Volume 14, Issue 1 • January 30, 2006

The UPDATE Report

CONGRATULATIONS TO THE FOLLOWING COMPANIES:

AIR SUPPORT INTERNATIONAL
Ft. Lauderdale, FL

CRS JET SPARES, INC.
Ft. Lauderdale, FL

EVERGREEN AIRCRAFT SALES & LEASING CO.
Marana, AZ

GREAT LAKES GLOBAL
Jenison, MI

FOR THEIR ACCREDITATION, AND

AERONAUTICAL SUPPORT, INC.
Boca Raton, FL

AEROTURBINE, INC. -
Miami, FL

AVIO-DIEPEN (4 LOCATIONS)
Kowloon, Hong Kong
The Netherlands
U.K.
Atlanta, GA

CLOSE AIR SUPPORT, LTD.
Grand Rapids, MI

CONTRAIL AVIATION SUPPORT, INC.
Verona, WI

EAGLE INDUSTRIES INTERNATIONAL, INC.
Brewster, NY

ASA
AVIATION SUPPLIERS ASSOCIATION

REGULATORY UPDATE

FAA Releases Receiving Inspection Guidance

The FAA has finally released its long-awaited receiving inspection guidance. The guidance is known as:

Guide for Developing a Receiving Inspection System for Aircraft Parts and Material, FAA Advisory Circular 20-154 (December 12, 2005).

When it was first drafted in the mid-1990s, the guidance was remarkable in that it followed the publication of AC 00-56 (distributor accreditation) and was the first Post-Accreditation FAA draft to really treat distributors as a part of the aviation parts system, by incorporating guidance that was equally applicable to distributors, repair stations and air carriers. Since the time it was originally drafted, the original draft guidance has been superseded, revised and improved. In the interim, the aviation regulatory system has 'caught-on" to the notion that distributors play an important role in supporting the safety of the parts that are installed on aircraft.

For those who have followed this guidance in its decade-long path from draft to final product, the final publication reflects a culmination of a process that is much more significant than the plain language of this guidance might suggest. In the mid-1990s, the idea of consulting with ASA on guidance that could be useful to distributors was a radical departure from the FAA's past practices, which largely involved ignoring the distribution community in the FAA's official guidance. A number of people were responsible for the change in FAA attitude towards aircraft part distribution—from ignoring distribution to

Continued on Page 3

INSIDE:

President's Message **2**
Publication Information . . **2**
Association Information . . . 2
Hazmat Corner 4
Challenging a Regulation 6
New Digital Data Recorders . . . 8
Fuel Tank Flammability 10
Member Profile 12
Calendar of Events 14

THE UPDATE REPORT

is a monthly newsletter of the Aviation Suppliers Association. Questions and/or comments should be addressed to:

Jason Dickstein
Aviation Suppliers Association
734 15th Street, NW, Suite 620
Washington, DC 20005
voice: (202) 347-6899
fax: (202) 347-6894
email:
jason@washingtonaviation.com

THE UPDATE REPORT

provides timely information to help Association members and readers keep abreast of the changes within the aviation supply industry.

THE UPDATE REPORT

is just one of the many benefits that the Aviation Suppliers Association offers members. For information on ASA-100, the ASA Accreditation Program, Conferences, Workshops, FAA guidance like Advisory Circulars, Industry Memos, or services and benefits, contact the Association.

THE UPDATE REPORT STAFF

Publisher — *Michele Dickstein*
Editor — *Jason Dickstein*
Advertising and Production Editor — *Jeanne Meade*

OFFICERS:

Karen Odegard
(253) 395-9535
Corporate Treasurer

Jason Dickstein
(202) 347-6899
Corporate Secretary

Michele Dickstein
(202) 347-6899
President

MESSAGE FROM ASA'S PRESIDENT

Dear Members,

Even though 2006 is still young, we have already seen a few changes in the industry and here at ASA.

After years of counting it down, Al Michaels is finally retiring from the FAA. His last day is January 31, 2006. Al has been in aviation since 1964 and with the FAA since 1987. Al's experience as an owner of a repair station and as one of the founders of the Indianapolis Downtown Heliport, allowed him to see the safety and business issues associated with FAA regulations and guidance. ASA has always recognized Al's contribution to the industry through awarding him the Edward J, Glueckler Award. At the November 2005 Quality Assurance Committee Meeting, we presented Al with a plaques honoring his support and contributions to the Committee.

As many of you know, Jeanne Meade has resigned from ASA and will be working for Triumph Instruments & Avionics in Florida. Her last work item for ASA is publishing this newsletter. We greatly appreciate her 7 years of valuable contribution at ASA and wish her well.

Caroline Bruenderman is ASA's new membership and conference contact. Caroline joined ASA just in time for the member profile update. The profile update not only ensures that ASA has the correct company information but also allows you to provide email addresses for your coworkers so they can receive the newsletter directly. The profile form also has room for a company profile. The company profile paragraph is used in the ASA Member Directory, which is distributed at several conference/conventions.

Caroline has also emailed an electronic survey to all members, in which we urge you to participate. ASA has not conducted a survey in a few years. The survey data will allow ASA to ensure that the Association is working to support the members' needs. The information gathered from the survey will be shared with the membership, however, the results will be represented in the aggregate.

Take Care,
Michele Dickstein

BOARD OF DIRECTORS

LIST OF ADVERTISERS

Aviation Asset Management 6
Morten, Byer & Agnew 7
Quantum Control 9

Want to expand your marketing opportunities?

Advertise in **THE UPDATE REPORT**
for more information e-mail:
info@aviationsuppliers.org
or call (202) 347-6899

Continued from Page 1

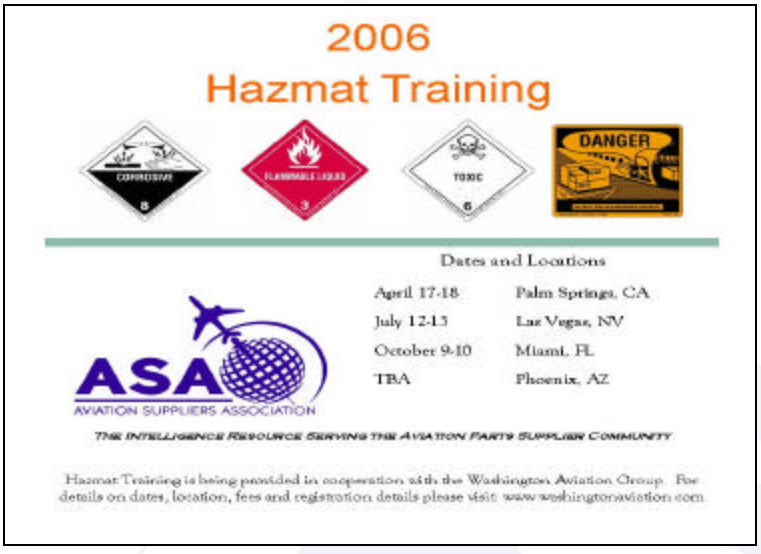
treating distributors as valuable partners in the safety equation—but one important person in that process was Al Michaels, the principle architect of the Receiving Inspection guidance and a pioneer in the development of closer ties between the FAA and the distribution community.

Today, the notion of FAA guidance that treats distributors as a part of the safety equation is no longer radical. Which makes it remarkable to reflect on how far we, as an industry, have come in the past ten years.

The Receiving Inspection guidance came through the FAA slowly and, as a consequence, has gone through many revisions—this is a good thing, as it has resulted in guidance that seems to accurately reflect many of today's standards without being tied to today's technologies (which can be an impediment to the adoption of tomorrow's technologies). One of industries' greatest fears was that the Receiving Inspection guidance would reflect the language of one of the 1990s-era drafts that are dreadfully outdated already—a fear that has been adequately turned aside.

The Advisory Circular provides a mixture of tools to support receiving inspection—like discussions of common industry relationships (e.g. direct ship authorization) and documentation (e.g. FAA 8130-3). It also provides specific guidance on how to develop your own receiving inspection system plan, as well as a receiving inspection system checklist that a company can use as a tool to assure that its own receiving inspection system includes all of the elements that a good system should include.

The full text of Advisory Circular 20-154 is available online http://www.faa.gov/regulations_policies/



INFINITY AIR, INC.
Tarzana, CA

INTERNATIONAL AIRCRAFT ASSOCIATES, INC.
Miami, FL

JET X AEROSPACE
Bensenville, IL

OVERSEAS AIRCRAFT PARTS, INC.
Coconut Creek, FL

QWEST AIR PARTS, INC.
Memphis, TN

RANGER AIR AVIATION, LTD.
Carrollton, TX

TRADEWINDS ENGINE & AIRCRAFT SERVICES, LLC
Coconut Creek, FL

TURBINE ENGINE RESOURCES, LTD.
Carrollton, TX

UNIVERSAL TURBINE PARTS, INC.
Prattville, AL

FOR THEIR RE-ACCREDITATION
TO THE ASA-100
STANDARD
AND THE
FAA'S AC 00-56A
VOLUNTARY INDUSTRY
DISTRIBUTOR
ACCREDITATION
PROGRAM

Not Accredited yet?

Learn why ASA-100 is the number one Quality Audit System chosen by distributors worldwide.

More information about this program is available at:
www.aviationsuppliers.org

Keep Untrained Personnel Away from Hazmat Communications

Pay particular attention to hazmat markings, labels, placards and shipping paper descriptions!

Under the latest changes to the hazmat laws, the standards for criminal penalties associated with hazardous materials communications have changed; in particular the standards for finding criminal conduct have been eased!

There has long been a law on the books that makes it illegal to alter, remove, destroy, or otherwise tamper with hazardous materials communications. This includes hazmat markings, labels, placards, and shipping papers (essentially, anything that one uses to convey information about a hazardous material that is shipped in commerce). That law is found at 49 U.S.C. § 5104 (below).

Under existing legal standards (see *49 U.S.C. § 5124 (previous version)* Page 5), it has always been a criminal violation to knowingly alter, remove, destroy, or otherwise tamper with hazmat communications. It has also been a criminal violation to willfully violate any other hazmat regulation.

49 U.S.C. § 5104. Representation and tampering

(a) Representation.--A person may represent, by marking or otherwise, that--
(1) a container, package, or packaging (or a component of a container, package, or packaging) for transporting hazardous material is safe, certified, or complies with this chapter only if the container, package, or packaging (or a component of a container, package, or packaging) meets the requirements of each applicable regulation prescribed under this chapter; or
(2) hazardous material is present in a package, container, motor vehicle, rail freight car, aircraft, or vessel only if the material is present.

(b) Tampering.--A person may not alter, remove, destroy, or otherwise tamper unlawfully with-
(1) a marking, label, placard, or description on a document required under this chapter or a regulation prescribed under this chapter; or
(2) a package, container, motor vehicle, rail freight car, aircraft, or vessel used to transport hazardous material.

The text of the new law (see *49 U.S.C. § 5124 (revised version)* Page 5) clarifies the standards that will be applied to alleged hazmat criminal violations. First, it clarifies that 'knowing' violations of the law concerning altering, removing, destroying or otherwise tampering with hazmat communications means only that the person has to have knowingly performed the alteration, removal, destruction or tampering. The person does not need to have known the significance of the hazmat communication, nor does the person need to have committed the offense with any intent to violate the law.

Continued on Page 5

Continued from Page 4

This can be a very tricky permutation of this law. Under current legal standards, an empty container that formerly held hazmat must have all hazmat labels and other communications removed from it when it is emptied; however an apparently empty container that still contains any residue of hazmat continues to be treated as hazmat, and it is illegal to remove the hazmat communications from such a package. This means that a person who knows that hazmat labels are to be removed when a package is emptied, but is not familiar with the definition of 'empty' under the law, could easily run afoul of this provision by prematurely removing hazmat labels from a package that has been emptied in a colloquial sense, but is not considered empty in the legal sense because of a remaining residue or vapor.

49 U.S.C. § 5124. Criminal penalty (previous version)

A person knowingly violating section 5104(b) of this title or willfully violating this chapter or a regulation prescribed or order issued under this chapter shall be fined under title 18, imprisoned for not more than 5 years, or both.

Thus, it is particularly important to make sure that all of your personnel are trained in hazmat recognition and that they understand the importance of staying away from hazmat until a trained person can be located to handle it. While failure to train is, itself, a violation; failure to train can also lead to an unwitting criminal violation under the newly-altered statute.

49 U.S.C. § 5124. Criminal penalty (revised version)

(a) IN GENERAL.—A person knowingly violating section 5104(b) or willfully or recklessly violating this chapter or a regulation, order, special permit, or approval issued under this chapter shall be fined under title 18, imprisoned for not more than 5 years, or both; except that the maximum amount of imprisonment shall be 10 years in any case in which the violation involves the release of a hazardous material that results in death or bodily injury to any person.
(b) KNOWING VIOLATIONS.—For purposes of this section—
(1) a person acts knowingly when—
(A) the person has actual knowledge of the facts giving rise to the violation; or
(B) a reasonable person acting in the circumstances and exercising reasonable care would have that knowledge; and
(2) knowledge of the existence of a statutory provision, or a regulation or a requirement required by the Secretary, is not an element of an offense under this section.
(c) WILLFUL VIOLATIONS.—For purposes of this section, a person acts willfully when—
(1) the person has knowledge of the facts giving rise to the violation; and
(2) the person has knowledge that the conduct was unlawful.
(d) RECKLESS VIOLATIONS.—For purposes of this section, a person acts recklessly when the person displays a deliberate indifference or conscious disregard to the consequences of that person's conduct.

You, Too, Can Challenge a Regulation

Ever wanted to challenge a rule when it was published? Thought you had to wait until the rule was applied against you, but by the time it was applied against you, it was too late? Worry no more! New case law suggests that you can sue the government in anticipation of enforcement if there is a clear danger of enforcement action under a challenged rule. In essence, this means that distributors may challenge a regulation court if they believe it is likely to be used against them (and if they believe that it is subject to legal challenge for unconstitutionality or other defect).

Aircraft-industry plaintiffs who want to attack the legality of a regulation applicable to them without waiting until the government takes direct action under the rule have received some encouraging news. In a recent decision, a federal appeals court gave important guidance on when a potential plaintiff can challenge an aviation regulation that has yet to be enforced, holding that an independent computer reservation system (CRS) could proceed in its suit contending that the Department of Transportation (DOT) erred in issuing a rule asserting that such companies were within its jurisdiction, despite the fact that DOT had not taken any steps to enforce this rule.

In order for any lawsuit to go forward, the plaintiff must have standing – meaning a concrete and particularized injury sufficient to give the plaintiff a stake in the matter – and the issue must be ripe for judicial review – meaning that hearing the matter will not be premature. The case, Sabre, Inc. v. Department of Transportation, addressed both of these elements, and the Court of Appeals for the District of Columbia Circuit gave detailed direction for future plaintiffs in similar situations.

Continued on Page 7

Continued from Page 6

In its argument that it should be granted standing, Sabre claimed that it was injured by the likelihood of DOT regulatory action interfering with its business decisions. In concluding that Sabre had suffered a sufficiently concrete and particularized injury to justify standing, the court stressed three factors. The first was the unambiguity of DOT's statement of jurisdiction – the Department made a clear statement that it would regulate the unfair trade practices of independent CRS companies and acknowledged at argument that the statement was intended to be definitive. Thus, it was quite clear that the law was meant to apply to companies like Sabre. The second justification was the likelihood based on previous DOT statements that the department would prohibit a particular practice, forcing Sabre to abandon a pre-existing marketing plan that arguably incorporated that prohibited practice. The third was DOT's statutory authority to impose daily civil penalties on Sabre without further process in addition to any enforcement action. This statutory authority showed that the government could bring a cause of action at any time against Sabre, which meant that Sabre had a legitimate fear that such an enforcement action could be exercised by the government at any time.

The Sabre case offers four recommendations for airline-industry plaintiffs who seek to challenge a regulation that has yet to be enforced:

1) Demonstrate that the language of the rule at issue is clear and unambiguous as to authority over what you do. Courts will be more likely to allow such challenges to proceed than those against rules whose language is more tentative, leaving the possibility that the agency will use a more limited construction of the rule in practice.

2) Provide evidence that the agency is likely to use the authority granted by the rule to regulate a particular practice you would otherwise find attractive. Useful evidence might include language within the rule itself, the language or enforcement patterns of other regulations, or statements by agency officials.

3) Explain to the court with specificity how regulation of this practice would lead to concrete harm in your case. Courts are likely to be convinced by evidence that the probability of such regulation is forcing you to abandon existing business plans or other substantial investments of time or resources. For example, a regulation that has a chilling effect on your past or anticipated business practices would carry with it some harm.

4) Tell the court if violation of the regulation at issue could lead to other penalties on top of an enforcement action. The D.C. Circuit was swayed partly because Sabre faced daily civil penalties if found to be in violation of DOT's unfair trade practices regulations – the more severe the potential harm if the plaintiff waits to be the victim of an enforcement action, the more likely it has enough invested to justify pre-enforcement review by the courts.

New Digital Data Recorders Specifications Could Better Support Cockpit Video

The FAA has taken a major step towards standardization for a new generation of flight information recorders that can capture visual as well as audio data. In a proposed Technical Standard Order (TSO) issued recently, the FAA suggests specifications for manufacturers of data-link recorder (DLR) systems, which receive digital messages transmitted to and from an aircraft. This proposed TSO is not yet finalized.

The TSO, numbered TSO-C177, will cover devices intended to receive, process, record, preserve, and retrieve communication, navigation, and surveillance/ air traffic management information (CNS/ATM) transmitted to and from an aircraft to assist in accident or incident investigations. A crucial goal of the proposed standards is to ensure that digital messages are properly recorded and timing correlations between cockpit displays and other aircraft systems are preserved.

While not yet widespread in aircraft, DLR systems represent a logical evolution of aviation recording technology. As ground communications from the aircraft increasingly take the form of data links and text messages rather than audio communications, a recorder that can take advantage of this digital information is key. DLR's image recording capabilities also work well in tandem with cockpit voice recorders (CVR) and flight data recorders (FDR). For example, they can convey non-verbal crew communications, images of abnormal or hazardous conditions, and other information that supplements the audio data. The National Transportation Safety Board and Canada's Transportation Safety Board have noted in accident reports that cockpit video recordings would have been extremely helpful in understanding the incidents in question (some groups have opposed these recommendations for video recordings because of pilot-privacy issues).

TSO-C177 will affect applications for new models of DLR systems submitted after the date it becomes effective. For the TSO, the FAA adopted the minimum standards established by a working group under the auspices of the European Organization for Civil Aviation Electronics (EUROCAE) in March 2003 and published as ED-112, "Minimum Operational Performance Specification for Crash Protected Airborne Recorder Systems." ED-112 addresses a number of issues, including ensuring that the data link recording is of the same duration as the audio recording, setting image capture requirements, and providing additional specifications for the recording of data link messages that affect the flight of the aircraft or crew workload.

In addition to adopting the EUROCAE standard, the TSO also will include rules to aid the FAA in assessing compliance. Under these rules, manufacturers must permanently mark key components of their DLRs and make a variety of technical data available to the aircraft certification office responsible for their facilities. The proposal also includes provisions for use of alternative means of compliance; manufacturers seeking to use such means must apply for a deviation and demonstrate that their equipment maintains an equivalent level of safety.

The proposed TSO-C177 can be viewed online at http://www.airweb.faa.gov/rgl. Copies of ED-112 can be ordered from the EUROCAE Web site at http://www.eurocae.org.

Quantum Control

*Standard Quantum Module

Business Software

Ask About Our Referral Program

Inventory Management*
The cornerstone for the Quantum Control system. The parts summary screen provides a central viewpoint for all information and activity related to a given part.

Physical Inventory*
Manages the physical inventory process. Generates count sheets for manual or barcode counting efforts.

Purchase Orders & Requests*
Manages the purchasing process including request routing and approval by dollar amount and employee position. Manages purchasing activity for stock, non-stock and exchange.

Purchase Management*
Provides the capability to manage purchasing activities by being able to review all parts needed for procurement based upon sales order requirements and below minimum level stock quantities.

Receiving and Inspection*
The receiving module is a powerful tool for efficient, cost-saving receiving, intermediate and final inspection, and defect recording.

Shipping Management
Manages the shipping and order consolidation process to include user defined stages and statuses. Creates custom invoices, packing slips and certification forms within one shipment.

Demand Planning
Optimizes material and production planning by analyzing historical usage and projecting future demand. Recommends minimum and maximum order quantities based on lead time and forecasted demand.

Lot Costing
Manages lot purchases and assembly teardowns. Provides total tracking of acquisition costs, overhaul expenses, component part sales, profit margins and full traceability.

Data Services
Provides flexible tools to manage the process of both importing and exporting data to/from the Quantum database. Integration points include ILS, USA Info, Partsbase and AvRef.

AVREF Catalog Files
The AVREF Catalog System provides the latest OEM pricing information along with access to Government MCRL cross reference data. Completely integrated with the Quantum Inventory Module.

Integrated Accounting
The Accounting Module includes General Ledger, Accounts Receivable, Accounts Payable, and more - all integrated with Sales, Purchasing, Repair, Exchange, Work Order and Invoicing modules.

Vendor Quotes*
Provides a tool to locate sources for part procurement and send out requests for quotes to multiple vendors, including multiple lines.

Quotation Processing*
Manages the customer quotation process and the recording of supplier responses from outgoing RFQs.

Sales Orders*
Manages the customer order process to include back order management, invoice preparation and product returns.

Invoice Management*
Provides the opportunity to manage the invoice process by viewing system wide for open sales orders and determining if these can be expedited or consolidated with existing invoices, etc.

Management Reports*
Produces hard copy and screen oriented reports supporting all modules throughout the system.

Crystal Reports 11 Pro
Create flexible, feature-rich reports allowing unlimited reporting from Quantum, using the de facto standard for business reporting today.

Aircraft Maintenance
Manages on wing maintenance and includes Engineering Configuration Management, Maintenance Program Management, Maintenance Recording, Technical Records and Flight Log Processing Modules.

Company Management*
Contains both customer and vendor information including pre-defined settings such as payment terms, preferred method of shipping, discounts, tax and more. It can also group vendors and suppliers for marketing purposes and provide detailed history information for each vendor and supplier.

Contact Management
This module provides a tool for sales, service or support centers to record, track, status and assign contact activity. Email list management and broadcasting is also included.

The StockMarket
Quantum users can search, buy, and sell parts with other Quantum Users in real time without leaving the software. Inventory postings are automatic and can include details such as serial numbers, images, time life and prices.

Internet Quantum™ (iQ)
The Internet Quantum module (iQ), utilizes StockMarket technology to allow customers to login to your website and view, RFQ, or purchase from your existing stock in real-time. Information such as condition, time & cycles remaining, tag info, scanned documents, delivery time and more is available to assist users in their purchasing decisions.

Max-Q
With Max-Q you get Aviation's leading Business Application, Quantum Control, implemented with the latest database technology from Oracle to provide the ultimate in database Security, Reliability, Scalability and Performance.

Shop Control
Manages the complete Component and Assembly Repair and Overhaul process. Includes real-time Cost and Schedule Management functions that put you in complete control of your shop's activity.

Manufacturing
The Manufacturing Module addresses all aspects of the manufacturing process including product lines, floor control, inspections, materials planning, purchasing and outside servicing.

Repair Orders*
Manages the preparation, pulling from inventory, shipping and receiving of components sent out for repair. The Repair Order module provides historic as well as current repair cost per component, detailed by parts, labor and miscellaneous charges.

Bar Coding
Prints bar codes and allows for the scanning of physical inventory to track and manage stock and account for all parts when shipping, receiving, etc.

Repair Manual Tracking
Tracks all publications and revision dates and review dates. Provides for manual effectivity by part, customer and ATA. Integrated with the Shop Control module providing specific manual requirements for individual work orders.

Document Imaging
Provides the ability to attach images or documents against part number, stock line, work order, and company.

Rental and Leasing
The Rental and Leasing module has the versatility to handle all of your rental and leasing transactions including flight-time based billing.

GFI Faxmaker
This is a fax manager that supports "background" faxing from all Quantum users by using a service based system. This is a third party MAPI compliant fax manager supporting multiple fax servers and Citrix.

Component Control ~ 619.696.5400 ~ info@componentcontrol.com ~ 1731 Kettner Blvd., San Diego, Ca, 92101

Fuel Tank Flammability Prevention May Impose New Commercial Burdens for Distributors

Shaken by several dramatic – and deadly – fuel tank explosions in recent years, the FAA has proposed a rule that would require many large passenger jets to reduce the flammability of their fuel tanks. The rule would mandate that aircraft covered under the regulation install technology either to mitigate the effects of fuel tank exposure to flammable vapors (referred to as a Flammability Reduction Means or FRM) or to decrease such exposure (referred to as an Ignition Mitigation Means or IMM). If adopted, the rule would apply, with some exceptions, to medium to large transport category turbine-powered airplanes. Distributors who handle fuel tanks and/or fuel system components may find themselves being asked to certify compliance to new flammability standards or ignition mitigation standards, so they should pay careful attention to the terms of this proposed rule.

The proposed rule aims to protect against the threat of future fuel tank explosions like the 1996 TWA 800 accident and the other three such explosions that have occurred within the last 16 years, which together have resulted in 346 fatalities. While previous regulation directed at preventing such explosions focused on eliminating circumstances that can lead to fuel jet vapors catching fire, the proposed rule, following a National Transportation Safety Board (NTSB) recommendation after the TWA 800 accident, recognizes that eradicating all potential sources of ignition is unlikely and therefore concentrates on changing the environment around the tank to minimize the risk of an explosion if vapors do ignite.

Another impetus for the proposed rule was the development of a hollow fiber membrane technology making it possible to "inert" flammable fuel vapors by producing nitrogen-enhanced air and using it to reduce the vapors' oxygen concentration until they are too low to permit combustion. FAA research determined that a 12 percent oxygen concentration would be sufficient to protect from ignitions of the types most likely to occur in passenger planes. The FAA also identified a simplified inerting system that could use an airplane's existing pressurized air sources to reduce oxygen concentration to 12 percent, bypassing the air compressor normally required for inerting vapors, and established that the common method of distributing the nitrogen-enhanced air to the fuel tank could be streamlined. These measures significantly reduced the size and installation cost of an inerting system, making the inclusion of such systems in a passenger aircraft more feasible.

Both FRMs and IMMs would have to adhere to performance and reliability rules that would be established by the FAA and codified in new appendices to Title 14, Part 25 of the Code of Federal Regulations. More detailed specifications for FRM would be in a new appendix K to Part 25, while more detailed specifications for IMM can be found in the current AC-25.981-2.

Rather than specifically directing the use of fuel inerting, the new standards would set acceptable levels of flammability exposure in tanks most prone to explosion for those electing to use FRMs. Specifically, it would require carriers to reduce the fleet average flammability exposure – the percentage of flight time during which fuel vapors in the tanks are flammable – to 7 percent or below for any affected wing tank and 3 percent or below (both average and on warm days) for any normally emptied fuel tank located in whole or in part in the fuselage.

Continued on Page 11

Continued from Page 10

Manufacturers would be required to conduct a flammability exposure analysis in their fuel tanks unless they have already notified the FAA that they will be using an IMM instead. If the average exposure for any tank is above 7 percent (or 3 percent if applicable), the manufacturers would be responsible for developing design modifications for a retrofit to lower exposure. A new appendix L to Part 25 will govern these analyses, providing instructions for calculating overall and warm day fuel tank flammability exposure values.

The rule also would require new airplane designs incorporating FRM to comply with maximum average flammability exposure levels. Holders of existing type certificates would be required to incorporate FRM or IMM into all new production airplanes if the fleet average flammability exposure exceeds permissible levels.

The rule currently applies, with some exceptions, to aircraft with maximum type-certified capacity of 30 or more passengers or maximum payload capacity of 7500 or more resulting from the original certification of the airplane or later increase in capacity. The FAA is still in the process of fine-tuning exactly which types of aircraft will fall under the final version. The agency specifically requests comments on the possibility of extending the rule to all-cargo airplanes and on whether there are any categories of airplanes not mentioned in the proposed rule that should be addressed differently in the final rule. Comments on these and other issued raised by the rule are due on March 23, 2006.

Aviosupport, Inc. – Greater Than the Sum of its Parts

Aviosupport is committed to the ultimate goal of providing quality products in a timely manner. This goal is realized through employee dedication to support the individual requirements of each customer. They continuously look for methods to improve their operations with the intent of passing along cost savings to their customers and without affecting the integrity of their product lines. It is from that commitment in which Greg Webber, the late founder of Aviosupport, coined the phrase "Greater than the Sum of our Parts" which still lives on today as the company's tag line.

Since childhood Greg Webber had a passion for aviation, and it is no surprise that he made his livelihood in the aviation industry. Along with his close, personal friend, Gordon Kirkland, Aviosupport was incorporated in 1979 and Gordon and Greg became business partners.

Under the guidance of Greg and Gordan, Aviosupport has taken on many transformations since its inception. The company originally specialized in the part brokerage business with an emphasis on customers in the Far East and Europe. Building on those relationships, Aviosupport became a consigned parts suppliers to the airline industry. As the industry's requirement for documentation and traceability increased, Aviosupport shifted its focus to the establishment of new distribution lines of factory new material.

Today, Aviosupport represents over forty manufacturers whose products support all models of commercial aircraft. In June of 2003, Aviosupport and its subsidiary, Gemini Engineering, signed a licensing agreement with the Boeing Company for over 2,500 Boeing proprietary parts.

ASA recently spoke with Carol Crosby who is responsible for Quality Assurance at Aviosupport. Carol was kind enough to educate us on the company's current business course. With the recent opening of Aviosupport PTE LTd, in Singapore as well as the approval of an "additional" 1,000 Boeing approved licensed parts, Aviosupport has positioned itself to be able to meet the challenges in the years to come.

We asked Carol to elaborate on what she felt some of those challenges are. Carol quickly responded "Our customers' documentation requirements. It is very difficult to comply with the various documentation requirements because we are not the manufacturer." Aviosupport, like most distributors, is unable to obtain 'export' 8130-3's for 'stocked' products that are being sold to customers located in countries that have a requirement for such documentation. Carol hopes that ASA's Petition efforts will result in a 'positive' resolution to this problem.

That's where Aviosupport feels ASA has been most helpful to the industry. Carol expressed, "ASA has been very instrumental in building relationships with the FAA and keeping the distributor's best interest in mind when working with the FAA on regulatory matters that affect the industry. Because of this, ASA is able to keep the members informed not only on regulatory matters but also on best business practices." Carol added, "We also feel that our decision to participate in ASA's Accreditation Program has enabled us to market a solid quality system which is recognized by the FAA, thus giving our customers the additional assurance they need."

Continued on Page 13

Continued from Page 12

Carol also reported that Aviosupport sees a growth trend in the industry for the next 2-3 years as the domestic airlines continue their return to financial health. The company believes that there is a great deal of growth potential in the Asian market. That belief was a contributing factor in the decision to open Aviosupport PTE Ltd., in Singapore last year.

Aviosupport tailors its approach to match the specific needs of airline operators and maintenance facilities through prompt and accurate responses to inquiries. The company provides a consistent and reliable flow of product to an industry totally focused and dependent on its "AOG" (Aircraft on the Ground) and "Expedite" requirements.

Gemini Engineering has been granted the license to manufacture FAA approved expendable parts on behalf of the Boeing Company to support all models of Boeing aircraft. All parts produced under this license agreement will be manufactured to meet the current revisions of the Boeing drawings and sold under the Boeing proprietary part numbers.

As the exclusive distributor for Gemini Engineering, Aviosupport, Inc. will be responsible for maintaining inventory levels necessary to support the aerospace aftermarket requirements. All shipments of licensed materials from Aviosupport will include Manufacturers Certification and 8130-3 Tags at no additional charge. Customers can expect to receive a 20-30% cost savings from the Boeing List Price on most licensed part numbers.

Aviosupport has supported the aerospace industry for over 25 years distributing commercial aircraft spare parts worldwide. Employees feel privileged to serve the aviation aftermarket as an authorized pass-through distributor of factory new Class II (TSO) and Class III primarily expendable parts (including FAA PMA parts). The total "sum of their parts" can be found on the Aviosupport Web site at http://www.aviosupport.com where a listing of the diversified products, distributed by Aviosupport is located.

Aviosupport gives back to the community by participating in local food banks, holiday adopt-a-family and many other local charities. Aviosupport, Inc. is an FAA 00-56A accredited distributor through ASA-100 Quality System Standard and has been a member of ASA since 1995.

SUBSCRIBE TO THE UPDATE REPORT

Are you reading a borrowed copy of the Update Report? Subscriptions to the Update Report are FREE to persons in the aviation industry or the government. To receive your free subscription, send your name, title, company, address, phone number, fax number and email address to ASA. Our email address is info@aviationsuppliers.org, and our fax number is (202) 347-6894.

Back issues of the Update Report are available online. Missing a prior issue? Issues of the Update Report are being added to the ASA web site about one month after they are published. Complete sets of volumes six through 12 are now online!

2006 CALENDAR OF EVENTS!

**** = Look for Jason or Michele on the speaking program or on the Trade Floor. For additional information click on the link below***

2006 ASA Events

March 20 . . . . . .* **ASA European Workshop**, Renaissance London Heathrow Hotel.

July 8-11 . . . . . .* **2006 ASA Annual Conference**, Four Seasons Hotel, Las Vegas, NV. Room rates under the conference contract are just $159 per night!

For more information on ASA events, visit us online http://www.aviationsuppliers.org or contact us at (202) 347-6899.

Other Events

March 28-30 . . . . . .* Gorham PMAConference, San Diego, CA. www.gorhamtech.com/upconf.asp

March 28-30 . . . . . .AS3, Las Vegas Convention Center, Las Vegas, NV. www.aviationindustryweek.com/as3gse

April 19-22 . . . . . .* Aircraft Electronic Association Annual Convention, Palm Springs, CA. www.aea.net

April 25-27 . . . . . .* MRO, Phoenix, AZ. www.aviationnow.com/conferences/mromain.htm

May 22-25 . . . . . .Regional Airline Association, Dallas, TX. www.raa.org/2006conference

734 15th Street, NW, Suite 620
Washington DC 20005
Tel: (202) 347-6899
Fax: (202) 347-6894
www.aviationsuppliers.org