

FOR IMMEDIATE RELEASE

MAY 27, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

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THE WHITE HOUSE

EXCHANGE OF REMARKS  
BETWEEN THE PRESIDENT  
AND

FRANK E. HEDRICK  
CHAIRMAN, BOARD OF DIRECTORS OF THE  
GENERAL AVIATION MANUFACTURERS ASSOCIATION

THE ROOSEVELT ROOM

3:16 P.M. EDT

THE PRESIDENT: It is good to see some familiar faces around here. It is a pleasure for me to have an opportunity of meeting with an industry that I understand produces about \$1 billion worth of business a year and employs about a quarter of a million people in your various plants and facilities. That has a very significant impact on our export capability.

During my travels around the country before I started flying in Air Force One, I flew with a good share of the 750,000 private pilots in the country, (Laughter) and probably flew in a good share of the 150,000 aircraft. I know I have been in most of the airports of the country as a result of the general aviation capabilities.

So, I am fully cognizant of not only what you do from the point of view of exports, but also of business and jobs. I think most of you recognize that we have made a very determined effort across the board to get rid of some of the onerous, nonproductive rules and regulations that have plagued not only your business but plagued most of industry.

So, when the Department of Commerce got into the problems of your export business, they found, as I understand it, that about 4,000 licenses a year were required for the export business in which you participated. It seemed to Commerce totally unnecessary under the practical circumstances, and it has now reduced the potential from some 4,000 down to, I think it is, 12 to 15 per year. So that, I think, is some very, very significant progress.

I am not a technician, so rather than show my ignorance, I would rather read what I am told we are announcing today:

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The elimination of all export license requirements for general aviation aircraft utilizing standard communications equipment. This will apply to exports to most nations. In addition, exporters of aircraft with sophisticated equipment will no longer have to apply for individual license for each aircraft exported.

They will now be able to obtain a single distribution license allowing products to be shipped freely to distributors in most nations.

I understand there is an announcement going out at 3:30 this afternoon or thereabouts to this effect. So, at least in one area we have made some significant progress in the elimination of unneeded, onerous, nonproductive rules and regulations involving the Federal Government.

I wish, and I certainly hope, that other agencies of the Federal Government will show the same kind of responsiveness.

*Garner*

~~Garland~~, I didn't see you sitting over there.

(Laughter) I know ~~Garland~~ comes from, what is that, Wichita?

*Garner*

*Shriver*

MR. ~~GASTLEBERRY~~: You bet.

THE PRESIDENT: I know when I was in the House of Representatives he was always reminding me of several plants out there. I don't want to advertise one over another, so I will just say general aviation manufacturing and production. (Laughter)

Now I will be glad to answer any general questions. I am just a user, or was a user, not a technician. But, if you have any questions as to the application of this or other details, I am sure we have people here that can respond to them but, from what I know, I am very pleased that they -- the Department of Commerce -- took some affirmative action and moved in the right direction.

MR. HEDRICK: I think that is proper, Mr. President, and I am the Chairman of the GAM organization and also President of Beech Aircraft, the one you spoke of earlier. (Laughter)

THE PRESIDENT: I have flown in a few of them.

MR. HEDRICK: I have a very simple statement here I would like to read to you in response.

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On behalf of the General Aviation Manufacturers Association Board of Directors, we sincerely thank you for the regulatory reform you have just announced, and that is genuine.

With this action our Government has improved the procedures for exports, potentially expanded the employment levels as a result of better export opportunities and reduced both the cost of Government and the cost of doing business.

Hopefully, this action will improve the export posture and add to the U.S. balance of trade.

Mr. President, we look forward to the future with increased optimism. To be in our business you have to be optimistic. (Laughter)

Knowing of your recognition of the general aviation industry is a comfort. As you know, general aviation is playing a growing role in the transportation system, both in the United States and in the world. We appreciate your help in furthering this industry.

Thank you, sir.

THE PRESIDENT: Thank you very much. I hope and trust we can work together on some of the other problems that involve both Government and your industry, and I will pledge you the same kind of cooperation in those areas as we have tried to exhibit in this instance.

MR. HEDRICK: Thank you very much.

THE PRESIDENT: Is the industry doing well?

MR. HEDRICK: Quite well. We are having our best year in 1975, that we have had in our history, both in units and dollars. We had quite a controversy within our own organization --

THE PRESIDENT: I have that in the Government. (Laughter)

MR. HEDRICK: Some of us like to brag about units if they build small airplanes. Those of us who build larger airplanes with higher dollars like to talk about dollars. So, we now combine and speak both to units and dollars.

1976 will be one of our better years -- 1975 was one of our better years and 1976 will be even better than that. As we look to the future -- say 15 years down the road -- assuming all things are equal, we look for it to continue.

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THE PRESIDENT: How is the export business? Are we ahead competitively with other nations in the private industry?

MR. HEDRICK: We are practically the only exporters in general aviation, actually. So, we are doing a good job. We have some problems in the area of restrictive tariffs, which we think are different. We discussed those in detail yesterday and at least expressed our opinion.

We feel, for instance, on the cross licensing or the reciprocating license agreements we are a little bit too generous and do not trade off the fact that we can do well enough to get our advantages that we should have in the commerce section, and we are addressing ourselves to that subject and hoping that we will have fewer bilateral licensing agreements until we have better bilateral marketing agreements.

THE PRESIDENT: Keep after it, Fred. (Laughter)

MR. HEDRICK: We are not really very shy, sir. (Laughter) We are glad to have your encouragements.

THE PRESIDENT: It is nice to see you all. I would like to go around and shake hands.

END (AT 3:25 P.M. EDT)