

Aviation Accreditation Board International
Winter Meeting

Pilot Supply Pipeline Panel Discussion

Melbourne, FL, February 22, 2007

Peter Morton, AABI President, Introduction

For many years, the issue of a potential pilot shortage has been discussed. Always the American system of supply and demand has risen to the occasion and met the need. One of the reasons is because, as an industry, we are always ready to engage in appropriate conversations on such issues, and take action where needed. The purpose at this luncheon was to hear contemporary facts and data on the subject, sample the level of interest, and explore what actions are appropriate for AABI and our sister organization the University Aviation Association (UAA). A number of employers were invited to present facts and data on the subject and exchange ideas with our host, FlightSafety International. FSI acted as proxy for universities and professional aviation training organizations that are a major element of the supply chain for future pilots. The luncheon panelists addressed:

1. Pilot shortages, the facts and data
2. Pilot supply pipeline feed model
3. Simulation in ab-initio pilot education; is it as good as flight time, and are there conditions to be placed on its use by educators?
4. Mentor pilots for VLJ and PLJ OEMs; is this a valid element of a developmental transport pilot career path, and how should institutions prepare mentor pilots?

This is only one element of the aviation supply system that will experience a scarcity problem in the near term. Also deserving our attention in the future are the supply of technicians, engineers, traffic controllers, and many others; we'll take these topics on one at a time at future meetings if the membership expresses an interest.

Mr. Doug Dyjak, acting for Ken Caley, Chair of the Industry/Educator Forum Committee, took notes assisted by Ceci Hogencamp.

Jackie Gauger Carlon, Senior Product Marketing Manager, FlightSafety International

In 2007, it is estimated that there will be approximately 15,000 new hires.

Various factors/causes to consider:

- Retirements (approximately 12,000)
- Global pilot shortage – every country in need of pilots. The emerging middle class in China and India contributing to demand.
- China is presently producing approximately 1500 pilots/year and India only has one ab-initio school that produces 35 pilots/year
- The industry has suffered since 9/11, including economic problems, pensions and furloughs, etc., which have all contributed in hampering efforts to promote the industry – not just the airlines.
- Between now and 2014, there will be a need of ~7,500 corporate pilots; the VLJ market has 3,500 aircraft on order; the emerging mentor pilots and air taxis will require high flight time.
- Bottom line: there is a worldwide shortage.

- Solution: to work collectively, understand needs, training.

Dave Bushy, COO, Cape Air

This shortage requires us to work together – AABI, UAA, academia and industry.

Cape Air is an airline based in Hyannis, Massachusetts, USA. Its main office is Barnstable Municipal Airport, Hyannis. However, the airline operates in four distinct markets: Cape Cod and Islands (Nantucket and Martha's Vineyard), Caribbean, Florida and the Keys, and Micronesia. Cape Air operates with 9-passenger Cessna 402s, and 46-passenger ATR 42s in the Pacific. Continental Airlines codeshares with Cape Air's flights from San Juan. Starting in March 2004, Cape Air will also be codesharing with JetBlue to four locations in Massachusetts.

Years ago, there were two groups of pilots: awful good and just awful.

When Dave worked for JetBlue he had pilot applicants ranging between 1500 and 15,000 hours total time. Now he's not seeing the quality he wants in the applicants he see.

Doctors vs. pilots (experience)... analogy with medical, engineering and law. Facing life-threatening surgery? Look for a physician endorsed by the American College of Surgeons – the endorsement indicates that the doctor volunteered to have his/her credentials and performance evaluated by his peers. For aspiring aviation professionals, AABI-accreditation *should* play a role in the decision-making – “built in” source of excellence and peer review.

It can take students 10 years after graduation to land with a carrier and often times have one shot to make it through (such as with Delta and JetBlue). There is a need for a career path to take students down the professional pilot pipeline:



“The GOOD Pilot Pipeline.”

Ed Phelps, Manager of Flight Operations, Trans States Airlines

Trans States Airlines is headquartered in St. Louis, Missouri, currently operates 48 EMB-145 regional jet aircraft, code shares with American Airlines, USAir and United Airlines with crew bases in STL and RIC. Trans States is a privately held company with a long record of safety and profitability.

The hiring needs of Trans States are 20 to 24 pilots per month.

In 2002, the hiring requirements were 1,500 hours total time, with 300 hours of multi-engine. Current hiring requirements are only 500 hours total time with 100 hours of multi-engine; and the time requirement can be lowered for advanced airline training.

Hiring sources include:

- Recommendations from current pilots
- Partnerships with advanced airline training academies
- Universities
- Online recruiting (usually not successful – difficult)
- Flight operations internships

Industry wide observations:

- Shortage of qualified pilot applicants
- Training issues associated with lower time pilots – need more sim time
- Fewer certified flight instructors to train new pilots – schools losing CFIs
- **BOTTOM LINE: EVERYONE NEEDS PILOTS!**

Scott Hall, Director of Flight Operations, Atlantic Southeast Airlines

ASA was established in 1979, became a Delta Connection partner in 1984, and was purchased by Skywest, Inc. in 2005. The airline currently employs 5,700+, with 1,600+ pilots at 148 airports in 37 U.S. states, the District of Columbia, Bahamas, Belize, Canada, Mexico and Turks & Caicos. In 2006, 12.2 million passengers were carried on 810 flights per day. The airline currently operates 157 aircraft (CRJ700, CRJ200, ATR72) and will be acquiring eight additional CRJ700s.

ASA is currently hiring 40 pilots per month, with attrition at 22 to 25 pilots per month. The airline is working with universities and flight schools through direct entry programs to create a pipeline, capturing students in the sophomore/junior years, with hiring minimums also down:

Hiring Minimums				
	1979– Oct 2006	Oct 2006	Dec 2006	March 2007
Total Time	1200	1000	800	?
Multi Engine	200	100	50	?
Advanced Jet Training (20 hours C/D jet simulator or level 5/6 FTD, system ground school, FMS, CRM, Glass cockpit)				
Total Time	N/A	600	500	?
Multi Engine	N/A	100	50	?



New hire flight training background in 2006 includes:

- Colleges (interns) – 67%
- Structured flight schools – 15%
- Other – 18%
- Average flight time ~1,009 hours with 225 hours multi-engine

ASA is looking for pilots with stick & rudder skills (basics), proficiency in automation, task management, decision-making, crew resource management, and an understanding of “why” (the way ASA does things).

ASA will even allow assignment of a line seniority number at the airline, then allow the pilot to return to the school/university to gain experience working as a CFI .

Jim Winkley, Vice President of Operations, American Eagle

American Eagle Airlines is an airline based in Fort Worth, Texas, USA. It is a regional airline partner of American Airlines (both wholly owned by AMR Corporation), operating over 1,600 flights a day, serving 140 cities across the USA, Canada, Mexico and the Caribbean. It is considered to be the world's largest regional airline system. Like its partner, American Airlines, American Eagle is an affiliate member of the Oneworld alliance. American Eagle also has a code sharing agreement with Northwest Airlines, Delta Air Lines, and Continental Airlines. American Eagle operates 300 aircraft with 3,000 pilots on regional flights.

Since 2001, there has been a decrease of approximately 25% per year in the number of pilots licenses issued. In the past eight years, the required minimums (at American Eagle) have dropped from 2,000 total time with 500 multi-engine, to 800 total time and 100 multi-engine hours.

American Eagle partners with schools, such as Purdue University and Western Michigan University, and is looking for others to partner with. The airlines need to create bridge programs with colleges and universities. Students need to work on visuals, landings, FMS and approaches. Eagle has found that Bridge Program applicants have been the most successful. In recognition of the deficiencies they have discovered in new hires, they are now increasing their IOE (Initial Operating Experience) requirements.

Questions and Answers

1. Do you give full credit for sim training?
JW – Yes, based on school/full motion simulation (level D) – partial or full credit.
EP – (same answer)
SH – ditto
DB – No, not at this time.
2. Do you hire part time?
JW – Biggest issues with part-time are contractual issues, so no, do not allow.
DB – Yes, part-time, aka on-call, beneficial for Cape Air, good entry for career change, can accommodate for family needs.
SH – No, but ASA is looking at getting students in the sophomore/junior years to help build bridge programs and other innovative ideas.
3. FITS good method for training?
Guy Smith – Part of UAA spring meeting April 26th, FITS training workshop – to become FITS trainers.

4. Bill McCurry – Congratulated airlines for recognizing the need to partner with universities (described ASU & Mesa Airlines background).
5. Mike Barker – The U.S. is the world’s training base. In Japan, China and India, governments are paying for training; and U.S. schools are being asked to train these pilots. The airlines need to commit – provide “seed money” – for training devices, etc., for schools.