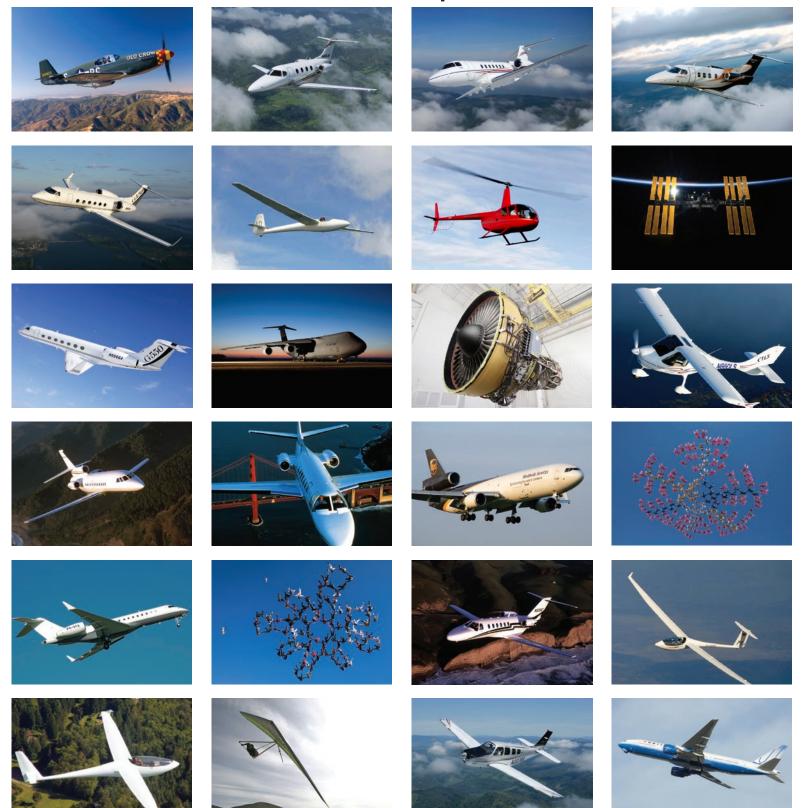


2009 National Aeronautic Association Annual Report



The Aero Club of the United States

Message from the Chairman



The cumulative effect of good management and hard work may be seen in the hard figures of this annual report. The National Aeronautic Association has definitely moved to a positive position, from which it can plan for future successes, thanks to the hands-on guidance of its President and the concerted effort of a truly devoted staff.

What may not be obvious to the casual reader is the degree of effort required to achieve the remarkable turn-around which has occurred in the last two years. There has not been a single moment in which fiscal prudence has not been practiced, nor has there been a single case in which an extravagant expenditure was made. On the contrary, there were some instances in which totally unexpected costs arose in a manner that could not be foreseen (as was the case with the termination of the lease on the expensive Alexandria office space). In each of these instances, cost savings in other areas more than compensated for the increase.

The fiscal prudence was totally dependent upon managerial oversight. It is extremely easy to allow little luxuries to creep into a budget, especially when there is a sense that things are going well. The NAA's managerial oversight prevented this at every level, with the consequent good results.

Such close financial controls, however, did not result in less activity, outreach, or accomplishment. I am very pleased and proud of the work our staff has done at all of our core responsibilities such as tracking records, administering the most important awards program in the nation, working to expand the participation and success of air sports, and bringing to our membership some of the most important and informative aerospace professionals through our luncheon program.

The NAA staff is well aware of the approval of its Board and its members, and knows that the sacrifices—and they have been just that, sacrifices—that have been made are understood and appreciated.

I believe we have left the "extreme turbulence" behind, and we all look forward to moving ahead with the same deliberation and success.

Watter & Bogne

Walter Boyne Chairman, NAA

On the cover: 24 of the people and equipment which set NAA world records in 2009.



2009 Board of Directors and Staff

Officers

Chairman: Walter J. Boyne Vice Chairman: Durwood "Skip" Ringo, DRS General Counsel: George Carneal, Hogan and Hartson Treasurer: Roy Kiefer, Lockheed Martin Secretary: Elizabeth Matarese, AvTurf

President and CEO

Jonathan Gaffney

Board Members

Edward M. Bolen, National Business Aviation Association Bob Blouin, Hawker Beechcraft David G. Brown, DB Products/Academy of Model Aeronautics Richard (Hot Dog) Brown Stephen Callaghan, Lockheed Martin Steve Champness, Trade-A-Plane/Aero Club of Metropolitan Atlanta David Coleal, Bombardier Learjet Nissen Davis, Aero Club of Southern California The Honorable Rudy deLeon, Center For American Progress Arthur W. Greenfield, NAA John S. Langford, Aurora Flight Sciences Joe Lombardo, Gulfstream Aerospace Corporation David Manke, UTC/Pratt & Whitney Richard A. Milburn, Northrop Grumman Corporation Mary M. Miller, Signature Flight Support Stan O'Connor, GE Aviation Henry M. Ogrodzinski, National Association of State Aviation Officials John Provenzano, Rockwell Collins William F. Readdy, Discovery Partners Alvin L. Sack, Whitney, Bradley & Brown Edward M. Scott, United States Parachute Association Susan L. Sheets, National Aircraft Resale Association/Aero Club of Washington Bob Stangarone, Cessna Tony Velocci, Aviation Week Phil Umphres, Soaring Society of America Robert J. Vilhauer, The Boeing Company

Staff

Arthur W. Greenfield, Director of Contest and Records Nancy M. Sack, Director of Administration Cassandra Bosco, TailWinds Communications, Director of Awards and Events



Message from the President





After two years of confronting the challenges of stabilizing the <u>finances</u>, <u>mission</u>, and <u>responsibilities</u> of the National Aeronautic Association, I am comfortable saying that we have turned that corner and have now begun the process of building a sound foundation to return NAA to its function as serving as the Aero Club of the United States.

With respect to our finances, I am very pleased to announce that, for the second consecutive year (and for the second time in 11 years) we have operated NAA at a modest profit. While our revenues were reduced 17% from 2008, we were also able to reduce our expenses by an almost equal amount - the result being a net of \$39,000. Adding to the fiscal pressure was a significant unbudgeted expense related back to our 2008 move to National Airport as well as a Collier Dinner that was smaller in size and attendance than we had hoped. In a most difficult time for our entire aerospace and aviation industry, however, we were able to add four new large corporate members to the NAA Team – Cessna, Hawker Beechcraft, SpaceX, and Alenia North America. While the dues revenue attained from these great companies was needed and appreciated, the fact that they elected to do so in this environment is a testament that the work we do is important to our industry and worth supporting. I am also pleased that the NAA Credit Card (which had over 10,000 cardholders as recently as 2008) has been re-introduced in partnership with the PartnersFirst company. We have started out very modestly with it, but will continue to grow the card in the years ahead.

In 2009 we clarified and focused on our <u>mission</u>. We do four things: Records, Awards, FAI/Air Sports, and our Luncheon Program. The vast majority of the work we do throughout the year is related to these four areas and these are the areas on which we will focus in the future.

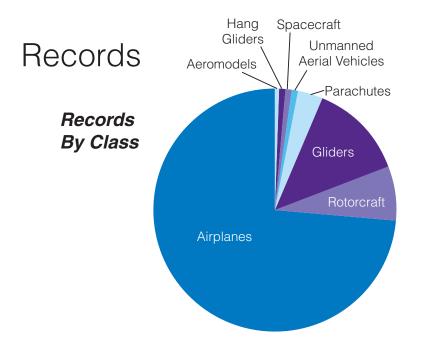
In this regard, we fulfilled our responsibilities throughout 2009. We had a banner year in the records department with the highlight being numerous records that were set in the Fall by Lockheed Martin and their C5-M. We were proud to present the Collier Trophy to the Commercial Aviation Safety Team, the Wright Brothers Memorial Trophy to Steven F. Udvar-Hazy, a Public Benefit Flying Award to the Corporate Angel Network, and the Wes McDonald Elder Statesmen of Aviation Award to George Carneal and Dr. Tom Connolly. This year saw increased awareness and nominations for almost all of our awards, and we are looking forward to the continued development of our nominations and selection process. We continued to devote a significant amount of time and energy to our support of Air Sports in America and our work with the Federation Aeronautique Internationale through participation in almost all their board meetings and many of their conferences. Our luncheon program truly blossomed in 2009 with the participation of the Honorable Marion Blakey, President of AIA; General Norton Schwartz, Chief of Staff of the United States Air Force; and Ralph Crosby, Chairman of EADS North America.

It wasn't an easy year, but in this environment that is to be expected. We are proud of the very unique and singular role we play in our great industry and, if we maintain our focus on our mission alone, I believe we will have few problems fulfilling the stated objective of NAA, "The advancement of the art, sport, and science of aviation."

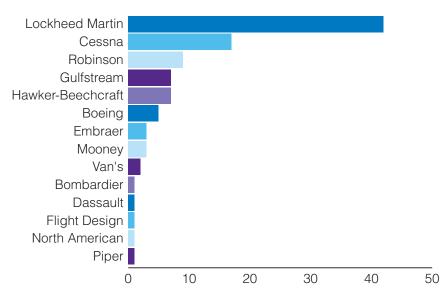
Many thanks for your support,



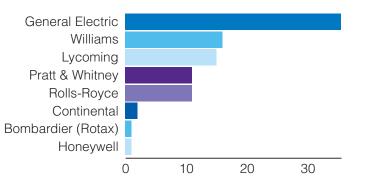




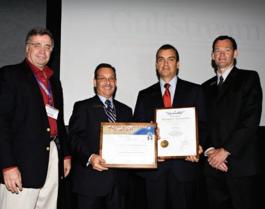
Airplane & Rotorcraft Records by Manufacturer



Airplane & Rotorcraft Records by Powerplant













NAA Awards

Collier Trophy – Commercial Aviation Safety Team

- Federal Aviation Administration
 - Office of Aviation Safety
 - Office of Aviation Safety Analytical Services
 - Flight Standards Service
 - Aircraft Certification Service
 - Air Traffic Safety Oversight Service
 - Air Traffic Organization
 - Office of Airports
- National Aeronautics and Space Administration
- United States Department of Defense
- European Aviation Safety Agency
- Aerospace Industries Association
- Airbus
- Air Line Pilots Association
- Air Transport Association
- Allied Pilots Association
- The Boeing Company
- Flight Safety Foundation
- General Electric Corporation
- National Air Traffic Controllers Association
- National Air Carrier Association
- Pratt & Whitney
- Regional Airline Association





Wright Brothers Memorial Trophy

• Stephen Udvar-Hazy



Wesley L. McDonald Elder Statesman of Aviation

- Tom Connolly, Embry-Riddle Aeronautical University
- George Carneal, Hogan and Hartson





Mackay Trophy

- The Crew of Bone 23:
 - Major Norman Shelton, USAF
 - First Lieutenant Boyd K. Smith, USAF
 - Captain Kaylene J. Giri, USAF
 - Captain Louis M. Heidema, USAF

Public Benefit Flying Awards

- Mack Secord Distinguished Volunteer Pilot
- Robert J. Munley Distinguished Volunteer
- Corporate Angel Network

 Outstanding Achievement in Advancement of Public Benefit Flying

Katharine Wright Award

• Donna Shirley

Brewer Trophy

- University Aviation Association
- Fédération Aéronautique Internationale Awards

DIPLOMA FOR OUTSTANDING AIRMANSHIP

Captain Chesley B. Sullenberger, III and First Officer Jeffrey B. Skiles

LOUIS BLERIOT MEDAL

Jon M. Sharp

DE LA VAULX MEDAL

Edward Kasprowicz & Steven Sheik

STS 123 & ISS 16 1J/A Crews STS 126 & ISS 18 Crews STS 123 & ISS 16 1J/A Crews Members

PELAGIA MAJEWSKA GLIDING MEDAL

Doris Grove

VLADIMIR KOMAROV DIPLOMA

The STS 122 Mission and resident International Space Station Increment 16 Crews

The STS 123 Mission and resident International Space Station Increment 16 Crews

The STS 124 Mission and resident International Space Station Increment 17 Crews

KOROLEV DIPLOMA

STS 126 Mission and resident International Space Station Increment 18 crews

PAUL TISSANDIER DIPLOMAS

Patrick Moorehead John and Martha King





Award Selection Committee Members

Robert J. Collier Trophy

Walter Boyne, Committee Chairman Peter Bunce, General Aviation Manufacturers Association Steve Callaghan, NAC Awards and Events Board, NAA Steve Champness, Aero Club of Metropolitan Atlanta David Coleal, Bombardier Learjet Bob Francis, Farragut International, LLC Randall Greene, Safe Flight Instrument Corp Roy Kiefer, Lockheed Martin Susan Larson, The Ninety-Nines, Inc. David Manke, UTC/Pratt & Whitney Mary Miller, Signature Flight Support Stan O'Connor, GE Aviation Henry Ogrodzinski, National Association of State Aviation Officials John Provenzano, Rockwell Collins, Inc. Lou Ray, LHR Systems Skip Ringo, DRS Technologies Al Sack, Whitney, Bradley & Brown, Inc. Buddy Sams, Gulfstream Aerospace Corporation Susan Sheets, National Aircraft Resale Association Ben Stone, Alenia North America, Inc. The Honorable Bobby Sturgell Phil Umphres, Soaring Society of America Robert Vilhauer, The Boeing Company

Wright Brothers Memorial Trophy

The Honorable Marion Blakey, AIA Mark Lewis, AIAA David Castelvetter, ATA Tony Velocci, Aviation Week Lisa Piccione, Aero Club of Washington Jonathan Gaffney, NAA

Brewer Trophy for Aerospace Education

Frank Brewer, III Phil Woodruff Katie Pribyl, GAMA Elizabeth Matarese, AvTurf Debbie Gallaway Ray Johnson Shelli Simi, Jeppessen Jonathan Gaffney, NAA

Katharine Wright

Dr. Peggy Chabrian, Women in Aviation International Shelli Simi, Jeppessen Mary Miller, Signature Flight Support Lisa Picionne, NBAA Susan Larson, Ninety-Nines Jonathan Gaffney, NAA

Stinson Trophy

Dr. Peggy Chabrian, Women in Aviation International Katie Prybl, GAMA Hugh Risseuw, Pratt & Whitley Gene Datrick Jonathan Gaffney, NAA

Public Benefit Flying Awards

Rol Morrow, Air Care Alliance/Wolf Aviation Fund Lindy Kirkland Dan Meyer Rick Durden Steve Callaghan, Lockheed Martin Susan Sheets, National Aircraft Resale Association Doug Clements, Wings of Hope Richard Blacker Jonathan Gaffney, NAA



Air Sports

Affiliated Air Sport Oganizations:



Academy of Model Aeronautics (AMA) (1936) www.modelaircraft.org



Soaring Society of America (SSA) (1932) www.ssa.org



United States Parachute Association (USPA) (1946) www.uspa.org



USHPA UNITED STATES HANG GLIDING & PARAGLIDING ASSOCIATION

United States Hang Gliding and Paragliding Association (USHPA) (1974)

www.ushpa.aero



Balloon Federation of America (BFA) (1961) www.bfa.net Helicopter Club of America

Helicopter Club of America (HCA) (1979)



United States Ultralight Association (USUA) (1982) www.usua.org



International Aerobatic Club (1970) www.iac.org

Air Sports occupy a very important and historic role in the aviation and aerospace fabric of the United States. With a combined, total membership of over 200,000, the affiliated air sport organizations of NAA bring to our industry the promotion of education, safety, competition, and the sheer enjoyment of sporting aviation. Spread throughout all 50 states, they bring to America the excitement and adventure of flying in all its forms.

NAA's partnerships with these eight air sport organizations are administrative, financial, and professional in nature. For example, NAA

- Collects dues from all the ASOs and forwards them to FAI as part of NAA's annual dues. (Approximately 98% of these dues are forwarded to FAI);
- Provides guidance and support to the ASOs on regulatory and governmental issues as needed/possible;
- Administers sporting licenses and records to all ASO members;
- Assigns members designated by the ASOs to the FAI Commissions;
- Administers the FAI awards program for air sports in the United States;
- Consistently brings air sports into our work through our events, award selection panels, and publications.

In addition the NAA President and NAA Director of Contest and Records serve (collectively) on the Boards of all the ASOs and Presidents/Executive Directors (or their designates) of the ASOs rotate onto the NAA Board.



FAI

As a founding member of the Fédération Aéronautique Internationale, NAA maintains a close and professional association with this world governing body of air sports.

Based in Lausanne, Switzerland, the organization was formed in 1905 and is made up of nearly 100 member countries. As the world air sports federation, FAI oversees all air sport activity throughout the world, establishing rules for the certification of records and air sport events around the world and conferring medals and diplomas to deserving members of the aviation community.

Jonathan Gaffney is a Vice-President of FAI and Art Greenfield serves as Vice-President and Secretary of the FAI General Aviation Commission.

In 2008, NAA participated in a number of important FAI projects and events, including participation in the FAI General Conference in Incheon, South Korea and the General Aviation Commission meeting in Palma, Spain.

Working with its affiliated Air Sport Organizations, NAA designated 23 Americans for assignment on 14 different FAI air sport and technical commissions.

General Aviation Commission (GAC) Delegate: Arthur Greenfield, Washington, D.C.

Gliding Commission (IGC)Delegate:Eric Mozer, North CarolinaAlternate:Rick Sheppe, Vermont

Parachuting Commission (IPC)Delegate:Marylou Laughlin, ConnecticutAlternate:Larry Bagley, Utah

Ballooning Commision (CIA)Delegate:Mark Sullivan, New MexicoAlternate:David Levin, Colorado

Aeromodeling Commission (CIAM)Delegate:David Brown, OhioAlternate:Bob Brown, Pennslyvania

Hang Gliding and Para Gliding Commission(CIVL)Delegate:Alternate:Lisa Tate, Idaho

Airspace and Navigation Systems Commission (CANS) Delegate: Bernald Smith, California



<image><image>

Environmental Commission (ENVc) Delegate: Bernald Smith, California

Aerobatic Commission (CIVA)

Delegate: Michael Heuer, Tennessee Alternate: Debby Rihn-Harvey, Texas

Aviation and Space Education Commission (CIEA)

Delegate: Gordon Hoff, Minnesota Alternate: Debbie Gallaway, Washington, D.C.

Medico-Physiological Commission (CIMP) Delegate: Dr. Richard Garrison, Oregon

Astronautic Records Commission (ICARE) Delegate: Gregory Oliver, Texas Alternate: William Barry, Washington, D.C.

Microlight Commission (CIMA)Delegate:Roy Beisswenger, IllinoisAlternate:Daniel Grunloh, Illinois

Rotocraft Commission Delegate: Jean Tinsley, California



NAA Luncheon Program

The NAA Luncheon Series, organized by our National Aviation Club Awards and Events Committee, brings together leaders in the aviation and aerospace industry with professionals from around the region. Directed by Steve Callaghan, Chairman of the Committee, we grew interest and attendance (including press from Aviation Week, Defense Daily, Aviation Daily, Bloomberg News, Air Force Magazine, and Flight Global) with the a line up of outstanding speakers, including:



Marion Blakey, President & CEO, Aerospace Industries Association



Greg Principato, President & CEO, Airports Council International, North America

EADS North America

GE Aviation



General Norton A. Schwartz, Chief of Staff, United States Air Force



Mr. Ralph Crosby, Chairman, EADS North America

The Boeing Company Cobham DRS Technologies, Inc. 2009 -2010 Season Table Holders:

Lockheed Martin Corporation Northrop Grumman Corporation UTC/Pratt & Whitney

Aurora Flight Sciences and Curtiss-Wright Corporation

2009/2010 Financial Information

Income	2009 Budgeted	2009 Actuals	2010 Budgeted
Corporate Dues	\$224,000.00	\$238,500.00	\$292,500.00
Air Sport Dues	\$98,000.00	\$108,610.93	\$102,600.00
Individual Dues	\$39,000.00	\$50,473.00	\$28,500.00
Affiliate Dues	\$20,000.00	\$14,000.00	\$20,000.00
Aero Club Dues	\$8,650.00	\$7,685.00	\$10,900.00
Record Fees	\$90,000.00	\$114,305.00	\$90,000.00
Sales	\$19,000.00	\$38,457.00	\$7,230.00
Events	\$195,000.00	\$150,295.85	\$212,500.00
Miscellaneous	\$12,679.00	\$44,660.24	
TOTAL	\$706,329.00	\$766,987.02	\$770,830.00
<u>Expenses</u>			
Salary/Benefits	\$252,772.00	\$264,770.28	\$279,901.00
Contract Services	\$52,684.00	\$52,876.55	\$52,428.00
Building/Equipment	\$39,960.00	\$62,111.45	\$39,990.36
FAI Dues	\$91,855.00	\$99,118.84	\$100,855.00
Membership	\$24,300.00	\$19,452.45	\$17,750.00
Travel	\$12,800.00	\$11,741.43	\$13,050.00
Events	\$142,805.00	\$111,779.72	\$145,935.00
Miscellaneous	\$63,018.00	\$68,591.79	\$64,026.00
Publishing	\$34,700.00	\$37,585.83	\$28,800.00
TOTAL	\$714,894.00	\$728,028.34	\$742,735.36
	(\$8,565.00)	\$38,958.68	\$28,094.64



2009 Organizational Members

CORPORATE MEMBERS

Alenia North America, Inc. **Aurora Flight Sciences** The Boeing Company **Bombardier** Learjet Cessna Aircraft Company **DRS** Technologies **GE** Aviation Gulfstream Aerospace Corporation Hawker Beechcraft Corporation Jeppesen Lockheed Martin Corporation Northrop Grumman Corporation Rockwell Collins, Inc. Safe Flight Instrument Corporation Signature Flight Support Corporation **SpaceX** United Technologies Corp. Whitney, Bradley & Brown, Inc.

AFFILIATE MEMBERS

Air Care Alliance Air Transport Association of America American Institute of Aeronautics and Astronautics Embry-Riddle Aeronautical University General Aviation Manufacturers Association National Association of State Aviation Officials National Business Aviation Association, Inc.

AERO CLUB MEMBERS

Aero Club of Metropolitan Atlanta Aero Club of New England Aero Club of Northern California Aero Club of Southern California Aero Club of Washington Wichita Aero Club

SPECIAL SUPPORT OF PUBLIC BENEFIT FLYING

Linda Hall Daschle

INDIVIDUAL MEMBERS 2675



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