



YOUR THOUGHTS

There are multiple views on this issue.

We'd liked to hear yours – it'll take 90 seconds.

We'll provide a report of the results to all who contributed.



Pilot Scarcity *Aviation's Weakness* *Update*

Presented & Researched By Allegiant Travel Company

Summary Slide

Experience builds airmen, not hours

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Pilot Scarcity Aviation's Weakness Update

Presented & Researched By Allegiant Travel Company

 National Air
Carrier Association


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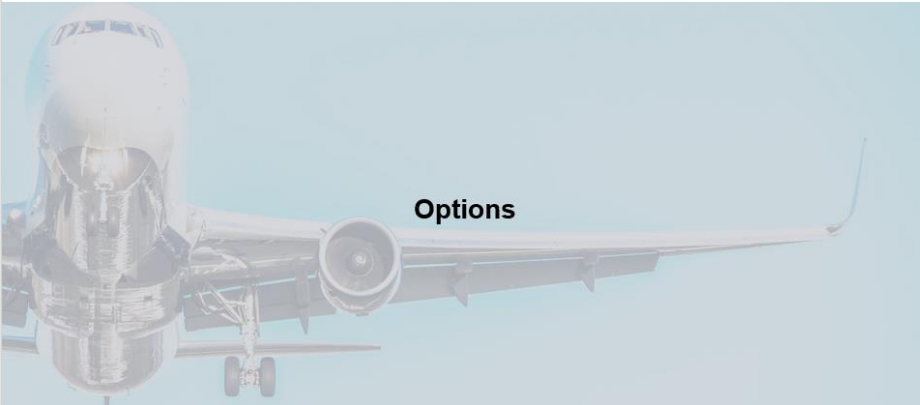


Pilot Outlook

Pilot Outlook **Options**


 NACA


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Options


Pilot Outlook **Options**

 NACA

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Pilot Outlook **Options**

 NACA



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Pilot Outlook

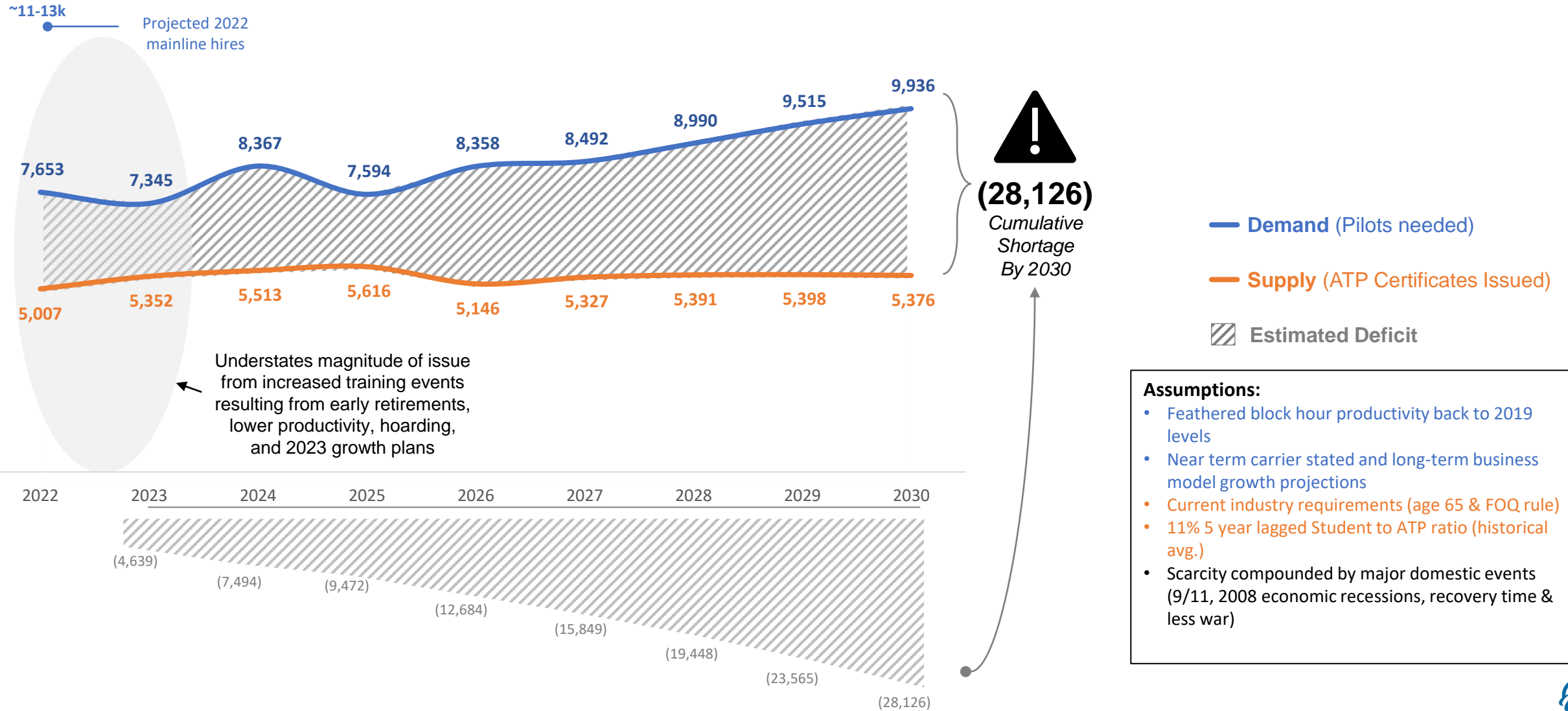
Pilot Outlook

Options

The pilot scarcity more prevalent then ever

Industry Pilot Outlook

With current industry environment



Source: Internal analysis

Decades long decline in student starts

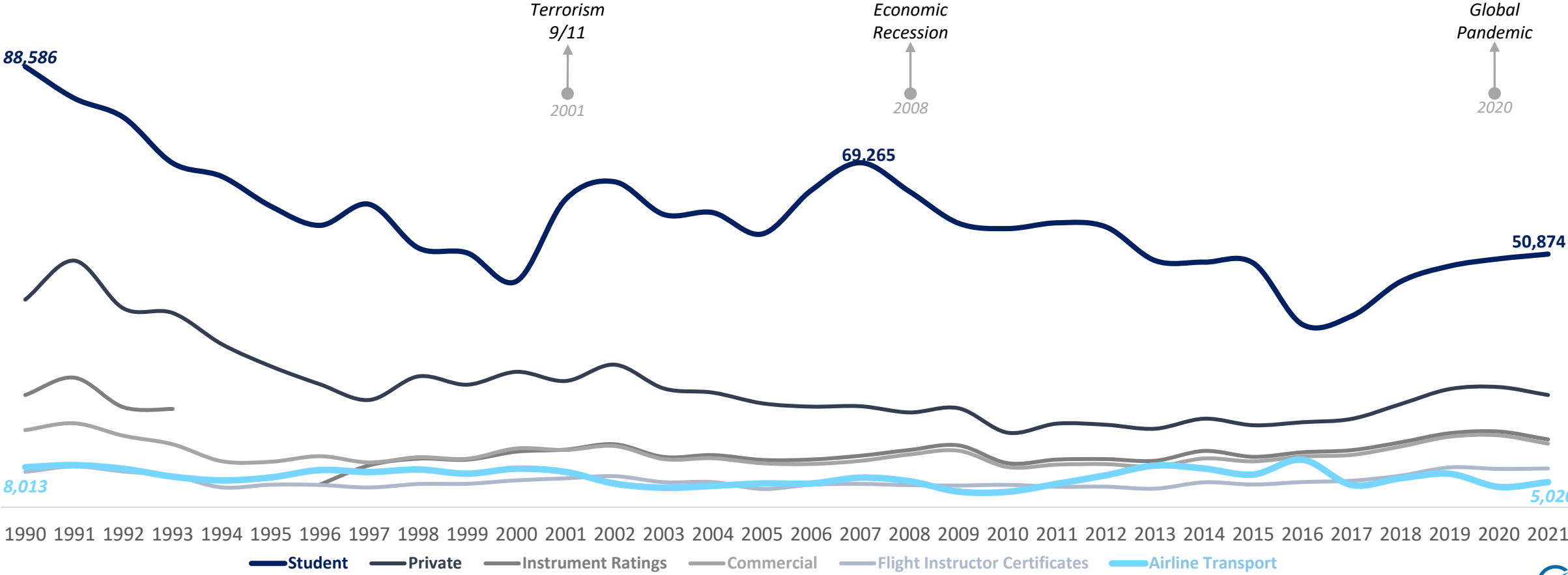
Student Pilots
 1990 – 88,586
 2021 – 50,874
43% reduction

Active Pilots
 1990 – 573,996
 2021 – 470,408
18% reduction

CFI
 2013 – 98,842
 2021 – 121,270
22% increase

Original Airmen Certificates Issued

2010 - 2021



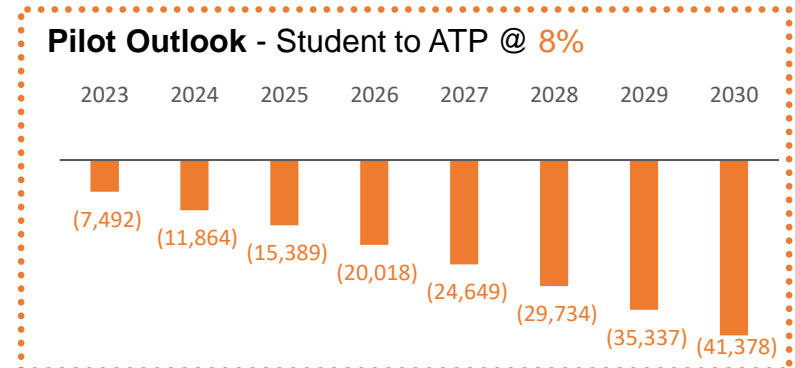
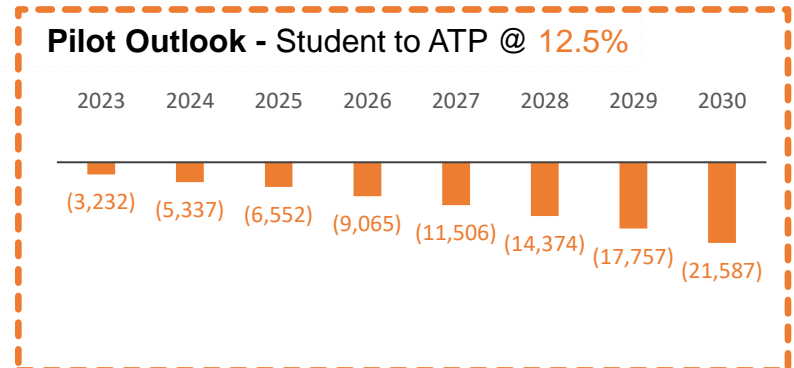
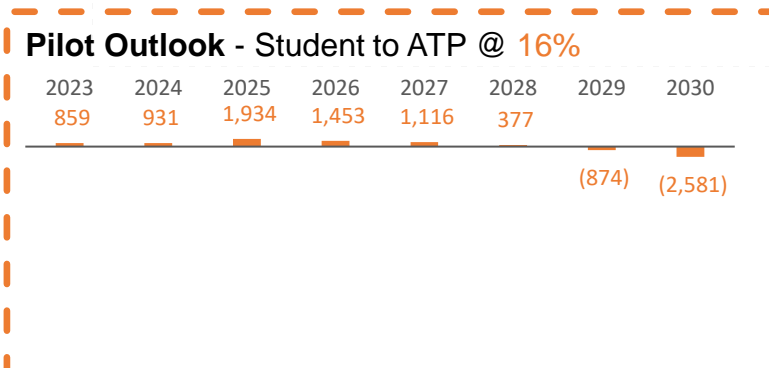
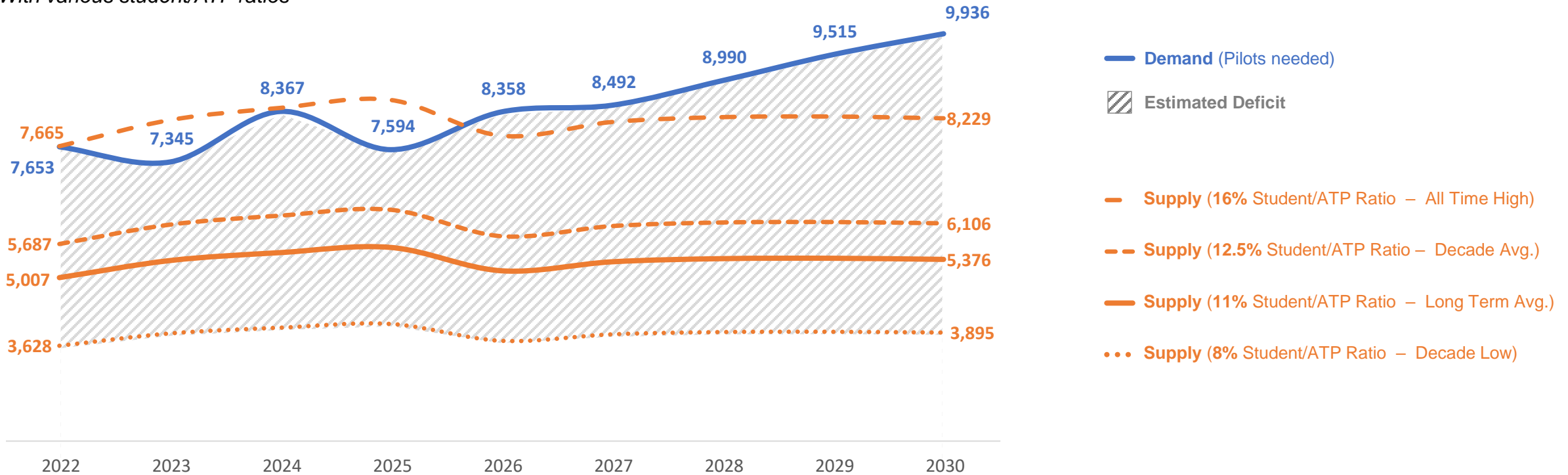
Source: FAA Civil Airman Statistics



The pilot scarcity will be largely dependent on student starts

Industry Pilot Outlook

With various student/ATP ratios



Source: internal analysis

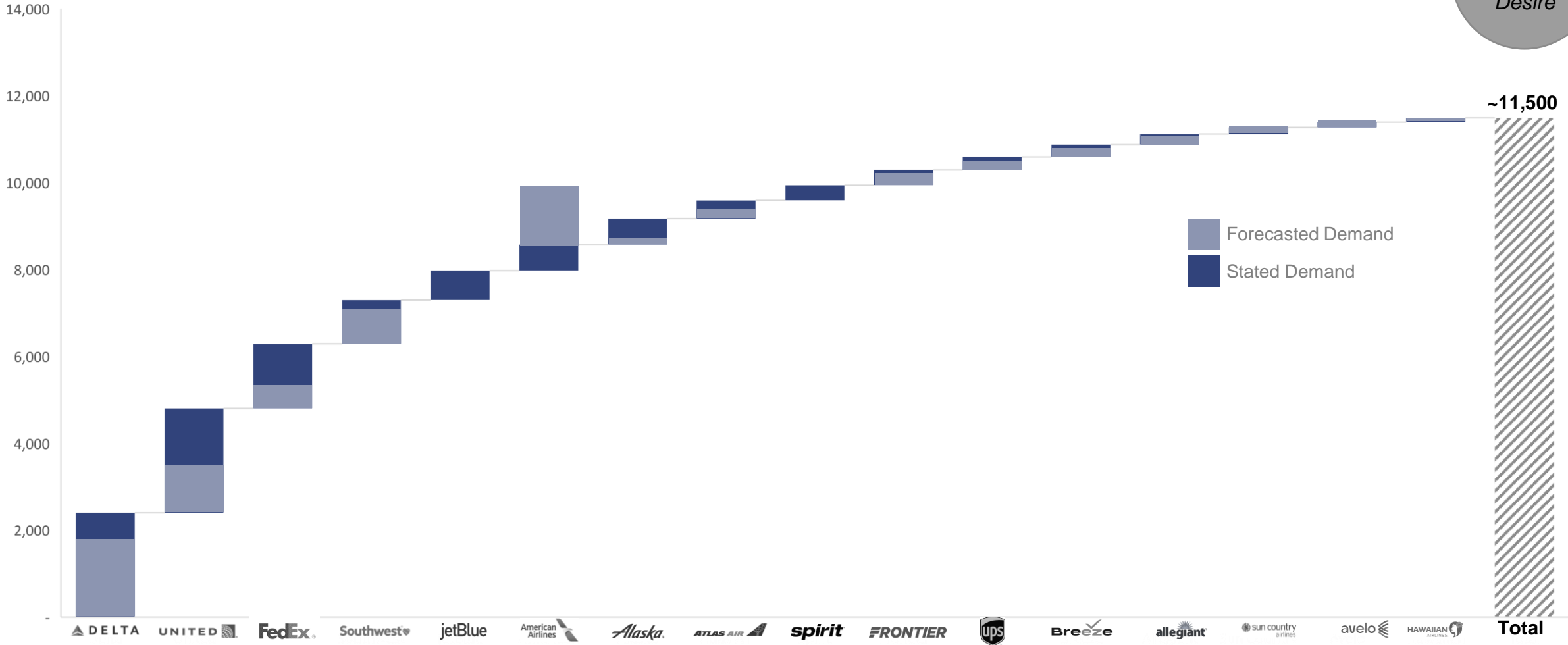


Several airlines are hiring above need

Pilot Demand Outlook – Majors & Cargo

Stated vs. Forecasted as of January 2022 using investor projections

Current Industry Pilot Desire



Source: internal analysis (feather block hour productivity back to 2019) & earnings calls and other public hiring information



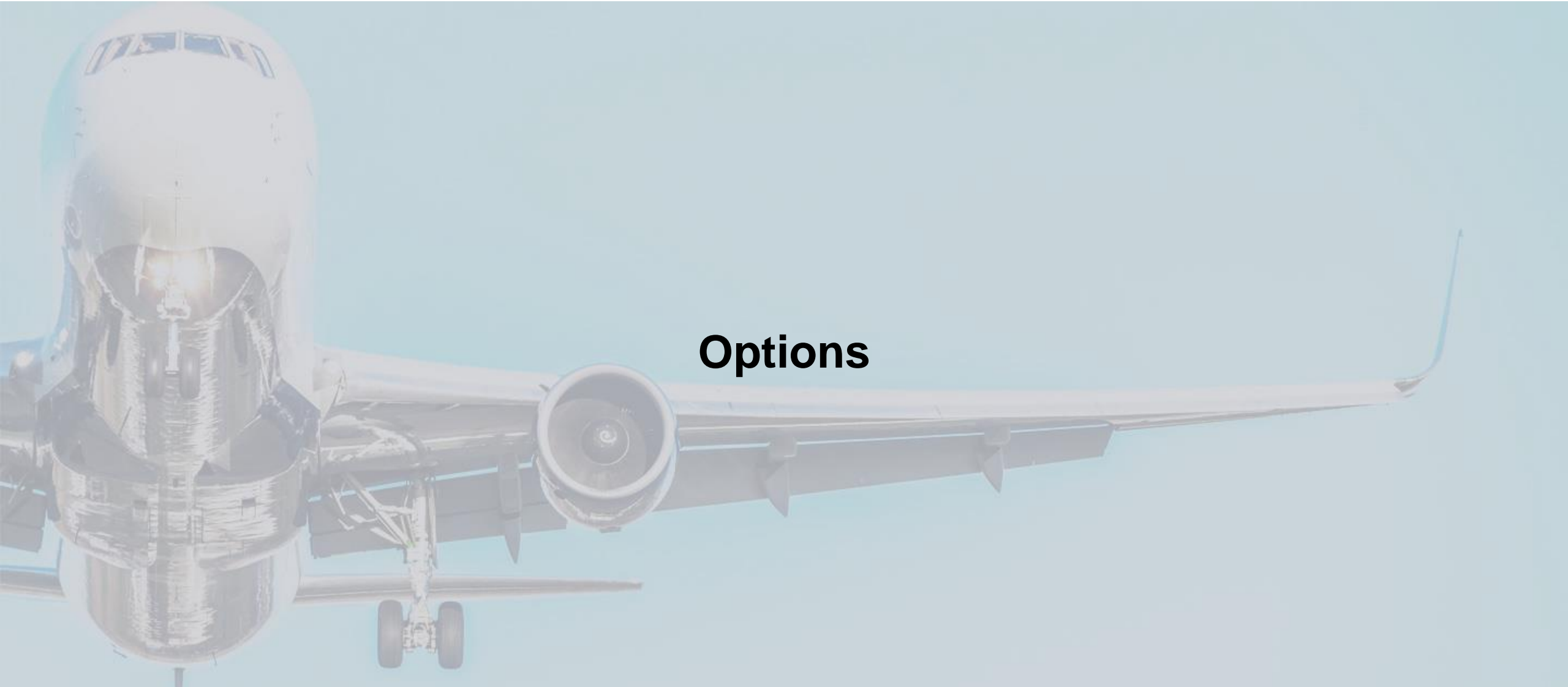


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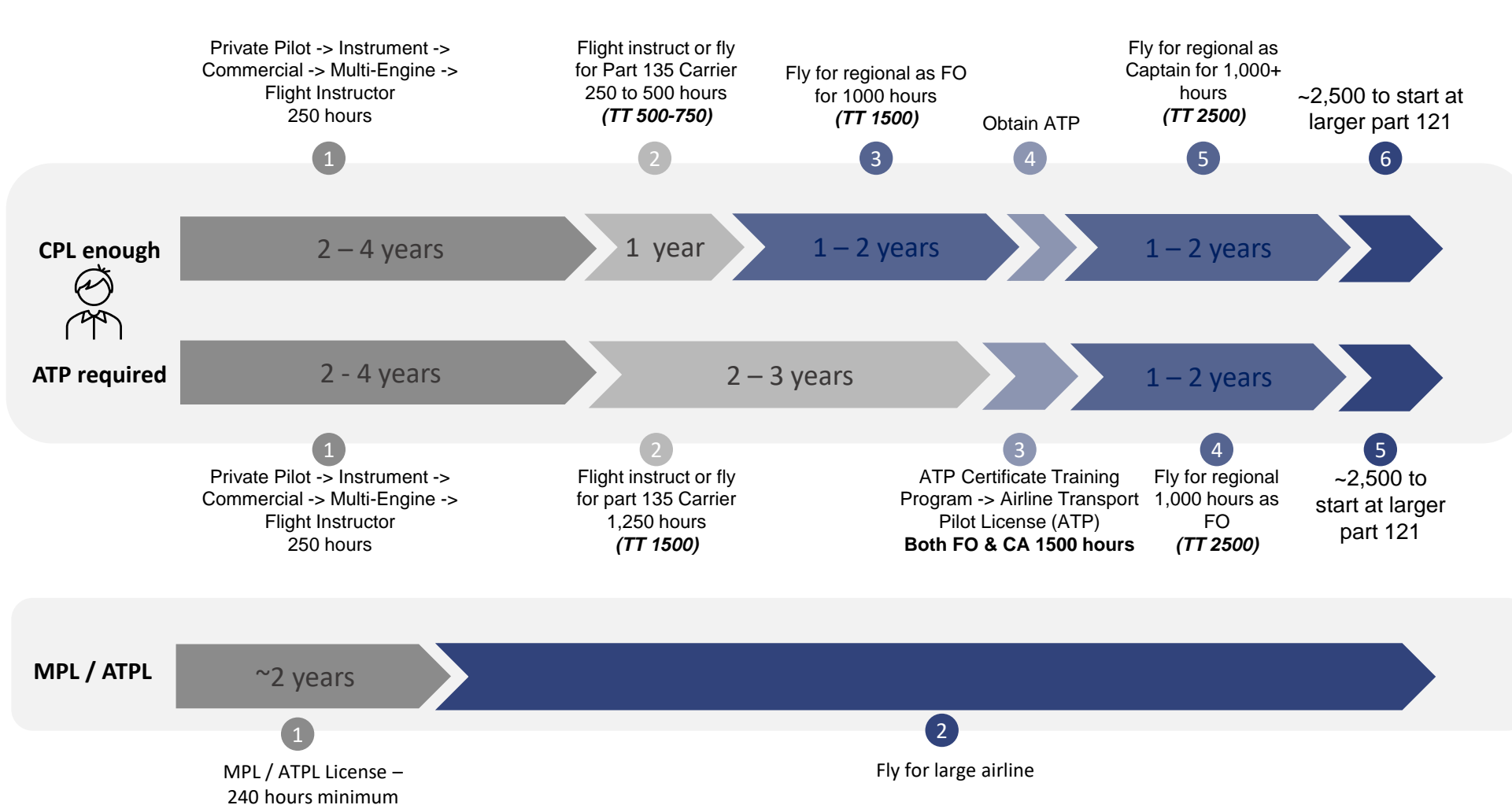


Options

Pilot Outlook

Options

US vs. world pathway comparison



- Pilot Career Risk**
- At least 3-4 before you get paid to fly
 - Becoming an instructor before becoming an airline pilot
 - Time and cost investments
 - Potentially over a decade before flying at majors
 - Up to ~\$300,000 all in for ATP license
 - Additional training once hired at part 121
 - No clear one-stop-shop for all training
 - Short-term pay not worth the investment
 - Medical out at any point
 - No guarantee of job (9/11, GFC)

 You can either pursue a degree or non-degree pathway to becoming a pilot. Depending on the pathway requirements vary slightly.

Proposed hour to credit equivalents

Physical Equipment

Minimal Equipment



Hour : Credit
1:1
\$220

High Performance



Hour : Credit
1:1.1
\$510

Complex



Hour : Credit
1:1.2
\$510

Multi-Engine



Hour : Credit
1:1.5
\$400

Turbine



Hour : Credit
1:3
\$1,500

Simulators

BATD*

Basic Aviation Training Device



Hour : Credit
1:1
\$35

AATD*

Advanced Aviation Training Device



Hour : Credit
1:2-3
\$150

FTD

Flight Training Device



Hour : Credit
1:2
\$500

FFS (Level A & B)

Full Flight Simulator



Hour : Credit
1:2.4
\$1,000

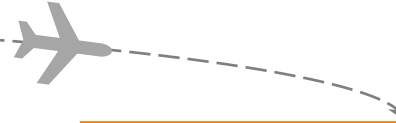
FFS (Level D)

Full Flight Simulator

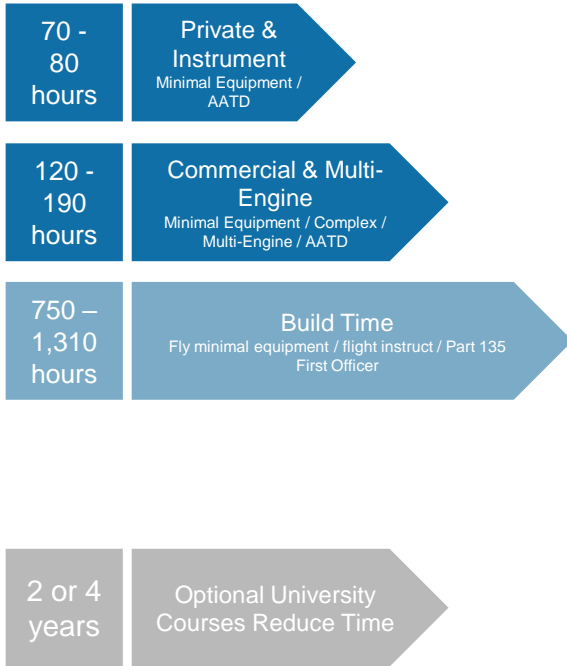


Hour : Credit
1:3+
\$1,000

Pathways to pilot career



U.S.A Status Quo (61,141,142)

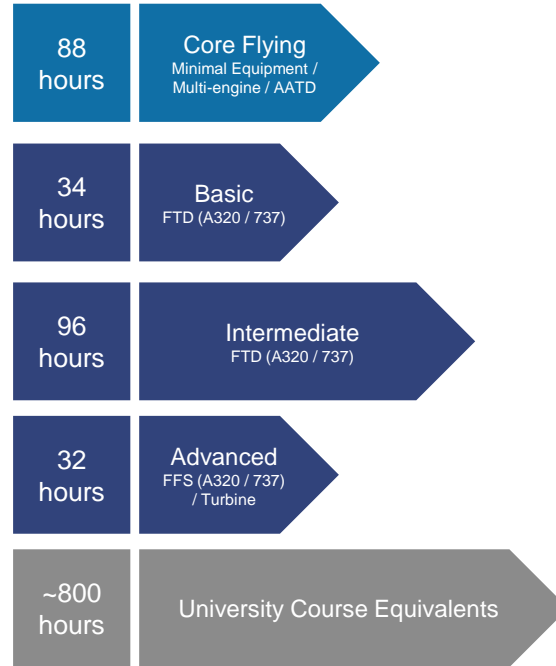


Time to student 1,000 – 1,500 hours / credits

Cost to student \$75k - \$420k

- Requires students to take on large sums of debt or be able to pay significant up-front costs
- Take second jobs while building time to 1,500 hours
- Risk – financial & time
- No straight pathways

MPL Program (Most others)

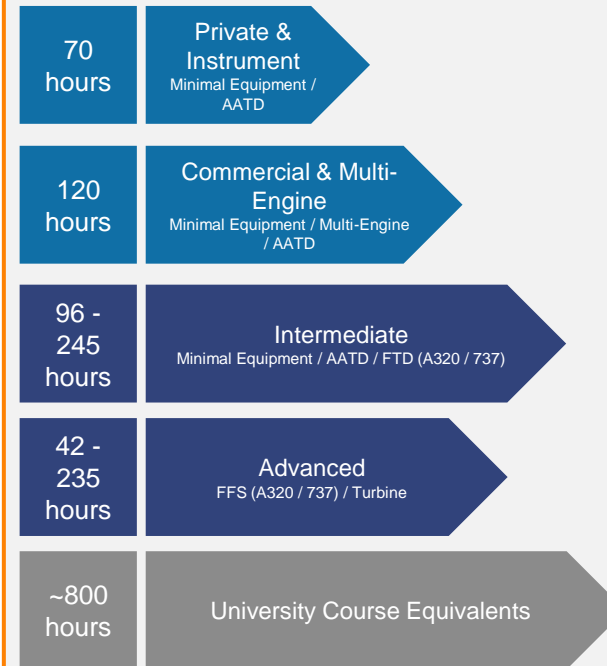


Time to student 252 hours / 476 credits

Cost to student \$0*

- \$75k - \$110k but guaranteed job with earnout
- Significant amount of flight instruction time
- Provides significant experience in actual airline operations beyond what you get in existing US programs

Carrier Extension Training Program New Proposed Method



Time to student 398-740 hours / 726-1498 credits

Cost to student \$0*

- Airline takes on the cost of training with employment opportunities afterwards to “repay the debt”
- Less focus on financials and more on high quality training & learning
- Helps de-risk career path
- Produces safer pilots

Learning Blocks

- ▶ Core Flying
- ▶ Time Building
- ▶ Specialized Jet Airline Training
- ▶ Knowledge Building

Not relative hours/sizes between programs

Takeaway: We believe our approach will provide both safety and opportunity for Pilots and Airlines.

Even as evident in the Latest Top Gun movie VR is heavily used to train the best of the best.

Policymakers should also provide financial incentives to encourage more Americans to pursue careers as pilots



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