



New Visions

Insights on Air Mobility and Economic Growth

*Newsletter of the
Indiana SATS
Consortium
Volume 2 – No. 1
January 2006*

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A Letter from the INSATS President

By Bob Wearley

Here we are at the start of another year and the executive committee is reeling from the whirlwind of activity that was 2005. Many things happened last year that really helped this organization come together and I thought I would send you this letter to recap some of those activities. Ralph Marcuccilli, Kimberly Pontius, Morton Marcus and I have met in some way, either face to face or by teleconference virtually every week last year. This has allowed INSATS to remain responsive to the rapid changes that are occurring in the national SATS based activity. What follows is a brief list of some major accomplishments:

- In February, Indiana SATS engaged the services of Ms. Colleen Turner, and aviation advocacy specialist from San Francisco to help our organization get things coordinated. Colleen's services proved invaluable to putting a very professional face on INSATS as we prepared for the NASA/FAA/NCAM SATS demonstration in Danville, Virginia.
- At about this same time Indiana SATS moved its office to the Northeast Indiana Innovation Center (NIIC), the regional high tech center located in Fort Wayne, which has since proved to be a very beneficial relationship for our group. Nothing is more high tech or entrepreneurial than the SATS vision. The NIIC President Karl LaPan and his staff were, and continue to be extremely supportive of our organization during this embryonic period. This has given INSATS a very impressive base of operation from which to promote our cause to the rest of the country.
- Based on the success of an INSATS conference in South Bend, Indiana at Ivy Tech Community College in the fall of 2004 we were asked to participate in a

conference at Purdue University in West Lafayette held in April 2005. This conference was a two day event co-sponsored by the Division of Aviation Technology at Purdue and Indiana SATS. This conference was attended by over 160 economic developers, airport operators, local elected officials, state transportation officials, Purdue faculty and various other interested individuals. The keynote speaker was the newly appointed Indiana Economic Development Corporation President, M. Pat Miller. Other speakers included representatives from the Federal Aviation Administration, National Aeronautics and Space Administration, National Consortium for Air Mobility, Pogo Air, Eclipse Aviation and a special presentation by our own Morton Marcus. NCAM was kind enough to arrange for the delivery and set up of the mobile NASA semi-trailer exhibit which was placed in the center of the Purdue campus. Hundreds of students, faculty and curious onlookers took advantage of touring this display during its two day visit. Some of our featured speakers made a no cost, highly charged evening presentation to Purdue students interested in this new emerging transportation system. The Purdue event showed how committed Indiana SATS was to building public awareness through outreach to our states movers and shakers but also our commitment to young people. Our thanks to Mike Suckow and the students of the aviation program for helping to make this event a success.

- After the Purdue success INSATS turned its attention to the SATS demonstration in Danville, Virginia. Colleen Turner was brought back to Fort Wayne to

help make ready the Indiana SATS lab efforts to showcase our state as the workforce and economic development specialist as it relates to the future of this next generation air transportation system. Operating with very little funding INSATS, as one of only six national SATS labs was not only able to field a very credible display but we managed to arrange for a jet to transport a few state and local officials to the Danville experience. This effort demonstrated the full impact and advantage of a point to point air transportation system to some people who can help Indiana achieve a leadership role in this new system. The Danville event also showed thousands of people from all over the world just how technologically advanced some of the new aircraft and air traffic control systems are going to be. Morton Marcus, having just finished the development of his SATS funded research project, demonstrated for many the economic development model he and his associate developed to assess the economic impact a SATS type operation would have on virtually any county in the United States. This was most impressive to several in attendance as SATS promises to be a significant asset to rural economic development when it is fully realized. At the Danville event, Indiana took the dream that is SATS and showed how it can be applied to the marketplace by showing it as a disruptive innovation that predicts a high probability of success, especially for small communities operating in a global marketplace.

- Post-Danville the national mood toward SATS has been mixed, almost anticlimactic. However Indiana SATS has continued to lobby for support from state and local government and from private sources to keep the economic development potential of this next generation transportation initiative out in the public realm. We have given dozens of presentations since Danville all over the state. Indiana is starting to emerge as one of the leaders in the concept to marketplace dialogue that is now starting to grow in national circles.
- In November INSATS became a dues paying member of an emerging air taxi initiative called FASTER (Frequent and Safe Travel to Every Runway). This organization is the progenitor of what may someday soon become the trade association for air taxi operators. FASTER is yet another spin off of the SATS vision and one that we have identified as possibly the first visible program outcome that will represent, in a tangible way, the dream of SATS to the public at large. From our initial meetings with FASTER, Indiana SATS has distinguished itself as an economic development specialist as it relates to the industry and have carried the message that we believe Indiana, as a state, can fulfill the promise of becoming the epicenter of the next generation air transportation system. This is based on our strong

manufacturing infrastructure which promises the allure of technology transfer between automotive and aviation industry clusters and our unique selling proposition. That proposition is based not only on our geographic or strategic physical location, close to an existing supply chain network, but also because of our state of mind. Indiana is ready to embrace something that is truly innovative and entrepreneurial and yet is as familiar to us as transportation systems have been throughout our states history.

- Based on the work done for the Danville demonstration, INSATS started a campaign to market fee based consulting services nationally to communities that wish to do a high impact economic development assessment of their air transportation facilities and potentialities as they relate to a SATS based system.

Looking ahead, this year we embark on some new initiatives to reinvent ourselves. We are developing a new business plan which should be done when you receive this letter. It will be posted on our website at www.INSATS.org available to our members through the membership link. We will be retooling that web site to include more content and an updated calendar of events.

Morton Marcus, representing INSATS, is producing a white paper for the FASTER Alliance that will help direct and project the probability of a successful air taxi industry in this nation. The Canadian government is also following this development as they have a membership role on the FASTER board.

From our FASTER Alliance position we have identified the probability of two aircraft manufacturers who desire to locate maintenance operations in the Midwest. There are two and possibly three air taxi firms also expressing interest in a base of operation somewhere in the state. INSATS has also learned that up to three potential new aircraft manufacturing startups could become very real business developments and we are engaged in trying to get them to consider Indiana as a potential factory locale, thereby bringing high skill, high wage jobs to our state. Lastly we are working with a highly creative, innovative and extremely successful Detroit, Michigan based design and engineering firm and the State of Indiana, through the Indiana Economic Development Corporation, to have that firm potentially place an advance team office here in Indiana with the prospect of “pulling” the parent company here over the next few years.

But these activities do not come without expense and since our inception, late in the SATS federal funding allocation, funding to keep these activities sustainable has become a real issue. For this reason fundraising will also play a major role this year in our business model as we desperately need to hire a paid full time Executive Director and Project Coordinator. Our

involvement, relationship and participation payments to the NIIC offset many of our other administrative needs and costs but we have grown to a point where full time, dedicated professional assistance is needed. Your membership investment will be very helpful with this matter. We do not offer many perks for membership such as membership cards, pens, flashlights, secret decoder rings and such. Instead we put the dollars into actions that promote our development and our state in the regional and national arena as we hope you will agree from last year's activity. Some of us are constantly engaged in trying to get support from federal, state and local funding streams but to those of you familiar with these sources you know how tough that can be. Your dollars are not viewed as a contribution but as an investment, one that we hope will give you all a significant return someday soon when you realize that travel by air has once again become more accessible and convenient.

We also pledge to do a better job of keeping you informed in this coming year. To this end we are working with Ivy Tech Community College – Northeast and Indiana – Purdue Fort Wayne to have a couple of interns from their business and engineering schools work with INSATS. Their projects are to include newsletter publication in both print and electronic form, web site updates and public engagement at seminars and conferences around the state. We are also starting a research project with Purdue to develop what we all hope will be a revolutionary new process for aircraft construction. We are proud of our colleges and universities in this state and feel that

our educational systems are one of the strongest selling points for the State. Our young people, Midwestern work ethic, and our excellent Workforce Investment Board initiatives also give us an edge over our competitors in Virginia, Maryland, Michigan and Florida, all homes to the other SATS labs.

One last item of discussion in closing, with our new mission come new responsibilities. These responsibilities require us to think in a much broader spectrum. That means that we must view ourselves more as a transportation mode that must integrate with other modalities. While our prime directive will always have its roots in that which was SATS, we must promote this emerging system as a strategic alternative to the incumbent industries that comprise the national hub and spoke air travel system and the regional airline systems that emerged during the 1990's. To this end we are keeping the acronym INSATS because of its branding value, but starting this year it will stand for Indiana Strategic Air Transportation Services. We hope you will agree that this better defines our goal of making every community with a capable airport facility a player in the new air transportation marketplace.

Best Regards,

Bob Wearley
President
Indiana Strategic Air Transportation Services

INSATS Meets With Governor Mitch Daniels

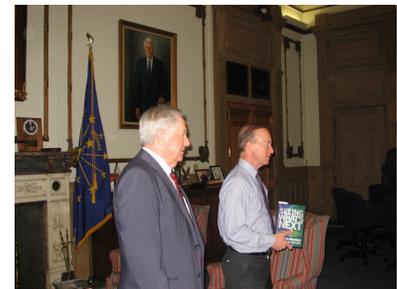
Recently, the members of INSATS had the opportunity to meet with Indiana Governor, Mitch Daniels. Here are some photos from that meeting.



Left to Right: Kimberly Pontius, Bob Wearley, Governor Mitch Daniels, Ralph Marcuccilli, Pat Miller, and Morton Marcus



Left to Right: Pat Miller, Governor Mitch Daniels, Bob Wearley, Ralph Marcuccilli, and Morton Marcus



Bob Wearley and Governor Mitch Daniels

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