



Spirit's investment in Kansas Year Ending 2012

Employees

Total employees: 11,159

Total payroll: \$827M

State taxes incurred

Total state taxes: \$13.8M

- Property tax: \$11.6M
- Sales/use tax: \$2.2M

Value to supply chain base

U.S. supply chain: \$2.6B

Kansas supply chain: \$550M

350 Kansas suppliers

Kansas charitable contributions

Total contributions \$3.8 M

Employee giving \$2.4 M

Company giving \$1.4 M

Kansas top 10 largest suppliers

- GKN AEROSPACE PRECISION MACHINING
- ALCOA INC
- VALENT AEROSTRUCTURES LLC-COTTONWOOD
- DUCOMMUN AEROSTRUCTURES INC
- ATLAS AEROSPACE LLC
- TECT AEROSPACE WELLINGTON INC
- BRITTAIN MACHINE INC
- FMI INC
- EXACTA AEROSPACE INC
- COX MACHINE INC

Senate Ways and Means Committee

Date: 03-11-2013

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NIAR and Spirit AeroSystems

A strategic partnership with the industry for more than 30 years

March 2013

NIAR has been a strategic partner with Spirit and our predecessor company for more than three decades. Spirit's engagement and cooperation with NIAR have been steadily expanding. There are three main areas of collaboration.

1. **Spirit-funded research.** Company-funded research projects are specific to support Spirit's programs, which in most instances are proprietary to our company and our customers. Most of these projects are related to structural testing and propulsion studies. NIAR's support is essential for these activities that have allowed us to pursue new ways of gaining a competitive advantage and win new work in a highly-competitive global market.
2. **Collaborative R&D projects.** Collaborative research and development projects with NIAR through the Kansas Aviation Research and Technology (KART) initiative has played a significant role in allowing us to implement technologies and methodologies for engineering and manufacturing our products, such as the B787, A350, and other airplane models. For example, within the past few months, Spirit used the data obtained from one of its KART projects to support the composite repair of a customer's wing product at a time when our shop desperately needed a solution. Within this same timeframe, we again used data from the KART project to support another critical customer need on a separate program. Some of our current projects with KART are in direct support of our composite repair needs for both the A350 and B787.
3. **Training and education.** NIAR has been instrumental to Spirit by providing training and education to our technical staff and engineers. For example, NAIAR has been a primary CATIA training provider to our engineers and technical designers.

In addition to these areas of collaboration, the technical expertise NIAR provides to the aviation industry cannot be overstated in terms of its contributions that help us provide cutting-edge services and solutions to our customers. Time and time again, NIAR's capabilities and expertise have allowed Spirit to complete static tests successfully and on-time. NIAR's track record of performance has gained it international recognition and is the envy of many aviation clusters who would love to have this institution in their region.

From Spirit's perspective, NIAR has been enhancing its core competencies in structural testing, certification, environmental studies, and other areas, where it is paving the road for more partnerships and collaboration on a wide range of projects for the industry. These projects are what allow our company and other Wichita companies gain new work on new programs, which leads to job creation and further positive economic impact to the state.