

# **ISSUE BRIEF**

# AEROSPACE INDUSTRY IN OKLAHOMA

By: Emily Shipley, V.P. of Government Affairs | <u>eshipley@okstatechamber.com</u> August 2017

#### **KEY FACTS**

- The aerospace industry is one of Oklahoma's top economic engines, with more than 1,100 aerospace and defense-related companies operating in the state
- With more than 120,000 Oklahomans employed by companies in the aerospace and defense industries, Oklahoma continues to rank among the top 20 states for the number of workers in key aerospace occupations
- Oklahoma's aerospace and defense industries produce \$27 billion in sales and \$19 billion in exports per year

## BACKGROUND

For Oklahoma to withstand and survive economic changes over time, we must create a diverse economic base. With its unique geography, military bases and higher education, career and technology network, Oklahoma has become a leader in the aerospace industry.

Oklahoma is a major center for maintenance, repair and overhaul of military and civil aircraft. Different from most industry sectors, Oklahoma's aerospace industry spans the state with major centers of operation in Ardmore, Fort Sill, Tulsa, Oklahoma City and western Oklahoma. The state's significant assets include:

- Federal installations such as Tinker Air Force Base, Federal Aviation Agency (FAA)
  Mike Monroney Aeronautical Center, Altus Air Force Base, Vance Air Force Base and the Tulsa Air National Guard
- Major private sector companies including American Airlines, The Boeing Company, NORDAM, Enviro Systems, Inc. and Spirit AeroSystems
- University research in new applications related to robotics, intelligent systems, unmanned aerial systems (UAS) design and the nation's first UAS-focused degree program
- The only national spaceport operation in unrestricted airspace
- Competitive incentive packages for manufacturing, workforce and financing for expansion and recruitment efforts

While Oklahoma has a growing and competitive aerospace industry, the state faces challenges in the global marketplace with advances in technology, national and worldwide economic changes and U.S. policies and federal funding affecting defense, civilian and commercial aviation.

Business taxes impact business decisions such as plant location, job creation and retention. Oklahoma should reduce the burden companies pay in the form of corporate tax and create a sliding scale to help small business.

## **STATE CHAMBER POSITION**

The State Chamber aims to take a statewide leadership role in sustaining and growing the aerospace industry in Oklahoma, in addition to securing and expanding federal Department of Defense interests in the state. To remain competitive in growing this industry, the State Chamber of Oklahoma strongly supports development of technology, aerospace industry-specific economic development incentives and strengthening our education system for workforce development.

The State Chamber also supports the continued expansion, research and development, testing and evaluation of the aerospace industry, including efforts that boost military and defense interests in the state. Expansion of this industry will ensure increased economic diversity for Oklahoma, strengthen other economic sectors, provide financial security and create lasting jobs for Oklahomans.