Statement of

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Chairman Burns, Senator Rockefeller and members of the subcommittee, my name is Jack Pelton and I join you this morning in the dual capacity of Chairman of the General Aviation Manufacturers Association (GAMA) and as Chairman, President and Chief Executive Officer of Cessna Aircraft Company. I am pleased to appear before you to discuss the unique and growing contribution general aviation (GA) makes to our nation's economy and air transportation system. At large, medium and small sized airports across the country, general aviation operations supplement and complement the air transportation services provided by our partners in air transportation - scheduled airlines. Without general aviation services, thousands of communities, especially those in remote or rural areas, could not realize the economic benefits of air transportation.

General Aviation Development

Not many years ago, the existence of general aviation was in doubt. If the value of GA had not been recognized, its role in the current air transportation system would have been significantly diminished. If we had failed to act then, the traveling public would be suffering now. This subcommittee played a significant role in resolving those threats, so I would like to take this opportunity to update the subcommittee on the many positive outcomes of your past actions. I believe they also provide a conceptual framework for resolving some of the issues we are discussing today.

In 1994, recognizing the unique and essential contribution GA makes to the nation's air transportation system, Congress enacted the General Aviation Revitalization Act (GARA). GARA instituted a federal, 18-year statute of repose for general aviation products, removing an impediment that had caused some to conclude that the GA industry was "dead." Subsequent to GARA's enactment, the number of frivolous lawsuits filed against GA manufacturers dropped dramatically.

During the GARA debates, the General Aviation Manufacturers Association (GAMA) predicted that if the legislation was enacted, former GA airplane manufacturers would return to the market, new manufactures would emerge and advanced GA products would once again be widely available. The public, especially small communities, would benefit from an improved margin of safety, enhanced economic growth and a more effective air transportation system. I am pleased to note that the public benefits predicted by GAMA in 1994 have more than materialized and there are still more to come.

The growing demand for general aviation airplanes reflects the increased need for air transportation, which is driven by a growing economy. No single segment of aviation can fulfill this country's transportation needs. Major airlines serve only 150 U.S. airports, regional airlines serve an additional 300, while general aviation is still the only means of air transportation at more than 5,000 public-use airports and thousands of private-use airports. It's easy to understand why the economic benefits from general aviation are significant.

A recent economic study by some of the country's most knowledgeable transportation economists quantified the economic value of general aviation to the national economy, as well as each state. GA contributes more than $150 billion to U.S. economic output, and directly or indirectly, employs more than 1,265,000 people whose collective earnings exceed $53 billion. I have attached a state-by-state summary of this analysis to my statement and the entire study is available on GAMA's website (www.gama.aero).

General Aviation Safety

While economic benefits are very important, our highest priority is improving GA's margin of safety. Recent FAA statistics indicate that, at the current rate, the number of fatal general aviation accidents will hit an all-time low in 2006.

Safety improvements have been enabled by four main factors:

- Development of innovative designs and production processes for airplanes, engines, avionics and other components, thereby enhancing the reliability, performance and efficiency of GA operations.
- Development of affordable avionics with advanced capabilities, sized for installation in even the smallest GA airplane, thereby allowing every type of GA airplane to fully benefit from available communication, navigation and surveillance services, and to interface seamlessly into the air traffic control system.
- Introduction of integrated, digital cockpits and electronic displays, thereby improving a pilot's situational awareness while reducing human error.
- Introduction of more effective and efficient training curricula for both pilots and maintenance technicians, and growing use of advanced-technology training simulators and devices for pilot training.

The integrated, digital cockpits available on GA airplanes today rival any equipment installed on commercial airliners. GA manufacturers and pilots recognized the safety benefits of this technology so quickly that "all-glass" cockpits are now standard equipment on almost all new GA airplanes capable of flying under instrument flight rules (IFR).

Very Light Jets

The introduction of very light jets (VLJs), a term defined by industry as jet powered aircraft with a maximum take off weight of 10,000 pounds or less, is merely another step in the evolutionary cycle of GA aircraft development. Although the significance of the arrival of VLJs will be best assessed after several years of experience, this is an exciting time for the general aviation community. I believe that soon, the traveling public will also fully realize how VLJs can fulfill an unmet need for air transportation.

As airplanes enter service, GAMA will continue to be a strong advocate for GA safety risk management. GAMA will work closely with current and future manufacturers, operators, training providers, aviation advocacy groups, and appropriate representatives from the FAA, including the Air Traffic Organization, to ensure the safe operation of very light jets. Our purpose will be to help collect, assimilate and distribute any reported incidents or other occurrences related to the continued airworthiness and operation of VLJs. In line with FAA's work on safety risk management to proactively manage the safe operation of all airplanes in the NAS, the data available about very light jet operations will exceed that of any previous airplane type. This will help us ensure safe operation, and enable us to make real time modifications to training programs and target operator oversight from the FAA.

The Future and Impact of Very Light Jets

In recent months some have expressed concern regarding the effects of the introduction of VLJs on the national airspace system. Although I do see VLJs as an exciting expansion of the GA market, there are a number of reasons why I strongly disagree with some of the opinions I have heard.

- **VLJs Will Not "Darken the Skies"**
  Based on the forecasts made in the development of Cessna's own entry into this sector, the Citation Mustang, fears of traffic congestion are unfounded and unwarranted.

  Cessna has been manufacturing jets since 1971. Today, our Citation fleet is the largest business-jet fleet in the world, numbering around 4,500 aircraft and it took us 35 years to put those jets into our customers' hands. Based on this experience, I believe general aviation will see steady and linear, not exponential, growth.

  Cessna believes that the VLJ market will develop like that of every other turbine powered GA aircraft, in an evolutionary, rather than revolutionary way.

- **VLJs Will Not Place an Undue Burden on the Air Traffic Control System**
  VLJ operations will not place an undue burden on the air traffic control system today or in the future. In addition, VLJ operations will not increase operational delays for other operators.

  Concerns about integrating VLJ operations with other aircraft flying in the national airspace system (NAS) have been greatly exaggerated. Currently, the air traffic control system accommodates a variety of airplane types, each with different speed and performance capabilities. VLJs, which operate within the speed envelopes of the broad spectrum of aircraft operated by the airline fleet, will be able to coexist with these aircraft.

FAA Administrator Marion Blakey apparently agrees. In a July 28, 2006 feature on very light jets, following the provisional certification of the Eclipse 500, the Administrator told NBC Nightly News, “I think the people who are anticipating congestion problems way up at high altitudes are probably anticipating a problem that we don’t necessarily expect to have.”

- **VLJs Will Not Increase Congestion at Operational Evolution Plan Airports**
  At the Operational Evolution Plan (OEP) 35 airports, comprised mainly of airline hubs and where a majority of FAA expenditures are made, GA currently accounts for less than six percent of total operations. We have no reason to believe that GA’s usage of these airports will change with the introduction of the VLJ. In fact, VLJ operators have a powerful incentive to avoid the traffic congestion and delays found at these airports, and they will have several ways to do so. The flexible nature of a GA operation, and the operational characteristics of a VLJ, make it relatively easy for operators to avoid congestion and delay.

  VLJs can fly fuel-efficient profiles using altitudes both above and below those typically used by airlines. Unlike larger aircraft, the operating costs for VLJs will not significantly increase when the aircraft is flown at less-than-optimum altitudes. Also, unlike scheduled operations, the departure time for a VLJ operation can be easily adjusted to accommodate current congestion in the ATC system, or current weather conditions.

- **VLJ Operators Will Pay Their Fair Share**
  VLJ operators will pay into the Airport and Airways Trust Fund (AATF) in the same way as all other aircraft operators, based on the operation.

- **VLJs Will Provide Service to Many Underutilized and Neglected Markets**
  Due to their unique operating characteristics, VLJs will be able to provide commercial service to communities currently ignored by the airlines. Today, most GA operations occur at airports with excess capacity. It is preposterous to think that VLJ operators will not follow suit, as doing so would alleviate the primary benefit of owning and operating your own personal airplane: time savings and flexibility.

- **VLJ Pilots Will be Trained to Standards Applicable to Commercial Pilots**
  To obtain a type rating in a very light jet, a pilot will have to go through FAA approved training, the same as that mandated for today's air carrier and corporate pilots. Manufacturers have selected their training providers -- United Airlines and FlightSafety International -- both worldwide leaders in pilot training, recognized for their leadership in safety. Those pilots who will operate a very light jet for commercial purposes, such as an air taxi operation or on-demand charter, will also meet the training, testing, and currency standards specified and overseen by the

FAA's principal operations inspectors and at the discretion of the FAA Administrator. These type rating requirements and proficiency standards have been established to ensure competent pilots operate airplanes in both private and commercial operations.

- **The Delivery of VLJs to Market Will Take Place Over Time**
  There is simply no large parking lot full of VLJs poised to soar into America's skies in the coming days and weeks. In fact, as we speak, there are less than two dozen VLJs flying (including prototypes). Regardless of consumer demand for these aircraft, it will take significant time for industry to produce, flight test and deliver aircraft to customers.

Summary

- The development and introduction of VLJs should be lauded as a significant technical achievement by U.S. manufacturers. GA makes a unique contribution to the air transportation system and generates significant benefits to the U.S. economy. The introduction of new technology, such as the VLJ, further expands and enhances GA's contribution to the air transportation system.

- GA operators and manufacturers continue to give safety the highest priority. Advanced technologies are an essential precursor to innovative airplane designs. Innovative designs enhance the margin of safety and efficiency of GA operations.

- VLJs will operate under the same pilot training standards required for all U.S. jet pilots.

- Based on the most likely estimate of VLJs to be delivered in the next ten years, for the foreseeable future VLJ operations will not contribute to air traffic delays suffered by airlines. Most GA airplane operators, including those that will operate VLJs, will continue to avoid congested airspace and airports in order to make their movements as quick and efficient as possible.

- The VLJ's impact on both the national airspace system and the GA market has been greatly exaggerated on a number of fronts. The VLJ will develop in a similar fashion to other general aviation aircraft, as a tide, rather than tidal wave.

- VLJ operators will pay their fair share for use of the NAS through a combination of ticket and fuel taxes.