

ASA Quality Assurance Committee

November 4, 2009

Dallas, Texas

Minutes

Graham Mitchell, Aero Inventory (UK) Limited
Raymond Gesiakowski, AeroDirect, Inc.
Luis Giacoman Aeromantenimiento S.A. (Aeroman)
Brent Webb, Aircraft Inventory Mgmt. & Svcs, Ltd.
Robert Harper, American Airlines
Victor Luna, ANA Trading Corp., U.S.A.
Carla Reida, Aviation Excellence, Inc.
Michelle Billoir, Aviation Suppliers Association
Stephanie Brown, Aviation Suppliers Association
Jason Dickstein, Aviation Suppliers Association
Michele Dickstein, Aviation Suppliers Association
Richard Smith, Aviation Suppliers Association
Robert Cook, B/E Aerospace Consumables Mgt
Ed Bayne, Boeing Commercial Airplanes
Patricia Rockey, Boeing Commercial Airplanes
Erik Kritz, Colt Aviation LLC
John Mitchell, Continental Airlines, Inc.

Joe Cosma, East Air Corporation
Robert Cook, FAA AIR-200
George Ringger, P.E. G. Ringger Consulting, Inc.
Sleita (Cheryl) Lenamond, GE Aviation Materials
Nin George, Global Parts, Inc.
Rick Sauro, International Aircraft Associates, Inc.
Paul Tuerler, Intertrade Limited
Dave Meek, Inventory Locator Service, LLC (ILS)
Chris Anderson, MidAmerican Aerospace, Ltd.
Kenny Williams, NTE Aviation, Ltd.
Terry Reid, Ranger Air
Graham Carson, Rolls-Royce plc
Jeff Popson, Tracer Corporation
Tim Heckart, Turbine Engine Consultants, Inc. (TECI)
Ryan Charlton, Turbo Resources International, Inc.
David Damron, Turbo Resources International, Inc.
Bradley Baker, Worthington Aviation Parts, Inc.

The Chair welcomed the attendees and opened the meeting at about 8:45 a.m.

Graham Carson of Rolls Royce explained that he gave a presentation at the 2009 ASA-AFRA Annual Conference on the current use of the terms “accident” and “incident” to describe the state of aircraft parts. He feels that these terms have precise meanings under international law, so it would be better to use different terms to describe when there is a potential problem with parts. AFRA has defined the term “airworthiness event” to describe incidents of unusual heat, excessive stress or other events that could adversely affect the airworthiness of the part. The purpose of the AFRA definition is to support a paradigm under which AFRA members would provide greater transparency to the history of parts.

Carson found that some people like the current accident-incident statement, while others support the focus on heat, stress and other conditions. Carson made it clear that AFRA is not advocating a separate document – merely that the information be exchanged within the documentation package. He asked the ASA Quality Assurance Committee for their thoughts on what AFRA is doing, and whether the ASA QAC thinks this a subject worth further study.

Anderson asked whether anyone still uses the word “incident” on their material certifications. Several people do.

Damron pointed out that ASA-100 section 10(B)(1) recommends disclosure of past history of extreme stress, heat or environment. Thus, ASA-100 eschews the terms “accident” and “incident.” Damron pointed out that the issue is composed of several sub-issues. Use of the terms “accident” and “incident”

(how we refer to the occurrence), what specific language is used to make the disclosure, and what we do with parts that have been identified as subject to the occurrence that was disclosed.

The Committee discussed the importance of passing adequate information, and Anderson pointed out that limitations on these statements, like “while in our possession” could make the statements worse than useless if people rely on them to their detriment.

Damron asks, how do we begin to erase these legacies of suspicion concerning a part after hidden damage inspection has shown that the part was not affected by the unusual heat, extreme stress or other “airworthiness event” condition? Furthermore, how do we distinguish parts that may have been fitted onto an accident-related aircraft after the accident?

Harper points out that the greatest concern is non-life controlled parts, because life-limited parts typically have complete life history records, whereas non-life controlled parts typically *do not* have complete life history records.

M Dickstein summarized the discussion by noting that Carson wanted to identify who might be interested in working with AFRA on the “airworthiness event” statement. She asked interested persons to sign up with her during the break. Damron also asked the group to continue to discuss whether there is ever a termination on the need for disclosure of past airworthiness event history (e.g. after appropriate inspections). Carson summarized four important issues:

- What do we call the document?
- What does the document say?
- What do we do about parts from public aircraft?
- What do we do about a termination for the disclosure?

ACTION: Members of the Committee interested in working with AFRA on the “airworthiness event” statements should identify themselves to Association President M Dickstein.

Anderson introduced the draft guidance on scrapping parts

Ed Bayne notes that current FAA regulation 14 C.F.R. 21.137 focuses on “rendering the parts unusable.”

Ringger suggests the following changes:

- Add aircraft/engine disassemblers to the list of example parties in the Audience on page 2;
- drop the word “really” in the last paragraph on page 2;
- that the “returned to service” language on page 3 could be limiting, because it does not address parts that were never in service and therefore are not being returned;
- The word alteration could be changed to modification (throughout);
- On page 5, drop the period in the middle of the note.

George asked whether the guidance about non-mutilation for donated parts on pages 5 and 6 was appropriate. Those parts are out of the donor's control. He feels that the part should still be rendered unusable when it is donated.

Damron pointed out that the ASA-100 standard requires mutilation, so language that merely recommends mutilation but offers other options is inconsistent with the standard.

Mitchell suggested disposal of packaging and disposal of airworthiness documentation.

Anderson asked that additional changes and recommendations be forwarded to him

ACTION: The Committee is asked to review the draft guidance ASA-1001 and forward their comment to Chairman Anderson.

Robert Cook of the FAA provided a briefing on the changes to the Part 21 rulemaking. He began with a discussion of the specific changes to the rule. There are some global changes and changes to the titles, and there are new definitions in a new definitions section. Manufacturers have expanded duties to provide failure reporting. There is a new pair of sections – 21.8 and 21.9 – that address the requirement to produce under production approval (based on the past language formerly found in 21.303). Under these new standards, a person who knows or should know that a part is reasonably likely to be installed in a type certificated aircraft will need to obtain production approval. 21.20 is another new rule, and it requires the design approval holder to provide the FAA with a certified statement of compliance of the design. The purpose of this is to require someone to be subject to the false-and-misleading rule for failure to make sure that the design is accurately compliant.

14 C.F.R. 21.47 provides limits on TC transfer consistent with ICAO requirements, and 21.50 amends the ICA requirements, including the availability of the commercial parts lists. 21.97 changes the standards for an applicant for a major change to type design. Quality system requirements for all production approvals have been modified. Production approval holders will need to develop a quality manual. Changes to locations will need to be subject to prior FAA approval but changes to quality systems will only need to be subject to immediate notification to the FAA (all changes are subject to review by the FAA).

All parts will need to be identified, but that identification can be anything that identifies the parts, including markings or documentation. Markings constitute a representation that the product or part conforms to the approved design. So only the PAH, or its suppliers under delegated authority, can mark a part.

Under the Export Documentation section of subpart L, the export classes have been removed. There is no longer a restriction on who can apply for class III approvals. The FAA has also removed the requirement that parts be located in the US at the time the approval is issued. The 'newly overhauled' requirement for export products has been removed – now all used products may be exported so long as the importing country is able to receive such products. Used parts must "conform" to qualify for an export 8130-3 tag. The packaging is now subject to FAA oversight.

Effective date of the rule is April 14, 2010. The provisions that become effective on that date are as follows:

- Part 1, Definitions and Abbreviations;
- Part 21, subparts H (Airworthiness Certificates), I (Provisional Airworthiness Certificates), L (Export Airworthiness Approvals), and N (Approval of Engines, Propellers, Materials, Parts, and Appliances: Import); and
- Part 45, §45.11 (Identification of Aircraft and Related Products), & § 45.13 (Identification data) – 180 days after publication

Cook explained that every PAH will need to submit a quality manual for approval by April 16, 2010. Cook explained that the Association will get a copy of the presentation on the regulatory changes, but that there is a larger presentation that is also available on-line on the FAA's website.

Phase II will reflect the engineering changes to Part 21. This will reflect an opportunity for the FAA to make additional corrections to the regulations.

Cook made it clear that the FAA will not be removing any privileges from designees, so applicants should expect that their current DARs will continue to be able to issue 8130-3 tags for parts.

Cook explained that for parts, the FAA will expect oral application and there will no longer be a need to file 8130-1 when applying for 8130-3 tags. He indicated that this is not limited to only PAHs, as suggested by AC 21-44 para 9(b).

Under 21.335, there is a new requirement to state the duration of effectiveness of the packaging. Cosma asked, how does someone find out such information about the packaging? Cook confirmed that this requirement applies to parts. Ringger noted that 8130-1 has always asked for this sort of information. Ringger raises a question of where this information will be collected or disclosed if application form 8130-3 is no longer used.

PAHs and other packaging providers have no requirement to provide the duration of effectiveness of the packaging. So M Dickstein asked, how do you identify this information? Cook noted that there is no requirement for them to list that information and he had no advice on how to generate that sort of information. He suggested that ASA look at the NPRM to see why the FAA chose to do what it was doing. Ringger suggested "one-time shipment" as a duration. Damron said that this language would be an acceptable solution, but he is not sure that "one-time shipment" (as opposed to a time period) will be acceptable to the FAA as a statement of duration.

Cook noted that when it comes to parts that are "commercial" in nature but that are not listed on the commercial parts list (or that are removed from a commercial parts list), AGC has said that their decision to prosecute a company would be made on a case-by-case basis.

ACTION: Cook will look into the following issues, and try and provide answers:

- What will current DARs need to do to maintain their privileges for issuing 8130-3 tags for aircraft parts?
- How will non-PAHs apply for export 8130-3 tags (AC 21-44 para 9(b) only addresses applications submitted by PAHs)?
- How can an exporter find/generate information about the duration of effectiveness of packaging to meet 21.335? Is “one-time shipment” an adequate declaration of duration?
- If a part is made by a company that does not obtain a production approval (like a Westinghouse light bulb made for general commercial/industrial purposes), and it is not listed on a DAH-published commercial parts list, then is there a risk of an Unapproved Parts Notice being issued against the distributor (or other punitive action taken) for distributing such parts to air carrier or other customers?

Damron introduced his concerns about the ASA-100 language in sections 5.A, and 10.D. that requires traceability to an FAA certificated source. He noted that this precludes traceability to a non-US certificate holder. He suggested adding “or other acceptable source,” to the list of acceptable traceability sources. Ringger proposed that this is a problem, but that the proposed language may not adequately address some of the concerns. A question was raised as to who would reflect an acceptable source, and whether there is a definition of this term. The group referenced AC 00-56 paragraph 4(h) for the correct connotation of “other acceptable source,” with the understanding that the term is used in the context of a relationship to the installer’s requirements and/or the documentation matrix from AC 00-56.

Harper noted that historically “acceptable source” meant whatever the air carrier customer considered acceptable.

Mitchell thought that the language of 5.A. really should just require traceability to the source of purchase in accordance with the documentation matrix.

M Dickstein noted that ASA-100 is not a perfect mirror of the Advisory Circular. It includes elements that go beyond the scope of the Advisory Circular in order to better protect aviation safety. She is uncomfortable with the idea of reducing standards just for the sake of making sales. At the same time, she recognizes that the procurement limits referencing FAA certificate holders fail to recognize the global nature of aviation, and the fact that parts may be traceable to foreign approval holders.

The QAC formed a discussion group, to be headed by Damron, to continue discussion among the members after the Meeting about this issue.

ACTION: Anyone interested in discussing this issue should contact Damron in order to join the discussion group.

ACTION: The discussion group shall consider this issue and be prepared to submit a proposed solution to the Quality Assurance Committee.

The Quality Assurance Committee opened discussion on a set of issues raised by Committee members.

Damron explained we are all required to measure supplier performance and to control out suppliers. Sometimes the best suppliers are the companies that are not in the business of aircraft parts supply (e.g. air carriers with surplus inventory); these companies may not have systems comparable to those of FAA-accredited distributors. We do not want to simply cut off these companies, so there is a desire to have a way of addressing suppliers with inadequate systems, short of refusing to do business with them.

Ringger introduced a set of common concerns:

- Obtaining and maintaining complete traceability documentation
- Traceability to a reliable source
- Determining adequacy of traceability documentation

Charlton presented data that was collected over the course of a year at Turbo Resources about specific issues discovered in receiving parts. Missing chain-of-custody paperwork and missing incident statements were the two most prominent failures. Incorrect paperwork was also a serious concern, especially incorrect chain-of-custody paperwork (this could include, e.g. incorrect statement of Turbo Resources purchase order number).

Ringger asked how other companies tracking receiving issues? Do other companies track data in this same way? Gesiakowski indicated that he uses an excel spreadsheet to track number and type of rejections. Anderson indicated that he segregates issues in a manner similar to the manner used by Turbo Resources, but he does not segregate missing paperwork issues from incorrect paperwork issues. George indicated that this data is maintained in his facility in the context of corrective action tracking. Sauro noted that there is usually a threshold beyond which you will take more direct action to correct repetitive issues from a systemic perspective.

Ringger asked, when a sales person is quoting a part to another distributor, is there some system to assure that the part and documentation will meet the customer's requirements? Anderson indicated that parts in his system with some issue are shown as highlighted in the inventory list, so that the salesperson can confirm that it will meet the customer's needs before selling it. Cosma notes that he uses Quantum Control, and that permits him to take picture of parts and put them in the system (which they do for certain high-value items).

Ringger asked how members are training their sales and purchasing staffs. Mitchell indicates that Aero Inventory has a comprehensive training program for all employees. This is repeated on an annual basis. Damron indicates that a difficulty is getting sales staff to attend meetings. In light of the AS 9120 requirement to train and demonstrate competency, his company has been administering training and testing. Those who fail the test have to go through remedial training.

Damron noted that initial training may be well recorded, but some recurrent training is not well-documented. He has been making sure that they review the gaps in training.

Ringger asked how many companies maintain a customer requirements list? He then asked how many train their sales staff to such a list.

Ringger raised the question of what is the status of NADCAP approval? This issue was deferred until next meeting because the person who had asked for this to be on the agenda had already left the room.

Ringger raised the question of what is the status of RoHS requirements? Airbus is identifying parts that do not meet RoHS requirements. This raises a question about what to do with inventories that may not be RoHS compliant.

George explained that he ran into RoHS issues with hexavalent chromium primer. For US companies that are trying to comply with RoHS, the costs of compliance may put them at a competitive disadvantage as compared to US companies that do not sell into Europe and that therefore do not comply with RoHS.

Ringger raised the issue of international shipments and lost paperwork. What do you do about this? This seemed to be a recurring problem for companies due to the fact that customs would seize all copies of the documentation for themselves.

The next QA Committee meeting will be on Sunday, June 27, 2010 at the Las Vegas Four Seasons.

The meeting was adjourned at 3:30 pm.