

**Before the
U. S. International Trade Commission
Business Jet Aircraft Industry
(Inv. No. 332-526)**

STATEMENT OF REPRESENTATIVE BILL POSEY

Madame Chairman and Members of the U.S. International Trade Commission. I am sorry that I am unable to appear before you at this important hearing on the global competitiveness of the business jet aircraft industry. I appreciate your allowing my written statement to be presented by my staff in my absence.

My Congressional District is located along Florida's Space Coast. It encompasses Cape Canaveral and Melbourne, Florida. The main point of my testimony is to make sure that the Commission is aware of the importance of Embraer's new business jet manufacturing operations at the Melbourne International Airport. This is a significant addition to the U.S. industry making business jets. I also want to publicly express my appreciation for Embraer's commitment to U.S. manufacturing. Embraer's business jet facility in Melbourne is exactly the type of aerospace investment that we are seeking to attract in Florida's Space Coast region. I hope that the report the Commission is preparing on the business jet industry will recognize the significant contributions being made by Embraer to preserving highly skilled jobs in Florida.

I have often expressed my concern about the lack of action in advancing U.S. aerospace capabilities, and I have stressed the importance of the United States maintaining leadership in aerospace technologies. My district, and the Space Coast in general, is home to several important aerospace companies. It has a highly qualified workforce, including many who have worked on the space shuttle launches. I believe it is important to maintain our aerospace capabilities. I especially want to foster technological development and provide high level

employment opportunities for our well-educated and trained populace. Thus, I strongly support the establishment of sophisticated aircraft operations on the Space Coast.

Embraer's manufacturing facility in Melbourne will be used for assembling, painting, flight testing, and interior furnishing of the Phenom 100 and Phenom 300 business jets. To date, Embraer has invested about \$50 million in the project. The customer center at the same site will be used by purchasers for selecting aircraft, equipment, and interior furnishings, and for accepting delivery of their aircraft. The Melbourne facility will be the headquarters for all of Embraer's business jet operations in the United States, and employment at the facility will continue to grow as Embraer increases the build-rate of the Phenom 100 and the Phenom 300 at this facility. Embraer has existing capacity to build about 100 jets per year at Melbourne. The Embraer site also allows for expansion to increase production capacity. I understand that Embraer intends to use the Melbourne facility to build executive jets for the North American market and for export to Europe and the Middle East.

Yesterday, I had the opportunity to visit the facility. I saw the Phenom assembly line, the state-of-the art paint shop, and the soon to be finished customer design center. It is a very impressive facility. I also met some of the employees working there. I can assure you that Embraer's investment at Melbourne has created excellent job opportunities for our engineers and technicians. Embraer's presence also makes it more likely that we will continue to maintain and build a critical mass of businesses involved in inter-related aerospace activities. I am especially gratified that the many 1,000's of highly skilled workforce of engineers and technicians who have recently lost their jobs due to the end of the space shuttle program have been able to find employment at Embraer's new facility. These are great jobs and pay on average \$50,000 annually. I was also pleased to learn that the United States is Embraer's largest supplier base,

with the majority of the components for its business jets coming from U.S. suppliers located in some thirty U.S. states.

The confidence in the Space Coast region exemplified by Embraer's decision to locate in Melbourne has given a boost to our efforts to attract other aerospace companies. Embraer's selection of Melbourne was celebrated because of the general consensus among many that, if Embraer is willing to make such a large investment, others will follow. My understanding is that Embraer's new production facility has been much talked about in the industry, and that other business aviation companies have decided to locate in Melbourne based in part on Embraer's presence. I certainly point to the example of Embraer when encouraging other companies to invest in my district.

Embraer's significant contributions to my district and to Florida's economy are greatly appreciated, and the expected future benefits are likely to be even more substantial. As Embraer increases production at Melbourne, more well-paid, highly-skilled jobs will be added. For these reasons, I hope that your report will highlight Embraer's new U.S. production operations and recognize Embraer's importance to aerospace development efforts along the Space Coast.

Again, thank you for receiving this testimony in my absence. I look forward to seeing your report on this important U.S. industry.

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