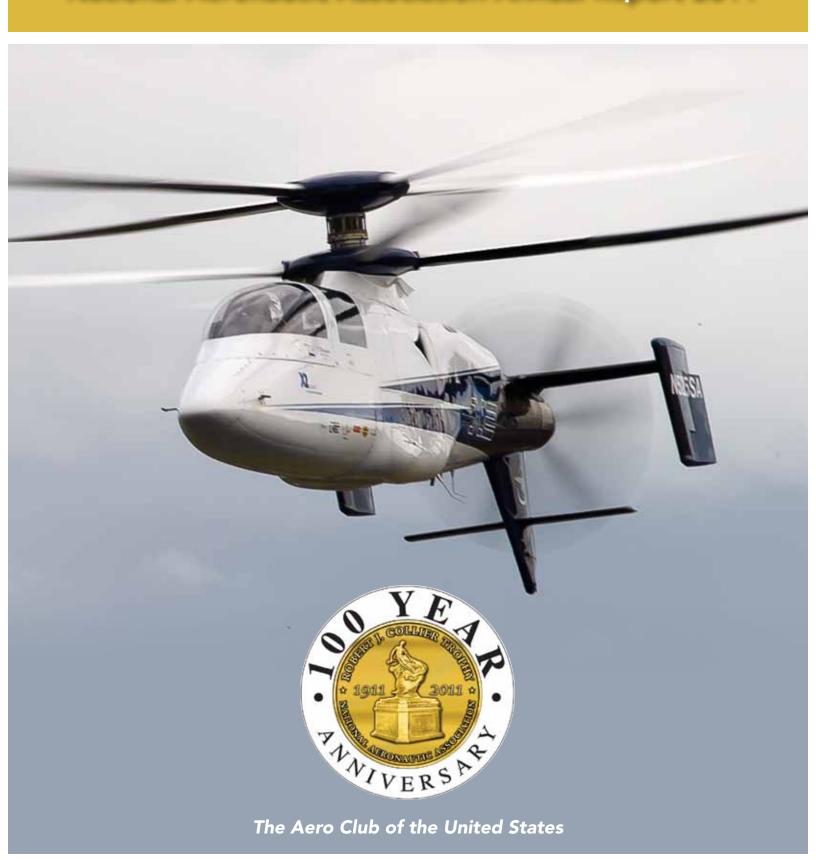


National Aeronautic Association Annual Report 2011



To All Board Members of the National Aeronautic Association

The term "monopoly" usually has a negative connotation, conjuring up images of selfish individuals or companies using their singular power to enrich themselves at the expense of others. Yet when you think about it, the National Aeronautic Association is a monopoly, because it has the singular responsibility to (a) certify records and (b) make the most prestigious awards in aviation.



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Fortunately, NAA's monopoly is used only for advancing the interests of the aerospace industry. We enable individuals and companies to establish national and international records for their efforts. It provides the most open forums to choose the recipients of such hallowed prizes as the Collier and Wright trophies, as well as such coveted honors as the Distinguished Statesman Award.

Curiously, this monopoly position is almost universally overlooked by members of the aerospace industry — NAA's position is just accepted as the arbiter of these events. Not much thought is given to the prospect of the chaos that would ensue if NAA was forced by financial events to discontinue its operations.

Six years ago, when I assumed Chairmanship of NAA, we were in great danger of simply closing up shop. Fortunately, through some tough decisions made by our President, Jonathan Gaffney, on staffing, operations, and responsibilities, we were able to avoid that option and, today, we continue our consistent, defined course of stabilizing our future for many years ahead.

Our margin of safety is thin, however. In that regard, I believe that if we take steps today — not next week, but today — to buttress the finances of the organization by expanding both individual memberships, organizational memberships, and corporate sponsorships, we will solidify the structure and future of NAA.

I'm happy to report that the NAA Board has embraced with enthusiasm the prospect of inducing additional corporate members to join NAA. The industry has changed, as we all know, and there are not as many major manufacturers of aircraft and engines as there were twenty years ago. But there are many other opportunities that have not been sought out in the past, ranging from individuals to clubs, associations, and the industries which support the main manufacturers. And given the degree of globalization, we would also seek increased participation by foreign individuals and companies. Everyone knows that the first flights of most new air and space craft depends upon international effort, and it is only reasonable that the organizations providing this effort enjoy the benefits, the comradeship and even the learning experience that the NAA provides.

Please take a moment now to consider exactly how you, as an individual, can help NAA maintain its "monopoly of responsibility" by inducing a new member or a new organization to join the organization. This is not a pro-forma "every member gets a member" request, but instead a heart-felt plea to insure the continued existence of NAA, and implicitly the continued provision of its unique services for the coming decades.

I have enjoyed a really good run as your Chairman of NAA, and I look forward our continued success together in the years ahead.

Walter J. Boyne Chairman

Walter of Bogne



Message from the President

2011 continued the financial stabilization and careful expansion of our work which we began together in 2007. We had both some exceptional successes as well as continued challenges, but — most importantly — we continued our progress serving as "The Aero Club of the United States."

At the top of our list, of course, was the celebration of "100 Years of the Collier Trophy." While our cover certainly highlights the remarkable aerospace accomplishment (and beauty) of the Sikorsky Aircraft Company's X-2 Technology Demonstrator, we were also able to celebrate the centennial of one of the greatest awards in aviation on the planet by bringing three former Collier recipients – Neil Armstrong (1969), Admiral Richard Truly (1986), and Dick Rutan (1988) to participate in our Selection Committee. In addition, we were able to take some time to celebrate the rich heritage of the Trophy through a wonderful Collier Tribute video as well as a historical perspective provided during the Collier Dinner. In sum, we continue towards the goal of making the entire Collier process — for nominees and Selection Committee members alike — an experience well worth the time and effort. The second century of the Collier Trophy looks very bright.

As to our economic sustainability efforts, we were able to accomplish a couple of very important goals. For the 4th consecutive year we were able to turn a very modest "profit" and retain all of our extremely important Corporate, Affiliate, and Aero Club partners. We know how difficult decisions are to fund organizations such as NAA, and we are extremely grateful for the continued support. We are very good stewards of the funding we receive and continue to run a very lean organization.

Also in terms of our resources, we were also able to assist — possibly for the first time — in helping to pay Fédération Aéronautique Internationale (FAI) dues on behalf of our Air Sport Organizations (ASOs). Midway through 2011, the exchange rate between the Dollar and Swiss Franc (in which FAI Dues are paid) drastically changed to the detriment

of the Dollar. Instead of pushing that approximate 15% change on to our already-stretched ASOs, we decided to help them ourselves. It was clearly the right thing to do during this difficult year.

Finally, we continued the extensive outreach across the country and world which comes with the responsibility of being the "Aero Club of the United States." Art Greenfield and I traveled over 75,000 miles in 2011 to attend conferences, commission meetings, conventions, events, and board meetings. The trips and visits are always valuable, and I believe the benefits flow both ways. I finally experienced my first "Air Sport" — I took a balloon ride at the Albuquerque Balloon Fiesta.

Our challenge was singular but significant — our Aviation and Space Records revenue was off by approximately 38% for the year. While certifying records is our oldest and most historic responsibility, it is also a very important part of our business model. Clearly the economic environment affected this area, but we are determined to continue to remind aviators, manufacturers, and organizations the singular importance of an NAA-certified national and world record.

We are looking forward to another challenging but successful year at NAA, and always look to you for advice, guidance, and support.

Many thanks,









Jonathan Gaffney President and CEO

2011 NAA Award Winners

Robert J. Collier Trophy

Sikorsky Aircraft Corporation and the X2 Technology Demonstrator Team



Katharine Wright Memorial Award

Fran Bera



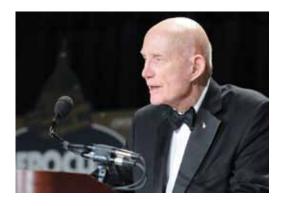
Clarence Mackay Trophy

The Crew of DUDE 01 and 02 – Lt. Col. Donald D. Cornwell, Lt. Col. Dylan T. Wells, Captain Leigh P. Larkin, First Lt. Nicholas R. Tsougas, USAF



Harmon Trophy

Johnny Petrehn



Wright Brothers Memorial Trophy

Lt. General Thomas Stafford, USAF (Ret.)





Frank G. Brewer Trophy Academy of Model Aeronautics

Clifford W. Henderson Trophy The Honorable Marion Blakey



Wesley L. McDonald Elder Statesman of Aviation Awards





General Jack Dailey, USMC (Ret.)

The Honorable Jim Coyne

John Cashman

Lenny Potts



Public Benefit Flying Awards

Distinguished Volunteer Pilot – Dr. Lewis Young, Angel Flight Central

Distinguished Volunteer – Larry A. Lemke, Wings of Hope, and Dick Gooch, Angel Flight Central

Outstanding Achievement in Advancement of Public Benefit Flying – Bruce Robin Stoddard and Wright Flight Inc.

Champion of Public Benefit Flying – 2010 Cessna Special Olympics Airlift





Fédération Aéronautique Internationale Awards

Paul Tissandier Diploma

Brian Utley



Montgolfier Ballooning Diplomas

Johnny Petrehn Bert Padelt





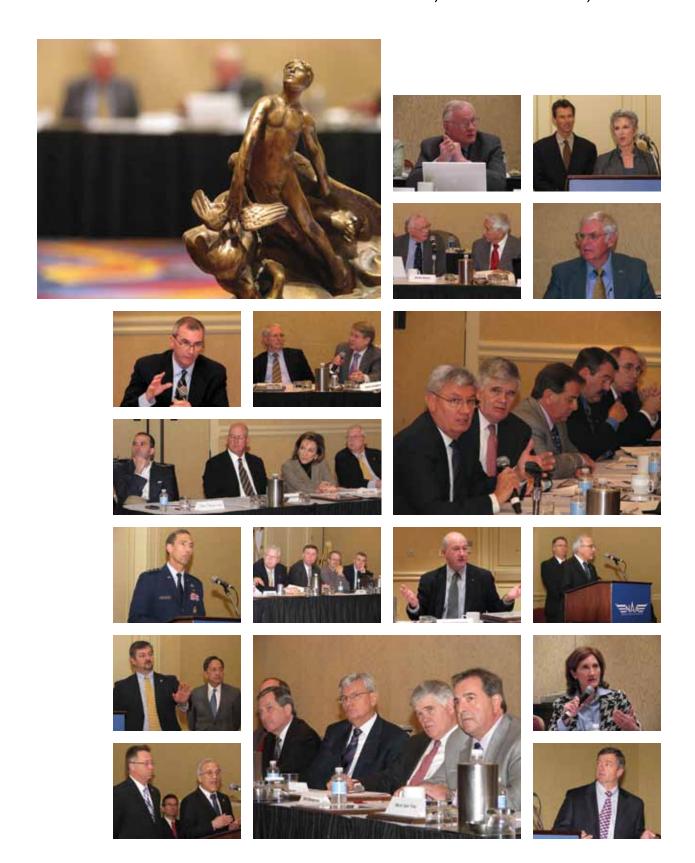
Outstanding Airmanship Diploma

Jade Schiewe Zachary Pfaff





Collier Selection Committee, March 14, 2011



Collier Dinner, May 5, 2011





















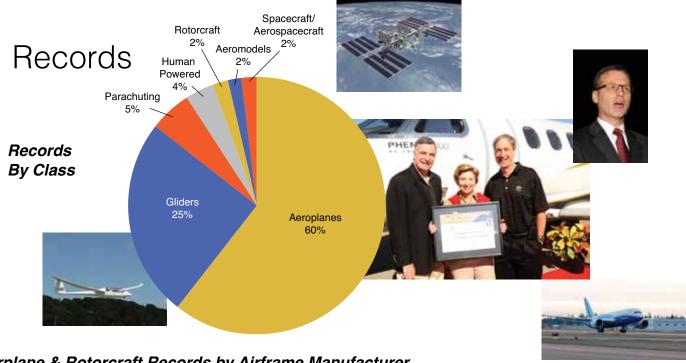


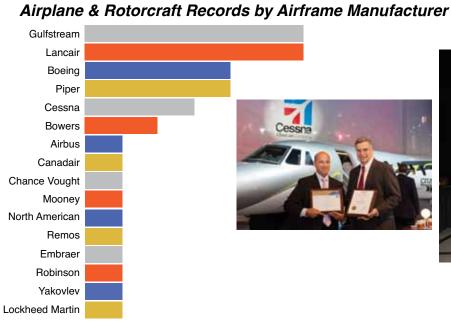






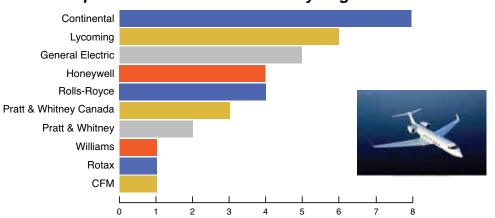








Airplane & Rotorcraft Records by Engine Manufacturer





2011 Board of Directors and Staff

Officers

Chairman: Walter J. Boyne

Vice Chairman: Durwood "Skip" Ringo, DRS Technologies

General Counsel: George Carneal, HoganLovells

Treasurer: Roy Kiefer, Lockheed Martin

Secretary: Elizabeth Matarese, Innovative Solutions

President and CEO

Jonathan Gaffney

Board Members

Alexis Allen, Aerospace Industries Association

Laurie Bertenthal, Rockwell Collins

Bob Blouin, Hawker Beechcraft

Ed Bolen, National Business Aviation Association

Richard Brown, Business Intelligence Solutions

Steve Callaghan, Lockheed Martin

Steve Champness, Trade-A-Plane/Aero Club of

Metropolitan Atlanta

Dave Franson, Wichita Aero Club

Randall Greene, Safe Flight Instrument Corporation

Arthur Greenfield, NAA

T.C. Jones, Northrop Grumman Corporation

Leo Knaapen, Bombardier Aerospace

John Langford, Aurora Flight Sciences

Joe Lombardo, Gulfstream Aerospace Corporation

David Manke, UTC/Pratt & Whitney

Mary Miller, Signature Flight Support

Stan O'Connor, GE Aviation

Henry Ogrodzinski, National Association of State

Aviation Officials

Steve Plummer, Rolls-Royce North America

Lisa Piccione, Aero Club of Washington

Dave Pixton, Soaring Society of America

Pat Prentiss, The Ninety-Nines

William Readdy, Discovery Partners

Bob Rubino, Lockheed Martin

Alvin Sack, alsEnterprises

Ed Scott, United States Parachute Association

Tony Velocci, Aviation Week and Space Technology

Robert Vilhauer, The Boeing Company

Dianne White, Cessna

Staff

Arthur Greenfield, Director of Contest and Records

Nancy Sack, Director of Administration

Cassandra Bosco, TailWinds Communications, Director of Awards and Events



Award Selection Committee Members

Robert J. Collier Trophy

Walter Boyne, Chairman Neil Armstrong, Collier Trophy Recipient, 1969

Doug Bartlett, International Aerobatic Club

The Honorable Marion Blakey, Aerospace Industries Association

Bob Blouin, Hawker Beechcraft

Ed Bolen, National Business Aviation Association

Troy Bradley, Balloon Federation of America

Steve Callaghan, National Aviation Club of NAA

Steve Champness, Aero Club of Metropolitan Atlanta

David Coleal, Bombardier Learjet Nissen Davis, Aero Club of Southern California

Randall Greene, Safe Flight Instrument Corporation

Roy Kiefer, Lockheed Martin John Langford, Aurora Flight Sciences

Marc Lindsley, Northrop Grumman VADM John A. Lockard, USN (Ret) Dave Manke, UTC/Pratt & Whitney Mary Miller, Signature Flight Support

Henry Ogrodzinski, National Association of State Aviation Officials

Stan O'Connor, GE Aviation

Steve Plummer, Rolls-Royce North America

John Provenzano, Rockwell Collins

Skip Ringo, DRS Technologies Dick Rutan, Collier Trophy

Dick Rutan, Collier Troph Recipient, 1986

Buddy Sams, Gulfstream

Bob Stangarone, Cessna

ADM Richard Truly, USN (Ret.), Collier Trophy Recipient, 1988

Mark Van Tine, Jeppesen

Tony Vellocci, Aviation Week and Space Technology

Bob Vilhauer, Boeing

Jonathan Gaffney Director/Non-Voting Member of Selection Committee

Wright Brothers Memorial Trophy

Walter Boyne, Chairman Norm Augustine, Wright Trophy Recipient, 2008

Mark Lewis, American Institute of Aeronautics and Astronautics

Tom Hendricks, Air Transport Association

Monte Belger, Aero Club of Washington

Dan Elwell, Aerospace Industries Association

Jonathan Gaffney, NAA, Chairman of Selection Committee

Frank G. Brewer Trophy

Frank Brewer, III

Klaus Dannenberg, American Institute of Aeronautics and Astronautics

Debbie Gallaway, Brewer Trophy Recipient, 2004

Carolyn Williamson, University Aviation Association, Brewer Trophy Recipient, 2008

Daniel Montplaisir, Embry-Riddle Aeronautical University

Jonathan Gaffney, NAA, Chairman of Selection Committee

Harmon Trophy

Troy Bradley, Balloon Federation of America

John Langford, Aurora Flight Sciences

Jonathan Gaffney, NAA, Chairman of the Selection Committee

Katherine Wright Memorial Award

Susan Larson, The Ninety-Nines Mary Miller, Signature Flight Support Lisa Piccione, National Business Aviation Association Shelly Simi, Jeppesen Bill Garvey, Business and Commercial Aviation Magazine

Jonathan Gaffney, NAA, Chairman of Selection Committee

Katherine and Marjorie Stinson Award

Henry Ogrodzinski, National Association of State Aviation Officials

Dr. Peggy Chabrian, Women In Aviation

Jonathan Gaffney, NAA, Chairman of Selection Committee

Wesley L. McDonald Elder Statesman of Aviation Award

Christopher Needels
Bob Blouin, Hawker Beechcraft
Paula Hochstetler, Airport
Consultants Council
Barry Valentine, Elder Statesman
Recipient, 2010
Phil Umphres
Jim Wilding, Elder Stateman

Public Benefit Flying Awards

Recipient, 2006

Officials

Lindy Kirkland, Air Care Alliance Dan Meyer, Air Care Alliance Rick Durden, Air Care Alliance Judy Benjamin, Air Care Alliance Linda Daschle, LHD and Associates Andrew Broom, Aircraft Owners and Pilots Association Henry Ogrodzinski, National Association of State Aviation

Jonathan Gaffney, NAA, Chairman of the Selection Committee



Air Sports

Affiliated Air Sport Organizations:



Academy of Model Aeronautics (1936) 5151 East Memorial Drive Muncie, Indiana 47302 www.modelaircraft.org



Soaring Society of America (1932) PO Box 2100 Hobbs, New Mexico 88241-2100 www.ssa.org



United States Parachute Association

(1946) 5401 Southpoint Centre Boulevard Fredericksburg, Virginia 22407 www.uspa.org



Balloon Federation of America (1961) 1601 N. Jefferson Indianola, Iowa 50125 www.bfa.net



United States Ultralight
Association
(1982)
PO Box 38
Greenville, Illinois 62246
www.usua.org



United States Hangliding and Paragliding Association (1974) PO Box 1330 Colorado Springs, Colorado 80901-1330

www.ushpa.aero



International Aerobatic Club (1970) PO Box 3086 Oshkosh, Wisconsin 54903-3086 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 sport aviation. Spread throughout all 50 states, they bring to America the excitement and adventure of flying.

NAA partnerships with these seven 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;
- 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 the 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 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 a Delegate to the FAI General Aviation Commission.

In 2011, NAA participated in a number of important FAI projects and events, including participation in the FAI General Conference in Belgrade, Serbia, and the General Aviation Commission meeting in Salzburg, Austria. In addition we were able to meet with the President of FAI, Dr. John Grubbstrom, while he was visiting the United States.

Working with its affiliated Air Sport Organizations, we designated 24 Americans for assignment on 13 different FAI air sport and technical commissions.





General Aviation Commission (GAC)

Delegate: Arthur Greenfield, Washington,

District of Columbia

Alternate: Scott Neumann, Virginia

Gliding Commission (IGC)

Delegate: Eric Mozer, North Carolina Alternate: Rick Sheppe, Vermont

Parachuting Commission (IPC)

Delegate: Kirk Verner, North Carolina Alternate: James Hayhurst, Pennsylvania

Ballooning Commission (CIA)

Delegate: Mark Sullivan, New Mexico Alternate: David Levin, Colorado

Aeromodeling Commission (CIAM)

Delegate: David Brown, Ohio Alternate: Bob Brown, Pennslyvania

Hang Gliding and Paragliding Commission (CIVL)

Delegate: Dennis Pagen, Pennsylvania Alternate: Jamie Shelden, Florida

Airspace and Navigation Systems Commission (CANS)

Delegate: Bernald Smith, California

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: Debbie Gallaway, Washington, DC Alternate Gordon Schimmel, Massachusetts

Medico-Physiological Commission (CIMP)

Delegate: Dr. Geoffrey McCarthy, Oregon Alternate: Dr. Richard Garrison, Oregon

Astronautic Records Commission (ICARE)

Delegate: Gregory Oliver, Texas

Alternate: William Barry, Washington, DC

Microlight Commission (CIMA)

Delegate: Roy Beisswenger, Illinois Alternate: Daniel Grunloh, Illinois



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, the program continues to serve as a forum for industry information sharing and networking. Speakers included:



Vice Admiral David J. Venlet, Director, Joint Strike Fighter Program



John D. Porcari, Deputy Secretary of Transportation



John Kline, Congressman from Minnesota



Jim Albaugh, President, Boeing Commercial Airplanes



Brigadier General, John W. Bullard, Jr., USMC, Deputy Commanding General, Marine Corps Combat Development Command



Richard Aboulafia, Vice President for Analysis, Teal Group

2011-2012 Season Table Holders:

The Boeing Company Cobham DRS Technologies, Inc. EADS North America GE Aviation Hawker Beechcraft Corporation Lockheed Martin Corporation Northrop Grumman Corporation

Rolls-Royce North America UTC/Pratt & Whitney Aurora Flight Sciences

2011/2012 Financial Information

<u>Income</u>	2011 Budgeted	2011 Actuals	2012 Budgeted
Corporate Dues	\$317,500.00	\$317,500.00	\$320,000.00
Air Sport Dues	\$100,173.00	\$100,173.00	\$115,198.00
Individual Dues	\$28.800.00	\$42,100.00	\$27,150.00
Affiliate Dues	\$20,000.00	\$20,000.00	\$22,000.00
Aero Club Dues	\$9,700.00	\$9,100.00	\$9,000.00
Record Fees	\$73,000.00	\$45,057.00	\$65,000.00
Sales	\$19,645.00	\$119,430.00	\$17,450.00
Events	\$186,900.00	\$285,843.00	\$192,200.000
Miscellaneous	\$12,225.00	\$22,969.00	\$12,050.00
TOTAL	\$767,943.00	\$962,172.00	\$780,048.00
<u>Expenses</u>			
Salary/Benefits	\$297,017.00	\$329,682.00	\$298,300.00
Contract Services	\$52,750.00	\$62,034.00	\$49,663.00
Building/Equipment	\$31,934.00	\$42,103.00	\$3,550.00
FAI Dues	\$102,665.00	\$121,971.00	\$123,100.00
Membership	\$18,250.00	\$18,152.00	\$14,500.00
Travel	\$16,000.00	\$17,071.00	\$20,000.00
Events	\$112,640.00	\$170,418.00	\$127,840.00
Miscellaneous	\$87,095.00	\$169,975.00	\$72,193.00
Publishing	\$28,800.00	\$28,700.00	\$28,800.00
TOTAL	\$747,151.00	\$960,286.00	\$777,946.00
	\$20,792.00	\$1,886.00	\$2,102.00



2011 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. Rolls-Royce, North America **Safe Flight Instrument Corporation** Signature Flight Support Corporation SpaceX United Technologies Corp. WBB Consulting, Inc.

AFFILIATE MEMBERS

Aerospace Industries Association
Air Care Alliance
Airlines For America
Aircraft Owners and Pilots Association
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.
The Ninety-Nines, 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

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