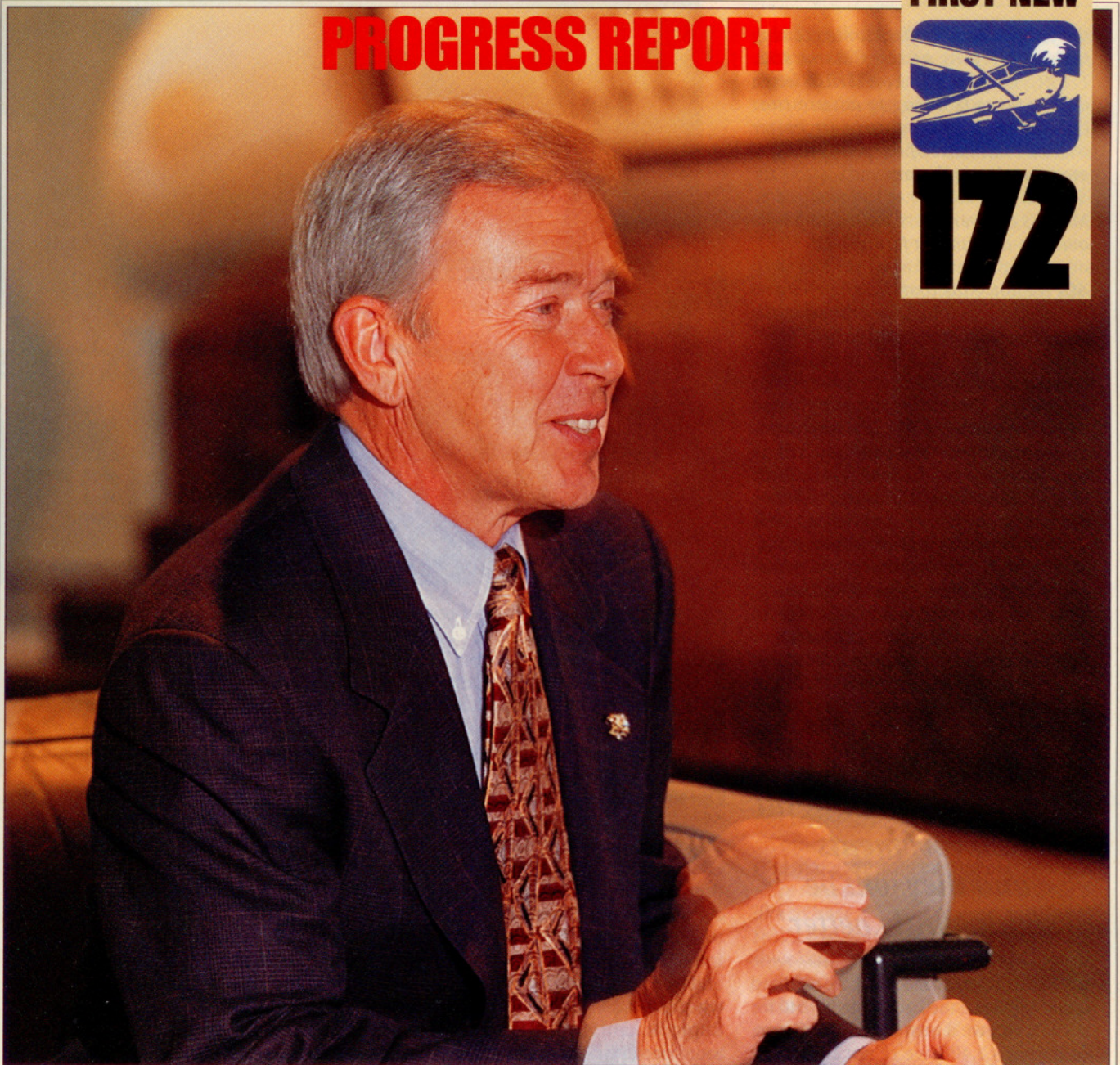


PROGRESS REPORT

FIRST NEW



172



FIRST NEW VIEW

An interview with Cessna's Russ Meyer

AOPA is watching the return of Cessna Aircraft to piston production with more interest than most observers. The first Cessna 172 off the line will become the next AOPA Sweepstakes airplane and will be awarded in 1996. For that reason, on March 20 AOPA Pilot Editor-at-Large Thomas A. Horne sat down in Wichita with Cessna Chairman and CEO Russ Meyer for a progress report. In the interview Meyer reaffirms his pledge to build production to 2,000 aircraft a year by

the year 2000 and offers some exciting tidbits for fans of the Cessna 152, 172RG, and 182RG. You'll also learn what Meyer is doing to assure that Cessna pilots of the future are better trained than those of the past, even if it means more regulation.

CESSNA AIRCRAFT

Meyer's answers were edited to fit the question-and-answer format—Ed.

AOPA Pilot: Now that the single-engine restart has been announced, how has the project been progressing?

Russ Meyer: We have not, in fact, finalized the data, but there are some things we can talk about. I want to emphasize that the airplanes will have some meaningful improvements and they will be significantly better than the way we built them in 1986. They'll look a lot like they did in '86, and it's kind of hard to beat the performance of any of those airplanes, so we're happy there. And as you know, the 172 has an excellent safety record, as do the other airplanes. We like the airfoil and we like the overall configuration, but we'll have a different engine. We will use the Lycoming IO-360 that

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'The airplanes will have some meaningful improvements and they will be significantly better.'

we'll rate at 2,400 rpm, so it'll be nice and quiet. We'll use the Lycoming IO-540 for the 182 and we'll turn that at 2,500 rpm, or perhaps 2,400; we're not sure quite yet. We'll use the Lycoming IO-580, which is a modification of the IO-540, on the 206. We contemplate fuel injection on all the engines, and electronic ignition. I think it's fair to say we're looking at an avionics package that is markedly different from the old ARC days. In terms of capability, we're not there yet, but we're working hard on a more effective wing leveler for the airplanes that traditionally didn't have autopilots the last time they were in production.

Autopilots as standard equipment?

Yes, as a base. We're looking at that. We haven't gotten that far; but, as I say, most of these things are pretty much final. We'll also do a lot of things with the interiors that we have yet to decide on. But they'll be wonderful interiors.



PROTOTYPE 172 TESTED

They're off and running

A prototype of the next-generation Cessna 172, called the Restart 172, took its first test flight April 19.

The aircraft, piloted by Cessna engineer Ellis Brady, flew for 51 minutes and officially marked Cessna's return to the piston-engine world. The aircraft is equipped with a new fuel system and a fuel-injected Lycoming IO-360. The airframe is a slightly modified 172N owned by Cessna.

Brady said he had planned to establish a 2,400-rpm engine speed at cruise

Did the interior of AOPA's Better Than New 172, our last sweepstakes airplane, influence your interior design?

I'd probably be the wrong one to answer that, because I didn't have a chance to see the Better Than New. But we've worked with some people outside the industry as well as inside the industry, and I don't know what part came from where. I know that it will be a marked improvement. I know that the instrument panel will be substantially better than the old Royalite-covered, post-lighted instrument panel we used to use, and it should be. The seats will be all new, and they'll be up to modern crashworthiness standards. And we'll have shoulder harnesses at all seats.

Why fuel injection and electronic ignition? Do you see any problems with certification of these new systems?

No, I can't imagine why. We've never had a problem certifying a fuel injection system over a carbureted one before. With fuel injection, the airplane will be substantially better—more efficient, safer, more reliable, and you don't have carburetor icing. There are a lot of good reasons for fuel injection. The electronic ignition is something we are hoping to have, but it looks like we'll have a fall-

back to a standard magneto anyway, with the system we're looking at; so it looks to us like a significant upgrade. We still have a little bit of time to decide and do a lot of service testing.

Will there be any safety equipment, such as a standby vacuum pump, in standard airplanes?

On the IFR-equipped airplanes we'll unquestionably have a standby vacuum system; you bet.

How about annunciator panels? Will these be a new addition to the single-engine line?

We're looking at them. There are some things we want to announce better than we have previously, but I don't know if we'll have some kind of separate annunciator panel or a master warning light of some kind.

How are plans for the new Cessna Pilot Centers shaping up?

It's going to be very exciting. This will be a very meaningful part of our program. It always has been. I can tell you that we'll substantially modernize the system, because we haven't done anything for the past 15 years. I think it will be a much more efficient learn-



but got readings of 2,700 rpm. "That's a function of propeller pitch, so we're adjusting it to accomplish the target power and speed performance before our next flight," Brady said.

Testing included basic handling and stability checks, as well as stalls and performance evaluations. All were termed "normal" by Brady. He reported a true airspeed of 135 knots at 5,000 feet during the flight, with the performance helped by the higher-than-expected engine rpm. —Alton K. Marsh

ing system, and we'll define a system that will enable a student to be more flexible in where he takes ground training. Personally, this is one of the more exciting parts of the program, to have the opportunity to develop an upgraded curriculum, come up with the promotional program, and turn the decreasing line of student starts back up in the other direction—which I have no doubt we'll do by 1997, if not 1996.

We've heard it said that Cessna will develop special interactive software for training material.

Yes, but we haven't decided on its final form. We're not even close. We'll have presentations by a number of people in the next 60 to 90 days. But yes, there will be a strong computer component.

There'll be a CD-ROM based approach that students can take home?

Yes, probably. We've done some surveys, and some people have pointed out that this is very effective for teaching.

You just came from a discussion with representatives from the Cessna Finance Corporation. What's new on that front?

Of course, financing will be a major part

of our single-engine program—just as it has been for the past 30 years. How we do that will be similar to before; we'll participate in a large percentage of financing arrangements. In fact, financing will be an even more essential part of our overall project than before.

Will leasing be available?

It's absolutely safe to say that. My guess is that our leasing program will be different from anything we've offered before. We've done a lot of evaluations, and we think there are a lot of things we can do to make it attractive and affordable for people to lease an airplane; and I'd guess that we'd lease a very, very high percentage of airplanes. It makes a lot of sense for everybody, including the operator.

How so?

There are fewer benefits to owning a capital asset today than 12 years ago. Today, there's no investment tax credit and no depreciation for passive investments as there used to be. And I don't think that's necessarily unhealthy, because I think we sometimes tended to sell the financing benefits of the airplane 15 years ago—as opposed to the airplane. We had a lot of leasebacks,

and I don't think we'll see a lot of that anymore. People are interested in cash flow, and if they can lease at an attractive monthly payment, they don't have to worry about the residual value on the airplane at the end of the term in five to six years. They can roll over into another airplane just as you can with an automobile.

What about training standards at the new CPCs? Will you insist on higher proficiency standards?

We'll have as strong a leverage as we can impose on the system. I think the biennial requirements are inadequate, personally. For those flying in the system of today, pilots ought to have—and ought to want to have—some type of annual proficiency review. There's not a whole lot of difference, in my view, between flying a Citation and flying a Skylane. You're dealing with the same controllers and you're operating in a similar environment, but at different altitudes. To the extent that we can encourage or mandate some type of annual proficiency requirement, we'll do that.

How are things in Independence? Is everything on track for your construction plans?

We're moving along. I think I can pretty well assure you we'll start moving dirt on the 22nd of May or before, with an official groundbreaking before that. [Formal groundbreaking ceremonies were scheduled for May 19—Ed.] We'd like to have some of our congressional folks for that, but that depends on their schedule, not ours. But as long as we move dirt by the 22nd, that's consistent with our schedule. It'll be an excellent location—for the next 50 to 100 years.

How much does Cessna have invested in the project, and how much return do you expect?

About \$75 million, and our return will justify the investment.

Do you still think you can sell 2,000 single-engine airplanes per year?

Yes, sir.

For how many years?

I'll make a statement that we will reach a level of 2,000 a year by 1998, and I think that 2,000 per year will be the lowest level annually that we'll see for 25 years or more. I think the future for the single-engine business in this country is so exciting and filled with so much potential that I'd like to be 25 again.

How much of your job is controlling the enthusiasm you've created?

The enthusiasm is the greatest I've ever seen since the late 1970s. You know, interest rates went up in the early 1980s, energy prices went up, product liability went crazy, and we all became depressed, as we probably should have been, with the overall environment that caused us to lay people off, consolidate, and ultimately stop building airplanes. You know, those were tough years; they weren't any fun, and I think for a lot of good reasons. We're not talking about building 18,000 planes again in the next 10 years. Somebody says, "We're never going to see those levels again." I don't believe that. I think it's certainly possible to see that again, except probably not in the next 10 years. Hell, we averaged, as an industry, 12,000 or 13,000 [airplanes a year] for 15 or 16 years, from '65 to '80, and there's a guy that says, "you'll never do that again; you stuffed the market, and you oversold." That's baloney. Sure, there's a few years where we filled the pipeline too high, but that's not something the aviation industry has an exclusive on.

Two thousand airplanes will be our minimum by the year 2000. I can see us building 3,000 a year comfortably. So if we're building 3,000, then the other guys are building some, so in the end we're building 5,000.

Will the export market be stronger this time?

I think it will be. It always had been for the 206. We kind of figure 50-50. In the first couple of years, there will be a higher percentage of domestic sales. We have 125 colleges and universities with old fleets, and we've already been talking with them about replacing them. So over the next 10 years, I'd [estimate] 30 percent of sales [will be] overseas, with 50 percent of that being 206s.

How much can AOPA expect to pay for the "First New 172"?

We haven't priced it yet. We've looked at a number of pricing scenarios. It would be accurate to say that more people will be pleased than disappointed.

We've heard \$100,000 to \$120,000. So have we.

Is that in the ballpark?

Yeah. Again, it depends on what you put in the airplane. For a reasonably well-equipped airplane, a realistic range would be less than anybody else can offer.

So a bare-bones airplane would be less? We won't build a bare-bones airplane.

Has a choice of avionics been made?

We haven't selected a supplier or package, but it's pretty likely that we'd have a basic King package. We've talked with them, we talked with other folks, and we did a pretty extensive market survey from both retail customers and FBOs. They expressed a high percentage of people who preferred Lycoming engines and a good response to King avionics.



'The next three airplanes we'd look at after we're comfortably in production would be the 152, 172RG, and 182RG.'

So there'll be a King GPS aboard, as well?
We don't know what the exact configuration will be like. A fully equipped airplane will include GPS—and should—but whose and what models we haven't decided. All I know is GPS is fantastic. And the GPS' pricing is phenomenal.

What about bringing back the 152?

We're looking at that. The next three airplanes we'd look at after we're comfortably in production would be the 152, 172RG, and 182RG. Whether we build all or some of those depends on our ability to generate the kind of activity in the CPCs (Cessna Pilot Centers) that we hope we can generate. We decided to do the 172 first because it can kind of do everything, and most of the colleges use 172s.

Anything you'd like to add?

I think that manufacturers, consumers, and those who make their careers in this industry really have an obligation to

upgrade everything—the proficiency of our flying, the quality of our airplanes, our warranties, and the service we provide, because when you've got that ticket that says private pilot, commercial pilot, or whatever, and you can [take passengers], normally they just kind of assume you know what you're doing and that your judgment is good. And in too many cases in the past, one or both of those are not true. And it's normally in the judgment area [such as when a] 180-degree turn would have been more intelligent.

We need to be making sure that you have the equipment to handle the kind of situation that you're flying in. Without accidents, there is no product liability problem.

In some instances we shoot ourselves in the foot by demanding "free access," and I don't think we enhance the industry by having simplified certification standards, because the weather doesn't understand certification standards. I think certainly one of the differences between [Federal Aviation Regulations] Part 25 and Part 23 [certification], in addition to the redundancies and the kind of airplanes you build, is the fact that Part 25 airplanes are professionally flown and professional requirements are mandatory. So you have to ask yourself why we don't have similar standards for Part 23 airplanes.

To use our products, you have to have a type rating for a Citation, but not for a Conquest. And yet, you're flying airplanes that are always above 18,000 feet, and they're always in the system and fly in all weather. That's what you got the airplane for. And the guy in the left seat may or may not be quite as qualified as he should be. And, of course, the time you want that proficiency is the small percentage of time when you have a problem.

I feel very strongly that for the guy who's flying a 152, 172, or 182, we have an obligation to do things the best way we can. And if it has to be by regulation, then it should be by regulation. Unfortunately, we've found that if it's not done by regulation, it doesn't always happen. We put out a service bulletin and maybe a mandatory service bulletin, and it would amaze you how many mandatory service bulletins aren't followed. If it's an airworthiness directive, it has a higher likelihood of being acted upon. So while we're caught up in the excitement of getting this business revitalized, remember that the whole health of the aviation industry depends on the health of the small airplane business. That's where our roots are. □