

The Update Report

The Airline Suppliers Association

Volume 7, Issue 3 March 1999

LAW YOU CAN USE

PMA Parts, and "PMA Pending" Parts

We all want to receive and sell "approved parts," but sometimes it is difficult to know what the FAA will consider acceptable and what they will not consider to be acceptable. The FAA's opinion is important because even if you don't know a single FAA employee, your customers certainly do - and they have to live with the FAA's rules every day.

It is generally legal for a distributor to sell any part, no matter what the condition of the part may be, so long as the distributor does not commit fraud or violate other laws. Sometimes a customer is willing to buy an unairworthy part because the customer wants to perform the overhaul itself. Nonetheless, many distributors find that their customers want to purchase parts that are airworthy and eligible for installation on an aircraft at the time of sale. The term the industry often uses for this sort of FAAacceptable part is "approved parts." Sometimes, the FAA intervenes in transactions that involve unairworthy parts even when there is nothing illegal nor unsafe about the transaction. The FAA does this to prevent unairworthy parts from ending up on aircraft; in many parts of our industry, this sort of FAA intervention has motivated distributors to try to better understand the FAA's view of the parts approval process.

One rule of thumb that seems to work in many cases is that if the FAA believes that the manufacturer of a part may be violating a law, then usually the FAA will discourage the sale and installation of that part. The part will be presumed to be unairworthy because it has not been subjected to a full range of FAA-approved tests and inspections. To overcome this presumption of unairworthiness, the installer (like a repair station or air carrier) must undertake special tests and inspections designed to prove that the part is airworthy. The engineering and testing involved in such an undertaking can be more expensive than simply buying a new part from the "approved" manufacturer.

What is this Article About?

This article addresses a special category of parts whose approval status is in question, generally known as "PMA-pending" parts. These are parts that may seem to fall outside the colloquial scope of the "approved parts" but are nonetheless considered acceptable by the FAA. This article explains what the PMA rules are, why the FAA granted special exemptions from the PMA rules to certain companies, and how to recognize these "PMA-pending" parts that are presumed to be airworthy

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A Message from ASA's President

It is nice to see that so many of our members are taking advantage of the 1999 continuing education workshops. Attendance seems pretty evenly mixed among those who attended in 1998 and first-time ASA workshop-goers. 1999's attendance numbers have surpassed last year's attendance at all locations, and we are still getting more registration requests every day.

It is obvious from the questions at the workshop that the industry's effort to educate our own have worked. The questions asked were advanced and we have been able to move through the basic training information rather quickly, allowing extra time for questions on specific issues like PMA, SUPs, Accident/Incident, HazMat, Y2K, Military Parts, Receiving Inspection and Fraud.

In an effort to make sure that we are covering the subjects that our members want to hear about, we asked the attendees to fill-out a follow-up questionnaire. The last question is "After having attended this workshop, would you recommend it?" Everyone has responded "yes."

Even though the workshops are not yet competed, it is already time to start planning for ASA's Annual Conference. Registration packets will be sent out the last week of April. Many people have already begun to register at the Marriott Resort in Marco Island, FL. The conference will focus on several areas, including government affairs (both domestic international). business development, management, education and training. As always, the conference will begin on Sunday with a golf tournament and welcome banquet. The meeting will end on Tuesday afternoon. Because of their importance to the industry, ASA provides complimentary registrations to air carrier and government employees. If you would like us to invite some of these persons, please call us for the full details.

There are still opportunities available to sponsor events at the Annual Conference; we are always looking for recommendations for speakers; ad every year we rely on members who volunteer to help make the Conference run smoothly. If you have any suggestions or would like to help, please call.

Best Regards

Michele Schweitzer

Board Of Directors:

Karen Borgnes 253-395-9535

Pacific Aero Tech, Inc.

John Butler 818-768-7000

Time Aviation Services, Inc.

Amy Cochis 860-565-2712

Pratt & Whitney SML

Bill Cote 561-998-9330

The AGES Group

Fred Gaunt 310-829-4345

Pacific Air Industries

Paula Sparks 954-431-2359

AVTEAM

Mike Molli 847-836-3100

Scandinavian Airlines System

Officers:

Karen Borgnes 425-395-9535

Corporate Treasurer

Jason Dickstein 202-216-9140

Corporate Secretary

Michele Schweitzer 202-216-9140

President

The Update Report

is a monthly newsletter of the Airline Suppliers Association. Questions/comments should be addressed to the Editor:

Jason Dickstein, Vice President Airline Suppliers Association 636 Eye Street, NW, Suite 301 Washington, DC 20001

voice: 202-216-9142 fax: 202-216-9227

email:jason@airlinesuppliers.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 Airline 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

For information on special package rates for advertising, contact the Association at 202-216-9140. Subscription cost is \$120.00 US per year.

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ASA Elects New Board of Directors

The members of the Airline Suppliers Association have elected five members to the ASA Board of Directors.

Four of the five successful candidates were reelected to new two year terms, while the fifth represents a new face on the Board.

ASA's newest Director is Amy Cochis. Cochis is the Quality Assurance Manager for Pratt & Whitney Spares Management & Logistics. She has been with Pratt & Whitney since 1991. Her experience includes OEM and PMA manufacturing, FAA FAR 145 Repair Stations and parts distribution. She has a Masters Degree in Metallurgy, a Bachelors in Mechanical Engineering and is pursuing a Masters in Business Administration. In her current position, Cochis has responsibility for Quality Assurance

for two serviceable material distribution units, a manufacturing production center and three international distribution centers.

The four Directors who were successfully re-elected to the Board were Karen Borgnes, John Butler, Fred Gaunt and Mike Molli.

In addition to her role as an ASA Director, Borgnes also continues to serve as the Association's Treasurer, creating budgets and providing asneeded oversight on behalf of the Board. Borgnes is the President of Seattle-area Pacific Aero Tech, Inc.

Butler is President of Time Aviation Services in Burbank, California. He has been quite active recently in promoting ASA among his Pacific Rim business partners, and has represented ASA before meetings of the Pacific Rim carriers.

Gaunt is President of Santa Monicabased Pacific Air Industries. A former banker, Gaunt helps provides the Association with sound financial leadership.

Mike Molli is the Director of Sales and Marketing for Scandinavian Airlines System. Located in Chicago, he has been instrumental in ASA's continued growth through the middle of the country. In addition to his loyal support of ASA, Molli provides the Association with historical continuity as he is the only ASA Director who has served on the board since the Association was founded in 1993.

The five newly-elected Directors will (Continued on page 28)

The Airline Suppliers Association Continuing Education Series Presents

The 1999 ASA Annual Workshop:

Better, Stronger, Smarter: Preparing for Aircraft Parts Distribution in the New Millennium

April 6 - Fort Lauderdale, FL April 7 - Miami, FL April 22 - Phoenix, AZ April 28 - Chicago, IL April 30 - Dallas, TX May 12 - Atlanta, GA

The new millennium is around the corner. The rules are changing. Will you be one of those who take advantage of the new rules or will the new rules take advantage of you?

This full day workshop features classes in both introductory and advanced subjects that are critical to successful business. In addition to aviation and regulatory (FAR) subjects, the workshop will also address commercial law subjects to help you get the most out of your transaction. It is designed to appeal to both the industry novice and the seasoned veteran. Tuition is \$50 per person. Because of this special price, this workshop is only available to ASA members.

Registration forms were faxed to all ASA members. For more information or an additional registration form see ASA's web site at http://www.airlinesuppliers.com/workshop.html or contact Charles Cunningham at ASA: Phone: (202) 216-9140 - Fax: (202) 216-9227

ASA Welcomes Amy Cochis to the Board

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join the two Directors elected last year, who each have one year remaining in their current terms. These two Directors are Bill Cote and Paula Sparks.

Cote has been with the AGES Group for ten years, and is their Senior Vice President of Corporate Quality. Prior to working for The AGES Group, he spent 28 years with Pan American Airways where he was responsible for the product support control center workload, planning and scheduling in the jet engine repair center.

Sparks spent over twenty years at Pratt & Whitney before accepting the position of Vice President of Quality Assurance at AVTEAM.

Both Cote and Sparks have long histories of working with ASA's Quality Committee, and both were involved in the development and revision of the ASA-100 Quality Standard.

The work done by ASA's Directors shows that, unlike many non-profit Boards, election to ASA's Board is more than just an honorary station.

ASA's Board members work hard to promote the Association and are active participants in setting strategies to protect the industry.

The new Board member, Cochis, will replace outgoing Board member Mitchell Weinberg. Weinberg exemplified the work ethic of the Board.

Weinberg is the President of International Aircraft Associates, Inc. (IAA). Under his leadership, IAA was one of the first companies to become ASA-100 accredited. He has served on the ASA Quality Committee from its inception and has been an active advocate for both ASA and the ASA-100 Quality System, frequently speaking on these two subjects in the South Florida area and in meetings all over the world with his customers.

Always a loyal supporter of the Association, Weinberg phoned ASA President Michele Schweitzer on the day that Board election results were announced and assured her that the Association would continue to enjoy the same high level of support that it has come to expect from him and his company.

Workshop Success

This month, ASA began its Second Annual Workshop series in Los Angeles and Seattle on March 16 and 18

The Workshop is entitled "Better, Stronger, Smarter: Preparing for Aircraft Parts Distribution in the New Millennium." It addresses a variety of legal, commercial, and quality issues ranging from fundamental documentation issues to particular problems facing the industry like Y2K readiness statements and incident-related parts.

ASA provides this training as a membership benefit, so the cost is extremely low: \$50 per person (low enough for many members to choose to send their entire staff). Affordable training has been a popular idea and this year's program has been quite well-attended so far.

Those who attend the entire one-day program receive training certificates from ASA. For more information, see our advertisement on page 27 of this issue of the Update Report, or check out ASA's website.

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Central Asia Pursues Privatization

Kazakhstan and Uzbekistan are embarking on plans to privatize much of the government-owned infrastructure, ranging from electricity generation to transportation. This will include efforts to privatize airports and air carriers in these countries.

In order to be successful, these nations will have to permit private owners to operate the aviation ventures as for profit companies. Total deregulation is out of the question - most Central Asian nations have too many domestic transportation needs to totally release their iron grip on air travel

Right now, the Middle East is a popular stop-over for East-bound flights from Europe; however, Central Asia would be a more advantageous stop-over for many East-bound flights from Europe. Geographically, it is better placed to permit hub style traffic throughout Asia. A Central Asian hub within range of the major European aviation hubs could develop aviation business equivalent to that en-

joyed by some of the Pacific-rim gateway nations who serve as aviation hubs between the United States and Asia, like Singapore, Bangkok and Hong Kong. This is undoubtedly the goal to which nations like Kazakhstan and Uzbekistan aspire.

In the near term, though, success can simply be measured in terms of whether an air carrier or airport in Central Asia can approach profitability if it is privatized. It is uncertain to what extent the Central Asian nations intend to permit capitalism to reign in industries that were firmly under the control of central planners. In a part of the world once famous for its roads and spice caravans, air transportation is now more likely to represent the efficient means of transporting goods to international markets, and the governments could be reticent to relinquish power over their nations' economic destinies to purely private hands.

Central Asia has shown that it is serious about being a leader in not

only the Asian market, but the world market. The Russian-designed Ilyushin 114 is built in Uzbekistan. The FAA has already issued a type certificate for the Ilyushin 103 and the Ilyushin 114 may be next. The Central Asian nations are aware of their convenient geography between Europe and the Far East, and they fully intend to capitalize on it. Recognizing the popularity of Western types, the Central Asian nations are also seeking to add Boeing and Airbus products to their fleets.

Kazakhstan and Uzbekistan appear to be leading the way toward taking advantage of the air transportation aspects of the market economy. Their growth may be slowed by economic factors affecting their Eastern neighbors in nations like Japan, Korea and Singapore but they are persevering nonetheless. If their efforts to enter the private sector civilian aviation market as forceful competitors are successful, then other Central Asian nations can be expected to follow their lead.

ENVIRONMENTAL AFFAIRS

EPA Requires Air Pollutant Notice from Aerospace Companies

Distributors and their business partners need to be aware of a new EPA rule that requires some companies to file a Notification of Compliance with the EPA by May 1, 1999. The Notification rule is a part of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Aerospace.

This rule applies to facilities that are major sources of Hazardous Air Pollutants (HAPs) and are engaged in original equipment manufacture or rework of aircraft components and assemblies.

If your potential HAP emissions from <u>all</u> sources are greater than 10 tons/year, then your facility may be considered a major source that is subject to the NESHAP requirements. While this may seem like a high threshold to some distributors, it may not be a lot to a company with substantial manufacturing or maintenance work.

Activities that generate HAPs include use of solvents, depainting, priming and painting, and maskant operations. Companies that fall within the scope of the NESHAP *should* know it by now, but they may not be aware of the May deadline for the Compliance Notification. Pass this information to all of your business partners performing manufacturing or maintenance work. More information, including sample notification forms, is available through ASA's web site.

PMA Rules - It's Not Just a Slogan

(Continued from page 25)

even though they are not manufactured in strict compliance with the basic PMA rules.

Because of the volume of this information, the article is divided into two parts. This month will focus on the basic rules that apply to the manufacture of replacement and modification parts, and on the history of FAA enforcement of these rules, culminating with the FAA's "Enhanced Enforcement Program" (EEP). Next month's continuation will address the effects of the EEP on the parts market today, and provide some guidance to receiving inspectors and quality assurance officers who need to be able to identify the parts that they receive into their facilities.

What is a PMA?

PMA stands for Parts Manufacturer Approval. A PMA is an approval granted to manufacturers that permits them to fabricate aftermarket aircraft parts. This approval is necessary because the FAA's rules prohibit unapproved persons from manufacturing a replacement or modification part that is intended to be sold for installation on an aircraft.²

A PMA is issued as a letter from the FAA. The letter represents the FAA's acknowledgement that the applicant has both design and production approval for the parts in question. It is not issued until at least two different FAA offices approve parts of the PMA. The first half of the PMA approval process, known as design approval, comes from the local FAA aircraft certification office (ACO). The ACO reviews the design data and drawings (or other design alternative) to assure that the design meets the

requirements of the FAA regulations. The second half of the process is production approval: the FAA manufacturing inspection district office (MIDO) reviews the manufacturing facility and the attendant quality system to assure that the fabrication system that is put into place will produce components that meet the requirements of the approved design.

Although there are certain exceptions to this PMA rule, the general rule is that it is not legal to manufacture an aftermarket aircraft part without a PMA. The four exceptions to this rule that are listed in the FAA's regulations are:

- Standard parts, like MS parts or AN parts;
- Owner/operator produced parts;
- TSOA parts; and
- PC parts, including directshipped parts that are considered to have been produced under the PC holder's quality system.

There are also many other exceptions, mostly based upon interpretations of the legal language that makes PMAs necessary. Examples of these include parts manufactured in the context of a maintenance activity that are not offered for sale, and commercially available parts that were not manufactured with the intent that they be installed on an aircraft, like certain light bulbs and curtain rings.

The FAA has the power to create other exceptions to the PMA rule.³ A "PMA pending" part is considered to be an exception to the PMA rule that is not listed in the regulations. To understand what "PMA pending" parts are, it is first necessary to understand the problem that gave rise to this class of parts.

For many years, the FAA failed to adequately enforce the PMA rules. Air carriers and other people in the industry knew that they could get airworthy parts from the companies that supplied the parts to the production certificate holders. They also knew that if they bought directly from these subcontracted manufacturers, they would generally get a better price than if they bought the part through the production certificate holder.

There were both safety problems and legal problems with these transactions. The safety problems arose from parts that were generally subject to additional testing at the production certificate holder's facility. A component of the production certificate holder's approved quality system would include on-site testing of parts that went beyond the testing that was performed at the facility of the subcontracted manufacturer. In some cases, this additional testing would reject some pieces that were considered acceptable at the subcontractor's facility. Electronic parts represent a good example of parts where a lot might be tested and several parts within the lot would be rejected.

The additional testing that caused these parts to be rejected at the production certificate holder's facility would often be proprietary and therefore unavailable to the public. The public would be unaware of the additional tests that distinguished an acceptable part from and unacceptable one. Particularly, even if there were only a small number of parts for which such PC holder additional testing might reasonably be necessary for distinguishing a substantial number of unacceptable parts, the industry as a whole would not know which partic-

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In 1995, FAA Encouraged Manufacturers to Apply for PMA

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ular parts were subject to this additional testing.

An additional safety issue before the industry was the fact that there was no direct quality oversight applied to many of the parts that were sold by non-PAHs. In some cases, the parts sold to the aftermarket were alleged to have been overruns or quality escapes that would clearly have been rejected if they'd been sent to the production certificate holder.

A legal issue also arose out of these fact patterns. The legal issue was based upon concerns over the potential safety problems associated with manufacturing aircraft parts without proper FAA oversight being applied to the production quality systems. Quite simply, the PMA rules made it illegal to manufacture aircraft parts for the aftermarket without appropriate FAA approval.

The aviation industry has always been concerned about maintaining a high level of safety, so as we perceived an apparent problem with these parts, the FAA acted to try and put an end to manufacturing of parts that fell outside the scope of the FAA regulations.

The FAA realized it could not permit parts manufactured outside of the scope of FAA production approval to continue to play a large part in the aviation aftermarket. At the same time, the FAA recognized that strict enforcement of the PMA rules after so many years would shut down the industry, because in some cases there were absolutely no sources of FAA-approved parts for certain installations.

Following some important legal de-

feats in their attempts to enforce the PMA rules, the FAA published the Enhanced Enforcement Program (EEP) in February 1995. The EEP permitted companies that were fabricating parts in violation of the regulations to apply for FAA PMA and make their fabrication legal. The FAA promised that it would not use the applications as evidence for enforcement actions - this 'limited amnesty' provided an incentive for companies to apply for PMA and to bring their operations within the scope of the legal requirements.

The FAA set a May 27, 1995 deadline for applying for the EEP, and EEP participants were required to file their initial PMA applications soon after.⁴ The FAA issued letters to the EEP participants; each of these letter indicated the company's participation in the program and listed the part numbers that were considered to fall within the scope of the program. Although the vast majority of participants fell within the timeline originally envisioned for the program, some companies were permitted to participate according to later deadlines; however in all cases it appears that there was some sort of FAA letter or other documentation indicating the scope of participation.

The FAA divided the EEP participants into four categories, which shall be described in greater detail in next month's continuation of this article. The most important aspect of the program, though, is the fact that in most cases, the applicant manufacturer was permitted to continue to ship the parts that were subject to the EEP PMA application. This would have been considered a violation of the PMA regulations, which do not permit 'prepositioning' or other pre-approval

shipment of parts. Through the mechanism of the EEP, the FAA was able to create a new PMA exception under the 'catch-all' provisions of the PMA rules, which permit the FAA to approve anything it wants to approve, in any manner it chooses to approve it. The EEP letters represented the FAA's limited approval of the parts fabricated by the participating manufacturers.

This article will continue in next moth's issue of the Update Report. Next month's continuation will feature an explanation of the documentation that was required to accompany these EEP, or "PMA pending," parts. It will explain what distributors should look for when they receive an alleged "PMA pending" part, and it will debunk some of the schemes that have sought to capitalize on industry confusion in this area. Perhaps most importantly, it will address the mechanisms that the FAA has used to try to close out the open categories of "PMA pending" parts.

Endnotes

- 1. The term "approved parts" is used here in the same manner as it is used in Advisory Circular 21-29B. In that Advisory Circular, it is used in the colloquial sense to denote parts that are considered to be generally acceptable for installation on a type-certificated product due to traditional indicia of airworthiness.
- 2. 14 C.F.R. § 21.303.
- 3. See 14 C.F.R. § 21.305(d) (providing the FAA with the power to approve a part in any manner acceptable to the FAA Administrator).
- 4. Complete PMA applications were due to the FAA not later than July 27, 1995. Replacement and Modification Parts; Enhanced Enforcement, 60 Federal Register 10480, 81 (February 27, 1995).



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Taking Advantage of Y2K Opportunities

Are you taking advantage of the opportunities that the year 2000 offers?

Few, if any, of ASA members are exempt from customer requests for assurances of Y2K compliance. Typical letters will insist that the distributor sign a form attesting that the company will have no failures (computer or other) associated with the year 2000. Others may ask the distributor to respond on his own letterhead and assure that when the calendar hits January 1, 2000, business will continue unabated. Additionally, some customers are asking for guarantees that the parts they buy from a distributor will contain no software glitches, including those micro-coded into the embedded systems that control many parts with electronic components.

These certification requests are all addressing the fear that a business partner will fail to meet orders or pay bills because their computer thinks it is the year 1900 and the bills are not due until 100 years later.

Many distributors see these letters as more paperwork in a day already too full of paper; but Y2K certifications could signal opportunities for distributors that are able to cash-in on them.

After noting how parts shortfalls damaged Boeing's ability to make its assembly lines work efficiently, aviation manufacturers are taking no chances with Y2K. Many manufacturers are laying-in extra inventory supplies. They are doing this to make sure that they are able to continue their own functions after the turn of the millennium, even if their suppliers experience unanticipated Y2K problems. In some cases, to do this, they will have to go to the aftermarket to purchase their new parts.

Other manufacturers are seeking to line up alternative sources of parts in case their primary sources fail. New parts distributors should take the opportunity now to establish relationships with manufacturers seeking extra Y2K suppliers. Now is the time to assure them of your Y2K readiness.

Some manufacturers are preparing to lose more than their parts suppliers. Some are anticipating problems with basic municipal services like electricity. Just as they are making alternative arrangements for parts suppliers, they are also seeking alternative methods or providing power and other utilities in the event local utility companies go 'off-line' due to Y2K problems. Distributor who are near a

For some companies, the expense of acquiring permits and laying electric cables may be worth the insurance it provides against Y2K-related failure.

Many companies that are already Y2K compliant are using this as an important part of their marketing campaign, trying to steal away the business from their unready competitors. Despite the best efforts of air carriers and other customers, Y2K related failures should be anticipated. Such failures could lead to your customer's inability to properly complete scheduled maintenance or they might even cause an AOG (Aircraft On Ground: an aircraft unexpectedly unable to fly because of unscheduled maintenance or other similar factors).

Many aircraft parts manufacturers have their own Y2K web sites, that address matters ranging from the Y2K readiness of the company to the Y2K readiness of the parts and products they manufacture. Here are just a few:

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Airbus - - - - - http://www.airbus.com/news_2000tabcont.html
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AlliedSignal - - - - http://www6.alliedsignal.com/aerospace/product/y2k/index.html

Boeing - - - - - http://www.boeing.com/companyoffices/aboutus/y2k

Bombardier - - - - http://www.bombardier.com/Y2000/4100.html

Cessna - - - - - - http://www.cessna.textron.com/y2k

Honeywell - - - - - http://www.honeywell.com/year2000

Lockheed Martin - http://y2k.external.lmco.com/files4/sites/y2k/home.html

Parker Hannifin - - http://www.parker.com/refspec/fsy2k.html

http://www.parker.com/corp/compliance.html

Raytheon - - - - - - - http://www.raytheon.com/y2k

Rockwell - - - - - - http://www.rockwell.com/Y2k/y2k_business.html

major manufacturing facility may wish to take advantage of the manufacturer's planning. Seek out the manufacturer's Y2K manager, find out their plans for assuring uninterrupted utility service, and see if they will permit your company to participate in their uninterrupted utility service program. Even if you can't participate directly, their planning may give you some good ideas about how to establish your own preparations.

Customers will want to prevent this at all cost - the marketing value of claiming "no Y2K-related delays" is simply too lucrative to permit the failures if they can be prevented. This means that the distributor who is ready to service an unusual number of AOGs could become an air carrier's best friend, and that sort of service is unlikely to be forgotten when the crisis is over.

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Protect Your Own Business So You Can Support Your Customers

Sometimes, the best offense is a good defense. While Y2K presents many opportunities, companies that are not planning to take advantage of these breaks still need to make sure that they are able to survive into the new millennium with their computerized systems intact. Some companies have postponed their Y2K analysis because of the costs. In an effort to make Y2K remediation available to everyone, Congress has passed a law that authorizes the Small Business Administration (SBA) to set up a loan guarantee program for small businesses trying to either fix their computers or deal with the economic losses resulting from its own or supplier computer break-SBA plans to work with downs. 6,000 different lending institutions to make loans of up to \$1,000,000 available for Y2K readiness. Because SBA will guarantee the loans, they should be available at a lower-than-market interest rate. The program is expected to remain available through December 31, 2000 to help small businesses clean up any problems that occur as a consequence of someone's failure to be ready for Y2K.

AROUND THE INDUSTRY

Events Affecting Us

The US Attorney's Office for the Central District of California convicted the mother and son team that ran West Coast Aluminum Heat Treating Company. (WCA) of making false statements to the federal government concerning heat-treating tests that it said were conducted but were not conducted. In addition to servicing their military contracts, WCA heat-treated components used on a wide variety of Boeing and Douglas aircraft.

This SBA Y2K loan program has just been passed by Congress, and the President is expected to sign it into law soon. ASA plans to share more details with its members as SBA develops and implements the program.

Congress is also working on legislation to limit the lawsuits that may be brought as a consequence of Y2K failures. Despite this Congressional intent, many lawyers have been expecting to build their careers on litigation associated with Y2K failures. Always a lobbying powerhouse, the

trial lawyers have been especially powerful in the Clinton Administration, and they have already compelled the President to veto legislation that would impose reasonable limits on lawsuits designed to prevent lawyers from obtaining unjust judgments (contingency-fee lawyers generally get one-third of any judgment so a reasonableness standard would cut into their wallets). As a consequence, the American public should not expect Congress to close all of the loopholes on Y2K liability. This makes Y2K readiness especially important.

Microsoft has established a Y2K site on their webpage to help their customers assure their Y2K readiness. It includes processes for assuring Y2K readiness of both hardware and software, as well as information about specific Microsoft products. The Microsoft Internet Resource Center can be found at:

http://www.microsoft.com/technet/year2k

The National Institute of Standards and Technology (NIST) has established a Y2K self-help program. Their <u>web site and hotline</u> provide aid to small businesses in the form of Y2K compliance software and Y2K product compliance information. They also sponsor a variety of Y2K workshops.

http://y2khelp.nist.gov

1-800-Y2K-7557

Greenwich Industrial Services will conduct an auction of Boeing 747 rotable and expendable components on May 26-27 in Atlanta, GA. Materiel is from **Avatar Alliance** and is alleged to be traceable to operating 121 air carriers. More information is available on the internet.

It sees like everyone is focussing on their aviation business. Not long after **Volvo** sold off its automotive division and began to pay much more attention to its aviation division, **United Technologies** (UTC) followed suit by selling its automotive unit to **Lear** for \$2.3 billion. That money won't be burning a hole in **UTC**'s pocket

though: they've already agreed to buy **Sundstrand** in a transaction valued at approximately \$4.3 billion (half of that transaction is for cash, neatly disposing of the revenue from the automotive division sale). Sundstrand will be combined with UTC's **Hamilton Standard** division and the merged entity will be named **Hamilton Sundstrand**. The Sundstrand purchase greatly expands UTC's already substantial aviation part manufacturing holdings.

ASA member International Technical Consultants announced the passing of their Operations Manager, Theodore (Ted) Pappas on March 5.

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UPCOMING	* = ASA will be speaking there	
April 6	* ASA One-Day Workshop, Fort Lauderdale, FL. Details on page 27.	
April 6-8	MRO '99 , Atlanta, GA. Call (212) 904-3334 for details.	
April 7	* ASA One-Day Workshop, Miami, FL. Details on page 27.	
April 14-15	Purchasing and Aviation Suppliers Conference, Brussels, Belgium. Call 44 171 931 7072 for details	
April 18-21	CCMA , Puerto Vallarta, Mexico. For information send a fax to Aurore Rey at (33) 561 93 36 64.	
April 20-22	* NATA/PAMA AS3. Phoenix, AZ. For information, call Joanne Stahling of PAMA at (202) 216-2378	3.
April 22	* ASA One-Day Workshop, Phoenix, AZ. <u>Details on page 27.</u>	
April 23-25	* ARSA Annual Conference, Washington, DC. Call Sarah MacLeod at (703) 739-9513 for details.	
April 28	* ASA One-Day Workshop, Chicago, IL. Details on page 27.	
April 30	* ASA One-Day Workshop, Dallas, TX. <u>Details on page 27.</u>	
May 2-4	ATA Engineering, Maintenance & Material Forum, Memphis. TN. Call (202) 626-4081.	
May 10-12	Regional Aircraft Association Annual Convention, Phoenix, AZ. Call (202) 419-5113.	
May 12	* ASA One-Day Workshop, Atlanta, GA. <u>Details on page 27.</u>	
May 12-15	* Aircraft Electronics Ass'n Annual Meeting, Atlanta, GA. Call (818) 373-6565 for details.	
May 24	Greater Washington Aviation Open . Aviation industry golf and tennis tournament for a good cause	
	(airflight for cancer victims). Silver Spring, MD. Contact Paul Bollinger at (215) 656-2703.	
June 3-4	Aircraft Leasing and Finance Conference, Omni Parker Hotel, Boston, MA. Contact Carol Everest in	n
	the United Kingdom at 44 1892 65 5006 for more details.	
July 18-20	* ASA Annual Conference, Marco Island, FL. More details will be available in future issues.	
Sept. 12-14	Aircraft Valuation and Asset Management, Washington, DC. Contact Carol Everest in the United	
	Kingdom at 44 1892 65 5006 for more details.	

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