IFly and the Rise of Indoor Sky Diving

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Less than a month after getting married, Alan Metni sat down with his new bride, Meryl, and floated a question. He wanted to quit his lucrative job as a lawyer and train to make the decidedly nonlucrative U.S. sky-diving team. Then 26, he'd become obsessed with the sport, spending all of his free time, and about \$20,000 annually, jumping out of planes. This might be his chance to go pro—was she on board? "Amazingly, she said yes," recalls Metni, now 50. "My wife is really cool." The couple sold their home and motorboat in Austin and eventually settled near a parachute drop zone in Eloy, Ariz.

For the next seven years, Metni got up at about 4 a.m., did two hours of cardio, stretching, and weights, then spent eight hours flying into the sky and hurtling back to earth, as many as 24 times a day. During off weeks, he worked odd jobs—as a freelance lawyer, a car repairman, and a sky-diving coach. Meryl worked at the drop zone, organizing jumps and controlling air traffic. "Recently, I asked my wife why she'd gone along with the whole crazy idea," Metni says. "She said, 'Look, I just knew you were going to make a lot of money somehow.'"

Metni.

Photographer: Valerie Chiang for Bloomberg Businessweek

Meryl's bet was a good one. While winning national and international championships as part of Airspeed, an eight-person U.S. team, Metni stumbled into an unusual business opportunity: vertical wind tunnels designed for indoor sky diving. In September 1999 he'd traveled to Sebastian, Fla., for a competition that was postponed because of a hurricane warning. With time to spare, he visited SkyVenture, an indoor tunnel in Orlando with air fast and smooth enough to simulate free fall. "I was so impressed," he says, "I found the guy who'd built it and proposed we work together." Seventeen years later, Metni is chief executive officer of IFIy, the business formerly known as SkyVenture, in Austin. The fast-growing, multimillion-dollar company owns, franchises, and licenses 67 wind tunnels in 13 countries, and it's building 22 more, including two in China. IFly has also constructed them for the militaries of the U.S., Spain, Brazil, Egypt, Qatar, and the United Arab Emirates.

Although soldiers and professional sky divers train in IFly's glass cylinders—most of which are 14 feet wide and 45 feet tall—80 percent of the

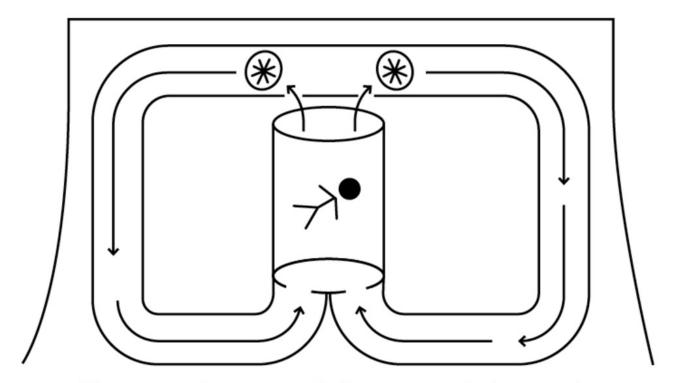


company's business comes from novice fliers who pay as much as \$45 per minute to don helmets and flight suits and soar like superheroes. "You have the ability to move with precision and at great speed," Metni says. "It's almost like a video game or *The Matrix*. Up, down, left, right, spinning, all that. You could fly over 10 feet, shake someone's

hand, and fly back." The sensation, pros say, is identical to actual sky diving—minus the views and fear of dying.

If you're athletically inclined—sky diving is physically strenuous, so it helps—the best way to learn indoors is to bypass IFly's intro package deal, which usually includes only two minutes of flight time and costs up to \$89.95. Instead, reserve a session with a professional coach. That's what I did last fall in Yonkers, N.Y., booking 10 minutes with brothers Ben and Devin Roane, 29 and 35, respectively, from Ogden, Utah, who are considered among the world's best sky-diving instructors. Their lessons cost \$1,050 an hour, which is usually broken into increments.

How does it work?



Fans at the top of the tunnel draw air upward through the flight chamber, then recirculate it via two side channels. Before re-entering the chamber, the air is compressed and sped up, resulting in a smooth column of wind in which to fly.

DATA COMPILED BY BLOOMBERG; ILLUSTRATION BY NEJC PRAH

[&]quot;Just relax into the wind—try not to make any sudden movements," Devin told me before we entered the tunnel. Leaning into the air, belly down, I was swept upward. My helmet muffled all sound. Calm and precise, the Roanes used hand signals and eye contact to teach me how to control my movement with slight body adjustments: A tilt of the head to the right resulted in a right turn, and vice versa. Flattening my body, I rose; arching my back, I descended.

Mastering advanced tricks such as flying head down can take 20 hours or more—which gets expensive. "Some of our veteran fliers, they'll buy 150 hours upfront, so they're putting down \$80,000, or \$90,000, or \$100,000, depending on their contract," says Ryan Powell, former operation manager at IFly's Yonkers tunnel. "We get a lot of self-made millionaires, software engineers, film and media personnel," he says. "But we also get guys who are living out of a van and putting every penny they earn into this." To get a cheaper rate, most pool time with others or buy it directly from independent coaches, who purchase it in bulk. Doug McKenzie, a well-known magician and avid sky diver, plunks down \$1,050 every time the Roanes come to town. "I clear my schedule," he says. He books one 15-minute session per day.

Although pricey, indoor sky diving is nowhere near as expensive as actual sky diving, which can cost as much as \$400 per jump and typically lasts only about a minute before it's time to pull the parachute. It's also drastically improving the sport of sky diving, in which judges give points for choreography, speed, and precision. Previously, athletes couldn't compete until 18—the age one can legally start jumping out of planes—but they now start using the wind tunnels as kids. Indoor sky diving has even led to the creation of the international WindGames, in which flight-suit-clad athletes perform speed tests and figure skating-like freestyle routines, sometimes to music. This year, Kyra Poh, 14, from Singapore, won both the freestyle and speed categories.

Vertical wind tunnels, originally used for aerodynamics research, date to at least 1940, when NASA built one to perform model airplane spin tests. In the late '70s, tunnels for human flight began popping up. But most were loud, with uneven wind, and tended to spit out fliers onto surrounding cushions. That wasn't the case with the tunnel at SkyVenture, the brainchild of a prolific amusement park ride designer in Orlando named Bill Kitchen. His 1997 patent solved the airflow issues and ensured a safer experience all around. The design—it adjusts air speed based on the diver's weight—wasn't perfect: For one thing, it sucked in unfiltered air from outside—if it was raining outdoors, it rained in the tunnel, and if it was dusty outside, there was a dust storm in the tunnel.

Still, after flying in Kitchen's invention, Metni was sufficiently impressed to begin hosting camps there for professional sky divers. In 2002 he persuaded Kitchen to sell him the business. "He made me an offer I couldn't refuse," says Kitchen, 68, who still flies for free in the tunnels every other week. Metni began building additional simulators and franchising them. Profits went into developing and patenting technology that would make the tunnels quieter, more energy-efficient, and climate-controlled.

Photographer: Valerie Chiang for Bloomberg Businessweek

About a decade later, Metni accepted investments for undisclosed amounts from Riverwood Capital, a major investor in GoPro Inc., and later from KSL Capital Partners LLC. Since then, IFly has grown from about 12 employees to almost 1,000 worldwide. The company put three tunnels on Royal Caribbean ships, as well as ones in cities from Paris to Dubai. Most are built for \$8 million to \$12 million each; running one costs as much as \$2.5 million per year. Metni won't comment on IFly's revenue. "We're 70 percent of the market globally, and it's probably a several-hundred-million-dollar market," he says. "We've flown over 8 million people."

Metni plans to keep expanding—and suing would-be copycats to preserve IFly's commercial advantage in the U.S. "When people use our technology without paying us, yeah, we're going to force our rights against them," he says. "A few of them have gotten a little close, and we've sort of had to slap them down."

In Europe, IFly has so far been unsuccessful in shutting down rival designers, though not for lack of trying. Last year, however,



Metni blocked European competitor Indoor Skydiving Germany from building a tunnel in Phoenix. "IFly is superaggressive," says Boris Nebe, CEO of ISG, adding that the case ended in a settlement. "All the other competitors respect each other and want to help this young sport grow." He adds: "The sport is freer, more varied, and more exciting in Europe, where there are different types of tunnels and styles. I hate to say it, but in America, all IFly tunnels are basically identical—it's like McDonald's, McDonald's, McDonald's."

In May a new U.S. competitor, Airborne San Diego, plans to open a glamorous space, featuring a cafe area, an outdoor barbecue terrace, team dressing rooms, and side-by-side tunnels. Metni isn't sure if he'll step in. "We are not clear whether or not it violates our intellectual-property rights," he says. "Once we know what it is, we'll decide what to do." Regardless, he isn't slowing down. "Our goal as a company has been to build these things all over the world and make sure everybody who's ever dreamt of flying can do it," he says. "And everybody dreams of flying. Hundreds of millions of people. Billions."

In the meantime, Metni is on to another daredevil sport. He says he's leaving the next morning for Florida: "I'm going to race cars."