



Of the companies using general aviation for business in the U.S., 85 percent are small and mid-size businesses.

BUSINESS AVIATION NATIONAL ASSET – VITAL ISSUES

From creating growth opportunities and global connectivity for America's small towns and rural areas to supporting the nation's productivity, business aviation is an important economic engine, creating jobs and investments, while contributing to the safest and most efficient aviation system in the world. Business aviation is a vital part of the nation's economy and transportation system.

UNDERSTANDING BUSINESS AVIATION

The U.S. aviation system is fully integrated. Each player is critical to the success, strength and growth of the entire infrastructure. The system is made up of three segments:

- » Scheduled operations, including passenger airlines
- » Military
- » General aviation

General aviation (GA) contributes more than \$150 billion to the nation's annual economic output, and directly or indirectly employs more than a million people.

- » GA includes diverse operations, with business uses that range from agriculture, law enforcement, fire and medevac services, to varied government, educational, nonprofit and business organizations.

- » The vast majority of these GA operators use small aircraft that seat no more than eight people.
- » Business aviation is use of a GA aircraft for a business purpose. The business aviation fleet is dominated by pistons and turboprops, with over 80 percent of the 15,000 registered business aircraft in the U.S. having cabins about the size of an SUV, and flying on average less than 1,000 miles.

There are over 5,000 public use airports in the U.S. – of which approximately 500 have commercial airline service – making GA a critical lifeline for thousands of communities.

A VITAL LIFELINE FOR MAIN STREET

In small towns and rural areas across America, business aviation is an essential tool that enables businesses to thrive, grow and create jobs in their hometowns. That's because in many instances, there are no other transportation options that meet their needs.

- » Many small and mid-size businesses are located in areas without scheduled airline service.
- » Many businesses of all sizes require in-person travel for operations as sales, technical support and other types of customer service.
- » Such trips may call for multiple stops in a short period of time or travel to remote locations. Often the distances are too long to drive and commercial airline service is not available.
- » 86 percent of business aviation flights carry marketing and sales personnel, technical experts, other company representatives and customers – not top corporate executives.

A LIFELINE IN DISASTER & EMERGENCY

The business aviation community is not only an economic lifeline for thousands of our nation's communities, but in times of crisis takes on the role of an irreplaceable lifeline.

- » In the days and weeks following Hurricane Katrina, hundreds of thousands of pounds of supplies were transported into small airports throughout the Gulf Coast region aboard business aircraft, which also were used to transport victims out of harm's way.
- » More recently, whether confronting floods in the Midwest, fires in the West, or a whole host of other natural disasters, general aviation has been quick to help assess damage, rescue those affected by these disasters, and carry in lifesaving support and supplies to the affected regions through the network of remote airports we serve.
- » Business aviation operators are also dedicated to helping provide lifesaving flight operations and contributing their services to the communities in which they live and work.
- » Operations like the Corporate Angel Network arrange free air transportation for cancer patients traveling to treatment using the empty seats aboard business aircraft. They have arranged more than 20,000 lifesaving flights since their founding in 1981.
- » Angel Flight America's seven member organizations and 7,200 volunteer pilots arranged more than 18,000 flights in 2005 alone to carry patients to medical facilities.
- » Veterans Airlift Command uses business aircraft and unused hours of fractional aircraft ownership programs to provide

Only about 3 percent of business aviation operators are Fortune 500 companies.

free flights for medical and other purposes for wounded service members, veterans and their families. Veterans Airlift finds volunteers in the business aviation community to fly their missions on request and contribute the full cost of their aircraft and fuel for the missions flown.

A NATIONAL ASSET

General aviation not only supports vital air transportation services nationwide but also powers an economic engine that generates millions of dollars in investments and jobs for thousands of American communities every year.

- » Most of the GA aircraft flying in the world are still manufactured in the U.S., contributing to our manufacturing and employment base, and adding significantly to our balance of trade.

BUSINESS AVIATION SNAPSHOT: MANITOBA RECYCLING



A CRITICAL BUSINESS TOOL

Manitoba Recycling is a family-owned metals recycling company employing 60 families in the Lancaster, NY community. When the company was first founded in 1916, they were able to collect all the metals they needed to stay in business from within 40 miles of their recycling plant. However, by 1970, the 20 local manufacturers that had provided scrap to Manitoba had been reduced to one. Faced with having to shut down Manitoba or relocate out of their community, they decided to use a small turbo-prop aircraft to find scrap metal providers outside their existing business base – literally enabling their business to survive. Manitoba now relies unequivocally on that plane to generate the metals they need to stay in business, and keep contributing to their small town's economy with jobs and investments. And with the operations of Manitoba's small plane, along with those of their fellow Lancaster businesses, they also help provide local jobs to airport workers, pilots, mechanics, ramp workers and others, at their local small GA airport.

- » In 2007, while overall U.S. manufacturing declined 0.8 percent, GA manufacturing was up by nearly 10 percent.
- » GA manufacturing provides good, high-wage manufacturing jobs across the U.S.

PRIORITY ISSUES FOR 2009

System Modernization

As it is a significant national asset to our country's transportation and economic infrastructure, modernizing the aviation system is critical to our nation's future.

- » Build a system that accommodates all users – scheduled, military, and GA – efficiently and effectively.
- » Strengthen the system as an economic engine, allowing businesses in America's small towns to utilize aviation to grow and prosper.

When capacity becomes constrained, general aviation is usually the first segment to be squeezed out, so the business aviation community strongly advocates modernizing the system to one based on satellite technology rather than today's ground-based navigation system and expanding capacity.

General aviation operations at the nation's 10 busiest airports account for only 4 percent of total activity.

If additional resources are needed from GA for modernization, this effort can most effectively be funded through the proven mechanism of fuel taxes. The government and the aviation community must continue to work together to build a stronger system for everyone, to improve this critical lifeline for our nation's economy.

Security

In the years since the terrorist attacks of Sept. 11, 2001, business aviation and the rest of the general aviation community have led the way in their commitment to working with federal government officials on ways to harden our industry from terrorist threats.

"General aviation operators are excellent security partners."

– KIP HAWLEY
2008 TSA Administrator

As security policies and procedures are considered in the years to come, business aviation will continue to be committed to playing a central role in the protection of our system.

- » As the TSA reviews security regulation proposals it is critical that those mandates recognize the significant differences between commercial aviation and general aviation, and not simply try to impose commercial regulations onto general aviation.
- » Any new mandate must maintain the vital balance between enhancing aviation security and preserving the mobility and flexibility that are necessary for American workers and our economy.

Economy

As the economic downturn affects American communities in every corner of the nation, business aviation is being impacted across the board. What began with confronting the effects of rising fuel costs now continues with a slowdown in every measure of the industry – from losses at regional airports to down demand for charter services to companies having to delay doing business due to high costs.



"Business aviation has long led the way in promoting advances aimed at reducing the industry's environmental footprint"

— ED BOLEN
NBAA President & CEO

- » Flight operations are down: The FAA recently reported that activity at GA airports was down significantly, and, as an example, mentioned that operations in Springfield, IL are down 30 percent.
- » Fuel consumption is down: In 2008, fuel providers and charter companies reported that because of the cost of fuel, purchases of Jet A were down anywhere from 10 to 20 percent and purchase of AvGas was down 30 to 40 percent.

In confronting the volatility of this economy and its impact on general aviation, business aviation will work with the rest of the aviation community and the government to come together to find long-term solutions.

Environment

Although the industry represents a tiny fraction of transportation emissions, business aviation is focused on promoting mobility while minimizing the industry's environmental footprint.

For decades, GA has led in reducing emissions through airframe and engine advances and through the development of operational efficiencies:

- » The industry continues to reduce emissions through new technologies, which means that today's aircraft engines are 50 percent cleaner,

quieter and more fuel efficient than when they were introduced.

- » Twenty years ago, the industry developed winglets for general aviation aircraft, which optimize aircraft performance and flight range, and contribute to a more efficient fuel burn, thereby reducing emissions. This equipment is now in place on an increasing number of general aviation and commercial aircraft.
- » Operational improvements supported by general aviation have resulted in system efficiencies that help the environment. Over three years ago, NBAA members began equipping aircraft – at their own cost – with cockpit technology allowing for Reduced Vertical Separation Minimums, or RVSM, which effectively doubled the system's airspace capacity.
- » General aviation was at the forefront of the development of automatic dependent surveillance-broadcast (ADS-B), the cornerstone for aviation system modernization and capacity expansion, because it allows for optimal efficiencies in routing, approaches and other uses of the aviation system, which reduces fuel burn and emissions.
- » NBAA Members supported the development of precision approach procedures, which likewise produce efficiencies by enabling operators to

custom-tailor flight paths, minimizing fuel burn and noise, while preserving operational safety.

Business aviation also believes that an effective way to reduce emissions is to continue the work already done to implement a more efficient Next Generation aviation system, or "NextGen," based on satellite technology. The Government Accountability Office has cited FAA data showing that "the full implementation of NextGen could reduce greenhouse gas emissions from aircraft by up to 12 percent by 2025."

To meet both our nation's economic needs and emergency requirements, the U.S. needs a diversity of aviation operators, operations and a wide range of airports in all 50 states. In 2009, NBAA Members across the country stand ready to work in partnership with the government to strengthen this critical national asset – driving economic growth, jobs and investments throughout the United States, all while expanding and modernizing the safest and most efficient aviation system in the world.
