

S-LSA PRICING, THEN AND NOW

Ed Downs, 321546

\$eptember 2004 was an exciting time for those who had worked to make the sport pilot rule a reality. Expectations were high that: 1) many pilots who had dropped out of flying would return, 2) student starts would increase, and 3) a fine collection of exciting, low-cost special light-sport aircraft (S-LSA) would enter the marketplace.

Some of these expectations are coming to pass, but the *term Ave* cost has raised some questions and some eyebrows. Sure, S-LSA selling in the range of \$120,000 are a lot less expensive than the \$200,000 options that preceded them, but \$120,000 is still a big chunk of change.

Those of us who are long in the tooth frequently lament, "I remember when a plane like that cost only \$2,500." Virtually all airplanes were less expensive in the past. Or were they? How much would those "less expensive" airplanes of the past cost today?

I'm no financial expert, so I looked up some statistics on the Internet. Perhaps one could quantify actual costs in the past in terms of purchasing power and the effort it took to earn a buck and compare these numbers with today's cost. I hoped some simple chart would emerge that would tell us that a standard part, such as an aviation toilet seat, selling for \$50 in 1938 would cost \$5,000 today.

Surprise—it's not that simple! After searching through a number of federal statistics websites, five university websites, and a website dedicated to jokes for statisticians, that information still eluded me.

After becoming familiar with terms such as "the consumer price index as adjusted for the gross domestic product deflator," I concluded that the "consumer bundle index" seemed to make the most sense among the six computing algorithms offered for determining "how much that would cost today." This algorithm includes such considerations as families having multiple sources of income and recognizes that items folks spent money on 70 years ago might not even exist today. It attempts to smooth out oranges and apples comparisons that other algorithms might not consider.

Let's begin by looking at costs in 1938. About that time, Piper introduced the J-3 Cub for a list price of about \$1,000. It seemed like quite a deal, and it was. In current money, according to our algorithm of choice, that would equate to about \$32,000, much better than any current S-LSA. But that was for a cramped, 40-hp plane able to uncomfortably carry a single pilot of today's typical "bulk" at a speed of 65 to 70 mph with enough fuel for local touch-and-goes. There was no electrical system, no starter, and no radios. The fabric needed to be replaced every two to three years, and the engine was good for about 300 hours. The Cub is a classic, but would you buy an S-LSA of that description today for \$32,000?

A more S-LSA-like comparison (except for gross weight) might be the Cessna 140A of 1948. With decent cruise speeds, an electrical system, all-metal construction, and a reliable engine, this was a nice airplane. Most nicely equipped C-140As went out the door at between \$3,700 and \$4,000 back in 1948, which is equivalent to about \$49,000 today.

Perhaps an even better S-LSA-like example (again, except for the gross weight) would be the 1970 Cessna 150. With tri-gear, a 100-hp Continental engine, and relatively modern instruments, it retailed for about \$15,000. That is the approximate equivalent of \$82,000 in today's dollars.

It looks like the older S-LSA-like planes of the past were a better deal, but remember, the Cessna 140 had been in production for almost three years and thousands had been built. The Cessna 150 referenced had been in production for about 13 years and was based on the Cessna 140A. Much of the cost of design and tooling had been paid for, and significant manufacturing efficiencies were in place. Let's look a bit further and talk with some folks from the S-LSA industry to see what they have to say about 2008 pricing.

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Take a Different Approach

I earned my sport pilot ticket in July of 2007 (at age 56!), and I must respond to Messrs. Durre and Baxter in the October issue. While it is true that many of the new light-sport planes are priced above what some feel is reasonable, there are alternatives. My solution was to be a partner in an older, well-maintained Taylorcraft BC12-D and fly to my heart's content.

I also want the experience and feel of new, so I joined another club that has a new light-sport aircraft (LSA) on line to fly. The bottom line is, if you *really* want to fly, then find a way that works for you. I have been to Jack Brown's Seaplane Base and have a seaplane endorsement, and I have my taildragger sign off and am checked out in several different new LSA, and I love it! My private certificate is next.

When I started with sport pilot, I learned that it is great to have a next step in aviation. The other pilots I

meet, and especially EAA members, are the greatest help.

Dennis Kirk, EAA 816523
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I recently rejoined EAA and in reading the October Members Forum I note the concern for the high cost of light-sport aircraft (LSA). There is one important area that was not discussed and should be considered—the present availability of FAA-approved LSA that have been around for years. Case in point—I am 74 and have been flying for 58 years with more than 5,000 hours. I have owned and flown many aircraft over the years. I am also a retired FAA air traffic controller, so aviation has been my entire life.

Four years ago, about the same time the FAA approved the sport pilot certificate, I had a minor incident that resulted in requiring a special-issuance medical, which was

no problem. Realizing my flying may have to change as age became an issue (all pilots must someday accept this), I decided to become a sport pilot when I found an aircraft. In May I bought a one-quarter share in a 1946 Ercoupe 415C for under \$5,000, my medical expired on October 1, and I am having a blast in the Ercoupe as a sport pilot. There are many aircraft that can be bought for under \$30,000, burn only 5 gph, and still give you 100 mph. The sport pilot certificate is the best thing since the Wright brothers' first flight.

There are inexpensive ways to become a sport pilot and enjoy the thrill of flight just smashing bugs. The \$100 hamburger has again become a reality, and my yellow Ercoupe draws a crowd at fly-ins. I hope EAA will encourage those interested in flying to consider an Ercoupe, Cub, Champ, or Luscombe until the newer \$100,000 aircraft start to come down in price. I also hope to see articles

on Ercoupes and other such aircraft. Nothing says aircraft have to be new to be able to enjoy flight.

I was unable to attend EAA AirVenture Oshkosh this year, but I understand that more than 25 Ercoupes from all over the United States flew there. That must have been quite a sight to see all those 1946 aircraft still flying and most piloted by “old” men and women.

If anyone is close to Frederick, Maryland, my Ercoupe and I will gladly give you a ride and share the thrill of flight.

Jim Truxel, EAA 873723
Round Hill, Virginia

In response to Jack Durre’s letter lamenting the high cost of new factory-built LSA, my response is simply “Stop your whining and go fly!”

I, too, would love to drive a new Jaguar, but my budget dictates that I drive a Ford Escort. I would love to fly around in one of those sleek new \$100K S-LSA we see gracing the covers of *Sport Pilot*, but I can’t afford one of those, either. So I bought a kit (Kolb) and built my own airplane for under \$20K.

Don’t want to build an airplane? There are many dozens of Champs, Aeroncas, Luscombes to choose from in every issue of *Trade-A-Plane*, or on the Barnstormers website in the \$20,000 range. Sure, they might be 40 years old or more, but that does not make them bad airplanes—there are plenty of examples for sale that are nicely restored and 100 percent safe and comfortable.

You can also buy a used experimental for that price that will fill the same mission. Are those choices as sexy as a new Remos or CT? Of course not, but it will get you in the air. Partnerships are another option to keeping ownership costs down.

It becomes tiresome hearing people complain again and again about the high cost of new S-LSA. Yes, we’d all like to see them sell for the price of a used pickup truck, but the reality is,

they won’t be that cheap until thousands have been built, been well used, and they finally begin filling out the second-hand market. Until then, for reasons that are out of our control, a new factory-built airplane will cost as much as a modest home. It’s the same trend we’ve seen in general aviation for the past five decades.

So my message to Mr. Durre is, you have two choices: You can sit on the sidelines and gripe about the high cost of new airplanes for the rest of your life. Or, if you really want to fly, buy what you can afford and enjoy the magic of flying! Before it’s too late.

Dennis Kirby, EAA 68826
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They’re Right!

I totally agree with Jack P. Durre’s and Ken Baxter’s comments in the October Members Forum about the sport pilot rule missing the mark for middle-class-income pilots or pilot wannabes. The majority of LSA advertised and reviewed are way out of my budget as well. I’ve been flying ultralights and “fat ultralights” for more than 10 years on a shoestring budget.

There are a few experimental LSA (E-LSA) or LSA that fit the category and price of Jack Durre’s comment: “I would love to be able to puddle-jump around my home. I live in a rural area and have no desire to enter into controlled airspace or even to go cross-country for more than 100 miles, so there are lesser aircraft that would suit me fine.”

I currently fly a single-place Challenger manufactured by Quad City Ultralights. I bought it wrecked for \$4,000; put \$1,000 of parts into it, not including my time and labor; another \$1,000 to have the 447 Rotax engine checked out; and flew away with a \$6,000 single-place N-numbered E-LSA. Locally I’ve seen used N-numbered two-place Challengers

in excellent condition for \$9,000 to \$15,000. I live in a rural area and land in my 500-foot backyard runway, or a friend’s 1,500-foot grass strip. My single-place Challenger stalls around 38 mph (lower with flaps), cruises at 65 mph, with a top speed of 95mph, perfect for around the farm, or short cross-country trips. I fly year round, quite often in below-freezing temperatures with or without doors. (Yes, I have a heater.)

The reason Challengers are so cost effective is because they are designed to use the lower-priced two-stroke Rotax 503, even in the two-place version. I recently attended the Challenger 25-year anniversary, and four two-place Challengers with floats were there from Canada. They flew more than 1,000 miles, so it is a proven cross-country plane as well.

The Zenith STOL CH 701 or CH 750 would be my dream plane if I could afford one, because of the STOL capabilities and side-by-side seating. The only information I have is from the website and an information pack ordered from the factory. Half of the price mentioned is for the recommended 80- to 100-hp four-stroke engine, which prices it out of my current budget.

It’s sad the sport pilot rule and industry is overlooking the “fat” ultralights, which I thought it was designed for, and is concentrating on \$80,000-plus planes. It also apparently has confused advertisers and attendees of AirVenture where LSA belongs: “down on the farm” at the grass strip, or on the concrete with the big boys.

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