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Aerial view of Airbus campus, with the A220 final assembly line to the right of the cluster.

Airbus photo

Economic development

A billion-dollar boom

Airbus keeps building and hiring in Mobile, and to top it all off, Airbus and Quebec acquired Bombardier's shares of the popular A220 passenger jet that Bombardier developed.

Mobile, Ala.

Bill Sisson, president and CEO of the Mobile Area Chamber of Commerce, expected great success when Airbus decided to locate a final assembly line in Mobile. He just didn't expect it would happen so quickly.

Less than 10 days into 2020, Airbus announced that it would increase the number of A320 series jets built at the Mobile Aero-

plex at Brookley to seven per month to meet the demand for that line of jets. Another 275 employees are expected to be hired by the end of the year to staff both the ramped up A320 assembly line and a second line under construction for the A220 series. That's after 600 new workers joined the Mobile manufacturing site in 2019.

And, a new hangar will be built at cost of \$40 million.

"I think it just shows us that this is growing a lot faster than we even imagined it would, which is good," Sisson said. "I thought it would do this, but over a longer period of time."

The airplane manufacturer's total investment in Mobile will top \$1 billion. By the

middle of this decade, Airbus expects to be turning out more than 130 jets annually from its plant in Mobile.

Sisson notes that the Airbus manufacturing sector in Hamburg, Germany, took some 20 years to fully develop, while the new Mobile operation has been up and running for just five years.

Growth isn't just happening at the Mobile Aeroplex at Brookley. Airbus has expanded to recruit new employees nationwide, while continuing several education and training initiatives to develop future employees from Mobile and Baldwin counties, according to Kristi Tucker, spokeswoman for Airbus in Mobile. The result is new residents relocating to the Mobile area.

"We joke that we're not only making new airplanes, we're making new Mobilians," Tucker said.

The commitment by Airbus to the A220 family was reflected both in its projections for 2020 released Feb. 13 and in the announcement that it will acquire a significantly larger stake from the Canadian firm Bombardier.

Bombardier is pulling out of the commercial airline business by relinquishing its roughly 30 percent stake in the A220 to Airbus and the government of Quebec.

Airbus will now hold a 75 percent stake, up from 50.1 percent, while Investment Quebec's holding rises to 25 percent. The deal is worth \$591 million to Bombardier, whose financial struggles resulted in the original deal with Airbus and ultimately the creation of the second assembly line in Mobile.

"The 220 platform has a lot of potential," Airbus CEO Guillaume Faury told Bloomberg TV in conjunction with the release of its annual report for 2019 and projections for 2020.

Airbus projects delivery of 880 commercial aircraft worldwide in 2020, up from a record 863 in 2019 and 800 in



A220-300, left, and A220-100 in flight. *Airbus computer rendering*

2018. Of the 2019 deliveries, 48 were A220s and 642 were A320s.

The reported overall backlog of orders for all Airbus commercial aircraft was 7,482.

Why are airlines, especially American airlines, ordering enough Airbus planes to keep Mobilians busy well into the future?

"Airbus has two of the hottest products on the market and both just so happen to be made in Mobile," said Chris Curry, president of the Mobile Airport Authority, which oversees the Mobile Aeroplex and the regional airport in west Mobile.

Both families of airplanes are designed for greater fuel efficiency and passenger comfort. The A220 series in particular is proving to be a popular alternative to the CRJ regional jets manufactured by Bombardier, Curry said. In addition, a shortage of pilots is affecting the entire airline industry, and the Airbus planes can hold more people.

"You can basically double the amount of people and still have the same amount of flight crew and pilots to fly it," Curry said.

Sisson compares the A220 to Goldilocks' search for what's "just right" in the House of the Three Bears.

"I think it's kind of [like] Goldilocks, the perfect size. I think it serves a lot of community airports like Mobile.

That size aircraft is perfect for feeding hubs and for getting people from the smaller metropolitan areas to the larger metropolitan areas."

The Mobile manufacturing facilities have also escaped – for now – the tariffs proposed by the Trump administration on some international companies. Last fall, a number of local governments in Mobile and Baldwin counties passed resolutions asking for federal relief from proposed tariffs that would have damaged the Mobile operations. Some 950

Airbus employees also signed a letter with the same objective. As of today, airplane parts which are shipped into Mobile for final assembly are not subject to the tariffs.

The A220 is in production at the Mobile Aeroplex even though its final assembly line is not finished. Tucker said the FAL is expected to be ready in the second quarter of this year. Meanwhile, production is ongoing using space in the A320 facilities and newly built A220 support hangars.

The first A220 plane that comes out of Mobile will go to Delta Air Lines, Tucker said. Delivery is expected in the third quarter. Currently that first jet has not been flight tested or painted. She notes that the first plane off a new assembly line always takes longer while new employees are being trained and certified.

By the end of this year, the manufacturing work force will be at 1,300, Tucker said. Another 200 or so employees work at other Airbus facilities in Mobile.

All of these developments gladden the hearts of members of the chamber of commerce.

"We want to grow," Sisson said. "We want to grow from within and we want to recruit new talent to this area. I think that both of those have to happen."

- Jane Nicholes

Airports

Airport growth beating projections

It's always a bit tricky trying to forecast growth in passenger traffic, but the airport made adjustments to accommodate a larger number than predicted.

Pensacola, Fla.

While thousands of tourists flock to beaches along the Emerald Coast to enjoy the blue waves crashing on the gleaming white sands, there is one word on the mind of the airport director. Construction. Lots of construction.

That's what the coming year holds for Pensacola International Airport (PNS) according to airport director Daniel Flynn.

"We started the latest iteration of our strategic plan a couple of years ago," Flynn said. "The FAA is finalizing their review now--but two years ago we could not have forecast growth of 32-33% in passenger volume. We were forecasting 2-5% growth. If we had said 15-16% they would have laughed at us," he said. That trigger point blew by within a few months.

He said consultants build in trigger points at certain breakpoints in growth to start planning expansion, increased service and other measures to meet growing demand. The rapid growth in commercial airline travel to the Northwest Florida area made it a particularly difficult challenge when customer service is paramount.

"We have been discovered in this region as a wonderful place for vacations, even a wonderful place to live," Flynn said. That means tourism growth and population growth is driving air travel to Pensacola, Fort Walton and Panama City. Due to a healthy economy, more disposable income, "there is more business. People come to enjoy the beaches, they come here to live



One plane lands while another one sits on the ground at Pensacola International Airport. *PNS photo*

permanently and travel often. We are just doing our best to keep up."

Flynn said all that growth will translate into upgrades to the terminal to meet higher traffic, expanded surface parking areas and long-range additional garage parking. In fact, he said, valet parking will be coming online soon. All these changes will mean additional staff for the airport, he said.

"Customer service is where it all starts and ends for us," he said. "We have to accommodate the increasing demand with more parking, and enough staff to be sure travelers have a positive first and last impression. As the airport gets busier, it takes a lot more effort on our part. We will need

to take additional steps to ensure all our travelers have a very uneventful experience. That's the goal." But the rise in air travel is only one facet of the growth at PNS.

Located smack in the middle of sprawling military bases of Northwest Florida, construction should be underway soon on the second phase of a \$210 million economic development tied to aerospace technology: ST Engineering Maintenance Repair Overhaul Center. The first hangar was completed in 2018, and the second is in the design/development with completion of construction anticipated in 2021.

"This project is a generational change-maker for the region," Flynn



said. With two more hangars planned, the business helps diversify the local economy beyond military and tourism bases. “This brings an industry back to the area that left in the 1990s. Naval aviation jobs left, but now we have a large operation serving air carrier aircraft and transport.” Flynn said the first hangar opened with UPS as its launch customer. Now, he said, the service is expanded to multiple airlines. The last two hangars will cover up to 200,000 square feet each.

With the soaring growth for the airport, Flynn said the airlines that utilize

the airport are pleased and continue to expand product and service levels. But beyond commercial flights, ST Engineering’s current phase includes about 400 jobs and cutting edge robotic technology. Once all the new hangars are up and running, Flynn said, some 1,325 jobs will be added to the local workforce.

The second phase got a financial boost last year from the U.S. Department of Commerce to the tune of \$12.25 million, matched by the state and local governments matching with \$36 million.

Just a year ago, the Florida Department of Transportation increased its contribution toward the project by \$25 million for a total of \$45 million. That funding should arrive in next year if approved by the legislature. The project has been awarded a total of \$66 million from Triumph Gulf Coast, the organization in charge of distributing funding from the 2010 BP oil spill settlement.

Add to the ST Engineering project another win for PNS, Blue Air Training—a military close air support training company. Pensacola is the fourth site for the approved instructors with other centers in Las Vegas, Yuma, and Oklahoma City. The company trains Air Force attack controllers and fighter pilots using A-90 Raiders, BAC-167 Strike Masters, IAR-823 Brasovs and AH-5 Little Birds.

“We never rest,” he said. “We are always working on air service development, economic development and expanding in many directions. These projects are huge on their own, but add to these the multiple support businesses that come along with them. We are economic development,” and it looks like the sky’s the limit.

- *Connie Baggett*

Airports key players in region’s economy

More than 40 commercial and general aviation airports are located throughout the Gulf Coast region, and combined they play a major role in economic development.

The airports range from multi-runway commercial airports with scheduled flights and cargo service to small airfields used by weekend pilots and sky divers.

The region has one of the newest airports in the nation - Northwest Florida Beaches International Airport near Panama City Fla. It also has one in Mobile, Ala., that’s shifting passen-

ger traffic from one airport west of the city to another not far from downtown. There’s even one airport looking to become a spaceport.

The mix includes military runways used by training aircraft, as well as the most lethal, advanced, high-tech aircraft the world has ever seen. The largest aircraft in the world can use some of the airports in the region.

While some of the airports have a reach that’s primarily local, others have an impact well beyond their local area. They generate revenue and jobs, and have a ripple effect on businesses that have nothing to do with aviation.

And with economic development professionals looking to draw more aerospace and aviation activities to the

region, airports are some of the most important magnets.

In Florida alone, airports had a \$175 billion total impact on the state’s economy, reported a 2019 study by the Florida Department of Transportation. It includes the combined aviation-related activities, like on-airport activity, visitor spending, industry reliance and military spending. District 3 that includes 15 Northwest Florida counties generated \$9 billion from the aviation industry, the study said.

For the aerospace-focused Gulf Coast region, they have an immediate impact on the economy and each has the potential to grow the economy even more.

- *Gulf Coast Reporters League*

Economic development

Keeping a keen eye on the future

The 23rd Gulf Power Economic Symposium will attract more than 600 participants from the region and will challenge them with the theme, “2020 See Beyond.”

Pensacola, Fla.

For nearly two dozen years, Northwest Florida’s business and community leaders have converged and collaborated at the Gulf Power Economic Symposium to discuss and engage in the region’s community and economic opportunities.

This year will be no different, when the 23rd Economic Symposium takes place Thursday, Feb. 27 and Friday, Feb. 28 at the Sandestin Golf & Beach Resort in Miramar Beach.

In aerospace-related items, one of the speakers will be Carey Lohrenz, the first female F-14 Tomcat fighter pilot in the U.S. Navy, who will speak about fearless leadership. In addition, a panel discussion will talk about the community collaboration that attracted ST Engineering to establish a maintenance, repair and overhaul campus at Pensacola International Airport.

Also on tap is a discussion on Northwest Florida’s military bases and how business and community leaders can strengthen the region in support of its military partners. The military plays a huge role in the region’s economy. Naval Air Station Pensacola, Naval Air Station Whiting Field, Eglin Air Force Base and Tyndall Air Force Base are all aviation-focused.

More than 600 participants at this day-and-a-half event will be challenged to sharpen their vision of the future. Gulf Power President Marlene Santos opens the Thursday session with a discussion of the symposium’s theme, “2020 See Beyond.” Santos is entering



Marlene Santos, Gulf Power president, speaking at the 2019 symposium.

Gulf Power photo

her second year as president of Gulf Power, a subsidiary of NextEra Energy. She has also served in utility company leadership roles for more than 15 years.

Continuing the forward-looking theme will be keynote speaker Mike Walsh, CEO of Tomorrow, a global consultancy focused on designing companies for the 21st century and teaching leaders how to thrive in an era of disruptive technological change. Walsh



Walsh

will weigh in on “The Future of Human-Centric Innovation.” His bestsel-

ling books include *Futuretainment*, *The Dictionary of Dangerous Ideas*, and *The Algorithmic Leader: How to Be Smart When Machines Are Smarter Than You*.

Economic development is on tap for the remainder of the Thursday morning agenda.

Amy Holloway, founder and CEO of Avalanche Economic Development Consulting Group, will cover “Next Generation Economic Development.” Avalanche creates targeted economic development strategies, custom re-



Holloway

search, workforce analyses and communications platforms for communities across the country.

In the “Economic Development in Action” segment, panelists will discuss how a community collaborated to recruit one of the region’s newest area employers. Panelists include Holloway, along with Bill Hafner, chief integration officer of ST Engineering; Rick Harper, economic advisor, Triumph Gulf Coast; and Scott Luth, president and CEO of Florida West Economic Development Alliance.



Hafner

Symposium participants will hear two more panels Thursday afternoon:

- “Being Community Placemakers,” with panelists Kate McEnroe, owner, Kate McEnroe Consulting; Jay Odom, founder, Jay Odom Group; and Andrew Rothfeder, president, Studer Properties.
- “Seeing Beyond Traditional Talent Strategies,” presented by Irvin Clark, associate dean of Faculty Development and Administrative Affairs, Florida State University – Panama City; Kim Krupa, executive director, Achieve Escambia; Glen McDonald, vice president, Strategic Projects & Economic Development, Gulf Coast State College; Kelly Reeser, managing director, TechFarms; and Nathan Sparks, executive director, Economic Development Council of Okaloosa County.

Since no future is without risk, participants will hear from Carey Lohrenz, the first female F-14 Tomcat fighter pilot in the U.S. Navy. Her Thurs-



Lohrenz

day afternoon presentation, “Fearless Leadership: Facing Fears,” will draw on her experiences in the cockpit at Mach 2 and how that translates into her work advising business and community leaders how to successfully win under pressure, reduce errors and overcome obstacles.

Florida Lt. Gov. Jeanette Nunez will kick off the presenters for the Friday half-day session. She will be followed by James Wright, diversity and inclusion consultant, James Wants to Know You. Wright will make the case for “Refocused Communities/The Business Imperative for Inclusion.” His experience in the subject includes leadership stints at Apple Inc., LinkedIn and NBCUniversal.

Next up, Jerry Parrish, chief economist and director of research at the Florida Chamber Foundation, will outline “Northwest Florida’s Economy.” He conducts in-depth analyses on the Florida economy. Previously, he led the Center for Competitive Florida at Florida TaxWatch and served as associate director of the Center for Economic Forecasting & Analysis at Florida State University.

A key component of Northwest Florida’s economy is the military. The talk, “Achieving Mission Assurance Through Base Resiliency,” will feature Under Secretary John Henderson, Assistant Secretary of the Air Force for Installations, Environment and Energy. He is responsible for the formulation, review, oversight and execution of plans, policies, programs, and budgets for all Air Force installations.

Expected topics are understanding Air Force challenges, Tyndall rebuild, and strategic planning to support mission growth and the impact it has on the surrounding communities.

To learn more or register for the event, go to gulfpowersymposium.com.

Previous symposiums

Despite being forced by Hurricane Michael to reschedule the event from October 2018 to April 2019, the 22nd

symposium drew 638 attendees and focused on innovation, public/private partnerships and the factors leading companies to select particular sites.

Attending then was Gov. Ron DeSantis, who said Florida’s comparatively low taxes, reasonable regulations and conservative spending are proving attractive to businesses and affluent residents fleeing highly taxed and heavily regulated states. That migration is resulting in new investments in Florida and accompanying job growth.

He said workforce development is key to capitalizing on those opportunities, noting that Florida was in the middle of the pack on workforce education. “We set a goal to make Florida No. 1 in workforce education by 2030.”

Workforce training, rather than college degrees, the governor said, pave the way for many high-paying aerospace jobs, an industry where Florida’s future is particularly bright. “I think that in many respects we’re leading the way,” DeSantis said about the Sunshine State’s aerospace industry.

Attendees at the 21st event heard speakers beat the drum for education, along with building communities. Stan Connally, then-chairman, president and CEO of Gulf Power, exhorted leaders to “create a future for 2030 now,” by, among other things, addressing foundational issues such as poverty and education, and problem-solving together.

There was a similar theme during the October 2016 event, held in Panama City, which had more than 500 participants.

Connally at that time noted that the event was started 20 years ago with “a handful of business leaders with a vision to connect businesses together to grow our economy in Northwest Florida.” He urged them to speak with one voice and become a broader and more inclusive group.

- Martha Simmons

Military

Navy picks Leonardo for new helicopters

The Navy chose a helicopter built by Leonardo to serve as the platform that will train the nation's future Navy, Marine and Coast Guard pilots.

Milton, Fla.

The long-awaited decision by the Navy about which helicopter will become its new trainer at Naval Air Station Whiting Field was finally made in January.

The winner: Leonardo.

And for Santa Rosa County, that decision to pick Leonardo winded up being a win for the county as well and its new aviation park.

The Navy announced last month that AgustaWestland Philadelphia Corp., the U.S. operation of Leonardo of Italy, was awarded a contract for \$176.5 million for the production of 32 TH-73A helicopters in support of the Advanced Helicopter Training System (AHTS) program.

"Today marks a great team effort to procure and deliver a helicopter trainer for the next generation of helicopter and tilt-rotor pilots for the Navy, Marine Corps, and Coast Guard," said James F. Geurts, assistant secretary of the Navy for research, development and acquisition.

"I'm proud of the aggressive work the team did to leverage the commercial industrial base to get this capability to the warfighters, and our nation, at the best value to the taxpayer. This effort is key to ensure the readiness of our Naval Aviators for decades to come."

Five proposals were submitted for the contract. The new firm fixed price TH-73A contract was awarded on a best-value tradeoff basis with a base and three one-year options.

The total contract value is \$648.1 million for the procurement of 130



The Navy's TH-57 training helicopter will be replaced beginning this year.

Navy photo

aircraft. Helicopter deliveries are scheduled to begin in calendar year 2020 and continue through calendar year 2024.

There were three major candidates in the running for the contract: In addition to Leonardo's helicopter, the two other competitors were Bell's 407GX_i, which would have been assembled in Ozark, Ala., and Airbus Helicopter's H135, which would have been assembled in Columbus, Miss. The Airbus was the only twin-engine offering.

Leonardo Helicopter said it would build a 100,000 square-foot support center at the 267-acre Whiting Aviation Park, adjacent to the Navy base, if it was selected to supply the helicopter, at the time called TH-XX. It plans to hire up to 50 workers for around-the-clock maintenance for the helicopters.

The new helicopter will meet advanced rotary wing and intermediate tilt-rotor training requirements for the Navy, Marine Corps, and Coast Guard through 2050. The TH-73A will be built in United States with assembly taking place, through FAA Airworthi-

ness certification, in the contractor's FAA Part 21 facility in Philadelphia.

In addition to the TH-73A, the contract includes initial spares, peculiar support equipment, flyaway kits, hoists, sling loads, data in excess of Commercial Form Fit Function (FFF) / Operations Maintenance Instructional Training (OMIT) Data, as well as ancillary instructor pilot and maintenance personnel training. The award is the culmination of a competitive source selection process supported by personnel from the Naval Air Systems Command (NAVAIR) and the Chief of Naval Air Training (CNATRA).

"The new Leonardo TH-73A helicopters are the cornerstone of AHTS, which is the planned replacement to address the capability and capacity gaps of the current aging TH-57 Sea Ranger helicopter training platform," said Capt. Todd St. Laurent, Naval Undergraduate Flight Training Systems (PMA-273) Program Manager.

"The TH-73A will provide a modern helicopter training platform that will serve rotary and tilt-rotor training re-

quirements into the foreseeable future. These new helicopters will ensure the Navy has capacity to train several hundred aviation students per year at Naval Air Station (NAS) Whiting Field in Milton, Fla.” PMA-273, at NAS Patuxent River, Md., oversees AHTS.

The new trainer had to be able to operate in temperatures ranging from -2 degrees to 102 degrees Fahrenheit. The helicopter must be Federal Aviation Administration certified and able to fly at 115 knots true air speed at cruise airspeed and capable of flying at 80 knots when the doors are opened or removed. The aircraft must be instrument flight rules certified, the document stated, meaning it must meet requirements to fly in low-visibility conditions where relying on instruments for navigation is important, wrote National Defense.

The Navy is also requiring a digital health and usage monitoring system (HUMS) for ground-based display of information to aid in predictive maintenance and reduce sustainability cost.

One piece of the puzzle was put in place last year when the Navy determined that replacing the TH-57 training helicopters with a more advanced helicopter and new ground based training system would have no significant

impact on the quality of the human environment. The finding of no significant impact meant there would be no need to prepare an environmental impact statement.

The Sea Ranger, an aircraft based on the Bell Jet Ranger 206, was procured by the Navy between 1981 and 1985. According to an April 2019 *National Defense* story, it’s “experiencing obsolescence, diminishing manufacturing sources and material shortages, and increasingly expensive operating costs relating to aging aircraft issues,” stated the House Armed Services Committee markup for the fiscal year 2019 National Defense Authorization Act. Pilot shortfalls due to these issues could impact readiness, the document said.

NAS Whiting Field, a 4,000-acre complex north of Milton, is one of the Navy’s two primary pilot training bases and the busiest aviation complex in the world. It accounts for more than 1 million flight operations annually. It’s comprised of the North Field and South Field, and 12 outlying landing fields encompassing some 18,000 acres across four counties in Southeast Alabama and Northwest Florida.

Training Air Wing Five has three primary fixed-wing and three advanced helicopter squadrons to train aviators from the Navy, Marine Corps, Coast



TH-119 is the new TH-73A . Leonardo photo

Guard, Air Force, and allied nations. The wing has 148 T-6 Texan II aircraft for fixed-wing training and 113 TH-57 helicopters for rotary wing training. Some 1,200 student aviators are trained each year, including more than 500 helicopter aviators.

More than 60 percent of all primary flight training is performed at Whiting Field, along with 100 percent of advanced U.S. Navy, Marine Corps and Coast Guard rotary wing training. Roughly 15 percent of all Navy flight hours are performed at NAS Whiting Field annually and about 11 percent of the Navy, Marine Corps and Coast Guard flight time worldwide.

- David Tortorano

specifications	TH-119 (TH-73A)	Bell 206 (TH-57)
Manufacturer	AgustaWestland Philadelphia (Leonardo)	Bell Textron
Crew	1-2	1-2
Passengers	6-7	4
Propulsion	Pratt & Whitney Canada PT6B-37A turboshaft	Allison 250-C20BJ turbofan
Horsepower	1,002	420
Rotor diameter	35 feet, 6 inches	33 feet, 4 inches
Range	515 nautical miles	374 nautical miles
Ceiling	15,000 feet	13,500 feet
Cruise speed	152 mph, max speed 175	138 mph, max speed 150
Internal/external load	6,283 lbs./6,945 lbs.	3,200 lbs./1,500 lbs.

- Ted Kordecki, research associate