

# BUSINESS JET TRAVELER

## Sikorsky's S-76

A gold standard for corporate helicopters |32

## Aircraft Financing

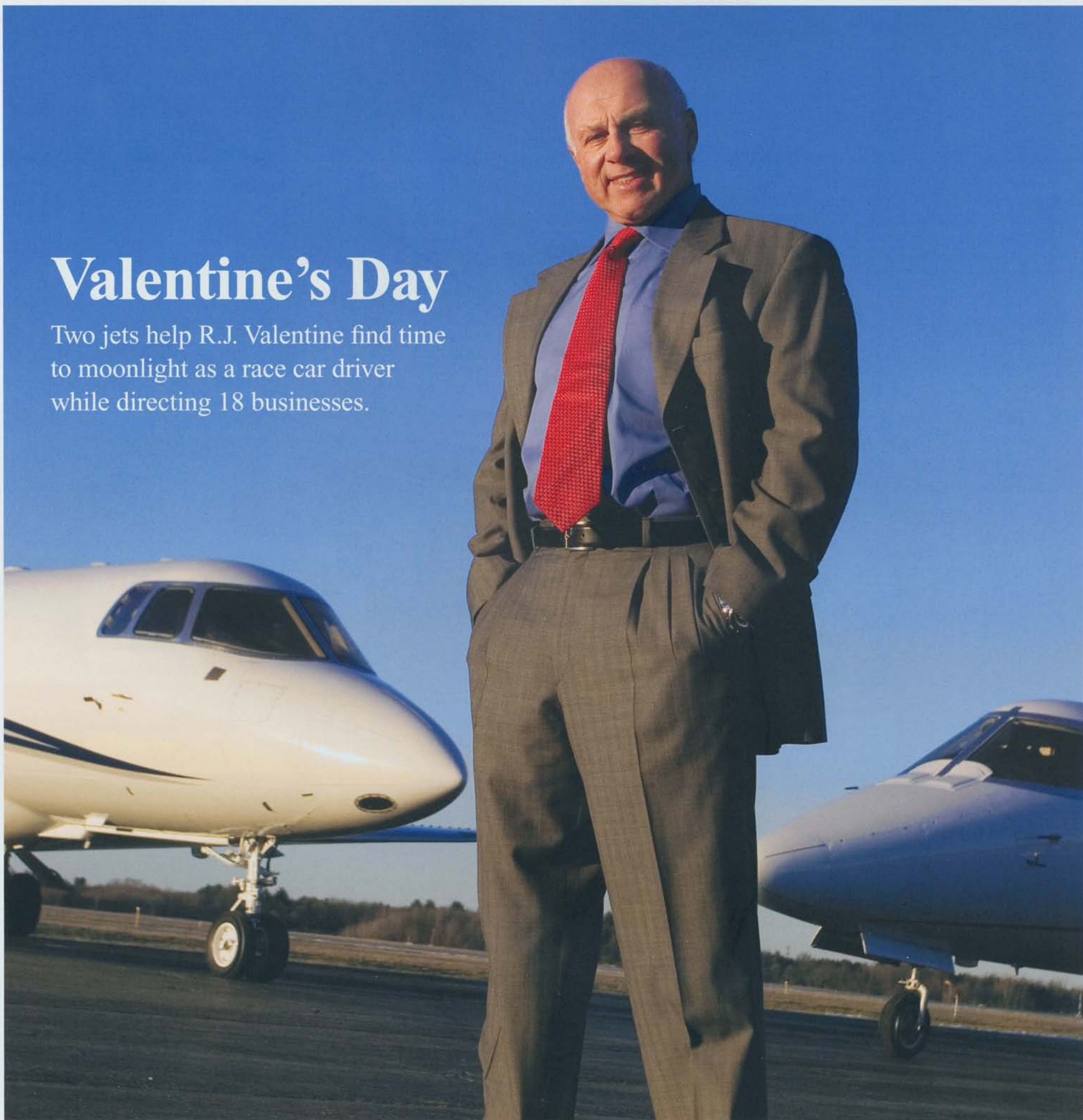
Why now's the time to lock it in |26

## Scotland's Eriska

Play lord of the manor on an idyllic isle |38

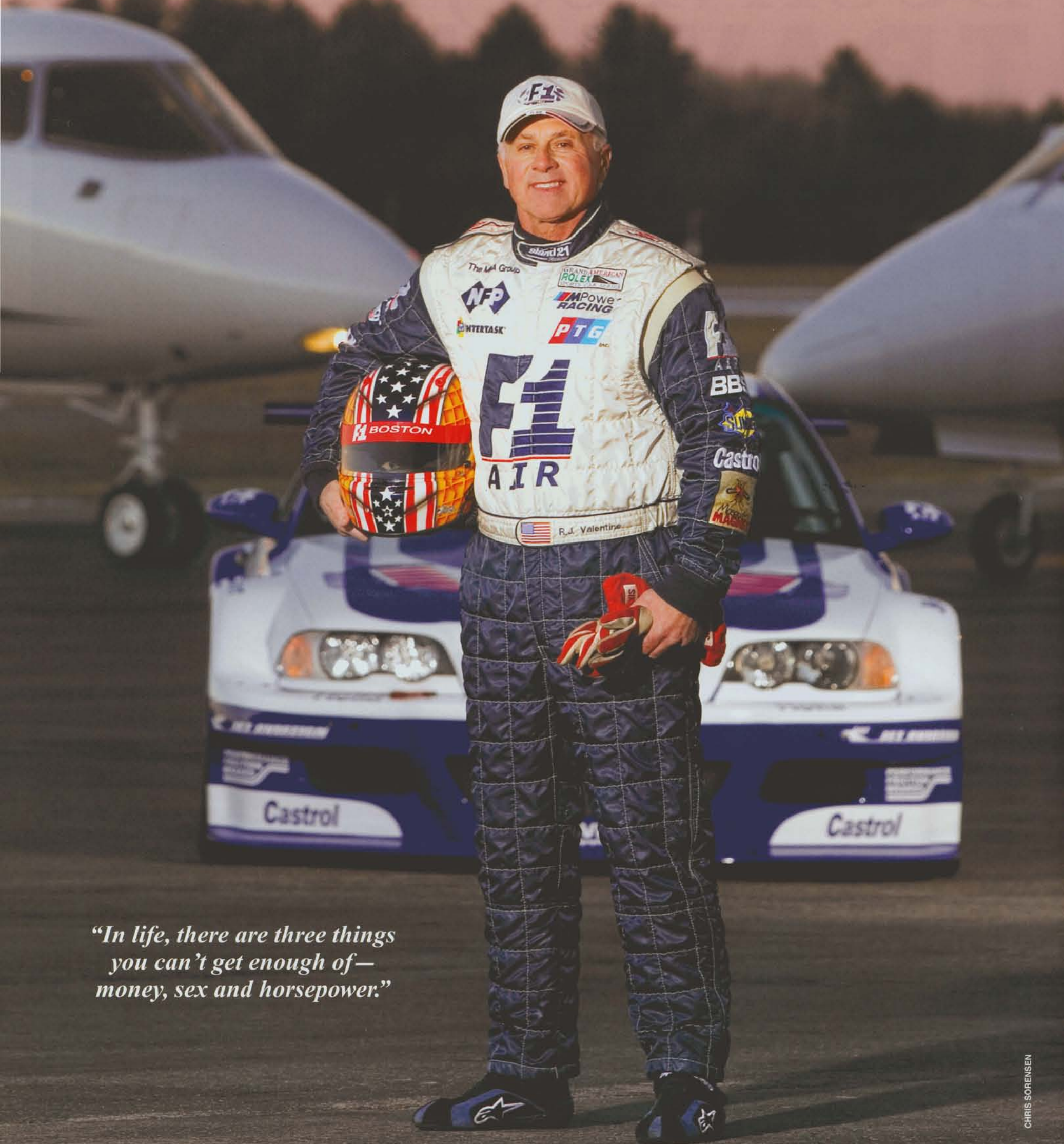
## Valentine's Day

Two jets help R.J. Valentine find time to moonlight as a race car driver while directing 18 businesses.



CHRIS SORENSEN

# Center Stage



*“In life, there are three things  
you can’t get enough of—  
money, sex and horsepower.”*

# R.J. Valentine has made his passion pay off

by Paul Lowe

*Speed thrills. For Boston-based Richard Valentine—or R.J., as he is known—those words have become both a personal and a business mantra.*

*He has synergized his love of driving high-performance race cars with his multifaceted*

*company, the Boston-area MBA Group. Top corporations use his indoor F1 Boston kart track and entertainment complex and his F1 Outdoor facility for team building and leadership development.*

*"Corporate entertaining and karting are a killer combination," said Valentine, who became enamored with racing 28 years ago when he attended his first Rolex 24 Hours of Daytona sports-car race.*

*"I'm watching the cars going up into the banking," he recalled, "and I'm saying to myself, 'Could I do this?'" Valentine stayed up for the whole 24-hour race.*

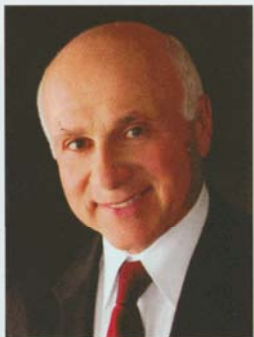
*As he and his wife were flying out of Daytona Beach, she caught him staring down at the track. "You're watching it so hard it looks like you should be doing it," he remembers her telling him. "I said, 'Boy, would I love to.' She said, 'Why don't you go buy a car?'"*

*Valentine did, and then went to a racing school. He started participating in regional race events, then national ones. In 1978, he turned professional in the International Motor Sports Association.*

*Since then, he has driven almost every type of sports car, from Chevrolet Corvettes to BMWs to purpose-built March racing cars to Chevrolet Camaros. In the past 18 months, Valentine has finished in the top three 13 times.*

*"I'm a pro," Valentine said. "But do I spend as much time in a race car as some drivers? No, because I run 18 businesses."*

*Valentine's 36-year-old MBA Group is a conglomerate that was initially formed to provide cost-effective health insurance to small businesses. Since then, it has managed companies that have gone through executive turnovers, rapid growth and downturns. It has also gained extensive experience with startups, acquisitions, joint ventures and initial public offerings.*



## When did you get involved with automobiles and racing?

I got involved with cars as a kid. My wife says, "If it doesn't leak, make noise or smell of rubber, he doesn't want anything to do with it." I've got a whole bunch of cars. I've got some specialty Porsches. I've got BMWs.

I started off driving Corvettes. Then I went to Skip Barber's Racing School in 1975. It got to the point my wife wouldn't ride in the street version of my car anymore because I had spent another \$6,000 souping it up. I was getting carried away on the streets. Then I got into [sanctioned] racing.

## What will you be driving in this year's Rolex 24 Hours Race?

A Pontiac GTO. It will be in the colors of F1 Air [a new division of Valentine's company that offers air charter services]. We do a lot of marketing through racing. I've done a lot of entertainment and closed a lot of deals at race tracks. The difference between baseball and football and racing is that you can get only three to four people to a game and you can't network. At a race, you can bring 30 or 40 people and spend time with them.

You get a customer or potential customer in that kind of an environment and the bonding is over the top. So that's been intertwined in my business for years. A lot of business is done at race tracks.

## Now you're launching F1 Air.

### How did that come about?

I'm a deal guy. After September 11, I got a feeling that all of these problems with airline travel were going to exacerbate themselves. And I said well, let's start doing this. Eddie Goldberg [his partner in F1 Air] was a senior guy at Merrill Lynch, and he and I got together because he ran the Merrill Lynch "air force."

When he got out of Merrill Lynch, he got a fractional deal, and we looked at the numbers and wondered, "How



**Richard "R.J." Valentine, CEO of F1 Boston, meets with his Learjet 60 pilots Rick David (left) and Simon Helm at Hanscom Field, outside Boston.**

would anybody in their right mind want to do this?" So I bought jet cards. Everybody said, "Don't buy an aircraft." I looked at what I was paying an hour. I said there had to be a cheaper way to fly.

## That's when you started building your own fleet.

We bought the Learjet 60 and subsequently bought the Hawker 800XP. We want to end up with six to eight aircraft and do high-quality [Part] 135 charter with Jet Aviation. We like them because they are probably as strict as they come about safety.

## And now I understand you're trying to make charter more efficient?

One of the overriding factors that I see in the charter business is that the IT side of it is in the stone ages. So we bought a company called Intertask. What we want to do is revolutionize how all the procedures work in the back room.

## Please elaborate.

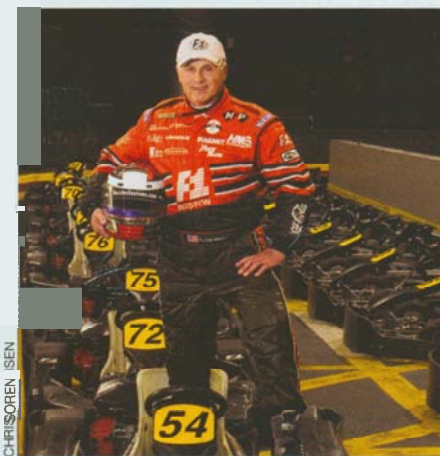
If you own a plane—in some cases, it's a six-, eight-, 10-, 12- or 50-million-dollar asset—and it's flying around and you don't know where it is. We've got software that'll show you where your plane is, where it's going, when it left, who's on the plane and what the economics are on an hourly basis.

We see a big need for that guy who owns a \$40 million aircraft. People will charter it. You've got to market it, you've got to provide an extensive business side to it, you've got to do everything that you would want to protect your asset—you don't want it being abused. So you want to have software that can control what's going on and you want to have good management people working on the airplane.

The software is called F1 Intertask and we're pretty far along on it. It shows when your plane leaves, what flight level it went up to and what restaurants and hotels are in the area.

**Valentine and his wife, Penny, arrive at Hanscom Field in Bedford, Mass.**

You can plug into the computer and say, "Hey, I'm going to Phoenix tonight, I'm going to be landing at such-and-such an FBO, it's going to take so many hours, I'm going to have dinner with some business people." And everything is set up down to the catering, the limousine service, the rental cars.



**Valentine's indoor tracks at F1 Boston give customers a taste of motor racing.**

## At what point did you acquire enough businesses to buy an airplane?

Two-and-a-half or three years ago.

## How has aircraft ownership changed life for you?

Owning your own aircraft opens up a new world. If a deal comes up, we get everybody—the attorneys, the operations guys and the marketing guys—on the plane. We are going to get a tremendous amount of business done. We take a limo and we're talking all the time. We get to the meeting, we conduct business, have dinner, get back in the plane and we're back in six or seven hours. Those are the kinds of things that owning your own aircraft gives you the advantage of doing.

Also, the perception is that not many people fly on [their own] jet aircraft. People consider you a player if you show up in a jet—whoa, this must be success. That's the perception. □

## Fast Facts

Name: Richard "R.J." Valentine

Age: 61

Aircraft owned: Learjet 60, Hawker 800XP

Occupation: Race car driver, entrepreneur