

General Aviation Manufacturers Association



Pete Bunce, President and Chief Executive Officer

Pete Bunce is President and CEO of the General Aviation Manufacturers Association (GAMA) which is headquartered in Washington, D.C. with an additional office in Brussels, Belgium. He and the GAMA staff travel worldwide engaging regulators, policy makers and elected officials to promote general aviation and serve GAMA's international membership of more than 65 airframe, avionics, engine and component manufacturers. Pete retired from the Air Force in March 2005, with his last assignment as director of the Air Force Congressional Budget and Appropriations Liaison. In his 26 year Air Force career, Pete flew F-15s and A-10s, while commanding several large operational fighter units.

FA: The GA manufacturing industry has joined with others in a struggle to defend the use of private business aircraft. What is the status of the fight?

PB: We have not heard negative comments for a while. I think this is because policymakers in Washington are coming to realize that business aviation is essential to our economy and transportation system. The entire industry contributes over \$150 billion to the U.S. economy each year and is a critical stimulus for the economy. We hope that the new administration and Congress should come to fully rely upon our industry in this time of economic uncertainty and ensure that all regulations and policies focus on measures that help our industry retain jobs and drive recovery.

FA: Who have been the champions in assisting you in this struggle?

PB: Every single sector of the general aviation industry has weighed in on this battle. Notably, GAMA, in partnership with the National Business Aviation Association (NBAA), launched an advocacy campaign

entitled "No Plane, No Gain". Similarly, the Aircraft Owners and Pilots Association (AOPA) have launched a program called "GA Serves America". These are just two of the very complimentary campaigns that are effectively informing policymakers in DC, the media and the public.

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FA: When confronted with the naysayers, how do you defend general aviation and business aircraft?

PB: This is an educational process. General aviation and business aviation are widely misunderstood parts of the broader transportation system. It's our job to help people understand that GA aircraft can use about ten times more airports in the U.S. than scheduled airlines serve. Companies are building factories and using suppliers where the GA airplane can go. General and business aviation keeps America connected and infuses urban and rural areas with much-needed tax revenue and jobs.

Most importantly, our industry is a powerful source of over 1.2 million high-paying, technical jobs whose collective earnings exceed \$53 billion. Direct impacts, such as the sale and operation of an aircraft, multiply as they trigger transactions and create jobs elsewhere in the economy. Service industries such as hotels and restaurants benefit greatly from general aviation.

Also, general aviation manufacturing is one of few remaining industries contributing positively to the U.S. balance of trade. In 2008, our manufacturers generated \$5.9 billion in new airplane export revenue, which was a 27.8 percent increase over 2007. These exports accounted for 43.9 percent of the total value of U.S. manufactured general aviation airplanes in 2008.

The GA industry promotes the effective and transparent use of business aircraft. In today's economy, companies have to work even harder to compete and survive. Business aircraft are time machines and operators must be able to use their business aircraft to manage rapidly changing situations and capitalize on new opportunities that they otherwise could

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not. In doing so, business aircraft should only be used as powerful assets to do more, faster, thereby allowing the operator to be more competitive and more efficient.

FA: Has this backlash on business jets taken a measurable toll on American airframe manufacturers?

PB: The most significant and painful impact has been job losses. Every single employee is considered a family member and nothing is more gut-wrenching for our industry leaders than having to announce layoffs. Our manufacturers are dealing first and foremost with the severe negative effects of a worldwide economic downturn, but also with unwarranted criticism focused on the industry. As indicated by the first quarter shipment and billings figures recently released, this has led to order cancellations. Total shipments were down over 40 percent, but I believe that we are starting to see some positive signs that we may have reached the bottom of the trough. Preliminary indicators are that the used market has reached a plateau and the credit markets may be easing. 