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ICON Aircraft Founder Kirk Hawkins

Starting a Revolution

Controversial Talk

From a New Aircraft Manufacturer



Starting a **revolution**

From its Los Angeles loft offices to its desert flight test location, to its sports-car design and action-sports marketing, ICON Aircraft consciously sets itself far apart from the staid traditions of Wichita aircraft manufacturers.

ICON's sleek, folding-wing amphibian, the A5, first rolled out at a glitzy, star-studded Hollywood party instead of an industrial hangar. Its media debut came in *Wired* magazine, not *Aviation Week*. And its financial backers include Internet pioneers and Silicon Valley inventors.

But even though ICON CEO Kirk Hawkins' path to flying was well traveled—flight lessons beginning at age 17, Clemson University engineering degree, Air Force F-16 pilot, American Airlines—his conclusions about the general aviation marketplace, and how to grow the pilot population, are provocative and thoroughly contrarian. And he's staked his company's future on his certainty that he's right.

"There's a reason that the number of active GA pilots has been declining for years despite the population and the [gross domestic product] going up," said Hawkins, 41, who studied the aviation market as a Stanford University Business School student in 2005. "Aviation, at a personal level, has too many barriers to entry in terms of cost and time. And the sales pitch about the transportation/utility of personal business travel is largely false.



Unlocking a
"static, saturated
GA marketplace"

BY DAVE HIRSCHMAN

“The truth is that GA flying is expensive, and it usually doesn’t save a lot of time over cars or airlines,” he said. “Flying at night and in the weather requires additional equipment and training that pushes costs up dramatically. There’s a small percentage of the population for whom GA is a good fit and makes economic sense. But GA, as it exists today, is never going to win broad market adoption because, for most people, the math just doesn’t work.”

The good news for aviation, Hawkins said, is that large numbers of people still yearn to fly—and the Light Sport Aircraft category created in 2004 provides the regulatory structure that could allow the industry to grow dramatically.

There are about 600,000 active pilots in the United States with FAA airman certificates and current medical certificates. But more than four times that number, roughly 2.5 million pilots, are inactive, Hawkins noted.

“The numbers show us that large numbers of people come into aviation and then leave,” he said. “About 60,000 new students start flying each year, and most of them stop without getting a license. The reason is that they come seeking freedom and adventure. They get trained on a complex, sometimes anti-

quated transportation device, and then they get out of flying.” Flying is an amazing experience, said Hawkins, who has piloted aircraft ranging from ultralights to fighters and jet transports. But for GA to grow, he said flying must return to its sporting, adventurous roots.

At aviation trade shows, ICON’s booth is usually packed, and youthful, vibrant salespeople deliver the company’s non-conformist message. Their airplane is not about transportation, they say proudly. It’s all about fun and good times at the lake, a grass field, or an airport. If you want the most technologically advanced instrument panel, or a business tool that your CFO can justify to the board of directors, get something else.

Dressed casually in jeans and a button-down shirt, Hawkins walks the periphery of the ICON display and watches intently as people react to the full-size A5 mockup. There’s an element of wonderment as visitors gaze at the sleek, silver-and-red aircraft, and unmistakable excitement among pilots and nonpilots alike.

“GA has stopped delivering on recreation,” Hawkins said, “and the industry has lost touch with what makes it so important. The best thing GA has going for it isn’t a spreadsheet. None of us

who dreamed of flying as kids thought about how much money or time we were going to save flying airplanes. People like the Wright brothers, Howard Hughes, and Chuck Yeager didn’t get into flying because they wanted to save time.”

The LSA category, which allows students to become sport pilots with as few as 20 hours flying time and limits them to mechanically simple one- and two-seat airplanes with top speeds of 138 mph and day/VFR operations, has been held out as a way to generate new interest and enthusiasm and cut costs. But even though leading aviation manufacturers such as Cessna are developing their own LSAs, Hawkins said there’s a broader opportunity for aircraft firms that seek out entirely new markets.

ICON’s A5, for example, is made from carbon fiber, has wings that fold manually or at the touch of a button, and is designed to travel on a trailer like a ski boat or a jet ski. It can enter the water at a boat ramp and won’t require airport hangar space.

“Among our customers, 35 percent are nonpilots that ICON is bringing to

ICON’s sleek A5 prototype undergoes water testing at a California lake.



aviation,” Hawkins said. “This aircraft inspires them. There’s a huge, pent-up demand for flying.”

The ICON carries a hefty price tag: \$139,000 for a base model.

Hawkins said his private firm has deposits for more than 300 airplanes, but he won’t disclose the amount of venture capital it has raised so far. He said previous rounds of start-up financing in 2006 and 2008 met their targets, and the third and final round is on track to close at the end of this year.

The prototype ICON A5 first flew on July 15, 2008. Jon Karkow, a former Scaled Composites engineer who helped design the *GlobalFlyer* and *SpaceShipOne*, is ICON’s lead engineer and test pilot. The airplane has finished more than 50 test flights and completed “phase one” testing in February 2009, meaning it has successfully explored the entire normal

The airplane’s VFR instrumentation, automotive cockpit layout, and exceptional visibility are designed to appeal to motorsports enthusiasts and not just pilots.

operating envelope. Phase two includes land testing. Phase three is meant to validate the aircraft’s final form and is scheduled to begin late this year.

Hawkins said the company’s goals extend far beyond creating a good-looking airplane.

“Making an aircraft that flies safely and adequately isn’t enough,” he said. “We’re aiming at making something great—and that’s exponentially more difficult. Attention to detail and execution have to be central parts of everything we do. Those things have to be part of our DNA.”

Hawkins grew up racing motorcycles and looks to jet skis, other “power sports,” and snowboarding for inspiration. Jet skis and snowboards both faced a great deal of resistance from boaters and skiers when those products were first introduced—but the new sports grew so fast that the boating and skiing industries eventually embraced them. Other firms such as Harley-Davidson, Ferrari, and Apple developed unique products that attracted large and pas-

sionate followings, even though their products are purely discretionary.

“Nobody snowboards to work,” Hawkins said. “But snowboarding has created a strong, vibrant, sustainable industry through broad consumer adoption, understanding, awareness, and enthusiasm. Aviation has to do the same thing.”

Hawkins hopes ICON and other new aircraft bring a similar level of growth and innovation to aviation.

“The LSA category, and some truly great products, have the potential to unlock what has become a static, saturated GA marketplace,” he said. “We need widespread consumer adoption of aviation, or we’ll continue to see a loss of access and a loss of government funding for aviation infrastructure.

“I’ve studied the GA market very closely,” he said. “And even if I hadn’t started ICON, I’d tell you exactly the same thing.”

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