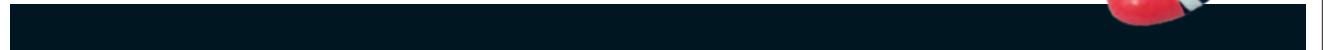


They're making
a comeback!
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Soul Men & Phone Booths & Trees of Life

Etc.

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Jets for Jocks

Convicted stock swindler Al Palagonia has reinvented himself as the private jet kingpin for top athletes. *By Devin Leonard*

Photograph by Andrew Hetherington

Etc. Networking

Apollo Jets regular
Shaquille O'Neal



The annual National Basketball Association All-Star Game isn't taken too seriously by basketball fans. It's best appreciated as the culmination of a weekend of parties attended by athletes and their celebrity friends. Before the most recent competition on Feb. 26 at the Amway Center in Orlando, the players mingle beside the court with director Spike Lee and civil rights activist Jesse Jackson. Rapper-turned-actor Common visits Cee Lo Green. Their younger peers, Lil Wayne and his protégé, Drake, make faces for TNT's cameras.

In the midst of this revelry, Al Palagonia, a fast-talking private jet broker with a thick Queens accent, is hustling. "Hey, Deron," he calls out to New Jersey Nets point guard Deron Williams, who stops shooting baskets and trots over to discuss his flight home to the Garden State after the game. Palagonia speaks to Oklahoma City Thunder forward Kevin Durant about the food on his post-game jet. And he huddles with Philadelphia 76ers forward Andre Iguodala. "I got his new phone number," Palagonia says afterward. "These guys are always changing their phone numbers."

A convicted stock swindler, Palagonia, 45, helped found Apollo Jets, which has become one of the industry's fastest-growing jet brokers, due largely to Palagonia's approach: He uses jocks to lure suits. "My entire business model revolves around sports," he explains. "I do business with a lot of athletes. Then you have the big wealthy business guy, spending half a million a year on front row seats. He doesn't have any access to the players. But I do."

Apollo's clients pay dearly for these privileges. A one-way trip from New York to Los Angeles costs anywhere from \$18,000 to \$25,000 depending on the size of the plane. Palagonia says the privately held company books about 4,000 flights a year. He also gets his clients choice seats at games and arranges for his nonathlete customers to spend

"There are a lot of people with checkered pasts in this business—like me," says Palagonia

quality time with his friends and clients from the sports world, including Pittsburgh Steelers quarterback Ben Roethlisberger, Philadelphia Phillies first baseman Ryan Howard, and retired NBA all-star Shaquille O'Neal. "He has an affinity for professional athletes," O'Neal says of Palagonia. "He loves sports, and he speaks their language." Palagonia says he sometimes flies O'Neal for free or offers him discounts for referring his former teammates.

Private jet charter brokers have been around for several decades. They don't own any jets themselves. Rather, they book flights on other people's airplanes when their owners aren't using them. Brokers say this enables them to charge much less than a company such as NetJets that offers fractional ownership of private jets. Using a charter broker, says David McCown, "is the most cost-effective way to fly private." McCown is chairman of the Air Charter Association of North America and senior vice president of Air Partner, a private jet brokerage headquartered in Florida. "It's pay as you go." McCown says there are about 30 full-time charter brokers in the U.S., but that doesn't count the concierges and limo companies that also offer the service.

People who use private jet brokers do so at their own risk. The business is largely unregulated. "All you need is a computer and a cell phone to become a private jet charter broker," says James Wynbrandt, who covers the industry for *Business Jet Traveler* magazine. In the last decade it's been inundated by former investment bankers, venture capitalists, and even a Manhattan steakhouse owner. Palagonia warns customers: "There are a lot of people with checkered pasts in this business—like me."

The son of a sanitation worker, Palagonia grew up in the Ozone Park section of Queens. His uncle drove a limo for I.W. Burnham, a founder of Drexel Burnham Lambert, junk-bond king Michael Milken's old firm. It was through this connection in 1984 that Palagonia landed his first financial industry job, cold-calling potential customers at the investment bank. Six years later he joined D.H. Blair, a boiler room notorious for peddling initial public offering shares in sketchy little companies. He became one of the firm's top producers, making \$1 million a month in commissions. "He is one of the most talented retail stockbrokers who has ever wielded a telephone handset," author Joshua Brown writes in *Backstage Wall Street*, an exposé of the brokerage industry published in March. "Some say he had a shower and a bed installed in his office so that while he was putting away shares in hot deals, he'd never have to leave his phone." Palagonia says the accounts are exaggerated: "I wanted to, but they wouldn't let me. ... I worked harder than anybody else. That's what I do. I used to come into the office at 5 a.m. and I'd stay until 10, 11 almost every night."

With his new Wall Street wealth, Palagonia in-

Apollo Jets books about 4,000 flights a year



The Al Palagonia Filmography

The co-founder of Apollo Jets discusses his cameo appearances in Spike Lee movies.

He Got Game (1998)
Role: Dom Pagnotti
“That’s my first speaking part. When you are in front of five cameras, you get nervous.”

Bamboozled (2000)
Role: Bobby
“I played an Italian guy in black face. It was the first time Spike didn’t give me a script. He said, ‘Make up a rap song.’”

Inside Man (2006)
Role: Kevin
“It was my second movie with Denzel Washington, but the first time I had lines with him.”

Girl 6 (1996)
Role: Man Mistaken for Bob Regular
“I realized you could be seen on camera for nine seconds, but it still takes a whole day to film.”

Summer of Sam (1999)
Role: Anthony
“I got to see what it was like to really be an actor, hanging out in the trailer in between takes, playing cards.”

25th Hour (2002)
Role: Salvatore Dominick
“I played a Wall Street person. I’d been off the street for five years.”

Miracle at St. Anna (2008)
Role: Detective Haggerty
“The first movie I did while full-time in the jet business. I was running back and forth taking calls from clients.”

dulged his passion for basketball. He followed his beloved New York Knicks around the country and befriended team mascot Spike Lee at a game in Chicago in 1992. “He had better seats than me,” Lee recalls. “He gave me his card and said, ‘I’ll get you better seats.’” Lee was so taken with Palagonia that he cast him in his 1998 film *He Got Game* as a sports agent who dangles a platinum Rolex under the nose of high school basketball prospect, Jesus Shuttlesworth (played by real-life NBA star Ray Allen). “A lot of NBA players recognize me from that,” Palagonia says proudly. He has appeared in seven other Spike Lee movies.

In 2000, Palagonia was indicted for taking part in a pump-and-dump scheme along with members of New York’s Gambino and Colombo families (whom he says he never met until they shared a holding cell). He pleaded guilty to securities fraud and enterprise corruption and spent 24 months in prison. Palagonia makes no excuses. “What I did, I did,” he says. “But that’s something I’d rather not rehash.”

A lot of friends disappeared while he was behind bars. Lee was one of the few who stood by him. “Everybody makes mistakes,” the director says. “Al’s my man. I wouldn’t just desert him.” With the help of a former D.H. Blair colleague, Palagonia became a private jet broker. He spent a year at Halcyon Jets before departing to form his own company in 2008. He tells customers up front that he is an ex-con.

Palagonia spends much of NBA All-Star Weekend in Orlando with his headset on, coordinating flights on his BlackBerry. When he isn’t on

the phone, he’s shepherding his clients and their families to various NBA-related events. On Friday night he arrives early at his luxury box at the Amway Center to greet his clients. There is an affordable housing developer from Long Island who is reluctant to be named. They’re joined by sports agent Roger Montgomery, who represents New York Knicks star Jeremy Lin. The jet broker is eager to get to know the agent. “Six months from now it will be like I’ve known him for 10 years,” Palagonia confides.

The next morning, Palagonia plays a surprisingly aggressive game of pickup ball at the hotel with sons of his clients, shoving them and accusing them of committing numerous fouls. After breakfast, he takes a larger group of customers to visit O’Neal at his palatial Orlando home. The sports legend signs jerseys and poses for pictures. Palagonia entertains everybody with a story about the difficulty he has getting small planes for the 7-foot-1 O’Neal.

On Sunday evening, he takes in the All-Star game courtside with Lee. Afterward he hurries to one of Orlando’s small airports, where a dozen jets await to transport his clients home. One by one, Palagonia sees them off. Steven Jomides, the owner of a large New Jersey landscaping company, is one of the last to depart. He’s happy to wait. The broker has arranged for Jomides and his family to share a jet with Jeremy Lin and his Knicks co-star Carmelo Anthony. “I’m still sleep-deprived,” Jomides says a week later. “We didn’t get home until 4 a.m. You can’t put a price tag on something like that.” **B**

“He gave me his card and said, ‘I’ll get you better [Knicks] seats,” says Spike Lee