

GWBAA News

Greater Washington Business Aviation Association, Inc.

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March 6, 2006

You Are Invited to GWBAA's Lunch!

GWBAA to Hold General Meeting Over Lunch on April 7th in Manassas:

Business aviation leaders in the greater Washington area will meet for a lunch meeting on April 7th at the new FlightWorks facility at Manassas Airport. You are all invited, and encouraged to bring business associates. The event starts at 11:30am and will feature an update on GWBAA activities by President Bob Blouin and a presentation from Steve Brown, NBAA's Senior Vice President, Operations.

You must RSVP via email by March 30th to rsvp@gwbaa.com; please include attendee names, companies, and telephone contact information. Further details & directions will be sent to those who RSVP.

Special thanks to **FlightWorks** for agreeing to be our host and **Bombardier** for sponsoring the catered lunch.



Aircraft Registration Treaty Enters into Effect:

Effective this month, it will no longer be sufficient for aircraft buyers, sellers, and lenders just to conduct searches and file documents at the FAA. Buyers, sellers, and lenders in the U.S. will be required to comply with the new Cape Town Convention on International Interests in Mobile Equipment and the Aircraft Protocol, which established an international registry for aircraft and engines.

Specifically, the treaty applies to aircraft certified with eight or more total seats; helicopters certified with at least five seats; and engines rated at 550 horsepower or more. Failure to follow the new procedures could cause operators to lose their aircraft to a subsequent purchaser, while lenders could risk losing their lien to competing creditors.

In 2005, the FAA published guidance on complying with the treaty requirements, in anticipation of its ratification; the guidance is now in effect and is available online at http://dmses.dot.gov/docimages/pdf91/310004_web.pdf.

Cessna Chairman Proposes Business Approach to Fund FAA:



As GWBAA members should be aware, looming threats to general aviation are proposals to increase the user fees for business aviation. In a recent speech to the Aero Club of Washington, Jack J. Pelton – the Chairman, President, and CEO of Cessna Aircraft Company addressed the issue, and noted five myths that appear to be driving the push for user fees:

Myth one: The mechanisms for funding the FAA are not working;

Myth two: A funding overhaul is needed to pay for modernization, and to cover revenue shortfalls from the declining commercial ticket tax;

Myth three: General aviation does not pay its share for its use of the National Air Transportation System;

Myth four: User fees will provide stable and predictable funding for the FAA; and

Myth five: Very Light Jets coming to market will place a new burden on the air transportation system.

Pelton explained that he is not suggesting business aviation should not help pay for the air transportation system, noting that business aviation does pay to use the system through a fuel tax, which he said should continue because it is a non-bureaucratic way to contribute.

"General aviation represents only about 3 percent of all operations at our nation's 20 busiest and costliest airports. The air transportation system was built to accommodate airline operations - in particular, to accommodate peak traffic at airline hubs. The principle drivers of the costs of the system are the infrastructure and support networks to handle those operations at hub airports."

As an example, Pelton said, Ronald Reagan National Airport in Washington was closed to general aviation traffic for four years, yet the costs of operating the airport did not decrease.

Pelton concluded by saying: "I'm confident that by working together on this platform we can help affect policy decisions that are more enlightened, more realistic, more equitable and more cost effective. And I am confident that these policy decisions will result in a goal we all want to achieve - a strong, sustainable aviation system for our nation."

The complete speech is available at <http://web.nbaa.org/public/news/photos/20060224/>.

Airlines OK with User Fees for FAA Funding:

While Pelton has laid out the business approach to FAA funding, our friends at the airlines keep pounding the user fee drums. But this approach could be categorized under the heading of "be careful what you ask for because the FAA will be back later with a peak-hour pricing programs."

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From Bloomberg News:

U.S. airlines have agreed on a proposal that would replace passenger ticket taxes with user fees to fund the \$14.3-billion Federal Aviation Administration budget. The plan, which took more than a year to negotiate, will be the basis of industry lobbying aimed at persuading Congress to change the way it finances the air-traffic control system.

"Today we are unified," Southwest Airlines Co. Chairman Herb Kelleher said in Washington. Airline chief executives who make up the board of the Air Transport Assn. (ATA) signed off on the plan Thursday, he said.

The proposal calls for the \$10 billion that airlines pay each year in taxes and other fees to be replaced with a system that charges airlines based on airspace use. The formula will probably include a fee for taking off and additional charges based on time spent using air-traffic control services, said James May, the association president.

The taxes that fund air-traffic control expire next year. Bush administration officials want a new approach because they say taxes tied to tickets don't produce a predictable revenue flow.

What the article does not say is: It also creates the need for an entire new bureaucracy in Washington to collect and manage the fees - and for the ATA, it creates the possibility of shifting costs by using its political clout, not to mention damaging Part 135 charter, fractionals and Part 91 operators that have been siphoning off the airlines' highest-margin customers.

Regional News Round-Up:

The Carroll County Board of Commissioners will soon review a 20-year plan for the **Carroll County Regional Airport**, which proposes \$60 million in improvements. The FAA would fund the majority of the improvements. The improvements, which would start in 2010, include a new 6,400-foot runway and parallel taxiway, and additional hangars.



The City of Frederick Board of Aldermen recently discussed but did not decide two proposals related to **Frederick Municipal Airport**; first, whether Frederick should acquire a county-owned hangar at the airport (now used for storage by county fire and rescue services) and use it for commercial purposes, and second, whether additional insurance should be purchased for Frederick Aviation, Inc. to operate an air-to-ground communications system at the airport.

The Virginia State Corporation Commission ("SCC") recently held hearings on the proposed construction of overhead power lines west of Leesburg by Dominion Virginia Power. One of the issues raised was whether the construction of towers on Hogback Mountain would have a create problems for pilots taking off and landing at **Leesburg Executive Airport**. The next SCC hearings on the matter will be held on March 27, 2006 in Richmond.

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In **Hagerstown**, volunteers recently disassembled the “Little Green Shed,” the historic home of the Kreider-Reisner Aircraft Co., which later evolved into Fairchild Aviation. The Hagerstown Aviation Museum, working with the Maryland Historical Trust, hopes to reconstruct the building in the future, which it would display along with two of its products – an original Kreider-Reisner Challenger and a Fairchild F-24.

Dulles ATC Open Forum:

On March 22nd, the FAA at Dulles in coordination with the NBAA plans to hold an ATC Open Forum. This is an opportunity to meet face to face with representatives of Dulles Tower, Potomac TRACON, and Washington Center to discuss ATC matters in the Washington area. GWBAA will provide more details in its next newsletter, but for more information now, please contact houckes@nbaa.org. In addition, questions for the ATC participants may be submitted in advance to Jim Bedow at Potomac TRACON at james.c.bedow@faa.gov; please identify your email by placing “IAD ATC & Customer Forum” in the subject line.

Accidents and Thefts in the Area:

As was widely reported in the media, three accidents in the greater Washington area during a three-day period in February claimed the lives of seven individuals. On February 22, a pilot and passenger were killed in an accident near Freeway Airport in Bowie, Maryland, while later that same day all four aboard an aircraft were killed in an accident near Stafford Regional Airport in Virginia. Finally, on February 24, the pilot of an aircraft was killed in an accident near Shenandoah Valley Regional Airport in Virginia.

In the wake of these tragedies, relatively little media attention has been given to another disturbing trend, of avionics thefts. According to the website AVweb.com, in February an aircraft owner at Bowie reported such an incident, with similarities to other incidents that have occurred recently in the northeast U.S.; generally, late-model Bendix/King and Garmin units are reported to be the preferred choice of thieves, as are GPS units. For more information on this story, please visit <http://www.avweb.com/eletter/archives/avflash/583-full.html#191640>.

Please, be careful out there, both on the ground and in the skies!

Up coming Aviation Events

- March 22: Dulles ATC Open Forum – see above for additional details.
- April 7: GWBAA Annual Meeting, Manassas Airport – see above for additional details.
- June 8: NBAA will hold its annual business aviation regional forum – a day-long learning and networking event designed to meet the needs of the regional business aviation community – at Landmark Aviation at Dulles Airport. For more information, visit <http://web.nbaa.org/public/cs/forums/20060608>. GWBAA will be represented at the opening session of the event and staff a booth with volunteers that will distribute information about our regional group.
- June 9-25: The Studio Theatre will present “Charlie Victor Romeo,” a play which re-enacts actual Cockpit Voice Recorder (CVR) recordings. For more information, visit http://www.studiotheatre.org/plays/plays_details.php?plays_id=94.

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- July 6-8: The World Airline Historical Society will hold its 30th Anniversary Collectibles Show in Tysons Corner, Virginia – an opportunity to socialize and add to one's stock of memorabilia. For more information, visit <http://www.ai2006.com>.
- September (*exact date TBD*): Watch this space for information regarding GWBAA's fall golf outing.

GWBAA Offers Online Benefits:

We are continuing to add member information for the GWBAA electronic membership directory – <http://www.gwbaa.com/directory.html>. This service is available to GWBAA members at no cost. If you would like to post your company information please contact Bob Blouin via email at info@gwbaa.com.

GWBAA Contacts:

GWBAA President Bob Blouin (info@gwbaa.com) and Jol Silversmith of Zuckert, Scutt & Rasenberger, LLP (jasilversmith@zsrllaw.com) edit GWBAA News. GWBAA's success and ability to make a difference depends on the breadth of its support and your participation - send any ideas or comments for future newsletters or for GWBAA in general to Bob or Jol, or any of the following people:

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