



2009

Utah Aerospace Industry Profile

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ECONOMIC DEVELOPMENT
CORPORATION OF UTAH

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Utah Aerospace Industry Profile

UTAH AEROSPACE INDUSTRY OVERVIEW

Utah is one of the top ten states in the nation in the concentration of aerospace employment. The industry is well supported by colleges and universities across the state. Flight schools and aviation programs provide Utah with a highly educated and experienced workforce.

Utah is rich with business opportunities in the aerospace industry. The state is home to several centers for technological development in computer and propulsion technology, and major aerospace companies such as ATK/Thiokol and L3 Communications. Hill Air Force Base, one of the largest military bases in the country, is located north of Salt Lake City in Davis and Weber counties. Hill Aerospace Museum, founded in Ogden in 1981 as part of the United States Air Force Heritage Program, exhibits more than 80 military aircraft, missiles, aerospace vehicles and thousands of historical military artifacts, making it the largest collection of military aircraft in the western U.S.

One of Utah's greatest strengths in the aerospace industry is the development of the advanced composites industry in the state. Utah has a long history in advanced composites, which greatly supports and provides products to the aerospace industry.

INDUSTRY STRENGTHS

Strong Historical Base

- Utah has a 70+ year history in development and manufacturing in the aerospace industry.
- Hexcel, located in West Valley City, is one of the three largest carbon fiber manufacturers in the nation.
- ATK, one of the largest aerospace and defense companies in the nation, maintains three large facilities across the state.
- Hill Air Force Base has grown to become the second largest employer in the state.

Young, Highly Educated and Experienced Workforce¹

- 7 colleges and universities across the state offer specialized programs in the aerospace field.
- Utah ranked 1st in the nation for its population growth rate of 2.5%.
- Utah is the youngest state in the nation with a median age of 29.0.

Key Rankings & Headlines

- Utah ranks 1st in the nation as a lead investor in technology.²
- Utah ranks 1st as the most tech-savvy state in the nation for its progress in digital government.³
- Utah ranks 8th nationwide for its state technology and science overall index. The state ranks 1st in technology concentration and dynamism.⁴

¹ Source: U.S. Census Bureau

² Source: CDW-G, State & Local Technology Investment Curve, 2008 data

³ Source: Center for Digital Government, Digital States Survey, 2008 rankings

⁴ Source: Milken Institute, State Science & Technology Index, 2008 rankings

UTAH AEROSPACE INDUSTRY HISTORY

Hill Air Force Base (AFB) traces its historical roots back to the late 1930's when it began as an air depot with seven permanent stations to supply the Rocky Mountain region. From its humble beginning, the depot's strength grew to a World War II peak of roughly 22,000 employees, 15,780 of which were civilians and about 6,000 military personnel. Since it began construction in 1939, Hill AFB has grown to encompass 6,698 acres in Davis and Weber Counties with management of an additional 962,076 acres throughout Northern Utah. Today, Hill AFB employs nearly 23,000 military and civilian personnel.⁵ ATK, launched as an independent company in 1990 from a spin off of Honeywell, expanded into the aerospace market with the acquisitions of Hercules Aerospace Company in 1995 and Thiokol Propulsion in 2001. These acquisitions allowed ATK to become the world's largest supplier of solid propellant rocket motors and a leader in the advanced composites industry.⁶

Other key players have since moved to Utah, recognizing the great potential of the state's aerospace industry. With increased interest and a strong focus from state economic development officials, this industry continues to thrive.

UTAH AEROSPACE INDUSTRY DENSITY

Major Employers (50+ Employees)



Source: InfoUSA, EDCUtah

⁵ Source: Hill Air Force Base

⁶ Source: ATK

RECENT NEWS & ANNOUNCEMENTS

- Duncan Aviation announced its expansion plans in late 2008. The company will construct a new 320,000-square-foot aircraft maintenance facility at the Provo Municipal Airport. The expansion will create a \$58 million capital investment and will provide 657 new full-time positions with salaries paying 150% of Utah County's median wage.⁷
- Jet Aviation, one of the world's leading business aviation services companies, is expanding into the Kemp Ogden Airport Gateway Center. The 70,000-square-foot expansion will allow the company to provide aircraft maintenance and refurbishment, charter services and operate its aircraft sales division. The project will generate an expected \$28.9 million in capital investment and will employ 902 people in the area.⁸
- As part of West Valley City's creation of the Southwest EDA, a 400+-acre parcel industrial park, Hexcel Corporation plans to expand into the new park and will create an expected 7,600 new jobs and \$1.1 billion in capital investment over the next 15 years. The new manufacturing facility will allow Hexcel to remain the largest manufacturer of high performance carbon fiber in the U.S. and will serve as a catalyst for continued growth in the advanced composites and aerospace industries in the state.⁹
- The Salt Lake City International Airport has expanded its services to include a non-stop, direct flight to Paris, France. The inaugural flight was held in June 2008. Passenger numbers have exceeded initial projections. The airport is also preparing for another expansion of its services with a non-stop, direct flight to Tokyo, Japan with the inaugural flight planned for the summer of 2009.¹⁰
- The St. George Replacement Airport, currently under construction, is located on a 1,306-acre site approximately five miles southeast of the city of St. George. The new relocation site allows for development of a new single runway with a length of up to 9,300 feet. The current airport location site cannot allow the runway to be extended beyond its current length of 6,606 feet. Due to this limitation, the current airport will not service the increase in present and forecasted growth in commercial service. An airport traffic control tower will also be constructed and there will be two roads providing access to the relocated airport. Start of operations is scheduled for January 1, 2011. A section of land located to the west of the future site has been reserved for a business park.¹¹
- The Logan-Cache Airport, currently under construction to expand, plans to offer commercial air service to Las Vegas and Denver in the near future. This would be the first passenger service from the airport in nearly two decades. Upon receiving the large grant award of \$530,000 from the Department of Transportation, the Logan-Cache Airport has been working to provide regularly scheduled air service to passengers.¹²
- During the last round of military base closures, the Base Realignment and Closure (BRAC) Commission considered the serious economic impact of closing Hill AFB and decided against it. Other than being the state's second largest employer, Hill AFB operations result in a national economic impact of \$2.02 billion with \$1.2 billion of that total benefiting Utah's own economy.¹³

⁷ Source: EDCUtah

⁸ Source: EDCUtah

⁹ Source: EDCUtah

¹⁰ Source: Salt Lake City International Airport

¹¹ Source: St. George Replacement Airport EIS

¹² Source: Logan-Cache Airport

¹³ Source: Hill AFB

LABOR

Approximately 77% of Utah’s total labor pool resides in the Salt Lake, Ogden-Clearfield and Provo-Orem metropolitan statistical areas, known as the Wasatch Front.

Wage Data

The following table lists typical aerospace positions and the corresponding mean wage for each location listed.

Title / Position (SOC Code)	State of Utah	National	Utah as % of National
Aerospace Engineers (17-2011)	\$80,370	\$92,700	86.7%
Aerospace Engineering & Operations Technicians (17-3021)	\$49,690	\$56,780	87.5%
Atmospheric & Space Scientists (19-2021)	\$83,420	\$78,960	105.6%
Aircraft Mechanics & Service Technicians (49-3011)	\$49,610	\$49,670	99.9%
Aircraft Structure, Surfaces, Rigging & Systems Assemblers (51-2011)	\$37,400	\$44,180	84.7%

Source: Utah Department of Workforce Services, Bureau of Labor Statistics

Unionization

Utah’s labor force union affiliation is extremely low. The state is tenth lowest in the nation with 5.8% of total employment being union members.¹⁴ Utah is a right-to-work state, allowing the right of persons to work, whether in private employment or for the state, counties, cities, school districts or political subdivisions. This right may not be denied or abridged on account of membership or non-membership in a labor union, labor organization or other type of similar association.¹⁵

EDUCATION

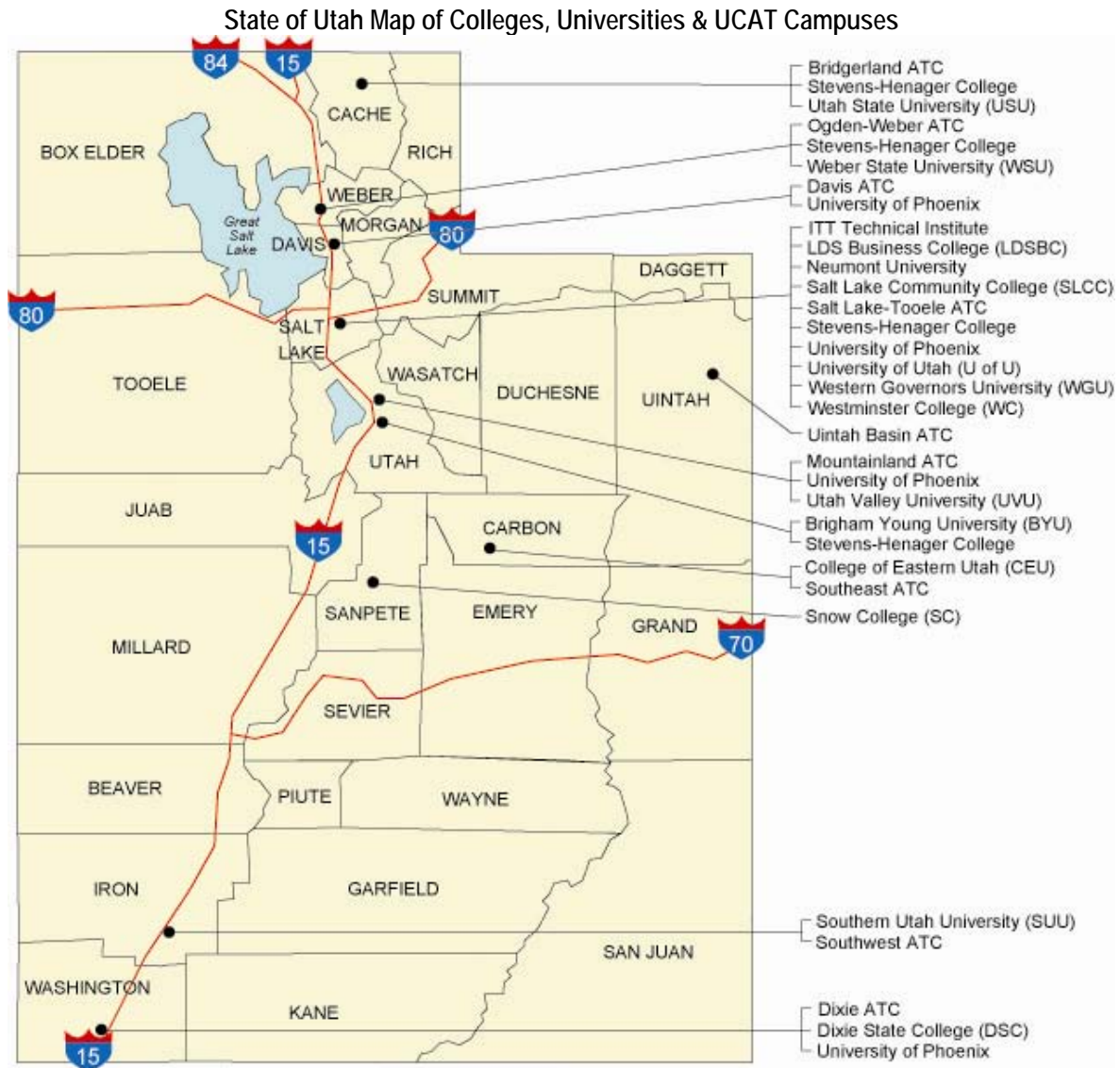
Specialized Programs

- Utah State University (USU) owns and operates the Space Dynamics Laboratory (SDL), a nonprofit research corporation charged with applying basic research to technology challenges in the military and science fields. NASA is funding several important projects being conducted at the SDL.
- Westminster College (WC), Utah Valley State College (UVSC) and USU offer undergraduate program degrees in flight operations and aviation management.
- Salt Lake Community College (SLCC) offers three program degrees in the field of aviation.
- The University of Utah (U of U), Weber State University (WSU) and Brigham Young University (BYU) offer aerospace study degrees and training in aerospace through their Air Force Reserve Officer Training Corps (ROTC) programs.
- The Utah College of Applied Technology offers degree programs and training in the aerospace industry at its college campuses throughout the state. The Ogden-Weber Applied Technology Center offers a specialized program for the aerospace field.

¹⁴ Source: Bureau of Labor Statistics

¹⁵ Source: Utah Code, Title 34, Chapter 34

- The Utah Aerospace Education Foundation (AEF), an affiliate of the Utah Air Force Association, promotes aerospace through public awareness programs, education and financial assistance.
- Project ASTRO UTAH, a project encouraging collaboration among Utah universities, aerospace businesses, astronomy clubs, planetariums and Utah schools, is focusing on the core science curriculum of Utah sixth-grade students. Teams of astronomers and teachers are working together in Utah school districts to enhance the learning experience for science and astronomy.



Graduates in Aerospace & Aviation

Institution Name	Location	Enrollment	Aerospace Graduates
Salt Lake Community College	Salt Lake City	29,886	5
Utah State University	Logan	23,925	15
Westminster College (private)	Salt Lake City	2,887	19
TOTAL	Utah	56,698	39

Source: Utah State Board of Regents, 2007-08 data

BUSINESS COSTS

Cost Comparison Model

EDCUtah can run a cost comparison model that enables a company to compare a Utah location with other select locations when considering a relocation or expansion. Other wage data, unemployment insurance and workers compensation rates may be applicable. Please contact EDCUtah for more information. (See contact information at the end of this document.)

BUSINESS INCENTIVES & BUSINESS FINANCING

Please contact EDCUtah for business incentive and/or business financing information. (See contact information at the end of this document.)

UTAH AIRPORTS

Map of Utah Airports



Utah Airport Locations and Runway Lengths

Rank	Airport Name & Location	Runway Length (Feet)	Control Tower
1	Beaver Municipal Airport City Building Beaver, Utah 84713	5,100'	No
2	Blanding Municipal Airport 50 West 100 South Blanding, Utah 84511	6,000'	No
3	Bluff Airport P.O. Box 9 Monticello, Utah 84535	3,000'	No
4	Brigham City Airport 20 North Main Street Brigham City, Utah 84302	7,501'	No
5	Bryce Canyon Airport Garfield County Panguitch, Utah 84759	7,395'	No
6	Cal Black Memorial Airport P.O. Box 338 Monticello, Utah 84535	5,700'	No
7	Canyonlands Field Airport 125 East Center Street Moab, Utah 84532	7,100'	No
8	Carbon County Airport 120 East Main Street Price, Utah 84501	8,300'	No
9	Cedar City Regional Airport 10 North Main Street Cedar City, Utah 84720	4,822'	No
10	Delta Municipal Airport 76 North 200 West Delta, Utah 84624	5,500'	No
11	Duchesne Municipal Airport City of Duchesne Duchesne, Utah 84021	5,800'	No
12	Fillmore Municipal Airport 75 West Center Fillmore, Utah 84631	5,050'	No
13	Green River Municipal Airport P.O. Box 620 Green River, Utah 84525	5,600'	No
14	Hanksville Airport 135 North 2400 West Salt Lake City, Utah 84116	5,675'	No
15	Heber City Municipal/Russ McDonald Field Airport 75 North Main Street Heber, Utah 84032	6,898'	No
16	Huntington Municipal Airport 75 East Main Street Castle Dale, Utah 84513	4,048'	No
17	Junction Airport P.O. Box 26 Junction, Utah 84740	4,505'	No
18	Kanab Municipal Airport 70 North Main Street Kanab, Utah 84741	6,193'	No
19	Logan-Cache Airport 120 North 100 West Logan, Utah 84321	9,095'	No

20	Manti-Ephraim Airport 50 South Main Street Manti, Utah 84642	4,868'	No
21	Milford Municipal / Ben and Judy Briscoe Field P.O. Box 69 Milford, Utah 84751	5,000'	No
22	Monticello Airport P.O. Box 457 Monticello, Utah 84535	4,817'	No
23	Morgan County Airport 48 West Young Street Morgan, Utah 84050	3,904'	No
24	Mount Pleasant Airport 115 West Main Street Mount Pleasant, Utah 84647	4,260'	No
25	Nephi Municipal Airport 21 East 100 North Nephi, Utah 84648	4,700'	No
26	Ogden-Hinckley Airport 2484 Washington Boulevard Ogden, Utah 84401	8,103'	Yes
27	Panguitch Municipal Airport 55 South Main Street Panguitch, Utah 84759	5,700'	No
28	Parowan Airport 5 South Main Street Parowan, Utah 84761	5,000'	No
29	Provo Municipal Airport P.O. Box 1849 Provo, Utah 84603	8,599'	Yes
30	Richfield Municipal Airport City of Richfield Richfield, Utah 84701	6,600'	No
31	Roosevelt Municipal Airport 332 South 2 East Roosevelt, Utah 84066	6,500'	No
32	Salina-Gunnison Airport Salina & Gunnison Salina, Utah 84654	3,815'	No
33	Salt Lake City International Airport 776 North Terminal Drive Salt Lake City, Utah 84116	12,004'	Yes
34	Salt Lake City Municipal 2 Airport AMF Box 22084 Salt Lake City, Utah 84122	5,860'	No
35	St. George Municipal Airport 620 South Airport Road St. George, Utah 84770	6606'	No
36	Wayne Wonderland Wayne County Loa, Utah 84747	5,900'	No

Source: GlobalAir.com

TOP AEROSPACE INDUSTRY COMPANIES

Rank	Name and Address	Phone Number and Contact	# of Employees	Brief Description
1	Hill Air Force Base 7981 Georgia Street Hill AFB, Utah 84056	John Primbs (801) 777-5201	Over 10,000	An Air Force Material Command base providing logistics and engineering management, including composites.
2	ATK P.O. Box 160433 Clearfield, Utah 84016	Mike Blair Manager (801) 775-1722	5,000 to 9,999	Designs and manufactures advanced weapon and space system equipment.
3	Sky West Airlines Inc. 444 South River Road St. George, Utah 84790	Jerry Atkin CEO (435) 634-3000	1,000 to 4,999	Largest regional airline company in the U.S.
4	Boeing Company 1215 North 2200 West Salt Lake City, Utah 84116	Dave Carbon Manager (801) 537-6400	500 to 999	Manufactures commercial aircraft, aircraft equipment and integrated defense systems.
5	Moog Aircraft Group 2268 South 3270 West Salt Lake City, Utah 84119	Steve Rusk Manager (801) 973-4300	500 to 999	Manufactures high-performance military and commercial aircraft control systems and space vehicles.
6	Parker-Hannifin Corporation 1425 West 2675 North Ogden, Utah 84404	Guy Martin Manager (801) 786-3000	500 to 999	Manufactures aircraft motion control systems and related components.
7	Salt Lake City Airport Authority 776 North Terminal Drive Salt Lake City, Utah 84122	Tim Campbell Manager (801) 575-2400	500 to 999	International airport services and city government transportation programs.
8	FMC Jetway Systems 3100 Pennsylvania Avenue Ogden, Utah 84401	Dale Sumpter CEO (801) 627-6600	250 to 499	Manufactures airport equipment and supplies.
9	Hexcel Corporation 7200 West 5400 South Salt Lake City, Utah 84118	Debbie Wilkerson Marketing Manager (801) 252-3400	250 to 499	Manufactures the nation's largest amount of carbon fiber and fiberglass electronic materials and products.
10	Northrop Grumman 888 South 2000 East Clearfield, Utah 84015	John Clay President (801) 525-3300	250 to 499	Designs and manufactures military aircraft, defense systems and military aero structures.
11	Petersen, Inc. 1527 North 2000 West Ogden, Utah 84404	John Ballantye Chief Executive Officer (801) 732-2000	250 to 499	Manufactures guided missile components and space vehicles.
12	Barnes Aerospace 1483 West 2550 South Ogden, Utah 84401	Steve Moore President (801) 621-8960	100 to 249	Manufactures components for the compressor, combustor and turbine sections of jet engines.
13	Dal Global Services 3823 West 1200 North Salt Lake City, Utah 84122	Amy Child Manager (801) 579-3620	100 to 249	Aircraft servicing and maintenance.
14	Kitco, Inc. 1625 Mountain Springs Parkway Springville, Utah 84663	Brent Wood Owner (801) 489-3627	100 to 249	Manufactures and distributes military aircraft and ship parts.
15	Klune Industries 1800 North 300 West Spanish Fork, Utah 84660	Bob Ballantyne Manager (801) 798-7401	100 to 249	Manufactures assembled components for the military and commercial aerospace sectors.
16	Lockheed Martin Corporation 872 Heritage Park Boulevard, #210 Layton, Utah 84041	Bob Ekstrom Manager (801) 773-0156	100 to 249	Creates software programs to provide solutions for technological problems for several business sectors, including space systems.
17	Metalcraft Technologies, Inc. 498 North 2774 West Cedar City, Utah 84721	David Grant President (435) 586-3871	100 to 249	Manufactures a broad range of precision machined components for the aerospace industry.
18	Million Air 303 North 2370 West Salt Lake City, Utah 84116	Bill Haberstock CEO (801) 359-2085	100 to 249	Aircraft charter rental and leasing, scheduled air transportation and aircraft service and maintenance.

19	Triumph Gear Systems 6125 Silver Creek Drive Park City, Utah 84060	Steve Rusk President (435) 649-1900	100 to 249	Manufactures and engineers high-quality components and systems for aerospace and actuation applications.
20	Wencor West Inc. 1625 Mountain Springs Parkway Springville, Utah 84663	Brent Wood Owner (801) 489-3614	100 to 249	Manufactures aircraft equipment, parts and supplies.
21	Williams International 3450 Sam Williams Drive Ogden, Utah 84401	(801) 395-6500	100 to 249	Develops and manufactures small gas turbine engine technology.
22	Advanced Composites, Inc. 2575 South 3270 West Salt Lake City, Utah 84119	Randall Philpot President (801) 467-1204	50 to 99	Produces composite structures emphasizing high-performance composite tubing through filament winding.
23	Aerospace Engineering & Support 1307 West 2550 South Ogden, Utah 84401	Stan Florence Owner (801) 394-9565	50 to 99	Designs, develops, manufactures, tests and evaluates aircraft parts, systems and equipment.
24	Aerospace Support Technologies Hill Air Force Base Building 515 Hill AFB, Utah 84056	Samuel Dato CEO (801) 825-9451	50 to 99	Provides aircraft training devices, instruments, gas turbine engines, power equipment systems, and software development and support.
25	Ceramatec 2425 South 900 West Salt Lake City, Utah 84119	Ashok Joshi President (801) 972-2455	50 to 99	Focuses on R&D in advanced materials and electrochemistry.
26	Groen Brothers Aviation, Inc. 2640 California Avenue Salt Lake City, Utah 84104	David Groen Chief Executive Officer (801) 973-0177	50 to 99	Develops high performance gyroplanes and gyrodynes using advanced composite materials.
27	ITT / EDO Fiberscience 506 Billy Mitchell Road Salt Lake City, Utah 84116	Michael Therson Manager (801) 537-1800	50 to 99	Manufactures and designs lightweight advanced fiber-reinforced composite products.
28	MacLean Quality Composites 3392 West 8800 South West Jordan, Utah	Tom Sorensen Vice President (801) 565-8003	50 to 99	Designs, engineers and fabricates advanced composite products.
29	Zoltek Corporation 3653 South 500 West Salt Lake City, Utah 84115	Rolf Johns Vice President (801) 261-3082	50 to 99	Manufactures carbon fiber and advanced composite prepregs for individual / recreational applications.

*SIC Codes: 2875-02, 3721, 3724, 3728, 3761, 3764, 3769

Source: InfoUSA

ECONOMIC DEVELOPMENT CORPORATION OF UTAH (EDCUtah)

The Economic Development Corporation of Utah (EDCUtah) is a private, statewide, non-profit organization formed in 1987 to provide a unified and professionally managed economic development program promoting the state of Utah.

EDCUtah is an investor-based organization with more than 230 private sector businesses, organizations, chambers of commerce, municipalities and counties. Through these partnerships, EDCUtah facilitates an ongoing effort to develop and nurture a thriving business climate throughout Utah.

EDCUtah specializes in assisting companies considering Utah for a business relocation or expansion. The corporate recruitment team of EDCUtah coordinates all of the information key decision makers and economic development/site consultants need as they evaluate Utah as a site location.

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