




## Aviation and Aerospace Can Contribute to Economic Development in North Carolina

The basic premise behind industry cluster-based economic development is one of leverage, where the whole is greater than the sum of its parts. We know what is here in North Carolina in terms of firms, R&D programs and support services that are active in the aviation and aerospace sectors of the air transportation industry. Primary findings are summarized below.

- North Carolina has critical mass in the aviation and aerospace sector and this sector is geographically dispersed in the state.
- North Carolina has a favorable mix of aviation and aerospace segments with the strongest presence in those sectors that are growing fastest – engine, engine parts and replacement parts manufacturing, maintenance and repair and emerging very light jet markets.
- Aviation and aerospace makes significant and growing contributions to North Carolina's economy, paying wages that exceed overall state average earnings.
- North Carolina's innovation support system related to aviation and aerospace is strong, including NC State University, NC A&T University, UNC Chapel Hill, UNC Charlotte, Duke University, the NC Community College System, the NC Aerospace Alliance, and the Golden LEAF Foundation.
- The availability of a skilled workforce is documented as a rate-limiting factor in the development of the aviation and aerospace cluster in the U.S. and worldwide. However...
- North Carolina's already considerable military aviation operations are expanding significantly, with thousands of military and civilian contractors coming to the state's six military installations as a result of national base realignments, and...
- Annually, 12,000 skilled military personnel retire from N.C.-based installations, many with training relevant to potential aviation and aerospace employers.

Two primary conclusions can be drawn from these findings:

- 1) Aviation and aerospace sectors have prospects that are promising enough to warrant the state's investment of its available economic development resources; and
- 2) North Carolina has in place the infrastructure, innovation resources and workforce development capacity to be more broadly attractive to this industry. We can provide an environment that can build competitive advantage to aviation and aerospace and the emerging commercial space sectors.



In North Carolina, synergies exist between the aviation/aerospace and commercial space sectors. Real potential for growth, complementary technologies and workforce benefits for other industries suggests that a window of opportunity is open to create a true, self-sustaining global aviation and aerospace cluster in North Carolina. We can, and should, act on this opportunity.