

Aviation Group Client Update

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FEDERAL AVIATION ADMINISTRATION (FAA) RELEASES AEROSPACE FORECAST

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On March 16, 2018, the FAA released its <u>aerospace forecast</u> which forecasts that air travel in the U.S. is strong and will most likely continue between 2018 and 2038.

Summary. FAA Forecasts that the number of air travel passengers will increase by over 400 million passengers from 840.8 million to 1.28 billion in 2038 which includes a 4.7 percent increase in the number of domestic passengers and 5 percent increase in international passengers.

Air travel demands are measured through Revenue Passenger Miles (RPMS) which represents one revenue passenger traveling one mile. The FAA suggests that the key factor to being able to meet the forecasted growth in air travel is to maintain high levels of safety and efficiency and ensuring that the necessary infrastructure to meet such demand exists.

In 2017, total landings and takeoffs at combined FAA and contract-towers were up 0.7 percent from 2016. Air carrier activity increased by 4.4% while commuter/air taxi activity decreased by 5.3 percent. General aviation activity increased 0.1 percent while military aircraft activity rose 2.6 percent.

The FAA has also seen growth in Unmanned Aircrafts Systems (UAS) also known as drones and FAA's licensing, oversight and regulation of commercial space transportation activities which is projected to triple from 22 operations to about 61 operations by 2020.

If you have any questions or would like further information, please contact Shelley Ewalt.

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McBreen & Kopko's Aviation Group represents air carriers, fixed base operators (FBOs), airport managers, aviation service providers, and business aircraft owners and operators on a wide range of aviation issues including regulatory matters, commercial transactions, aircraft finance matters, and bankruptcy and creditors' rights.