

Recession not slowing life in the fast lane

Luxury car club memberships spike despite uncertain economy

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The recession certainly works in mysterious ways - and it seems to be affecting people to radically varying degrees.

Case in point, Richmond-based Empire One luxury car club, where the near \$33,000 annual fee hasn't been enough to stave off an upward spiral in new memberships, despite ongoing global economic uncertainty.

The small, but selective, club on Gordon Way in East Richmond is pooling together people who dream of driving a Bentley on the weekend, but can't stomach the upkeep cost, and those whose Ferrari lease has expired, but they don't want to commit to another three years with a hefty downpayment.

By joining, their annual fee - which can range from \$16,445 to \$32,995 - earns them points in which they redeem to have privileged access to the contents of a garage worth millions of dollars, from a Jaguar Supercharged to a Ferrari Spyder, with an Aston Martin sandwiched in between if you prefer.

So, just who are these members and from what backgrounds do they hail?

They are, not surprisingly, people in high-end, professional jobs, such as lawyers.

But there are also builders, realtors, car enthusiasts and people in their advancing years who want the chance to get behind the wheel of some of the best cars in the world before they depart.

"(New memberships have) spiked in the last few months," said Empire One owner Harvey Sanghera, who moved here from England five years ago.

"One reason is the weather, as people like to drive nice cars when the weather is good. Another is the recession.

"Many people's leases on their luxury cars have run out and, in the current uncertain climate, they don't want to commit to another three year agreement and having to put down another \$50,000 or so."

Sanghera, who launched Empire One in April last year, said the club gives people the chance to drive luxury cars without the burden of ownership.



CREDIT: Chung Chow/Richmond News
Harvey Sanghera, left, Empire One owner, with new club member Shara Turner, who sells luxury property.

He explained that, once a new member pays a joining fee (from \$2,995 gold membership to \$7,500 premium) and then a monthly fee (\$1,495 to \$2,995), they have access to a fleet of 11 top-end cars, which are split into five categories, for a year.

"If you're on the gold membership then you'll get 480 points," Sanghera said.

"For example, if you take a category one car (lowest) on a weekday, it will cost you 10 points per day. If you take a category five car on a weekday it will be 24 points per day or 44 per day at the weekend.

"You would pick it up Saturday morning and bring it back Monday morning."

Sanghera insists joining his club is very good value, as opposed to buying.

He said a \$335,000 (plus tax) Bentley Continental requires a \$50,000 to 80,000 downpayment, \$3000 a month thereafter, plus \$600 insurance.

"In three years' time, you'll most probably just hand it back. And that's not including the maintenance costs," Sanghera said.

One of Empire One's newest clients, realtor Shara Turner - who currently drives her own BMW 335i - believes her annual fee is going to be good value for money.

"I've always wanted to drive a luxury top end vehicle," said Turner, who sells luxury real estate to international clients.

"Many of my clients come from very affluent backgrounds and I thought having a luxury car to pick them up at the airport would be ideal. I'm picking up a client from Russia in June and I'm looking at taking the Bentley Continental to pick him up at the airport."

Turner said she'd be more comfortable picking up her wealthy foreign clients in vehicles they might already be acquainted with.

"I also want to differentiate myself from other realtors," she added.

Sanghera's recent rise in memberships might also be from people who weren't too sure about his club in its infancy, but now feel more comfortable about hooking up. "People might have thought we wouldn't survive or whatever and they wanted to sit back a bit," he said. "But some of our new members, who used to own these kinds of cars, couldn't believe how much it was costing them before."

Despite Sanghera's now fast approaching his target of 40 members, he's still adamant his little club will remain just that. "I'm actually quite picky. I want to make sure they look after the cars."

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