

Airship Ventures
Company Backgrounder

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The initial concept for Airship Ventures was the vision of an entrepreneurial husband/wife team, who brought their love of aviation, aerospace and airships to life to create a unique, upstart company designed to bring Zeppelin airships to the skies over America for the first time in over 70 years.

Brian and Alexandra (Alex) Hall both began life with a fascination for aviation. Brian spent summers at a family retreat in upstate New York, near an aerospace museum – Old Rhinebeck Aerodrome – featuring vintage World War I aircraft. Watching dogfights there got him hooked on aviation of that era. A child of the moon-landing generation, he was also intrigued with space – building an extensive collection of model rockets.

Alex grew up dreaming of becoming an astronaut and going into space. When investigating careers, she thought about becoming a pilot so she could then become an astronaut, but discovered that, at the time, she was too short to fly commercial planes. She also had an early connection with airships - - growing up near the Cardington Airship Hangars in Bedford, England. Seeing the huge airship sheds, she became fascinated with the oversized aircraft, and interested in airship history, particularly the trans-global flights of the Graf Zeppelin.

As their careers progressed, aviation remained a common element. Brian's first entrepreneurial venture was with a company dedicated to writing flight planning software. Alex translated her

degree in Astrophysics into a career in space related visitor centers -- first at the England's National Space Center, and later at the Chabot Space & Science Center in Oakland, California.

When they first met, Brian and Alex discovered they had shared interests and aspirations. Around that time, Brian had an experience that would change the future for both of them.

In 2005, 14 years after starting Mark/Space, a successful company offering software to move data between mobile phones and computers, Brian was ready to start another business endeavor. While attending a software conference in Cologne, Germany in July, 2006, fate was about to step in. One of the only three Zeppelins in the world was in Cologne, offering a rare chance for Brian to fulfill one of his dreams – to ride in a Zeppelin.

One ride aboard the Zeppelin NT was all it took - - Brian was hooked. Designed exclusively for passenger operations, the Zeppelin NT ("New Technology") is unlike any other airship in the world. Engineered with the best in German technology, the airship's precise handling, and quiet, spacious cabin with oversized windows and restroom were designed for luxurious passenger operations. Realizing that there was no experience like this, and no airship technology like this in the U.S., Brian immediately embarked on his next business venture.

The Zeppelin's manufacturer, Zeppelin Luftschifftechnik (ZLT) and their operating company DZR, had been offering Zeppelin passenger rides successfully in Germany since 2001, with sold-out flights for all eight months of favorable flight weather available each year. Brian sent an email to the company, with an initial business plan to bring a Zeppelin NT to the Bay Area. Two months later, in September, 2006, he returned to convince ZLT that the American marketplace, San Francisco resident and tourist base, and more favorable flying weather in the Bay Area would make for a successful Zeppelin flight operation. They agreed. A deposit was made for the next Zeppelin NT pending production, and the fourth Zeppelin NT to be constructed.

After marrying in February, 2007, Brian and Alex took the next step in starting the company, reserving the airship by signing an option agreement with ZLT in March, 2007 - - officially launching Airship Ventures. Although Alex began her full-time commitment at the company in March, she did not have her first ride aboard the Zeppelin NT until that August, bringing along her father as a special birthday gift to him. The experience exceeded her expectations, and she was instantly convinced of her husband's initial vision for the company.

Alex's first order of business was to secure a base for the Zeppelin in the Bay Area. For a fully functional Zeppelin operation, airship hangers were needed. Fortunately, three of the remaining 13 airship hangers in the U.S. are located at a single airfield, in the Bay Area, at Moffett Field in Mountain View, California. Decommissioned as a Naval airfield in 1994, Moffett Field is operated by NASA's Ames Research Center. Utilizing contacts at NASA from her previous position at Chabot Space and Science Center, Alex arranged a meeting the Center Director, who agreed that it was an obvious partnership, a wonderful historic reuse and exactly the kind of project he'd like to see at Ames. It then took almost a year to build local community support and navigate red tape to make the initial agreement happen.

The company then had other areas to navigate, including securing the funding. With a business model and short term exit strategy not well suited to a typical IPO or venture capital offering, Brian and Alex realized they would have to find private investors who were just as passionate about the future of airships as they were. And they found them. Following Brian and Alex's initial personal investments, the first angel investor, noted emerging digital technology journalist Esther Dyson, signed on in December, 2007. Series A financing concluded rapidly, in May, 2008, yielding three additional 6 and 7 figure investors interested in making two returns - - a dividend and the bragging rights of being involved with America's first Zeppelin.

The Series A was not the entire solution; there was still an aircraft to find majority financing for. But where to go for cash for an international deal where no bank would seriously look at a brand new company and a brand new kind of aircraft? Most aircraft are leased, with major companies that provide such leasing. But with no residual value yet established for a Zeppelin (only three operating worldwide), and no easily demonstrated market (unlike a Learjet, or 747), Zeppelins did not fit the traditional model lenders were familiar with. Eventually, Airship Ventures worked with ZLT to create a customized lease finance deal.

In the midst of funding, in February, 2008, Airship Ventures moved into its first official offices, Building 156 at Moffett Field. By April, the company was filling the space with an international team of seasoned professionals from the airship, aviation, travel and hospitality fields.

As things were moving forward "stateside," construction of the Zeppelin was progressing in Germany. As the airship was being built, ZLT was building a partnership with Airship Ventures on many levels beyond simply manufacturing and financing. Training operations have been shared, as ZLT teams train Airship Ventures teams, in both Europe and the U.S. Staff from both teams have worked together to get the Zeppelin certified to fly in the USA. Current FAA rules relating to airships are written for blimps, not for Zeppelins, which are classified as "passenger commercial airships." Airship Ventures and the FAA are working together to sort through the rules as they stand and determine what needs to be rewritten for the future.

On May 21, 2008, Airship Venture's Zeppelin NT emerged from Zeppelin's hanger for its maiden flight - - launched with pride by the ZLT and Airship Ventures teams, and residents of its hometown of Friedrichshafen, Germany.

The next steps of its journey involve an ocean transit onboard the deck of a container ship from Europe to the U.S. Then a cross-country transit flight to its new home base at Moffett Field. From there, the Airship Ventures Zeppelin will dazzle guests with luxurious "flight-seeing tours," from select Bay Area airports. Itineraries will include stunning tours of the South Bay/Silicon Valley, San Francisco skyline, Sonoma/Napa Valley wine country, and Monterey/Big Sur.

Airship Ventures' future business plans include the addition of a second Zeppelin airship, to be based in on the U.S. east coast, followed by a third Zeppelin devoted to air shows, special events and scientific research missions. The company will also expand its facilities at Moffett Field, moving into the restored former bachelor's officers quarters building - offering facilities for catered corporate and special events.

The vision held by the company's founders is to create an organization that delivers a truly "wow" experience, with a high quality, service-oriented staff that reflects the top quality of its products. They also are excited about the broad range of possibilities for airship technology and working with NASA and others to realize those.

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