

PANEL WORKS ON WAYS TO PROMOTE OHIO'S AVIATION ASSETS

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Ohio's aerospace, aviation and defense industries collectively employ more than 100,000 people -- nearly as many as the motor-vehicle and parts-manufacturing business. Yet aerospace executives say many in their own industry aren't aware of Ohio's assets, and not enough is being done to attract and develop more industry business in the state.

The Ohio Aerospace and Business Aviation Council, formed last year by Gov. Ted Strickland, is preparing to present recommendations to the governor after nearly a year of study. Companies and organizations represented on the council include the NASA Glenn facility in the Cleveland area, Columbus-based NetJets and the Air Force Research Laboratory near Dayton.

The recommendations are expected to include suggestions for focusing incentive money on the industry, ramping up recruitment at the college level and increasing marketing to the rest of the country and the world, although the presentation is still being completed.

"When you look at what some other states are doing, we could do a better job at being more systematic, consistent and structured in our approach to attracting aerospace business," said Gary Conley, president of Cincinnati-based consulting, research and development firm TechSolve. Conley listed Alabama, New Mexico and North Dakota among the states that aggressively target aerospace business.

Jobs alone would be a welcome outcome in the current climate, but the payoff promises to extend much further. According to a preliminary report discussed by the group at a meeting last week, wages paid to aerospace manufacturing workers in Ohio are 65 percent higher than the average wage paid to all Ohio manufacturing workers (\$76,600 versus \$46,300), and almost all industry jobs involve exports -- bringing in money from outside the state and resulting in a strong positive impact on the Ohio economy.

Furthermore, global demand for aerospace-industry products is expected to grow at a much higher rate than the national economy, according to data from the Congressional Budget Office forecast. Aircraft demand is expected to grow from \$118 billion this year to \$160 billion in 2019, a compound annual growth rate of 3.4 percent; demand for maintenance, repair and overhaul services is expected to grow from \$42.3 million to \$65.3 million, a compound annual growth rate of 4.4 percent.

The group's short-term goals include encouraging more Ohio college students to go into the aerospace field and gaining more clout in Washington through Ohio's senators and congressional representatives. Several council members bemoaned the fact that while facilities such as NASA Glenn get attention on a project-by-project basis from local lawmakers, the industry doesn't have a consistent, strong champion for the entire state.

"We're very adamant that we're not talking about regional interests within Ohio here," said Charles P. Dutch, center director for Boeing's maintenance and manufacturing operation that employs about 550 in Heath. "It's not about what Cleveland's got or Columbus has got. As long as there is a winner within the state, we're all winning. I think that's (competition within the state) been a challenge in the past."

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Though an exact date has not been set, the group hopes to meet with the governor before the end of the year to discuss its recommendations. A spokeswoman for the development department said the group's full report will be made available on the Ohio Department of Development website after that time.

Author/From the desk of Marla Matzer Rose

