick background check, even if it's just googling their name. "If he's looking to buy an aeroplane, there will be something on him," says Varsano. "We try to

learn a little bit about him, just so we're not going in blind.”

Does he ever get timewasters, people who clearly can't stretch to, for example, £40 million to buy a three-year-old Gulfstream G650, which can fly 8 passengers 7,000 nautical miles at a cruising speed of Mach 0.85? “It happens rarely, but it does happen,” says Varsano, flashing a white but warm and sympathetic smile. “Occasionally, we do get someone who is a ... a good dreamer. But it doesn't take long to see they're not able to do it. But that's OK. It's part of the reality of having something like this.” In other words, when you're selling a dream, you will attract dreamers. “I'd rather have the few people come in who are timewasters than have nobody come in at all.”

Varsano grew up in working-class New Jersey. “I was brought up in a very rough neighbourhood,” he says. “It wasn't Mayfair.” His mother raised four children on her own, always doing at least two jobs. And from a young age, Varsano would help. “When I was seven years old, I would sweep the floor of the beauty salon where she worked,” he says. “Any time I could go out and make some extra money, I would. I'd make ice cream sodas in coffee shops. Deliver newspapers. Anything.”



Lewis Hamilton's £16.5 million jet

When Varsano was 14, he was invited for a ride in a plane. His friend's brother was having a flying lesson at a local airstrip, and there were two spare seats. "So I was sitting in the back of this little four-seater aeroplane, we took off and I just lit up," he says, miming a plug being stuck into the base of his spine, eyes bulging wide. "It triggered something in my body. You're so free when you're up in an aeroplane. Like a bird. I was 14, sweeping floors and delivering newspapers, and here I am in an aeroplane. What a luxury! I felt like I was the richest guy in the world, an elite."

Varsano began taking on extra work so he could save up for flying lessons. Within three years, he had a pilot's licence. He took "student loans up to my head" so he could attend the Embry-Riddle Aeronautical University in Florida. After graduation in 1978, he started as a lobbyist in Washington DC, working for a trade organisation that represented small aeroplane manufacturers. "It was a great job, but it paid very little," he says. So he would moonlight as a doorman at a local disco. He noticed that one of the men who came to the club wore a tie pin in the shape of a Learjet. "So I asked him what he did and he said he sold aeroplanes. He used to show me his commission cheques. After a few months, I thought, OK, I need to find out where you work. It sounds such a cool job, selling jets."

Even though he'd never sold anything in his life, Varsano convinced the company to give him a shot. "I went to the interview in the nicest suit I could find, but everybody there was in cut-off shorts and sandals and T-shirts and scruffy beards," he says. "You sell aeroplanes? How do you do it looking like that? And they said, 'We never meet our clients. Everything is done on the phone.'" Varsano looks aghast. "I remember thinking, how is that possible? How would you buy something that expensive over the telephone?" He says he resolved there and then always to do his business face to face.

It took him seven months to sell his first jet, and he took a second job waiting tables to pay the bills. "At 4pm I'm trying to sell an aeroplane for \$3 million, then at 7pm somebody's yelling at me because I didn't refill his coffee cup. It was an educational period."

Finally, he managed to sell a Westwind II jet to a company operating out of Venezuela. He remembers sitting in the jet with two men representing the company as they flew to Miami having closed the deal in North Carolina. "I felt like a king," says Varsano, leaning back, beaming. "Here I am. I'm 23. I've sold an aeroplane. A jet. Unbelievable. I've got my suit on, I'm drinking a scotch. I felt like it was a major step in my life."

Only then, the two men representing the Venezuelan company, “who were sitting closer to me than you are now”, casually informed him that they wanted to discuss their fee. Varsano was confused. Fee? What fee? They represented the buyer. Why did they need a fee? He tried to explain this, but they shook their heads. They wanted a slice of Varsano’s commission. And when he rebuffed them, they suggested, casually, that they all go down to Caracas to sort things out. “I said, ‘No, you guys are wrong. This transaction is finished. You get paid by your boss. I get paid by my boss. When we get to Miami, I’m going to Washington DC and you’re taking the plane to Venezuela.’ ”

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His customers used to be in their seventies; now it’s ‘17-year-old kids coming up with apps’

It was at this point that one of the men reached into his trousers, pulled out a pistol and aimed it at Varsano’s head. “He said, ‘No, Steve, we’re going to Venezuela and when we get our money, you go home. And if we don’t get our money, you will never be going home.’ My heart went from 35,000ft to the floor. I went from the king of the world to a little mouse. I was shaking. I didn’t know what to do. What do you do? All I started thinking was, I’m going to Venezuela and he’s going to cut me up into little pieces and send them back in a box to my mother.”

Varsano was, at this point, effectively being kidnapped. The way he describes it, the whole thing could have been scripted and directed by the Coen brothers. They landed in Miami. There was no security in the private jet terminal, so the man with the gun marched Varsano off the plane to a payphone so he could call his boss and arrange for the two Venezuelans to get paid so that he didn’t end up vanishing in Caracas. His minder was distracted for a split second and Varsano bolted. “I jump in a taxi and see the guy come running out after me,” he says. “I thought he was going to start shooting at me.” He boarded his flight back to Washington DC, making good his escape, and resolved to quit his job immediately. He laughs, still a little nervously, at the memory. “Is this what this business is about? Forget it. I want nothing to do with it.”

But he didn’t quit. He resolved to sell just one more jet. And then another. And then another. By the start of the Eighties, he was no longer doubling as a waiter. By the mid-Eighties he was driving a Ferrari with the licence plate “BUYAJET” and appearing in

Cosmopolitan as Bachelor of the Month, which he says was embarrassing. “Very embarrassing. It just came out. I couldn’t stop it.”

Today Varsano lives in London and recently acquired British citizenship. His girlfriend, Lisa Tchenguiz, is the sister of entrepreneurs Robert and Vincent Tchenguiz, who are worth a reported £850 million. “Lisa is very social, so we’re out six nights a week,” he says. “Charity events. Dinner parties. Weddings. Always something.” They like to travel, he says, and a few days later he calls me from what turns out to be a luxury hotel in the ski resort of Courchevel. Funnily enough, he doesn’t own a jet himself. Indeed, he often advises people against buying one. “If you don’t fly more than 150 to 200 hours a year, you really should not own an aeroplane,” he says, looking at me sternly, as though this were a mistake I was somehow in danger of making. “You should just rent or charter one or fly commercial or something.”

Although the birth of the private jet industry dates back to the early Sixties, with the introduction of the first Learjets, it was in the Eighties that it really boomed. It was a boom powered not by celebrities, but by corporations. For the first time, it made financial sense for businesses to operate fleets of aircraft. And Varsano is at pains to stress the utility of the aircraft he helps people acquire. “They are very important corporate tools,” he says. “They increase the efficiency and productivity of a corporate executive.” If time is the one resource that these powerful business people cannot control, then a private jet is simply a means of clawing some back. “A time machine, if you will.” This is a good line, and he knows it. Who doesn’t want a time machine?

Varsano, I think, worries that the general public are disposed to see a private jet as a luxury, a frivolity, a conspicuous plaything. It doesn’t help that many of us are now used to seeing celebrities posting Instagram shots of themselves inside such planes, or listening to rappers name-dropping the “G6”, slang for a Gulfstream G650. In reality, the cost is such that most actors or hip-hop stars are unlikely to own a jet. Certainly not the luxurious ones they pose in. “I remember seeing something that said, ‘You know you’re rich enough when you can fly on a private jet and not post a picture of it,’ ” says Varsano. “Most people who own an aeroplane don’t put photos on social media.”

To Varsano, the CEO who travels in their own jet is not some ivory tower elite. Rather, they are somebody getting stuff done, flying through the night to arrive at meetings first thing in the morning, or criss-crossing continents to keep their businesses ticking over, to strengthen the economy, to keep people in work. Donald Trump, cruising from

aerodrome rally to aerodrome rally in his \$100 million Boeing 757, adopted this image for himself during the US presidential campaign and, following his election, promptly set about offering tax breaks to jet owners.

Varsano admits that Trump has been good for business, and not just from a legislative perspective, but also from a broader cultural one. Jets, more than ever, broadcast endeavour and success. Again, think of the televised campaign rallies, where his arrival would be heralded by the roar of Trump Force One's twin jet engines. These things have an effect. "If you're waiting for someone to arrive in a jet, you're thinking, wow, this person must be really successful. Their time must be very important for them to fly here, see us, then leave and go somewhere else. So people look at them differently. They admire them more. They classify them as being more successful. People like to do business with successful people."

Over the course of his career, Varsano has seen the profile of his customers gradually morph. It's hard to think of anyone better placed to describe the changing nature of the global super-wealthy. In 1990, Varsano says that 80 per cent of the private market was in America, 19 per cent was in western Europe and the remaining 1 per cent was scattered around the rest of the world. Today, the market is larger and continues to grow: the UK-based private jet business Colibri Aircraft recently reported that 21 per cent of the pre-owned aircraft it sold in 2017 were to first-time buyers, which was almost 50 per cent higher than the previous year. The market is also spread more evenly around the globe. Part of the rationale behind opening a showroom in London was that he was having to fly to so many disparate places. "Nigeria, Ghana, China, Ukraine," he says. He admits he's had to get used to different cultural mores. "You have to adapt to different people's customs, ethics, values," he says, which I'm pretty sure is him being diplomatic.

And these days, the average age of his customers is down. Twenty years ago, it was usually a "chairman of a Fortune 1000 company", in their mid-fifties to mid-seventies. Now, thanks to Silicon Valley - "17-year-old kids coming up with apps that turn into billion-dollar businesses" - more and more people are buying jets in their thirties and forties. Again, Varsano is adapting to this. These days, he says, clients might sign a contract committing to buying a jet, but still end up reneging on the deal for no other reason than they changed their mind. They'll lose their deposit, but don't seem to care. "They take the loss and walk away," he shrugs. "That didn't used to happen."

It's time to go. The sun has set over Hyde Park and the luxury cars rolling past the window all have their dazzling headlights on. I joke about the £22 million Falcon 7X I'm going to buy and Varsano plays along. He's being polite, but he also enjoys my excitement. For all his talk about the practicality of these jets, he says he's always amazed at how blasé some of his customers can be at the prospect of buying one. Half the time, they just don't seem that fussed. He frowns. "I'm shocked that, for such an expensive asset, people don't get much more emotionally attached to it," he says.

In this moment, it's hard not to think of him at 14, taking a break from sweeping floors to sit in the back of a tiny aeroplane over New Jersey and feeling, for the first time, like a millionaire. Is he honestly never tempted to just buy a jet? He looks around and sighs. "I'm tempted," he says, smiling to himself. "Yeah, I'm tempted."

Who's who in the jet-buying set?

Gulfstream fans



Elon Musk
GETTY IMAGES



Cristiano Ronaldo
@CRISTIANO/INSTAGRAM

Sir Philip Green, the Arcadia Group chairman and multi-billionaire, owns a

Gulfstream G650ER, which he bought in 2016. Worth £46 million, it is the largest and fastest model Gulfstream produces. With a top speed of 680mph, it is capable of flying nonstop from Hong Kong to New York. According to *The Sun*, Green's wife, Tina, spent £300,000 on the interior. The G650ER is also favoured by Amazon founder **Jeff Bezos**, who is the sole member of a limited liability company that owns one such jet. Ditto his Silicon Valley peer **Elon Musk**, the billionaire behind Tesla and SpaceX, who upgraded to this model of Gulfstream two years ago, having previously owned a Dassault Falcon 900B, which costs about £30 million. The philanthropist and entertainment mogul **David Geffen** is also a G650 fan, while **Tiger Woods'** G550, which is slightly smaller but still capable of 12 hours' nonstop flight, is estimated to have cost about £35 million. **Cristiano Ronaldo's** G200 is, relatively speaking, a handy runabout. It cost a reported £13.5 million, but is capable of ferrying between 8 and 19 passengers 3,000 miles in comfort.

Bombardier gang



Beyoncé
GETTY IMAGES



Oprah Winfrey
REX SHUTTERSTOCK

In 2012, **Beyoncé** bought her husband, **Jay-Z**, a Bombardier Challenger 850, a 90ft long “super-midsize” jet, which sells for about £30 million. It has a kitchen, living room and two bathrooms. Other fans of the Canadian aerospace company include **Oprah Winfrey**, who travels in a Bombardier Global Express XRS, worth £27.6 million. “It’s great to have a private jet,” she once announced. “Anyone who tells you that having your own private jet isn’t great is lying to you.” **Bill Gates** has the same model and admits that it is his “guilty pleasure”. Last year the Paradise Papers revealed that **Lewis Hamilton** avoided paying tax on his £16.5 million bright red Bombardier Challenger 605 by creating a business through which he was able to rent his own jet to himself. **Larry Ellison**, founder of Oracle and America’s fifth richest person, has registered three Bombardiers and several Cessna jets, which he can use to fly to his Hawaiian island, Lanai. Other owners include **Ann Walton Kroenke**, the Walmart heiress, and **Steve Ballmer**, the former CEO of Microsoft.

Boeing club



Donald Trump

PA



The Sultan of Brunei

GETTY IMAGES

Before he became president, **Donald Trump** reportedly paid about £70 million for his Boeing 757. He had it converted and refurbished to accommodate 43 people. The bathroom has 24-carat gold fixtures and fittings. The 757 is not a new jet - the first one flew in 1981 and it went out of production almost 15 years ago - and Trump's can cost upwards of £7,000 an hour to operate. Even larger and more expensive is **Roman Abramovich's** Boeing 767-300. Nicknamed the Bandit, it's more than 200ft long and was acquired by the oligarch and Chelsea FC owner after Hawaiian Airlines cancelled an order in 2004. Once the cost of refitting the jet is taken into account, it is estimated the plane could have cost Abramovich up to £215 million. Other owners include **Steven Spielberg**, whose Boeing 737 is registered to the director's production company Amblin Entertainment, and **Eric Schmidt**, former executive chairman of Alphabet, the company that owns Google. Boeing 747 owners include **the Sultan of Brunei** and Saudi **Prince al-Waleed bin Talal** - although he is currently grounded on corruption charges.



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