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Revised 23 January 2011
1. Overview

AvSport is a new flight school based in Hangar One at the Piper Memorial Airport, Lock Haven PA (ancestral home to Piper Aircraft). We specialize in training candidates for the FAA Sport Pilot license, using modern Light Sport aircraft (at about half the cost, and half the instructional time, needed to earn a Private Pilot license).

Our Vision:

AvSport envisions a General Aviation renaissance, facilitated by quality training of Sport Pilots and the availability of modern Light Sport Aircraft.

Our Mission:

AvSport enhances aviation safety and enjoyment, by offering:

- a rigorous flight training curriculum
- experienced, professional Certified Flight Instructors
- well maintained advanced Light Sport Aircraft
- modern and accessible instructional materials
- individualized instruction
- an affordable aviation experience
2. Founder’s Remarks

When I established AvSport as the new flight school on the Piper Memorial Airport just one year ago, I set for myself the following first-year goals:

1. Procure a suitable Light Sport trainer aircraft
2. Establish an advanced Sport Pilot training curriculum
3. Locate and train a compatible Adjunct Flight Instructor
4. Develop a company website, policy manual, maintenance standards, and operating procedures
5. Receive training to secure both FAA LSA repairman’s certificate and Rotax maintenance authorization
6. Solo first student pilot
7. Graduate first licensed Sport Pilot
8. Operate at financial break-even

I am pleased to report that all of the above goals have been achieved or exceeded during 2010. In fact, AvSport has soloed five students, graduated three licensed pilots, and can boast a 100% pass rate for our students on their FAA knowledge and practical tests.

As for financial goals, ours were modest, recognizing that few small businesses achieve profitability during their first year, and the vast majority fail within the first three years (primarily due to undercapitalization). As the Financials section of this Annual Report will show, AvSport actually generated a modest profit this year, on the order of $6000. Of course, since I worked over 2000 hours to achieve this result, it can be seen that I am earning right around $3 per hour – about what a teenager makes babysitting! However, my colleagues in the flight training business tell me that this figure is about twice the industry average, so I should be pleased with my progress.

Goals for next year include adding a second aircraft to the flight line, training a second Adjunct Flight Instructor, licensing six new pilots, renewing my own flight instructor rating, receiving FAA training to become a Designated Pilot Examiner – and doubling my own salary to $6 per hour! We’re off to a good start. And, AvSport is fast becoming a social nexus for local area sport pilots. I’m pleased to say that General Aviation is alive and well in Lock Haven.
3. Facilities

AvSport of Lock Haven operates out of the flight school office in the newly refurbished General Aviation Terminal in Hangar One on the historic Piper Memorial Airport (KLHV). The terminal building also contains restrooms, a conference room, and a pilot’s lounge. Ideally suited to Sport Pilot training, Lock Haven is a non-towered general aviation airport with a 3800 by 100 foot paved runway, and a parallel 2200 by 100 foot turf strip. Favorable terrain on the North side of the airport permits a safe traffic pattern altitude of 1000 feet above ground level. The paved runway is equipped with pilot controlled lighting for night operation, as well as runway end identifier lights and a two-light visual approach slope indicator at each end. Prior to AvSport commencing operations in January 2010, the airport had not hosted a full-time flight school for a period of sixteen years. Thus, AvSport seeks to clear the backlog of unsatisfied demand for local flight training.
4. Aircraft

Available for both flight instruction and rental by qualified pilots, AvSport of Lock Haven provides modern, well equipped Light Sport aircraft, manufactured to exacting ASTM International standards. Our Evektor SportStar primary trainer, licensed by the Federal Aviation Administration as a Special Light Sport Aircraft (S-LSA), is equipped with the latest “glass cockpit” electronic flight instruments. Manufactured in the Czech Republic, the SportStar is powered by the popular Rotax 100 hp engine from Austria, employs German Bing carburetors and dual Italian Ducati electronic ignition systems, uses British NKG spark plugs, the finest Garmin and Dynon avionics from the US, is equipped with American made Grove brakes, and sports quality Michelin Aviator tires from France. Thus, our trainer is a fine example of how the global economy benefits general aviation.
5. Curriculum

Developed by a retired college professor with 37 years of experience in higher education, AvSport’s rigorous flight training curriculum allows students to obtain the new Sport Pilot license in half the time, and at half the cost, of the traditional Private Pilot rating, without compromising skills or safety. Students can choose an accelerated three-week training program, or a less intensive program of conveniently scheduled lessons. We are a TSA-approved Alien Flight Student Program provider. Flight training and individualized ground instruction are integrated, and are supplemented by reading assignments, practice tests, and online PowerPoint lessons to allow each student to progress at his or her own pace.

AvSport’s standard training packages include:

- “Three Weeks, Rain or Shine,” an intensive pre-solo module
- “Three More Weeks of Heaven,” an intensive post-solo module
- “Pilot Downsizer,” a 3-day Light Sport transition course for licensed pilots
- “The Next Step Up,” a Private Pilot add-on module for Sport Pilots
- “Taste of Freedom,” a half-hour Discovery Flight
- “Gateway to the Sky,” a one hour Introductory Lesson
6. Students

AvSport’s students have varying educational backgrounds, come from all walks of life, and range in age between 16 and 80. Our Class of 2010 (some of whom are pictured below at their graduation party in December 2010) includes a surgeon, a retired minister, a truck driver, a heavy equipment operator, a veterinary pathologist, and a computer scientist. The one characteristic they all share is a passion for flight. These students have typically completed their Sport Pilot licenses in about thirty hours of flight training (halfway between the 20 hour FAA minimum and the 40 hour national average). To date, AvSport students have achieved a 100% pass rate on both their FAA Knowledge (written) and Practical (flight) tests. All are safe, skilled pilots who have fulfilled a lifetime dream of flight.
7. Staff

**Founder, Chief Flight Instructor, Director of Maintenance**

- Prof. H. Paul Shuch, CFII, LSRM-A
- Air Force veteran, Commercial Pilot
- Retired college professor
- Certified Flight Instructor, Airplane Single Engine Land
- Certified Flight Instructor, Instrument
- Qualified to inspect, repair, maintain, and instruct in any Light Sport airplane
- Ph.D. in Air Transportation Engineering (UC Berkeley)
- Started flying in 1961
- 38 years of teaching experience
- Recipient of EAA Safety Achievement Award (Oshkosh 1987)
- Volunteer FAA Safety Team Lead Representative for Lock Haven

**Adjunct Flight Instructor, Reserve Mechanic**

- John Spencer, CFI, A&P
- Commercial and Multi-engine Pilot
- Certified Flight Instructor, Airplane Single Engine Land
- Licensed A&P mechanic since 1990
- Qualified to repair, modify, and maintain any General Aviation aircraft
- Qualified to instruct in any single engine land airplane
- Started flying in 1999
- 8 years of teaching experience
8. Maintenance

Because the FAA Light Sport Airplane rule is relatively new, there exists a shortage of qualified mechanics with experience inspecting and maintaining these particular aircraft. In order to minimize downtime and maximize aircraft availability for our students and renter pilots, AvSport has decided to embrace in-house maintenance. During 2010, our Chief Flight Instructor donned his Director of Maintenance hat, completing the training required to receive his FAA Light Sport Repairman certificate with a Maintenance rating. He also enrolled in Rotax engine service and maintenance training courses, making AvSport an authorized Rotax independent repair centre. This move has already reduced the aircraft downtime required for a 100-hour condition inspection from three days to a single day.
9. Financials

Neglecting initial investment in capital equipment (which will be amortized over a period of years), AvSport operated essentially at break-even during its first calendar year of business, generating revenues sufficient to cover all operating expenses. The charts below summarize fixed expenses (those management and overhead costs incurred independent of flight operations), variable expenses (those costs directly associated with student numbers and flight hours), training and service revenues, and a preliminary income statement for 2010. Since AvSport is a privately held small business, owner’s initial investment, cash reserves, and equity are considered proprietary information, and not included in this Annual Report.

2010 Fixed Expenses

![Pie chart showing 2010 fixed expenses with breakdowns and percentages.]

- Advertising: $7,095 (26%)
- Computer hardware/software: $2,616 (9%)
- Contract services: $2,758 (10%)
- Insurance: $813 (3%)
- Rent: $1,186 (4%)
- Safety & Security: $5,841 (21%)
- Subscriptions & Dues: $1,384 (5%)
- Telecommunications: $2,096 (7%)
- Training: $945 (3%)
- Utilities: $306 (1%)
- Tools: $2,940 (11%)

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### 2010 Variable Expenses

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<th>Percentage</th>
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<td>Meals &amp; Entertainment</td>
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<td>Wear Items</td>
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<tr>
<td>Materials &amp; Supplies</td>
<td>$2,106</td>
<td>7%</td>
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**Total Variable Expenses:** $28,376
2010 Revenues

- Books & Supplies: $45,871 (72%)
- Instruction & Seminars: $937 (1%)
- Aircraft Rental: $10,900 (17%)
- Consulting Fees: $111 (0%)
- Lab & Maintenance Services: $4,355 (7%)
- Other: $200 (0%)
- Publications & Royalties: $447 (1%)
- Consulting Fees: $1,004 (2%)

Preliminary 2010 Income Statement (Unaudited)

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<td>$45,982</td>
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<td>$63,825</td>
<td>$57,504</td>
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<td></td>
<td>Total Profit (Loss) $6,321</td>
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10. In Memoriam

Remembering Bill Fuchs

2 June 1918 - 7 July 2010

Col. William Robert Fuchs, USAF (retired), was born in Pittsburgh and grew up in the south hills of that city. While studying mechanical engineering at Penn State University from 1936 to 1941, he won a free airplane ride in a horse race. Bill learned to fly in the fall of 1937 at the State College Air Depot in Boalsburg, entering the US Army as a flying cadet in June 1941, receiving his wings on December 27, and was commissioned as a 2nd Lt. on 1 January 1942. That June he married his Penn State sweetheart, Alice Shutts. They had a son and a daughter.

During WWII, Bill served as a flight instructor in single engine, twin engine, and four engine airplanes. After the war, he went on inactive reserve status, spending a semester at the University of Michigan studying aeronautical engineering. He accepted an offer to teach aeronautics at Drexel University in Philadelphia. Bill re-entered the Army Air Corps as a Captain in June 1947, and was assigned to the Air Force Institute of Technology as an instructor of thermodynamics.

In 1949 the Army needed experienced four-engine pilots to fly the Berlin Airlift. Bill was transferred to Great Falls, MT for C-54 training, and then shipped to Germany. He returned to the US in September 1949, as the airlift was winding down.

The US Military Academy said they would like to have Bill as an instructor the next year, so the Academy arranged for Bill to go to Bucknell University to earn his masters in mechanical engineering. In June 1950, he was assigned as an instructor in thermodynamics and fluid dynamics at West Point.

Three years later Bill was transferred to Randolph Field TX, to be checked out in the B-29, pick up a combat crew, and go to Korea. The night before he was scheduled to leave, the Korean War ended and his orders were changed, sending Bill to Tuscon to be an airplane commander in KC-97 tankers for the Strategic Air Command.

In the Spring of 1955 Bill became one of the first faculty members at the new Air Force Academy. He was selected to oversee the design and construction of the thermodynamics laboratory at the permanent campus in Colorado Springs. Bill started teaching thermodynamics there when the first cadets became juniors. He and his wife Alice started a soaring program at the Academy, teaching cadets to fly sailplanes.

After retiring from the Air Force, Bill and Alice moved to Lock Haven PA in 1963, where Bill became FAA Coordinator at Piper Aircraft, and later Administrator of Aircraft Safety. Bill retired from Piper in 1980, after 14 years of service.

Bill and Alice had built a hangar at the Lock Haven Airport in the 1970s, and ran a flight school there until 1994, when Alice suffered a stroke and had to give up flying. Along with his friend Bob Gunsallus, Bill continued building and flying aircraft of his own design, and in fact was working in his hangar up until just a few days before his death from a stroke at age 92. During the final months of his life, Bill became a mentor to H. Paul Shuch, AvSport's Chief Flight Instructor, providing him with invaluable advice and encouragement in establishing a new flight school at Piper Memorial Airport.

Bill's ashes have been buried on the campus of the US Air Force Academy.
10. Resources

For additional information about AvSport of Lock Haven, its aircraft, instructors, training materials, curriculum, and the new Sport Pilot license, please see the following pages of the AvSport web site:

- Main Page http://AvSport.org
- Main Menu http://AvSport.org/menu.htm
- General Information http://AvSport.org/about
- Press Kit http://AvSport.org/press
- Photo Gallery http://AvSport.org/photos
- Flight Instruction http://AvSport.org/cfi
- Light Sport Aircraft http://AvSport.org/acft
- Maintenance Services http://AvSport.org/maint
- Upcoming Events http://AvSport.org/events
- Contact Information http://AvSport.org/contact
- Search Engine http://AvSport.org/search

or, stop by Hangar One at the Piper Memorial Airport, and pay us a visit.

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