



Message from the Chairman



The year 2008 was a watershed for the National Aeronautic Association, one in which hard work and good planning caused a marked upward turn for all of the significant indicators of success.

This was no accident, for it represented an extreme amount of planning, effort and sacrifice on the part of a very small staff and many engaged members of the NAA Board of Directors. Remarkably, the results included a general improvement in services, particularly in regard to relations with our vital associations.

In 2009 and beyond, the NAA will face the same challenges that our nation currently faces — a recession, changing demographics, and strong competition from other sources. The proven ability of the NAA staff led by our President, Jonathan Gaffney, its strong backing from the aerospace industry, and a wealth of new ideas give me absolute confidence that the NAA will grow stronger and even more productive in the years to come.

We look forward to working with the many, varied partners in our aviation industry in the year ahead.

A handwritten signature in dark ink, appearing to read "Walter J. Boyne".

Walter J. Boyne
Chairman

2009 Board of Directors and Staff

Board Members

Chairman: Walter J. Boyne

Vice Chairman: Durwood “Skip” Ringo, DRS Technologies

General Counsel: George Carneal, Hogan and Hartson

Treasurer: Roy Kiefer, Lockheed Martin

Secretary: Elizabeth Matarese, AVTURF

Edward M. Bolen, National Business Aviation Association
David G. Brown, DBProducts/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, Southern California Aeronautic Association
The Honorable Rudy deLeon
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
Ed Scott, United States Parachute Association
Susan L. Sheets, National Aircraft Resale Association/Aero Club of Washington
Tony Velocci, Aviation Week
Phil Umphres, Soaring Society of America
Robert J. Vilhauer, The Boeing Company

President and CEO

Jonathan Gaffney

Staff

Arthur W. Greenfield, Director, Contest and Records

Nancy Sack, Director of Administration

Cassandra Bosco, TailWinds Communications, Director of Awards and Events

Message from the President



When I was selected as 31st President of the National Aeronautic Association in the Summer of 2007, the Board of Directors laid out two very clear and urgent goals for me and the staff of NAA – to stabilize our finances and to re-connect with the many Air Sport Organizations, Aero Clubs, Associations, and Corporations that have long partnered with us in the achievement of our sole responsibility: “The advancement of the art, sport, and science of aviation.”

2008 saw us make tremendous progress in the pursuit of these goals.

For the first time since 1999, NAA operated in the black, showing a profit of \$57,000.00 on revenues of \$923,000.00. On the expense side, we enacted some very rigorous spending cuts which included a 50% reduction in staff, relocation of our corporate offices to Ronald Reagan Washington National Airport, and significant reductions in the cost of our magazine. On the income side, we instituted a development plan I termed the “Solid Line,” which called upon those organizations which benefited the most from the work of NAA to be the first to “step up” and assist us in our stabilization. Together, both of these efforts resulted in the financial stabilization of the National Aeronautic Association.

Outreach to our many partners in the industry started immediately and continued throughout the year. We participated in the work of all of our Air Sport Organizations and strengthened our working relationships with four of our affiliated aero clubs. I attended board meetings, dinners, conferences, air shows, and luncheons throughout the United States. In addition, I began the process of visiting with many of our corporate partners. While this work is ongoing, I believe we made great progress in solidifying these important links which benefit both NAA and our partners.

While we were working very hard on these two requirements set forth by our Board of Directors, we also got back to the basics of NAA – Records, Awards, our Luncheon Program, and serving as the United States’ representative to the Fédération Aéronautique Internationale (FAI). While overall records work was modestly down from previous years, we certified some outstanding accomplishments including an around-the-world helicopter flight and an around-the-world piston airplane flight. We had a very strong year in our awards program with the largest Collier Trophy winning group ever (the ADSB Team of Public and Private Sector Groups) and an incredibly robust group of nominees for the Wright Brothers Memorial Trophy (won by Norm Augustine, retired President of Lockheed Martin). General Norton Schwartz, Chief of Staff of the United States Air Force, personally presented the MacKay Trophy at our Annual Fall Awards Banquet. Our luncheon program improved immensely in 2008, with a two-part series on the Air Force Tanker Competition and well-received remarks from such important figures as General James Amos, Assistant Commandant of the Marine Corps, and Jim May, President of the Air Transport Association.

Obviously, our challenges in 2009 will be as great as those we faced in 2008. While we have structured ourselves to be as efficient as possible, we still have the resources, focus, and dedication to allow us to meet our obligations to the industry.

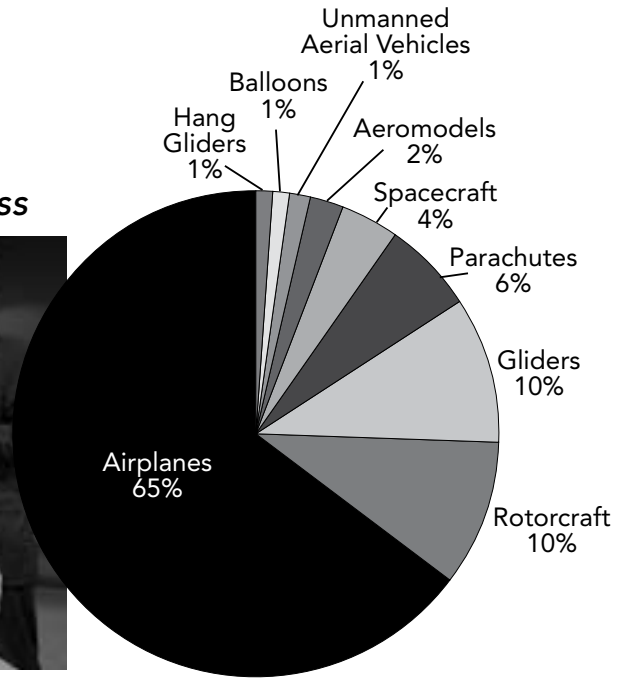
The process to re-establish the stability and relevance of NAA is an ongoing endeavor, but one that we believe in.


Jonathan Gaffney
President

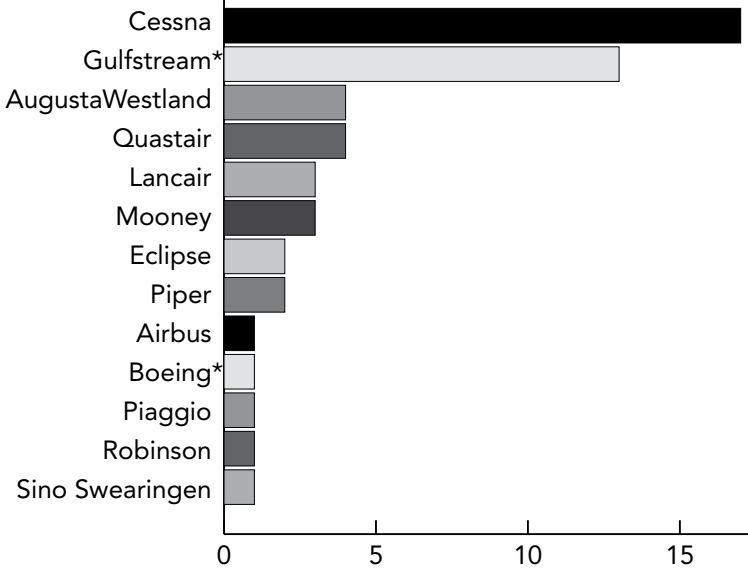


Records

Records By Class

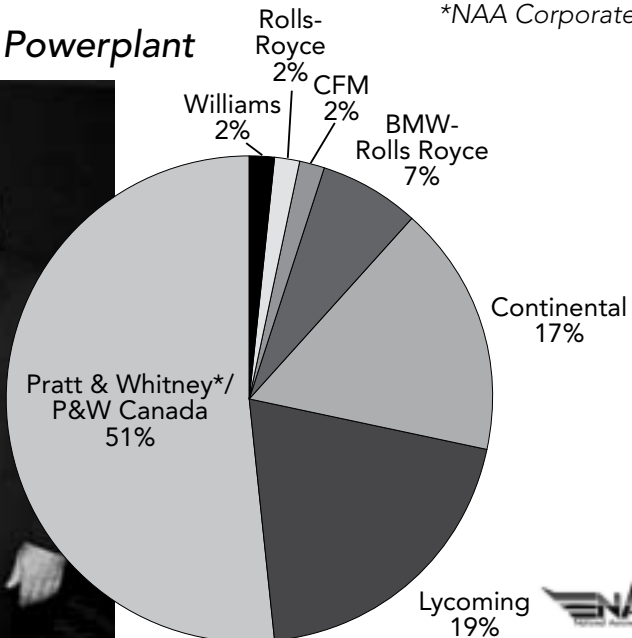


Airplane & Rotorcraft Records by Manufacturer



Airplane & Rotorcraft Records by Powerplant

*NAA Corporate Members



Awards

Robert J. Collier Trophy

The ADS-B Team of Public and Private Sector Groups



- ACSS, an L-3 Communications and Thales Company
- Aircraft Owners and Pilots Association
- Air Line Pilots Association (ALPA)
- Alaska Airmen's Association
- Alaska Air Carriers Association
- Alaska Aviation Coordination Council
- Alaska Aviation Safety Foundation
- Cargo Airline Association

Department of Transportation — Volpe National Transportation Systems Center

- Embry-Riddle Aeronautical University
- Federal Aviation Administration
 - Advanced Technology Development and Prototyping Group
 - Capstone Program Office
 - Office of Aviation Safety
 - Safe Flight 21 Program Office
 - Surveillance and Broadcast Services Office
 - William J. Hughes Technical Center
- Garmin AT
- Helicopter Association International
- Helicopter Safety Advisory Council (HSAC)
- Independent Pilots Association
- ITT
- Johns Hopkins University, Applied Physics Laboratory



- Lockheed Martin Transportation and Security Solutions
- MIT Lincoln Laboratory
- MITRE Corporation
- National Aeronautics and Space Administration (NASA)
 - NASA Ames Research Center
 - NASA Langley Research Center
- RTCA
 - Special Committee 186 (ADS-B)
 - ADS-B Working Group
- Sensis, Inc.
- United Air Lines
- University of Alaska
- UPS

Wright Memorial Trophy

- Norman R. Augustine, Former President and CEO, Lockheed-Martin



FAI Montgolfier Ballooning Diploma

- Richard Jaworski

FAI Honorary Group Diploma for Aeronautics

- Commercial Aviation Safety Team

NAA Certificates of Honor

- David Brown, Retired President of the Academy of Model Aeronautics
- Christopher Needels, Retired Executive Director of the United States Parachute Association

NAA Certificate of Merit

- Colonel Scott Neumann, USAF

FAI Gold Medal

- Captain Eugene A. Cernan, USN (Ret.)



Katherine and Marjorie Stinson Award

- Julie Clark

Public Benefit Flying Awards

- Distinguished Volunteer Pilot – Bruce Bromberg, Angel Flight Southeast
- Distinguished Volunteer – Larry Gabriel, Lifeline Pilots

- Outstanding Achievement in Public Benefit Flying – Lt. Col. Cynthia Ryan, Civil Air Patrol



- Teamwork – The Founders and Volunteers of Dreams on Wings, the Alabama Air National Guard, and GivingFlite
- Champion of Public Benefit Flying – Aircraft Owners and Pilots Association

Katharine Wright Trophy

- Captain Karen Lee, UPS



Clarence Mackay Trophy

- Lt. Col. Stephen C. Williams, USAF
- Col. Charles L. Moore, USAF
- Capt. Lawrence T. Sullivan, USAF
- Capt. Kristopher W. Struve, USAF



Wesley L. McDonald Elder Statesman of Aviation Awards

- Phil Boyer, AOPA
- Frank Brewer, Jr.
- Oliver R. Crawford
- John T. Race

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 had an excellent series of speakers in 2008:

Daniel K. Elwell, Federal Aviation Administration, Assistant Administrator for Aviation Policy, Planning and Environment

“Aviation Growth and Climate Change: The Next Record We Must Set”

Vice Admiral John G. Cotton, Chief of Navy Reserve

“Global War on Terror/Naval Maritime Strategy Update”

William “Bill” Welser III, Vice President, Business Development, Air Mobility Systems, Integrated Systems, Northrop Grumman Corporation

“The KC-45 Tanker”

Mark McGraw, Vice President, Tanker Programs, Precision Engagement and Mobility Systems

The Boeing Company

“KC-767 Right Size...Right Tanker”

Rick Peacock-Edwards, Master of the Guild of Air Pilots and Air Navigators (GAPAN); update on aviation in the UK.



General James F. Amos, USMC, Assistant Commandant of the Marine Corps, addresses the crowd at the November Luncheon on airpower in a low intensity conflict.



James C. May, President & CEO, Air Transport Association, shared his thoughts on the state of the airlines at December luncheon.

2008-2009 Season Table Holders:

The Boeing Company

Cobham

DRS Technologies

GE Aviation

Lockheed Martin Corporation

Northrop Grumman Corporation

UTC / Pratt & Whitney



Fédération Aéronautique Internationale

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 is made up of nearly 100 member countries and was founded in 1905. 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 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:

- Attendance and participation in the FAI General Conference in Aosta Valley Region of Italy. Important issues concluded at the conference were the re-election of Pierre Portmann as FAI President, a status update on FAI's premier international aviation competition – the 2009 World Air Games, and the election of a new FAI Executive Board.
- Art Greenfield completed a comprehensive re-write of the rules for records (including the addition of a new record task for Aeroplane Efficiency) as a member of the General Aviation Commission. The new rules were accepted by the commission and went into effect March 1, 2008.
- After a one-year absence, NAA has re-instituted the FAI “Young Artists” competition in the United States. Working in conjunction with the National Association of State Aviation Officials, we hope to reach all regions of our country in the implementation of this contest.

In 2009, we hope to attend and support the World Air Games in Torino, Italy; participate in FAI General Conference Planning Sessions in Lausanne; and attend the FAI General Conference in Seoul.



Air Sports

Affiliated Air Sport Organizations:



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



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



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



United States Hang Gliding and Paragliding Association (USHPA)
www.usHPA.aero



Balloon Federation of America (BFA)
www.bfa.net

Helicopter Club of America

Helicopter Club of America (HCA)



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



International Aerobatic Club
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 approximately 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 2008, NAA participated in the ongoing work of all of the Air Sports Organizations through participation in their boards, events, records, and supporting their commission work with FAI.

In February, we hosted a day-long meeting of our Air Sport colleagues with Pierre Portmann, President of the Federation Aeronautique Internationale (FAI) and Max Bishop, FAI Secretary General. Of primary note was an extensive discussion on the 2009 FAI World Air Games.

In 2008, NAA also hosted an “Air Sports Conference” at our headquarters where representatives of AMA, SSA, USPA, and USHPA gathered with staff of NAA and senior representatives of the American Society of Association Executives to discuss and share information on membership and other challenges of association management. We were also joined by senior representatives of the National Association of Rocketry.

Air Sports were also featured prominently in each edition of our newsletter, the NAA *Record*, as well as our two major NAA functions — the Fall Awards Banquet and Spring Awards Luncheon.



Financial Review

<u>Income</u>	2009 Budgeted	2008 Actuals
Corporate	\$235,000	\$209,000
ASO	\$98,000	\$98,807.76
Individual	\$39,000	\$48,387
Affiliate	\$20,000	\$16,500
Aero Club	\$8,650	\$3,785
Record Fees	\$90,000	\$74,880
Crew Cards	\$785	\$785
Sporting Licenses	\$894	\$855
Sales	\$19,000	\$144,058.95
Royalties (Credit Card)	\$0	\$66,475.46
Events	\$195,000	\$245,204.79
Contributions	\$1,000	\$1,000
Int/Div	\$10,000	\$12,798.38
	\$717,329	\$922,537.34
<u>Expenses</u>		
Salaries and Benefits	\$252,772	\$281,766.22
Legal, Insurance, Taxes	\$13,746	\$13,550.26
Professional and Contract Services	\$52,684	\$49,802.22
Building and Equipment	\$47,352	\$63,604.72
Maintenance	\$0	\$6,930.15
Moving Expense	\$0	\$16,223.35
Telephone	\$7,260	\$8,925.14
Dues and Subscriptions	\$91,855	\$93,735.09
Non-Capital Expenses	\$3,000	\$649.99
Publishing Expenses	\$34,700	\$49,492.11
Marketing/Promotion	\$0	\$4,675
Printing Services	\$1,800	\$2,645.84
Postage	\$4,000	\$4,562.63
Express Mail/Shipping	\$300	\$873.05
Cost of Sales	\$12,650	\$81,059.36
Bank Investment Fees	\$7,540	\$10,525.42
Membership Fulfillment	\$24,300	\$22,758.12
Staff Travel	\$12,800	\$14,453.05
Business Entertainment	\$550	\$591.73
Meetings	\$1,500	\$1,467.02
Event Cost	\$142,085	\$132,492.72
Office Expenses	\$2,600	\$3,083.01
Donations	\$1,400	\$1,400
Miscellaneous Expenses	\$0	\$51.88
	\$714,894	\$865,318.08

2008 Corporate/Affiliate/Aero Club Members

CORPORATE MEMBERS

Alenia North America
Aurora Flight Sciences
Avemco Insurance Company
Bombardier Learjet
The Boeing Company
Dassault Falcon Jet Corporation
DRS Technologies
GE Aviation
Gulfstream Aerospace Corporation
Jeppesen
Lockheed Martin Corporation
Northrop Grumman Corporation
Rockwell Collins, Inc.
Rolls-Royce North America
Safe Flight Instrument Corporation
Signature Flight Support Corporation
SpaceX
United Technologies Corporation
Whitney, Bradley & Brown, Inc.

AFFILIATE MEMBERS

Aerospace Industries Association
Air Transport Association of America
Aircraft Electronics Association
American Institute of Aeronautics and Astronautics
Embry-Riddle Aeronautical University
General Aviation Manufacturers Association
National Air Transportation Association
National Association of State Aviation Officials
National Business Aviation Association, Inc.
The Ninety-Nines, Inc.

AERO CLUB MEMBERS

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

INDIVIDUAL MEMBERS

2,765



Hangar 7, Suite 202
Washington National Airport (DCA)
Washington, D.C. 20001
800.644.9777
www.naa.aero