

Technology sector

Helicopter ride app Blade sets sights on India expansion

Routes from Mumbai to Pune and Shirdi included in US app's first foreign venture

SIMON MUNDY - MUMBAI

Blade, a helicopter rides app backed by a number of media moguls, is expanding to India, its first market outside the US.

Launched in 2014, Blade offers regular services in its six-seater helicopters from New York to the Hamptons and from Los Angeles to Palm Springs.

In March, Blade plans to launch operations in western India – expanding its target market to business people in the major cities of Mumbai and Pune, and wealthy pilgrims heading for the religious site of Shirdi.

Constrained by its peninsular geography, Mumbai is India's most congested city, with about 1,500 registered vehicles per kilometre of road. Blade executives said that the extent of the traffic problem made it the logical first foreign market for the company.

To gauge the potential demand for a route, “we tend to look at the ratio of the helicopter flight time to the average drive time”, said Will Heyburn, Blade's head of corporate development. “We've just never seen metrics like we've seen in India. You're talking about 40-minute helicopter rides that are replacing four- to eight-hour drives.”

As its helicopter occupancy



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rates have risen in the US, Blade has slashed its prices: the per-person rate for a five-minute flight from Manhattan to John F Kennedy airport has fallen from \$895 to \$195.

Even \$195 is more than the average monthly wage in India, and Blade's fares in the country will initially be considerably higher, admitted Rob Wiesenthal, its co-founder.

But Mr Wiesenthal said he was confident in the size of the potential market, noting growing sales of imported luxury cars despite effective tax rates on them of well over 100 per cent. Indian wealth inequality has soared as its economy accelerated over the past two decades, with Credit Suisse estimating last year that the

country had 245,000 dollar millionaires.

Blade's investors include media magnates David Zaslav of Discovery, Barry Diller of IAC, and Kenneth Lerer of BuzzFeed, as well as former Google chairman Eric Schmidt and aircraft manufacturer Airbus.

One of the company's first two routes will be the 190km between Mumbai and Shirdi, a pilgrimage site visited by millions of Hindus each year. The second will allow business travellers to escape the choked roads between Mumbai and the industrial hub of Pune, 120km to the south-east. The helicopter flight will take 39 minutes, compared with a driving time of between three and five hours.

On the latter route, Blade may eventually face competition from Richard Branson's Virgin Hyperloop One, which is seeking to build the world's first commercial hyperloop – shooting pods through a vacuum tube – between Mumbai and Pune, cutting the journey time to 25 minutes.

Blade's plans for a third route – a five-minute flight between Juhu in the north of Mumbai and Mahalaxmi in the south – have been complicated by air traffic restrictions that have pushed the flight time to 20 minutes, compared with about an hour by road.

Mr Wiesenthal said he hoped that a successful launch would help Blade overcome authorities' objections and start more direct routes within Mumbai, while expanding “over the next four years into every major city in India”.

In general, he said, Indian officials had proved enthusiastic about the possibility of making helicopter travel part of a broader effort to modernise overloaded urban infrastructure.

“There are three choices in congested cities,” he said. “You can go underground, you can make the roads wider, or you can go in the air. We're betting on the air.”