



## **MGMT 425 – TRENDS AND CURRENT PROBLEMS IN AIR TRANSPORTATION**

### **CASE STUDY – FAA FORECAST**

- Review the [Fact Sheet – FAA Forecast for Fiscal Years 2013-2033](#).
- Read pages 15-17, 43-44, 65-66, and 72-74 of the [FAA Aerospace Forecast Fiscal Years 2013-2033](#).
- Answer the following case study questions:
  1. Explain what regulatory measures need to be in place for Small Unmanned Aircraft Systems growth. Do you think the necessary regulatory measures will be in place for the FAA forecasts to be realized? Why or why not?
  2. What are assumptions in the FAA's economic forecasts that could impact the degree to which these forecasts are realized? Do you agree/disagree with the statement that 'any terrorist incident aimed at aviation would have an immediate and significant impact on the demand for aviation services that would be greater than its impact on the overall economic activity'? Explain your answer.
  3. The FAA's baseline forecast calls for decreases in oil prices until 2015. Compare the effects of high and low oil prices on the airline industry.
  4. Which regions will continue to have the world's highest economic growth rates? Compare the growth rates of China, Japan, and India.
  5. What three trends are shaping today's commercial air carrier industry? Discuss each of them.