

2012 ANNUAL REPORT



NORTH CAROLINA
GLOBAL TRANSPARK

WHERE AVIATION IS GOING.

Dear Partners & Friends:

Fiscal year 2012 was one of change and progress for the Global TransPark. With the passing of Session Law 2011-340, the Global TransPark, along with the North Carolina State Ports Authority, became part of the new Division of Logistics within the North Carolina Department of Transportation. To date, the outcomes of this transition have included increased efficiencies in staffing and resources for all of the entities involved. Session Law 2011-340 also reconfigured the makeup of the GTP Board of Directors with legislative appointments made from industry experts in aviation, defense, logistics, emergency management and advanced manufacturing, and gubernatorial appointments representing the areas of finance, economic development, environmental concerns, and commercial real estate development. These new Board appointments have facilitated better insight into the GTP's target industries and planning for industrial growth within each.

The GTP's anchor company, Spirit AeroSystems, continued to be a catalyst for job growth at the Global TransPark. In July 2011, Spirit announced that it would relocate work for the Gulfstream G280 wing section to the Global TransPark, in large part due to the availability of existing facilities. This new work package will increase Spirit's physical presence at the Global TransPark by approximately

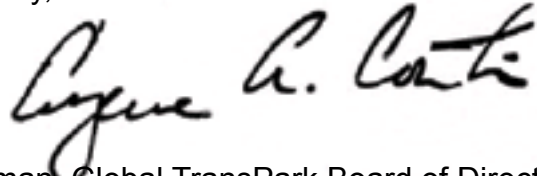
100,000 sf, as well as diversifying its product line and customer base supported in North Carolina.

In June 2012, the GTP announced that CrateTech, Inc., a custom packaging solutions provider, would lease the first 25,000 sf in its new shell building. CrateTech provides customized crating solutions to Spirit AeroSystems for its A350 XWB fuselage and wing components which are shipped from the GTP to St. Nazaire, France through the North Carolina ports at Wilmington and Morehead City.

As suggested by the Program Evaluation Division, the GTP continued the process of re-drafting its strategic plan, in coordination with the NCDOT Logistics Division. Completion is expected in December 2012, and the GTP plan will align with those of the NCDOT and its Logistics Division.

The small, hardworking staff at the GTP continues to push forward in making the Global TransPark the economic engine we all envision for North Carolina. We thank you, our partners and allies, for your support in helping us work toward this goal.

Sincerely,



Chairman, Global TransPark Board of Directors

Board of Directors

Gene Conti, Chair	Kent Misegades
Cecil Boyd	Scott Ralls
Tom Bradshaw	Bill Ross
Terry Bralley	Carter Sitterson
Janet Cowell	Danny Smith
Keith Crisco	Courtney Thornton
Ryan Graven	Steve Troxler
Joseph Koletar	George York
Danny McComas	
John McNairy	

GTP STAFF:

Tom Bradshaw, Executive Director
Rhonda Dawson, Administration
Charlie Diehl, Operations
Frank Dunn, Airport Operations
Sally Horne, Administration
Alanna King, Marketing
Kenneth Moore, Airport Operations
Marshall Nobles, Airport Operations
Marlon Ruiz, Info. Technology
Anne Stapleford, Administration
Jose Velez, Airport Operations
Trina Warren, Sr. Accountant
Judy Wiggins, Accounts Payable
Levia Williamson, Info. Technology

The GTP Mission:

To enhance the economic well-being of North Carolinians by providing multi-modal capabilities for global commerce.

Targeted Industries:



Aerospace



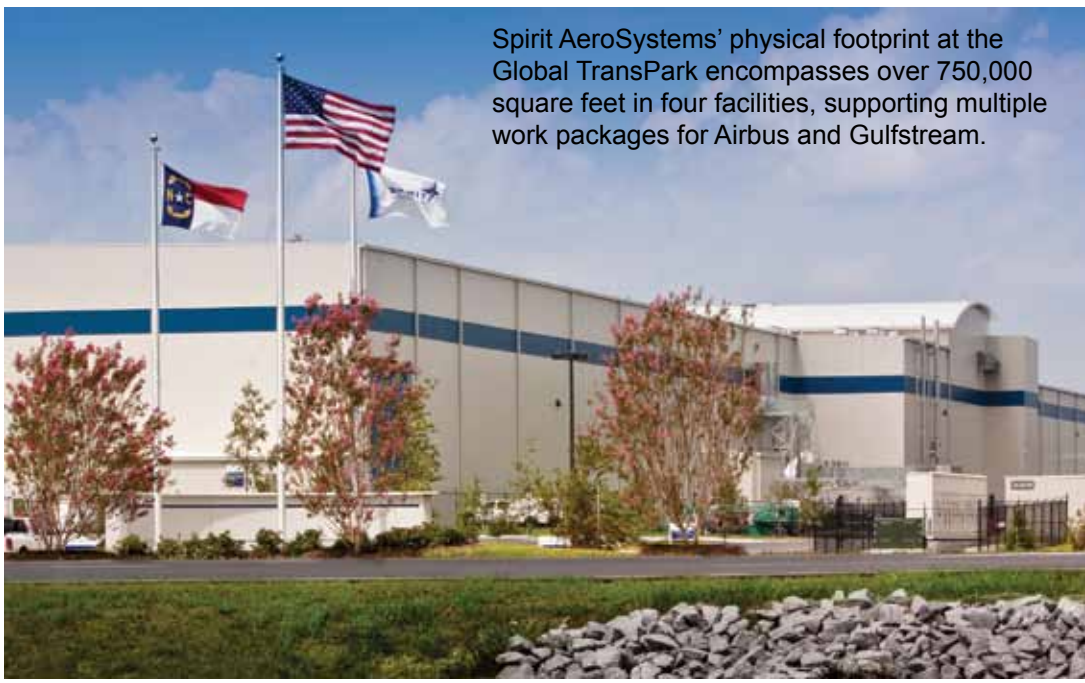
Aviation
Defense
Advanced Manufacturing



Emergency Response & Disaster Relief

Agricultural Exporting

Spirit AeroSystems' physical footprint at the Global TransPark encompasses over 750,000 square feet in four facilities, supporting multiple work packages for Airbus and Gulfstream.



Private Sector Companies at Global TransPark



HENLEY AVIATION



LONGISTICS



SPATIAL INTEGRATED SYSTEMS





MARKETING

Events

The GTP marketing team participates in several annual events designed to expand its network targeted industry contacts, generate new leads, and raise awareness of the benefits of doing business at the Global TransPark. This year's marketing event list included the **NC Military Business Center Aerospace Supplier Forum** in Greensboro; an **aerospace supplier summit** in Havelock hosted by Sen. Kay Hagan; being an official sponsor of the **Speed News Commercial Aviation Suppliers Conference** in Los Angeles; a third-year exhibitor at **Aviation Week's MRO Americas Conference and Tradeshow** in Dallas; and co-sponsoring **Aviation Week's first Civil Aviation Manufacturing Conference** in Charlotte, along with the NC Department of Commerce and other North Carolina aerospace cluster locations.



Public/Media Relations

Each year, the GTP responds to dozens of requests for interviews and photography from vari-

ous media. This year the staff supported photography requests from *Business North Carolina*, *Kinston Free Press*, *NC Eastern Region Economic Development Guide* and *Site Selection*, as well as conducting media interviews with each of those publications. In March 2012, GTP staff conducted an interview with **Government Accounting Office** staff on the importance of airport-related economic development projects to the U.S. economy; and former president Jim Fain served as a panelist for **Business North Carolina's round table discussion** on international business.

Public Outreach

At every possible opportunity, the GTP accepts speaking engagements with various civic and professional organizations to inform our community partners about the latest developments at our park. **In 2012, our staff spoke to groups including the Kinston Noon Rotary, Kinston Evening Rotary, NCEDA, Kinston Exchange Club, Leadership NC, Troutman Sanders, and Wilmington Rotary.** Marketing director Alanna King also served as a presenter for the Lenoir County Chamber of Commerce **Social Media Forum for Business.**

Promotions

The GTP marketing team utilizes several communication vehicles as a means of keeping our partners, stakeholders, and prospects informed of news, developments, and initiatives spearheaded and supported by the GTP. This year, efforts to improve our electronic communication included:

- Adding ground-level panoramic photography of available building sites to GTP web site
- Coordinating video testimonials from Delta Private Jets and Lenoir Community College for future promotional use.
- Provided info on GTP sites and buildings to Co-Star commercial property database and Access NC commercial property database.

- Five issues of the GTP e-newsletter delivered in November, December, January, March, and May to a distribution of approximately 2,300 subscribers
- Maintaining social media profiles on Twitter, Facebook, YouTube, and LinkedIn.

Use of traditional media in FY 2012 included:

- Production of new printed marketing materials based on the new GTP logo;
- Photography and video production to support the Defense Logistics Initiative and GTP marketing materials;
- Aerial photography shoot of GTP.

BUSINESS DEVELOPMENT

Announcements



In July 2011, the state announced a new work package for Spirit AeroSystems – the wing for the Gulfstream G280. This announcement expands Spirit's footprint at the GTP by an additional 100,000 sf, as well as expanding the product line Spirit supports in North Carolina to include both metal and composite aircraft components.

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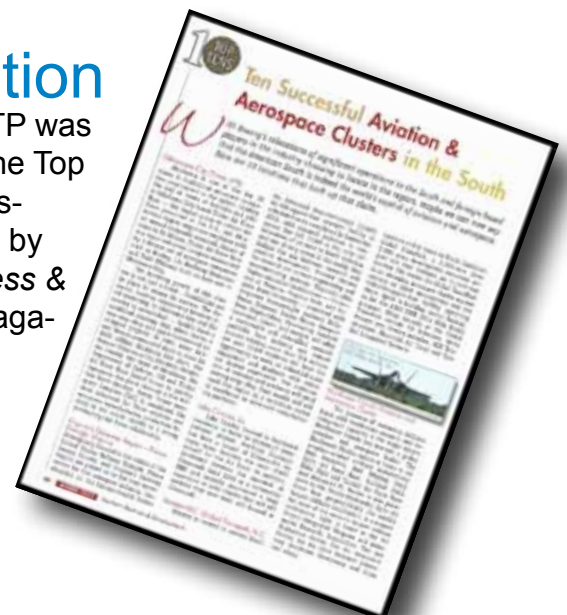
In June 2012, the GTP announced that CrateTech was the latest company to lease space at GTP. CrateTech will lease 25,000 SF in the GTP-7 shell building to support custom shipping and packaging needs of Spirit AeroSystems.

Prospect Activity

Q1 – Four total prospect visits; 3 from new prospects including: military aerospace OEM, Fortune 500 defense contractor, wood chip/pellet producer
Q2 – Five total prospect visits, 1 from a new prospect including: international medical device manufacturer
Q3 – Four total prospect meetings; 3 from new prospects including: commercial aviation MRO, aviation services company, military aviation services contractor
Q4 – Seven total prospect visits; 4 from new prospects including: UAV manufacturer, Fortune 500 advanced materials developer & manufacturer, wood products manufacturer, food processing facility

Recognition

In May 2012, GTP was named among the Top Ten Aviation Clusters in the South by *Southern Business & Development* magazine.



The world's second-largest aircraft, the Antonov AN-124, arrived at GTP in October 2011 to airlift the first Airbus A350XWB composite fuselage panels to St. Nazaire, France.



OPERATIONS

Wayfinding/signage

As many can attest, driving to the GTP can present a challenge for first-time visitors. Confusing signage, and directions, along with ongoing construction contribute to the problem - which is why the GTP chose to undertake a wayfinding signage project during FY 2012. Following an initial Request for Qualifications and a pre-bid conference with those vendors deemed qualified, three companies were asked to provide full proposals for the project. Proposal reviews included individual interviews with each of the respondents conducted by the selection committee. Following interviews, the committee awarded the contract for the programming and design of new wayfinding signage to MERJE Design. The MERJE team has worked extensively on signage projects in North Carolina, having completed projects for the City of Greenville, the Yadkin River Valley, and the City of Fayetteville, among others. Initial steps in the GTP signage project included stakeholder outreach to our community partners and tenants for their input on the project. Next steps will include the development of signage concepts and competitive solicitation for a signage fabricator.

Finance

As part of its transition to being organizationally part of the Department of Transportation, the GTP transitioned to a new accounting and payroll software system to align better with DOT. The transition to the SAP accounting system included several hours of training for the GTP's entire 10-person staff during the months of October, November, and December of 2011.

In addition to preparing monthly and quarterly financial reports for the agency, the GTP's senior accountant also works closely with the GTP's audit firm on its annual financial audit, as well as overseeing all grants, accounts payable, accounts receivable, and payroll activities.

Strategic Planning

As part of its strategic planning process, the GTP continued to revise its strategic plan as suggested by the Program Evaluation Division. During FY 2012, the GTP held two strategic plan focus groups with the local community leadership and various partners and stakeholders. Additionally, individual interviews

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were conducted with members of the GTP Board of Directors, GTP Foundation, North Carolina's Eastern Region, NC State University, UNC-Chapel Hill, and several GTP tenants. In November 2011, the GTP staff held a two-day strategic planning work session. The result of these efforts was a draft strategic plan that received approval from the GTP Board of Directors in May 2012. Next steps include the addition of performance metrics within the plan and incorporation into the DOT Logistics Division strategic plan.

Airport Operations

The centerpiece of the GTP campus is its 11,500-foot runway. The GTP continues to look for new ways to utilize this asset to support its mission. In FY 2012, GTP's airport operations staff coordinated with Spirit AeroSystems and its logistics partners to accommodate the airlift of Spirit's first fuselage components. Flights were conducted in October 2011, December 2011, January 2012, March 2012, and April 2012, using the world's second largest aircraft - the Antonov AN-124.

Also in FY 2012, the GTP engaged Sixel Aviation Consulting to explore future possibilities for commercial air service at Kinston Regional Jetport.

Construction

In August 2011, the GTP broke ground on a new 100,000 sf shell building to accommodate new prospects. In April 2012, construction



concluded and the Certificate of Occupancy for the building was in hand. Shortly after, the GTP announced that the building had signed its first lease, with CrateTech taking the first 25,000 sf of space.

Human Resources

Staffing at the GTP faced some unusual challenges during FY 2012. During the year, four of the agency's 15.75 FTEs retired, transitioned to positions outside of GTP, or left for other employment opportunities. To date, one of these vacant positions - senior accountant - has been filled. The workload for the remaining vacancies is temporarily being filled with expertise provided by NCDOT and the NCSPA staff.

Additionally, human resources functions for the GTP are now permanently being overseen by the HR staff at the NCSPA.

Foreign Trade Zone Utilization

The GTP's Foreign Trade Zone (No. 214) continues to be the state's busiest in terms of value of merchandise received, exports, and the number of private sector jobs supported inside the zone.

FTZ	Location	Employment	Merchandise Received (\$ millions)	Exports (\$ millions)
No. 57	Mecklenberg County (Charlotte)	428	\$98.2	\$23.2
No. 66	Wilmington	0	\$0.0	\$0.0
No. 67	Morehead City (Beaufort-MHC)	0	\$0.0	\$0.0
No. 93	Raleigh/Durham (Durham)	1,760	\$47.2	\$2.0
No. 214	Global TransPark (Beaufort-MHC)	2,208	\$151.5	\$78.9
No. 230	Guilford, Forsyth, Davidson, and Surry Counties (Winston-Salem)	1,070	\$70.1	\$28.4
Total		5,466	\$366.9	\$132.4

Source: 2010 Annual Reports submitted by grantees to the Foreign Trade Zones Board, U.S. Department of Commerce.

NOTE: All categories include both general purpose and subzone activity. Annual volume is considered to be received merchandise from the FTZs, including goods of domestic origin and foreign status, as well as zone-to-zone transfers. Cities in parentheses are U.S. Customs and Border Protection (CBP) ports of entry.

JOBS REPORT

PRIVATE SECTOR EMPLOYMENT AT GLOBAL TRANSPARK AS OF JUNE 30, 2012

JOB CLASSIFICATIONS	FULL TIME JOBS <i>Number of permanent full time jobs in each classification</i>	AVERAGE SALARY <i>Of permanent full-time employees in each classification</i>	MEDIAN SALARY <i>Of permanent full-time employees in each classification</i>	TOTAL PAYROLL <i>Total payroll of all employees in each classification</i>
Accounting Specialist	3	\$33,942.83	\$34,000.00	\$102,000.00
Accountant	2	\$71,575.00	\$71,575.00	\$143,150.00
Accounting Specialist II	1	\$38,160.00	\$38,160.00	\$38,160.00
Aircraft Maintenance Technician	9	\$43,680.00	\$43,217.78	\$388,960.00
Aircraft Materials Manager	1	\$36,400.00	\$36,400.00	\$36,400.00
Captain	4	\$58,250.00	\$58,000.00	\$232,000.00
Charter Sales Representative	4	\$31,200.00	\$31,200.00	\$124,800.00
Chief Maintenance Technician	1	\$58,240.00	\$58,240.00	\$58,240.00
Customer Service Agent	3	\$20,862.40	\$20,800.00	\$62,400.00
Executive Assistant	1	\$40,000.00	\$40,000.00	\$40,000.00
Flight Coordinator	6	\$32,500.00	\$30,000.00	\$180,000.00
Flight Operations Specialist	1	\$35,000.00	\$35,000.00	\$35,000.00
Fuel Coordinator	1	\$24,960.00	\$24,960.00	\$24,960.00
Fuel Program Lead	1	\$44,290.00	\$44,240.00	\$44,290.00
Lead Flight Coordinator	1	\$39,000.00	\$39,000.00	\$39,000.00
Maintenance Controller	4	\$44,875.00	\$45,375.00	\$181,500.00
Maintenance Office Assistant I	1	\$29,120.00	\$29,120.00	\$29,120.00
Maintenance Office Assistant II	1	\$31,200.00	\$31,200.00	\$31,200.00
Management	9	\$121,011.11	\$83,200.00	\$748,800.00
Member Services Representative	2	\$32,000.00	\$32,000.00	\$64,000.00
Network Administrator	1	\$45,000.00	\$45,000.00	\$45,000.00
Quality Assurance Manager	1	\$45,000.00	\$45,000.00	\$45,000.00
Quality Control Coordinator	1	\$30,000.00	\$30,000.00	\$30,000.00
Software Engineer	2	\$53,750.00	\$53,750.00	\$107,500.00
Supervisor Customer Service	1	\$37,920.00	\$37,920.00	\$37,290.00
Production Worker	102	\$31,446.00	\$27,934.00	\$2,849,268.00
Technician	39	\$38,506.00	\$38,816.00	\$1,513,824.00
Engineer	25	\$78,166.00	\$84,350.00	\$2,108,750.00
Management	39	\$101,841.03	\$99,500.00	\$3,880,500.00
Salaried	96	\$57,666.15	\$57,000.00	\$5,472,000.00
Executive	1	\$216,423.60	\$216,423.60	\$216,423.60
Managerial	3	\$76,289.48	\$71,664.00	\$214,992.00
Consultant Manager	1	\$112,200.00	\$112,200.00	\$112,200.00
Consultant	2.5	\$68,056.40	\$75,750.00	\$189,375.00
Technical Staff	4	\$51,977.25	\$50,163.78	\$200,655.12
Administrative Staff	2	\$25,700.00	\$25,700.00	\$51,400.00
A&P Mechanic	18	\$36,888.00	\$34,653.00	\$623,754.00
Adm Assist	1	\$25,730.00	\$25,730.00	\$25,730.00
Avionic Tech	3	\$37,440.00	\$37,440.00	\$112,320.00
Cass Auditor	1	\$40,000.00	\$40,000.00	\$40,000.00
Chief Inspector	1	\$75,726.00	\$75,726.00	\$75,726.00
Ground Maint	1	\$23,920.00	\$23,920.00	\$23,920.00
Inspector	5	\$44,941.00	\$45,219.00	\$226,095.00
Maint. Mgr.	2	\$63,544.00	\$63,544.00	\$127,088.00
Lead A&P Mechanic	2	\$44,138.00	\$44,138.00	\$88,276.00
Maint. Training	1	\$37,440.00	\$37,440.00	\$37,440.00
Parts Clerk	4	\$27,206.00	\$27,664.00	\$110,656.00
Parts Mgr.	1	\$60,606.00	\$60,606.00	\$60,606.00

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Purchasing Agent	1	\$37,440.00	\$37,440.00	\$37,440.00
Records Planner	1	\$46,675.00	\$46,675.00	\$46,675.00
Training Mgr.	1	\$53,845.00	\$53,845.00	\$53,845.00
Warehouse Manager	1	\$77,000.00	\$77,000.00	\$77,000.00
Warehouse Assistant	1	\$57,000.00	\$57,000.00	\$57,000.00
Office Manager	1	\$57,000.00	\$57,000.00	\$57,000.00
President/CEO	1	\$100,000.00	\$100,000.00	\$100,000.00
Office Assistant	1	\$27,000.00	\$27,000.00	\$27,000.00
Sales VP	1	\$100,000.00	\$100,000.00	\$100,000.00
Warehouse Workers	6	\$26,000.00	\$26,000.00	\$156,000.00
Administrative Workers	2	\$26,000.00	\$26,000.00	\$52,000.00
Management	3	\$60,000.00	\$60,000.00	\$180,000.00

TOTALS	436.5	\$50,800.00	\$22,174,358.72	
		overall average/job		

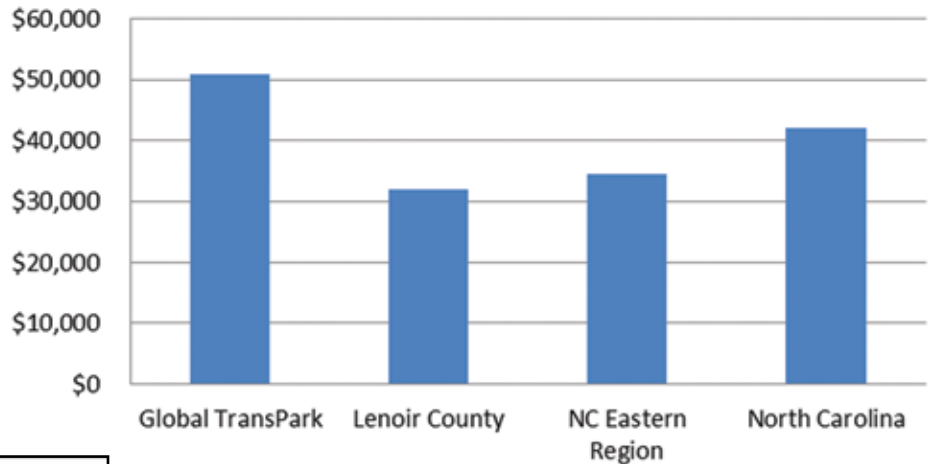
Notes: Companies not responding to requests for employment data include CrateTech and Longistics. Data compiled from annual survey of GTP tenant companies.

CHARTS & DATA

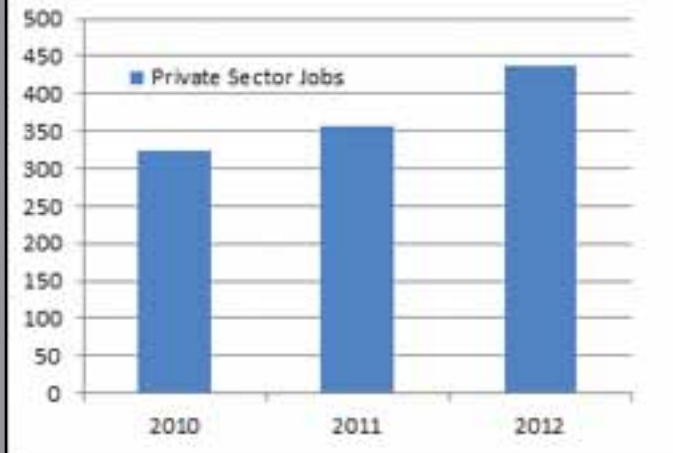
Right: The average annual salary of private sector jobs at the GTP (\$50,800) exceeds the state average (\$42,120) by nearly 17%.

Sources: GTP data - Annual Tenant Survey. Local, regional, state data - Division of Employment Security.

Average Annual Wage by Geography



Private Sector Jobs at GTP



Left: Private sector job growth at GTP has grown 25% since 2010.

Sources: GTP data - Annual Tenant Survey.

Total Payroll - Private Sector at GTP



Right: The total payroll for private sector jobs at the GTP grew by approximately \$6 million between FYE 2011 and FYE 2012.

Sources: GTP data - Annual Tenant Survey.

FINANCIAL

North Carolina Global TransPark Authority Statement of Net Assets For the Year Ended June 30, 2012

Assets

Current assets:

Cash and cash equivalents	\$3,329,579
Restricted cash and cash equivalents	213,277
Accounts receivable (Net)	113,180
Other receivables	148,244
Due from primary government	1,559,059

Total current assets 5,363,339

Non-current assets:

Restricted cash and cash equivalents	840,573
Capital assets - non-depreciable	32,098,484
Capital assets - depreciable, net	223,655,434

Total non-current assets 256,594,491

Total Assets

261,957,830

Liabilities

Current liabilities:

Accounts payable	925,498
Accrued payroll	19,945
Accrued interest payable	95,679
Due to primary government	38,430
Compensated absences	44,696
Note payable - USDA	50,013
Note payable - PNG	97,611
Note payable - FCB	256,111
Note payable - Due to primary government	400,000
Unearned revenue	16,667

Total current liabilities 1,944,650

Non-current liabilities:

Note payable - USDA	2,843,468
Note payable - PNG	195,222
Note payable - FCB	1,480,326
Note payable - Southern Bank	2,700,992
Note payable - Due to primary government	2,880,612
Note payable - Due to NC Escheat Fund (Note 7)	25,190,868
Compensated absences (Note 7)	44,696

Total non-current liabilities 35,336,184

Total Liabilities

37,280,834

Net Assets

Invested in capital assets, net of related debt	223,107,611
Restricted for debt service	1,053,850
Unrestricted	515,535

Total net assets

\$224,676,996

STATEMENTS

North Carolina Global TransPark Authority Statement of Revenues, Expenses and Change in Net Assets For the Year Ended June 30, 2012

Operating revenues	
Rental revenue	\$1,486,897
Miscellaneous revenues	568,627
	<hr/>
Total Operating Revenues	2,055,524
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Operating expenses	
Salaries and benefits	949,701
Professional services	522,554
Legal and accounting	149,884
Depreciation	8,488,055
Rent	15,548
Repairs and maintenance	139,224
Supplies and materials	71,732
Equipment	6,477
Insurance	76,481
Telephone	22,814
Utilities	282,549
Travel and subsistence	18,047
Advertising	88,622
Projects	170,454
Other	32,323
	<hr/>
Total operating expenses	11,034,465
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Operating loss	(8,978,941)
	<hr/>
Non-operating revenues (expenses)	
State aid-general/State operating aid	1,152,000
Investment earnings	39,015
Non-capital contributions	158,678
Interest expense	(2,306,704)
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Net non-operating revenues (expenses)	(957,011)
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Gain before capital contributions	(9,935,952)
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Capital contributions	4,232,768
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Decrease in net assets	(5,703,184)
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Net assets - July 1	230,380,180
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Net assets -- June 30	\$224,676,996
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Aerospace manufacturing training, administered by Lenoir Community College, takes place on the Global TransPark campus and supports the growth of Spirit AeroSystems and other aerospace employers in North Carolina.

NORTH CAROLINA **GLOBAL**
TRANSPARK

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