



# The Update Report

The Airline Suppliers Association

Volume 6, Issue 5

May 1998

## YOUR ASSOCIATION IN ACTION

### QA Committee Meets in Washington, DC

The ASA Quality Assurance Committee met in Washington, DC on May 15 and 16. Committee Chairman Jay Rosenberg opened the meeting with a full morning of presentations and updates from the FAA and the Department of Commerce. The afternoon of the 15th and the morning of the 16th were devoted to the business portion of the meeting.

#### Ken Reilly Talks SUPs

Suspected Unapproved Parts Program Office Manager Ken Reilly kicked off the meeting with an update on SUPs. Many in the industry know that Reilly was considering leaving the SUPs office (AVR-20) to work in another division of the FAA. He announced at the QA meeting that Deputy Associate Administrator Peggy Gilligan had prevailed on him to commit to staying for at least one more year because of the importance of some of the projects on which the Office is currently working. Reilly will continue to focus his office on improving documentation and traceability, as well as educating both the inspectors and the industry.

Reilly also announced that his office is developing a closure letter. This letter responds to complaints that parties that are investigated don't know when the investigation is over, so they don't know what to do with parts that are

subject to a SUPs investigation. The closure letter would be sent to SUPs investigation targets upon the termination of the investigation. The target would then have the option to share this letter with business partners and other interested parties. Companies that segregate parts pending an FAA investigation will have an answer to the question of whether the part continues to be suspected of "unapproved" status. An initial version of the form letter has been drafted by the FAA's lawyers and is being reviewed.

A consistent supporter of the AC 00-56 accreditation program, Reilly also praised ASA's participation. He noted that a number of documents published by his Office now reference the program and the FAA's AVR-20 internet web page now features a hypertext link directly into the official accreditation list found on ASA's internet web page.

#### ASI Al Michaels: Producing the Guidance We Need

Working closely with Ken Reilly on a variety of traceability issues is Aviation Safety Inspector Albert Michaels. At the QA Committee meeting, Michaels described how he was assigned a six month project to address the traceability of undocumented parts. Like many government pro-

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## A Message from ASA's President

### Keeping The Government Honest

At ASA, Jason and I handle on average 14 calls per week from members requiring advice on what is required by the regulations. The member's call is usually in response to a requirement being imposed by the customer.

Typically, the customer insists that the requirement is found in the regulations. Often, though, it is not. Frequently, there is confusion as to what is regulatorily required.

Part of ASA's mission is to provide members with the tools to properly explain what the regulations require.

The most frequently asked question is whether an 8130-3 form is mandatory. This question is asked so often that the FAA Headquarters answered it on their homepage: NO, it is NOT mandatory under the regulations. We've heard this question from non-US companies so often that we wondered whether the confusion was due to problems with English instructions among those who speak English as a second language.

In the past year, I've spoken at three conferences located outside of the US. I was shocked to learn that confusion among non-US companies concerning the "mandatory nature" of the 8130-3 has little to do with English translation problems and much to do with FAA training problems.

At the FAA SUPs Seminar in Rome, Italy, an FAA Inspector told the attendees that the FAA requires 8130-3 on all parts. Of course, I corrected his statement and asked his manager to confirm for the audience that the 8130-3 is not required by FAA regulations. Unfortunately, I can not be there to

watch over each inspector's shoulder during every audit.

During my presentation, I reiterated that FAA Inspectors are not always right and we must be ever-vigilant. ASA always tells companies to report errant inspectors to the FAA SUPs Program Office. Many attendees confided that they are afraid to report the Inspector due to retaliation.

If your customer is being required by the FAA to do something that is not in the regulations, help yourself and that customer. Customers may not feel comfortable approaching the FAA about problems; in these cases it is up to us to set the government straight. Find out the inspector's name. Report that Inspector to ASA and the FAA SUPs Program Office. ASA will follow-up. It is our duty to protect our industry.

Best Regards,  
Michele Schweitzer

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

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## New Rules for Approval Status of Aftermarket Parts

Does the aftermarket parts manufacturer who fabricated your parts comply with the FAA's Parts Manufacturer Approval (PMA) rules? Even if you were sure your manufacturer business partners complied a month ago, you need to check again. The FAA has issued a new policy concerning the PMA rules, that particularly applies to manufacturers who do not currently possess PMA.

The PMA rule requires companies that manufacture replacement parts for aircraft to have PMAs. Although there are several exceptions to the rule, the vast majority of parts manufacturers fell within the scope of the rule. Unfortunately, a large number of the manufacturers who were subject to this rule did not comply with it! The FAA's intermittent attempts to enforce the rule had met with occasionally spectacular example of failure, like the Pacific Sky case which the FAA lost because it failed to prove that the manufacturer intended the parts to be installed on aircraft.

The FAA published its "enhanced enforcement program" three years ago on February 27, 1995. This program represented a fresh attempt to enforce the PMA rule against all manufacturers. Recognizing the vast scope of this issue, the FAA decided to enforce the rule in steps, addressing the most likely sources of problems first, and saving until later investigation of companies that are most likely to produce safe parts. This decision was based on an objective standard related to the part manufacturer's relationship with a type certificate holder (remember that the TC holder has an obligation to perform surveillance over its suppliers). In addition, the FAA created "Group D." In sharp contrast to the jokes likening this category to the "Group W" bench of Arlo Guthrie's song "Alice's Restau-

rant," this category represented parts that were arguably standard. Although the group was technically limited to standard parts, many people in the industry described it as also including commercial parts, and those parts otherwise excluded from the scope of the PMA rule.

The FAA established a policy whereby it would postpone civil penalty actions against Group D manufacturers until clearer guidance could be issued concerning the FAA's definition of "standard parts." This permitted companies producing parts that were arguably standard to apply for the enhanced enforcement program and continue producing until a clear definition could be established.

In the intervening three years, the FAA has issued clearer guidance. A policy statement concerning standard parts makes it clearer what parts are included. The policy statement distinguishes discrete electronic "standard" parts from programmable electronic parts which are not considered standard. Notably absent from this definition are parts made to proprietary standards, like Boeing's BAC standard parts.

The FAA has also drafted several new Technical Standard Orders (TSOs) to cover a wide variety of hardware. These TSOs prescribe minimum performance standards for hardware that will make hardware manufacturers eligible for TSO Authorization (a hardware production approval). TSO C-148 has been issued to address aircraft mechanical fasteners. Two other TSOs, TSO C-149 (bearings) and TSO C-150 (seals), are in draft form and should be issued soon.

Having issued new guidance on parts approval for hardware, the FAA is now ready to begin enforcing the PMA rules against some of the hardware manufacturers that formerly were considered to fall into "Group D." The FAA has issued a policy memo addressed to Group D manufacturers producing fasteners or standards parts. Aircraft aftermarket parts that are not standard must be produced in accordance with an FAA approval. Non-standard fastener manufacturers have two options - apply for PMA or apply for TSO Authorization.

The new guidance requested fastener manufacturers to provide the FAA with a written plan detailing their choices by April 30. This means that our business partners that supply our industry with fasteners should each have a written plan detailing which fasteners are standard, and which ones are still subject to the enhanced enforcement program. This plan should describe the company's intent with respect to future certifications on non-standard fasteners.

It is a good idea to ask your business partners for copies of this plan, or for a written description that summarizes the plan, in order to anticipate your own ability to provide parts that meet the documentation and traceability needs of your customers. If you know a fastener manufacturer that participated in the enhanced enforcement program but has not yet filed a plan of action with their ACO/MIDO, then that company should get on this immediately! The filing deadline was April 30, and there is a June 30 deadline for filing supporting documentation for PMA applications covered under this program. Any aviation fastener manufacturer that has not at least filed a PMA application for their hardware by that date is

*(Continued on page 56)*

## New FAA Policy on Foreign ADs

The FAA has issued a new policy that could affect suppliers that handle unusual parts. Anyone purchasing or selling parts used on international aircraft (aircraft flown primarily or solely outside the United States) needs to be aware of this new policy.

FAA issuance of a United States type certificate represents an acknowledgment that the aircraft design meets the airworthiness standards of the federal aviation regulations and is therefore airworthy; however, there is a vast difference between something that works on paper and something that works in the field. No matter how good the aircraft design looks on paper, there are always subsequent problems discovered during operation. That is why the FAA maintains its program of issuing airworthiness directives (ADs).

An AD is a special airworthiness instruction that is issued when the FAA discovers an unsafe condition that is likely to exist or develop in other products of the same type design. When a foreign country issues its own mandatory continuing airworthiness instructions (MCAI), FAA policy has been to review the MCAI and determine

whether it meets the United States criteria for issuing an AD (some special instructions may address commercial situations instead of unsafe conditions). If it does, then the FAA will issue an AD on the same subject.

FAA's Aircraft Engineering Division has issued a new policy concerning review of foreign MCAIs. Often, MCAIs are issued before a foreign aircraft is first imported into the United States; it has been FAA policy to issue ADs in these cases nonetheless. To reduce the review time associated with these MCAIs, the FAA has decided that where there is no active United States airworthiness certificate (USAC) on a particular type, the FAA will no longer issue ADs based on foreign MCAIs. Instead, the FAA will defer regulatory action until a person applies for a USAC for the foreign aircraft. At that time, the FAA will amend the type certificate data sheet to reflect the MCAIs, making compliance with them necessary to the finding of airworthiness that precedes issuance of the USAC.

There are problems associated with amending the type certificate data sheet

(the type certificate may be held by a third party) that the FAA will have to address when it implements this policy against an aircraft, but there is a more pressing concern for suppliers.

Suppliers often check AD status before selling a part. This is a value added service offered with the recognition that long-term sales relationships are based on a reliance that the parts we provide to the customers are airworthy (or their condition is otherwise clear to the customer). Checking AD status permits the supplier to send parts subject to ADs out for maintenance. It also permits the supplier to guarantee to the customer compliance with all applicable ADs.

Under the new FAA policy, American suppliers may find that they no longer have a ready means for determining AD applicability for parts installed on aircraft flown outside the United States. In today's global marketplace, this may require distributors handling parts for foreign types to develop relationships with foreign civil aviation authorities to assure that the parts are in a condition for safe operation.

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## ILS Random Audits Ensure Accuracy

### New Aircraft Affects Part 145 Requirements

Do your airframe repair station customers and business partners meet the regulatory requirements for hangar space? Check it out, because if they don't, then you could pay the price!

Cathay Pacific is expected to take delivery of the first 777-300 in May. When it does, this aircraft type will become the longest commercial jetliner in aviation history.

This is significant for repair stations with class IV airframe ratings. One of the requirements of a class IV airframe rating is that the repair station possess sufficient hangar space to house the largest aircraft in that class. At 242 feet, 4 inches (73.9 meters), the 777-300 is bound to have problems fitting into the hangars of some facilities.

The FAA has already contacted a number of repair stations holding airframe class IV ratings about their inability to house the 747-400. One way that airframe repair stations are addressing the inadequate hangar space without surrendering the class IV rating is to ac-

cept an operations specification (a capabilities list) that limits the aircraft for which they can perform maintenance (for more on this see the March 1998 issue of The Update Report (6 TUR 17)).

Work performed by a repair station that did not hold the appropriate rating violates the Federal Aviation Regulations, and will probably need to be performed again by a properly rated company or person. In the most extreme cases, work performed by a repair station that does not hold the appropriate rating can be the subject of an airworthiness directive. In any event, this is likely to mean a warranty return.

Each distributor that uses repair stations to maintain its inventory should be sure to audit its business partners to ensure that they are rated to perform the work in question. If the hangar space is obviously too small for a 777-300, be sure to check if the repair station's work is limited by a capabilities list. If the work is limited in this way, then make sure the work for which you are contracting is covered!

### Arrow Air Agrees to Pay \$5 Million in SUPs Penalties for Parting-Out

Cargo carrier Arrow Air agreed to plead guilty and pay \$5 million in fines and restitution, after the government accused Arrow of falsifying records.

Miami-based Arrow Air had parted-out two 727s. Each of the aircraft had been operated outside the United States and neither held a United States Airworthiness Certificate, so there was no presumption of airworthiness associated with the parts. The 3,000 parts removed from these aircraft were marked

with "Equipment Transfer Tags" that suggested the parts were airworthy. In fact, no inspection was performed to assure the airworthiness of the parts.

\$3 million of the penalties are assessed as fines, and another \$2 million are described as "restitution." The "restitution" will be paid to Embry-Riddle Aeronautical University, which will use the money to promote aviation safety through research and education programs.

#### *A Special Report by Tim Gaines*

ILS recently began a program to audit the inventories of randomly selected suppliers who list items on ILS Aviation Databases for sale to ILS subscribers. The purpose of the audit is to ensure that the information provided to ILS subscribers is accurate and up-to-date. The auditors will verify that:

- listed items are in stock
- companies listing consigned inventory have sole authorization from the consignor on file with ILS
- inventory listings have been updated within the last thirty days

An ILS representative will check a sample of the inventory listing on ILS against the company's in-stock inventory. ILS will formally recognize companies who successfully pass the audits. Companies who do not pass the audit will have their inventory removed and will be given an opportunity to resolve the issues. Upon the successful completion of a re-audit, these companies may have their revised inventory added to the database. Companies refusing to allow ILS to perform an audit will have their inventory removed from the database until such time that an audit is performed.

The audit program has been applauded by ILS subscribers as a proactive step to save subscribers' time and money. ILS databases are currently accessed over 25,000 times a day by over 3,000 subscribers in 65 countries around the world. Subscribers include 170 airlines and 550 repair stations. For more information, contact Tim Gaines, Product Manager, Aviation Industry at (901) 794-5000, via ILS DIRECT at 8034, or via e-mail at tgaines@go-ils.com.

## Repair Station Bill Continues to Attract Attention

The Senate Committee on Commerce, Science, and Transportation held hearings on the foreign repair station bill on May 7. The hearing took place before the Aviation Subcommittee and was chaired by Senator Slade Gorton (R-WA).

The bill would return the repair station regulations to their 1949 state - a state that many recognized as out of-date when the regulations were changed in 1988. Some nations have threatened to boycott United States aviation businesses if this bill becomes law. This could have an adverse affect on distributors with significant foreign customers.

The witness list included two government representatives: Associate Administrator for Regulation and Certification Guy Gardner, who also testified on this issue before the House last fall, and Dr. Gerald Dillingham, the Associate Director for Transportation Issues from the United States General Accounting Office. Appearing for the private sector were Gilbert Mook, Senior Vice President for Air Operations of Federal Express, former Congressman Donald Fuqua who is now President of the Aerospace Industries Association, Edward Wytkind, the Executive Director of the Transportation Trades Department, AFL-CIO (another repeat performance from the November hearings before the House of Represen-

tatives), and William Scheri, IAM's General Vice President of Transportation.

ASA submitted testimony for the record which explained that ASA supports aviation safety, but cannot support a poorly drafted bill that misses its intended mark. The ASA testimony warned that the bill's only real effect would be the balkanization of the global aviation industry and the inhibition of safety and commerce. For more information on the proposal, and ASA's response, readers should examine the testimony on ASA's web page, or look back at the article published in the November 1997 issue of The Update Report (5 TUR 77).

### ARAC NEWS

## Delegations on Track for FAA Submission - Might Permit 8130-3 Privileges -

ARAC's Delegations Working Group met in Arlington, Virginia on April 28-30 to discuss their proposal for Organizational Designee Authority (ODA). In its current form, the proposal provides a significant window of opportunity for some distributors to obtain delegated authority from the FAA.

The proposal would take all of the current organizational delegations, like SFAR 36, ODAR, DAS, DOA and DMIR, and would place all of the delegations systems under a uniform set of rules. These rules are being drafted to permit the FAA the freedom to delegate functions in new ways.

Traditionally, delegations have been predicated on the delegee organization holding an FAA-issued certificate (e.g. air carrier certificate, type certificate or repair station certificate). As a part of

the effort to provide new latitude to the FAA, the proposal removes this requirement. This allows the FAA to grant delegated authority to any qualified company, which in turn means that distributors that do not hold any FAA-issued certificates may be eligible for delegated authority.

***Distributors that do not hold any FAA-issued certificates may be eligible for delegated authority.***

This does not mean that every supplier will be eligible for delegated authority! The FAA will still retain full discretion over delegated authority, and will only grant it under circumstances where the FAA feels comfortable with the delegation. Drafters of the proposal refer to the ODA as a "graduate level" privilege issued by the FAA only to the most

qualified companies. If the FAA grants delegations to distributors, it will only be to distributors that demonstrate that they have an adequate quality system to control the delegation, as well as the proper resources to carry out the delegated functions. The FAA is very concerned with oversight of delegees, so it is certain that a delegation to a distributor would have to entail some system that permits the FAA to monitor and ensure the continued quality of the work performed by the delegee.

With these warnings in mind, it is reasonable to believe that a distributor could hire some of the senior personnel with DMIR signature authority away from a major type certificate holder and might use them as the nucleus of an application for delegated authority. Such delegated authority might include

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## International Business Opportunities

*Many business opportunities for ASA members lie in the aftermarket created by major international aviation transactions. Following are business opportunities with governments and entities outside the United States that may be interested in doing business with aviation suppliers. These reports are excerpted from information published by the United States Department of Commerce, International Trade Administration. Expanded and up-to-date information is available from the Office of Aerospace, Market Development Division. Their phone number is (202) 482-2835.*

Airbus has announced plans to develop a new passenger aircraft type with a seating capacity of 500 or more passengers. The A-3XX should have a 555 pax capacity and Aerospatiale hopes to roll out the first model by 2003. The company is currently considering vendors for avionics, engines, and other equipment. The company contact is Mr. Michel Bieler, who can be reached by phone 011 (33) 5-61-93-33-77 or fax 011 (33) 5-61-93-32-22.

SAS plans to replace its fleet of 14 Boeing 767s. The aircraft is considered to have insufficient cargo capacity for SAS' intercontinental flights to the Far East. The major bidders for the contract are Boeing, with the 777 or MD-11, and Airbus with the A-340. More information on the status of this tender process is available from Mr. Kurt Kuhne SAS Vice President of Fleet Development, who can be reached in Stockholm by phone 011 46-8-797-25-51 or fax 011 46-8-85-79-80.

Air Algerie seeks to lease nine aircraft, at least seven of which will be in the 100-150 seat range. The new Algerian carrier Tassili Airlines indicates that it may buy or lease about 20 aircraft of all sizes during the coming few years. A third company, Ecoair International, has also expressed interest in acquiring aircraft, technical assistance and training. Further information on all of these opportunities is available from the United States Foreign Service. Contact Mr. Kamel Achab at the U.S. Embassy by calling 011-213(2) 69-14-25 or faxing 011-213(2) 69-39-79.

Olympic Airways plans to replace its entire fleet with new Boeing 737s and Airbus A-340s. The initial plan was to withdraw all of the other types of aircraft from their fleet by the year 2000, although rumor is that this schedule may be delayed due to postponements. Companies interested in Greek aviation should contact the office of Mr. Anastassios Mandelis, the Minister of Telecommunications and Transportation at telephone number 011 (30-1) 325-1211.

The Finnish army plans to spend 1.1 billion dollars to equip three new rapid deployment brigades. 400 million dollars of this has been earmarked for transport helicopters. A prime vendor has not yet been selected, however, Finland has already started to think about training, maintenance and support issues. Companies interested in participating in the support of this fleet should contact Mr. Markku Leino the Finnish Defense Staff / Commercial Division by phone 011 (358-9) 161-2831 or by fax 011 (358-9) 161-2858.

## Business Opportunities in the Steppes of Central Asia

Many underdeveloped regions of the world are leapfrogging their transportation infrastructure by developing their air commerce before they develop their surface infrastructure. This can mean that they build their airports before they pave their roads. This focus on aviation can provide accelerated opportunities for companies willing to take the risks associated with international business.

One reason for this leapfrog effect is that airports provide a modern means for moving goods, which permits participation in the international market-

place. Exports bring much-needed hard currency to developing nations, permitting further investment. Central Asia epitomizes the sort of region that can jump-start its economy by developing transportation infrastructure.

At the heart of Central Asia is Uzbekistan. It is the world's fifth largest cotton producer and second largest exporter. It is the world's seventh largest gold producer and contains the fourth largest gold reserves. It is also the world's fourth largest uranium producer, and has significant oil and gas reserves.

Uzbekistan is an economic boom just waiting to happen. The challenge lies in moving these goods to the customers.

The capital, Tashkent is located in the East by the Tien Shan Mountains. Much of the rest of the country lies in desert steppes. While Uzbekistan is central to the rest of the region (it shares borders with all the other Central Asian states), creating an effective road or rail system would be too resource intensive for now. Further, Uzbekistan appears to be ahead of its

*(Continued on page 58)*

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## ASA QA Committee Meets with the FAA & NIST

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jects, the managers were overly optimistic about the time frame; that assignment came seven years ago! Michaels has diligently waded through the bureaucracy to develop three different advisory documents covering (1) Disposition of Undocumented Parts, (2) Receiving Inspections, and (3) Military Surplus Parts. In the process he's become both an expert in parts issues and an expert in wading through the aforementioned bureaucracy.

ASA has worked closely with Michaels to support his development over the years. Drafts of all three of these documents may be issued within the next year. Don't think this means Michaels can take a well-deserved rest, though. He's already been tapped to draft guidance for implementation of the new Technical Standard Orders for fasteners, seals, and bearings.

Although Michaels normally works out of the FAA Headquarters AFS-300 Office, he will be detailed to the SUPs Program Office for 45 days in the Spring to support the SUPs projects. ASA members can look forward to seeing him perform training at the Annual Conference in October.

### **Pasciewicz Addresses 8130-3 Questions**

FAA Production and Airworthiness Certification Division Manager Frank Pasciewicz also spoke on the documentation issues that are so important to distributors and their customers today. Pasciewicz is the expert on the 8130-3 form, and after an analysis of the history and present uses of the form he addressed his plans for the future.

While admitting that the process of change would be long, Pasciewicz ex-

plained that he would like to harmonize the American form with the Canadian TC 24-0078 and the European JAA One forms. He would like to simplify the procedures for issuing an airworthiness approval form; particularly he feels that the FAA should rely even more heavily on designees to issue the form. He also indicated that he might be able to support a recognized procedure for distributor splitting of bulk shipments (although it probably would not involve 8130-3 signature authority). Ultimately, Pasciewicz recognizes that what the industry needs is a form that lets the installer know "the FAA says the part's OK."

One privilege that many distributors would like to obtain is the right to sign 8130-3 forms. This would facilitate commerce in an environment where the 8130-3 is increasingly requested by the customer. It is common knowledge that Pasciewicz feels signature authority should be reserved to entities that possess FAA-issued certificates. Nonetheless, he approached the QA Committee with the very healthy approach of "nothing is off the table." He made it clear that he is willing to give careful consideration to any reasonable recommendation for improving the 8130-3 (he just doesn't think 8130-3 signature authority is reasonable).

### **AC 00-56 Update**

Aviation Safety Inspector Richard Nowak gave a brief update on some of the accreditation questions with which the FAA is wrestling. Most importantly, he noted that the FAA is reviewing a handbook bulletin addressing air carrier use of accredited distributors. He stated that the bulletin could be released within the next 90 days although experience with the FAA left many in the audience dubious about

such a speedy release.

There is a burgeoning interest in accreditation among foreign companies - both distributors and air carriers. Nowak explained that the FAA is considering the extent to which it wishes to promote the program internationally.

Roy Resto of Quality Management Solutions, LP (QMSLP) provided a brief review of some of the statistics associated with ASA-100 and the audits that QMSLP performs on behalf of ASA. He noted that most of the findings discovered during audits have to do with discrepancies and errors in the quality manual.

### **Fastener Quality Act**

The expert responsible for implementing the Fastener Quality Act (FQA) is Dr. Subhas Malghan of the National Institute of Standards and Technology. With the implementation date just around the corner, Dr. Malghan and his staff have their hands full, but the Doctor nonetheless made time to speak with the QA Committee about the program. He explained how NIST will manage to achieve its goal of 400 accredited laboratories (they plan to double the number of accredited labs in the next 60 days) and also described a number of the provisions featured in the new FQA guidance that was just issued last month.

The QA Committee shared with Dr. Malghan some of their problems and fears about implementation. Following the presentation, the Committee agreed that ASA must publish guidance for the members on recognizing FQA parts and determining their compliance. ASA members should look for comprehensive guidance soon after the FQA implementation date.

## Guy Gardner to Leave FAA

Guy Gardner has announced that he will leave his position as Associate Administrator for Regulation and Certification. He plans to leave in September, three years after joining the FAA as Director of the Technical Center in Atlantic City and two years after he was appointed to his current position.

Gardner plans to pursue a career as a motivational speaker for high school and middle school students. FAA Ad-

ministrator Jane Garvey praised his service, and said that Gardner's "impressive background, as a pilot, astronaut and aviation leader, will certainly motivate young people to reach their goals." Gardner appeared pleased with the change, explaining "I'm excited to have the opportunity, not only to expose young people to aviation, space flight and science, but to inspire them to achieve excellence in whatever path they choose."

## New PMA Rules

*(Continued from page 49)*

likely to be producing in violation of the law.

Remember also that compliance with these FAA rules, and compliance with the Fastener Quality Act, are two different things. Compliance determinations for these two sets of laws should be made separately.

Although PMA applications for bearings and seals are still "on-hold" pending release of the new TSOs, the FAA intends to release those TSOs very soon. Look for compliance deadlines this summer for "Group D" companies that produce bearings and seals.

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## O'Brien Named GA Airworthiness Specialist

On April 17, the FAA named Aviation Safety Inspector William (Bill) O'Brien as the national resource specialist for general and sport aviation airworthiness. The NRS program taps internationally recognized experts in their respective fields to serve as advisors to industry, government agencies and international aviation authorities.

Many Update Report readers are familiar with O'Brien as a popular FAA speaker on airworthiness issues as well as a monthly columnist for Aircraft Maintenance Technology Magazine. He is well known for his training sessions which he usually begins with the statement that "Terrorism is a form of

communication." This statement usually precedes O'Brien's practice of selecting the largest and meanest looking individual in the room to answer questions using the same sort of Socratic method favored in law schools and interrogation centers. Like any good professor, O'Brien is both loved and feared by his students. It is practically impossible to walk out of one of his training sessions without learning something!

In addition to his duties as a national resource specialist, O'Brien retains his title of National Program Manager for Airworthiness.

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## Around the Industry

**Hamilton Standard** established a spares distribution center in Singapore.

**United, Lufthansa Technik, and Air Canada** are joint owners of **Airliance Materials**, a surplus spares joint venture with a 180,000 square foot warehouse near O'Hare Airport

**Boeing Direct Service (BDS)** has been extended to the regional distribution centers in London, Beijing and Singapore. BDS represents a strategic alliance between **Boeing** and **UPS** that was launched in 1996.

**Fields Aircraft Spares, Inc.** has acquired two aircraft interior hardware manufacturers: **Skylock Industries** and **Flightways Manufacturing**.

**Boeing** celebrated delivery of the 2,000th widebody airplane built at the assembly plant in Everett, Washington.

**Airbus Industrie** delivered its 200th aircraft from the A330/A340 family. **Singapore Airlines** the A340.

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## ARAC NEWS

### Delegations

*(Continued from page 52)*

the ability to issue 8130-3 forms for domestic and foreign parts shipments.

The Working Group, which is chaired by Boeing's Webster Heath, must submit the proposal to ARAC when it is

complete. Upon submission, it becomes a public document that is available to requesters. ARAC will review the proposal and if it is found adequate then ARAC will forward it to the FAA for review and consideration. Current plans suggest that this proposal could be submitted to the FAA by the end of this year. There is some motive for the FAA to work quickly on the issue: SFAR 36 expires on January 23, 1999, and these rules are meant to replace that expiring provision.

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## Business Opportunities in Uzbekistan

(Continued from page 53)

neighbors in developing its own infrastructure, which means that an effective surface transportation system might not be mirrored by its neighbors, effectively cutting Uzbekistan off from the world regardless of their own road/rail system.

The solution can be found in an effective aviation infrastructure.

Uzbekistan is an aviation powerhouse of Central Asia. Their Chkalov Tashkent Aircraft Production Company manufactures the Il-114 in cargo and passenger configurations. Tashkent airport is growing exponentially, and plans to double the number of daily flights from 125 to 250 over the next three years. The national air carrier, Uzbekistan Airways (UzA), boasts that it flies to "all big cities of CIS" (the

former Soviet Union).

Although UzA's fleet is based on soviet-made types, they have begun to purchase western types and currently own two Boeing 767s and three Airbus A-310s. These aircraft are just a start: like many other Central-Asian carriers, UzA is actively seeking to replace its current fleet with Western types. Maintenance on UzA's Boeing and Airbus aircraft is out-sourced to qualified European facilities. UzA has experienced high costs associated with maintenance of these aircraft.

UzA is proud of their maintenance facility, Plant 243, which services a variety of Soviet-designed aircraft, like Ilyushins, Yaks and Antonevs. To save money on out-sourced maintenance, Uzbekistan Airways (UzA) wants to expand the capabilities of Plant 243.

Their business plan calls for the acquisition of sufficient facilities, equipment and personnel to meet the safety standards set by the FAA. They plan to qualify for repair station certificates from both European nations (JAR 145) and from the United States (FAR 145). The hope is that the new qualifications will make the Plant 243 a profit center that provides maintenance services to other air carriers using Western produced aircraft to service Central Asia.

United States companies interested in business opportunities in Uzbekistan should contact the United States Commercial Center in Tashkent. Inquiries should be directed to Jack Tucker, the Senior Commercial Officer by telephone 011-7 (3712) 40-67-05 or fax 011-7 (3712) 40-66-92. Email may be sent to [office@csabc.silk.glas.apc.org](mailto:office@csabc.silk.glas.apc.org).

### Source Documents on the Internet

Interested in one of the subjects addressed in this issue? Want to find out more? The source documents underlying many of the articles in this issue are available on the internet. Just set your browser for <http://www.airlinesuppliers.com/6tur.html#5>. This address features an index to the articles which will bring you to the original documents on the world wide web just by clicking on the description.

### Nelson Balancing Service AD

The FAA has proposed an AD against some of the work performed by **Nelson Balancing Service** on reciprocating engine crankshafts. Comments are due by June 10 and the final AD should be issued soon thereafter. Any distributors that have done business with Nelson Balancing Service of Bedford, Massachusetts should read this proposal to see if their parts are affected.

### UPCOMING EVENTS

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|-------------------|---|
| <b>June 9-11</b>  | <b>Canadian Business Aircraft Ass'n Convention &amp; Trade Show</b> , Montreal. Fax: (613) 236-2361.  |
| <b>June 14-17</b> | <b>ADMA Spring '98 Conference</b> , Fairmount Hotel, Dallas, TX. Fax: (215) 564-2175  |
| <b>June 22-28</b> | <b>Asia Pacific Hi-Tech Aerospace Show (APHAS '98)</b> , Jakarta, Indonesia. Fax: (62) 21 520 2917  |
| <b>Aug. 15-18</b> | <b>Air Carrier Purchasing Conference (ACPC)</b> , Orlando, FL. Fax queries to (305) 885-2828.   |
| <b>Oct. 11-13</b> | <b>Airline Suppliers Association (ASA) Annual Conference</b> , Laguna Cliffs Marriott Resort, Dana Point, CA. Full information will be mailed to members soon. For more information, contact ASA by phone at (202) 216-9140 or send email to <a href="mailto:conference@airlinesuppliers.com">conference@airlinesuppliers.com</a> . |
| <b>Oct. 19-21</b> | <b>NBAA Annual Meeting &amp; Convention</b> , Las Vegas, NV. Call NBAA at (202) 783-9000  |
| <b>Oct. 25-27</b> | <b>Speednews Regional &amp; Corporate Suppliers Conference</b> , Rancho Mirage, CA. Fax: (310) 203-9352.  |
| <b>Nov. 5-6</b>   | <b>SPEC 2000 Forum</b> , Adams Mark Hotel, San Antonio, TX. Contact Teresa Friend at (202) 626-4039.  |