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Remarks for AIA National Aerospace Day Luncheon, 9/16/09

Good afternoon. On behalf of ITT's Chairman and CEO, Steve Loranger, and our more than 40,000 employees at ITT, I'd like to thank AIA for the kind invitation to take part in the first National Aerospace Day here on Capitol Hill.

I'd also like to thank Norm Augustine for all the work he has done on behalf of our industry and our country, having served on a large number of blue-ribbon panels on critical issues. We in the industry certainly appreciate your contributions.

I'd like to focus my brief remarks on a very exciting program we are working on at ITT, and that is the implementation of Automatic Dependent Surveillance-Broadcast technology or ADS-B. This program is the cornerstone of the Federal Aviation Administration's Next Generation air transportation modernization program and we are proud to be chosen to develop and implement the ground infrastructure for this important initiative.

Some of you may have seen a demonstration of the ADS-B technology in the lobby before sitting down for lunch, but if you missed it, I'd encourage everyone to stop at the unit before leaving today for a quick demonstration of the technology and its capabilities.

So why do we need ADS-B? Approximately 87,000 flights crisscross America's skies each day. According to the FAA, that number is projected to rise to more than 128,000 flights per day by 2025.

Unfortunately, the current ground-based radar air traffic control system that's served America so well for the last 60 years has hit the ceiling of its growth capacity. It simply cannot keep pace with expected demand. Without a significant system improvement there will be gridlock in the skies, which would cost the United States economy \$22 billion annually by 2022, according to FAA estimates.

NextGen is not simply an upgrade. It is a wide-ranging transformation of America's national airspace system. At its most basic level, NextGen represents an evolution from a ground-based radar system of air traffic control to a satellite-based system of digital standards for air traffic management.

ADS-B uses satellite-based global positioning (or GPS) technology to safely allow more aircraft to fly closer together on more direct routes. This reduces delays and provides unprecedented benefits for the environment and the economy through the reduction of carbon emissions, fuel consumption and noise.

In support of the FAA, ITT is deploying the ground infrastructure for ADS-B and in this effort is fielding almost 800 ground stations across the country, three data control stations (in Ashburn, VA; Dallas; and Phoenix), and a network operations center (in Herndon, VA) to run the system. ADS-B data will be delivered to the FAA's Air Traffic Control facilities and will broadcast traffic and weather information that will significantly improve the safety and efficiency of the National Airspace System.

We have already reached a critical milestone in the national deployment of ADS-B. In December 2008, we successfully deployed the ADS-B essential services system for southern Florida. After extensive testing, the FAA granted In-Service Decision (ISD) status to the system's ability to broadcast air traffic, as well as weather and aeronautical data information, from 11 ADS-B ground stations in southern Florida. This technology is up and running and performing well.

By next June, deployment to 19 en-route service volumes across the nation will be completed; including major metropolitan airspaces like Boston; New York; Philadelphia; Atlanta; Louisville; Chicago;

Los Angeles; and right here in Washington DC; providing the broadcast services currently operational in Florida to a very significant portion of the nation's airspace.

The program is on time and under budget, and ADS-B will deliver significant capacity and efficiency benefits with very substantial environmental benefits. One indication is provided by a simulation recently conducted by ITT of the Atlanta Hartsfield airspace. Under this simulation ITT postulated the use of the ADS-B to enable continuous descent approaches for aircraft arriving into the airfield.

ITT used recorded traffic and simulated a procedure using merging and spacing and compared this to the actual procedures in use. The simulated procedure enabled continuous descent approaches for 403 out of a population of 1389 aircraft, resulting in an estimated 900 pounds of fuel being saved for each aircraft.

With only a subset of the day's traffic at Atlanta, a total of approximately 360,000 pounds of fuel equating to 1.1 million pounds of CO2 was saved. Now, magnify that impact all across the country, every day, every year. That is a significant benefit for the airlines, the environment and for all of us.

At ITT, we are proud of our role in the modernization of our air traffic management system, and of our great partnership with the FAA and AIA in this endeavor.

Again, if you have time, please stop by the demonstrator and experience what the next generation of air travel looks like. Marion, thank you to you and AIA for allowing ITT to participate in this event. And to all, please enjoy the rest of National Aerospace Day!

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