

The Update Report

The Aviation Suppliers Association

Volume 11, Issue 2 February 2003

REGULATORY UPDATE

FAA Customer Service Initiative

Sooner or later, almost everybody in the aviation business has occasion to deal with the FAA in some capacity. It may be as simple as looking for information on the agency's web site or as involved as applying for an air agency certificate or obtaining design or production approval. A recurring complaint of those who do deal with the FAA has been the lack of consistency in FAA decision-making and customer service.

Everyone knows that the FAA is inconsistent. People often get one answer from one FAA office, and another answer from another. This can lead to regional advantages in certain markets where the FAA is more cooperative or less obstructionist. The FAA's new Administrator, Marion Blakey, wants to change that.

In a recent speech before the Aero Club in Washington D.C., Blakey announced a number of changes and new policy initiatives designed to improve the way the agency does business and interacts with the public. Chief among these is a new customer service initiative.

Under this new approach, FAA headquarters plans to provide written guidance and training to all managers and supervisors in its regulation and certification offices throughout the country on applying FAA rules and policies in a standard and consistent manner. Moreover, Blakey said, the FAA wants to know from its customers (the public, including those who deal professionally in the industry) if the agency is not being consistent. The FAA plans to make it known to all its customers that they have the right to ask for review on any inspector's decision on any call that is made in the certification process.

Blakey pledged that unsatisfied customers can "buck it up" to first-line supervisors, field office managers, regional division managers, or even to Washington if necessary - with no fear of retribution. Although lawyers have always known how to use this tactic to their advantage, it was industry professional Terry Pearsall who first published the conflict resolution guide that explained to the public how to address the FAA's chain of command. The information from his conflict resolution guide — names, titles, and phone numbers as well as instructions on how to approach the FAA will be prominently displayed on the Web and in all of the FAA regional and field offices.

FAA needs the industry's help to make this program a success. It will be up to the industry to use this system and hold the FAA accountable. Proper accountability will result in better uniformity and greater professionalism throughout the FAA

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Aviojet Corporation Upper Saddle River, NJ

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



A Message from ASA's President

A significant amount of attention has recently been given to the regional market and the premise that the next area of growth for companies providing services and parts will be to the regional market. ASA has for years discussed the potential business that members could develop through the regional market. With major air carriers reducing routes, regional airlines will have the opportunity to replace the majors in those routes. Last year, Debbie McElroy, the President of the Regional Airline Association (RAA) spoke at the annual conference about growth in the regional industry and issues among the carriers. If you are interesting in the regional market the RAA is holding their annual convention in Phoenix, May 18-21st.

ASA will be publishing a member directory that will be handed out at the various conventions where ASA will be exhibiting or attending. The upcoming locations are MRO in Fort Lauderdale and Ground Support Equipment Expo/AS3 Conventions in Las Vegas. The cost of advertising is minimal however the exposure to new customers is high. If you can't attend the meeting personally you can still get your name recognized in the marketplace. The above conventions are just the start of the 2nd quarter travel schedule. If you are interested in advertising, contact Jeanne Pearsall at 202-347-6898. The deadline for advertisements is March 21, 2003.

Don't forget the deadline to submit nominations for the Edward J. Glueckler Award is March 27, 2003. The Award will be presented at ASA's annual conference during the Monday evening banquet, to

recognize a person who has shown outstanding commitment to the Aviation Suppliers Association and the aviation distribution industry. Information regarding the Award, nomination procedures and qualifications can be found on ASA's website at http://www.aviationsuppliers.org/membership/Glueckler-Award.htm.

Speaking of the annual conference, the brochure will on your desk and in your email shortly. Don't forget to make your reservations early, as the hotel will sell out. The dates for the 2003 regional workshops and hazmat training have been decided and are listed within The Update Report.

If you have a moment, please complete the membership survey which is available on ASA's website at http://www.aviationsuppliers.org/membership/Membership Survey 03.pdf.

Best regards, Michele Dickstein

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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.

The Update Report

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

The Update Report

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Q & A: Records of Partial Repairs

We have received inventory with 8130-3 tags that seem to reflect partial repairs. Can the 8130-3 be used for partial repairs? If so what are the differences in the procedures for filling it out?

The answer depends, in part, on what you mean when you call something a "partial repair."

Repair of Only One Aspect of a Part

If you mean a repair that fixes one aspect of the component but not all of the component, then this can be described in the 8130-3 as long as the limited work that was performed is complete and can be approved for return to service.

This is permitted because the approval for return to service approves only the work that was performed, and is not a general statement of airworthiness (although a work scope that encompasses the airworthiness of an entire part, like an overhaul, can result in an approval for return to service that does effectively address the airworthiness of the entire part).

As a practical matter, repairs that only fix a portion of the part arise in a number of circumstances. In some cases, an air carrier or other customer may have contracts with one repair station to perform certain work (e.g. their Airworthiness Directive work) but they may use a different repair station to perform other work. Thus, Repair Station One might do spot repairs for the air carrier, but when Repair Station One informs the air carrier that there is AD work to be completed on a part, the air carrier may refuse to authorize that work because of its existing contract with repair station two to perform the AD work. In such a case, Repair Station One would complete an 8130-3 tag to reflect the work it performed even though the AD work was not performed. It is a good idea to record in the job package that the customer was contacted about the need for additional work (although this is not required).

In some cases, a repair station may subcontract limited sorts of work to other repair stations - for example, a repair station may wish to overhaul a case, but some of the work is out of OEM spec. Another repair station may have a DER-approved repair that permits the necessary repair. Repair Station One may send the case to Repair Station Two for limited work only (related to the DER-approved repair) and then may do the rest of the work itself. In such a case, Repair Station Two would complete an approval for return to service for the work that it performed. Obviously, this repair would be partial, in the sense that there was other work to be done on the case before it was airwor-Nonetheless, the actual work performed by repair station Two (the DER-approved repair) would be complete and could accurately be approved for return to service using an 8130-3 tag as the record of work performed.

There is no special way to record a 'partial repair' of this sort, but a repair station completing the focused repair should be sure to accurately record the scope of the work performed in block 13 of the 8130-3 so that others in the chain of commerce will know the limits (as well as the scope) of the work performed.

The possibility of focused repairs makes it especially important that distributors and other companies who receive a part with an 8130-3 carefully check the 8130-3 tag to determine the scope of the approval - is it

an airworthiness approval or an approval for return to service? If it is an approval for return to service, then what is the work scope and does it reasonably cover the airworthiness of the part to the satisfaction of the installer? If the 8130-3 tag is an approval for return to service and the work scope does not adequately reflect airworthiness of the entire part (e.g. an overhaul), then additional work may be required, ranging from visual inspection before installation to additional repair (depending on the nature of the part).

Unfinished Repairs

There is another possible interpretation of the term "partial repair." It could mean a repair that is incomplete in that the maintenance instruction steps have not been completed.

Sometimes, companies with multiple shifts want to maintain records of work progress (apart from the traveler) to make sure that steps are not missed when a job transfers from one shift to the next. For example, the earlier shift might be only half-way through a process that is described by a single line on the traveler.

Obviously, the purpose of the traveler is to record work-progress for an unfinished repair. If the traveler is not sufficiently detailed to permit proper recording of work status, then you should NOT use the 8130-3 to record the status of an incomplete job. An incomplete job may not be approved for return to service-since it is incomplete, you cannot say that the repair station may assure airworthiness with respect to the work performed. Further, a half-done job is likely to represent a violation of rule 43.13(a) which requires that repairs be performed according to acceptable methods techniques and practices.

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Congress Passes 2003 FAA Budget - Looks Ahead to New Priorities

Adequate funding is the key to an agency's effectiveness, particularly in times of change and upheaval. The recent passage of the FAA's 2003 budget by the Congress allows the agency to get down to business with greater certainty, and will benefit the industry overall. Congress is also focusing attention on funding the FAA's longer-term plans, and has recently held several hearings devoted to "Big Picture" issues facing the aviation industry and the National Airspace System. While many of these measures do not at first glance seem to directly affect distributors in particular, they nevertheless affect us all as key players in the industry as a whole and as members of the flying public.

A New Budget

The FAA is breathing easier these days following the passage of the agency's fiscal year 2003 budget. The final version passed by the Congress on February 13th preserved most of the \$13.5 billion in funding that the agency originally requested. Despite needed increases in operational and safety-related funding, the agency's overall budget actually declined approximately 1.6% compared to FY 2002 owing to the transfer of security-related programs and activities to the Transportation Safety Administration.

The FAA has been waiting some time for this budget to be approved. Although federal budgets are ideally supposed to be approved by the start of the fiscal year each October 1st, Congressional wrangling frequently delays the process. This year was no exception. Since October 1st, the Congress has been providing stopgap funding to the FAA and other agencies through a series of eight continuing resolutions. The FAA has found it a challenge to meet its payroll and

pay its operating expenses over the last several months, leading to rumors within the agency that some employees might even have to be temporarily furloughed to make ends meet.

The budget passed as part of an omnibus appropriations bill that combined the appropriations for 11 federal departments into one piece of legislation. This practice often makes it possible to smooth over differences on particularly contentious departmental budgets. It also is one of the prime vehicles for pork barrel politics. Omnibus appropriation bills of this nature are huge, complex documents - this year's bill ran to over 3,000 pages making it all but impossible for any but the most library-bound lawyers to truly be aware of everything contained in the bill. Indeed, many if not most members of Congress voted for the measure without ever having read more than a small fraction of its text. The reason, of course, is that the \$397.4 billion bill - the largest ever of its kind - contains something for everyone.

FAA Administrator Marion Blakey pledged to stamp out regional variations in FAA policy

The president is expected to sign the bill soon.

Beyond AIR-21

Congress is already looking ahead to the FAA's future funding needs. In February both the Senate and the House held hearings to discuss the reauthorization of FAA programs for the next several years.

Reauthorization hearings represent an opportunity for congressional oversight committees to examine an agency's short- to medium-term plans and evaluate its progress in meeting its objectives from the previous budget cycle. The FAA received mixed reviews for its performance in the past three years.

The Senate Sets a Deadline

The Senate Committee on Commerce, Science and Transportation held the first of what Committee chair Sen. John McCain (R-Ariz.) promised to be a series of full-committee hearing on February 11, 2003 to examine "The State of the FAA." The committee heard testimony from Department of Transportation Inspector General Kenneth Mead and FAA Administrator Marion Blakey.

Mead opened by expressing confidence in Blakey as an excellent choice for an FAA Administrator, especially given her safety background at the NTSB. He observed that the decision to institute five-year terms for the position had provided muchneeded stability for the FAA, after a lengthy period in which the average tenure of the administrator was only 18 months. He praised the FAA for its improved safety record, its successful handling of Y2K computer issues, bringing new Free Flight controller tools online, deploying the Display System Replacement on-time and within budget, safely and expeditiously shutting the national airspace system down on September 11th, and taking the first steps to prevent a repeat of the near gridlock in the system during the summer of 2000.

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FAA Explains Likely Aviation Growth to Congress

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Looking ahead, Mead identified four central issues that he believes need to be considered in FAA's upcoming reauthorization: (1) making FAA a performance-based organization by controlling the costs of its operations and cost growth in major acquisitions; (2) building aviation system capacity and more efficient use of airspace to prevent a repeat of the summer of 2000; (3) striking an appropriate balance on how airport funds will be used for aviation system capacity, airport safety, and security; and (4) continuing to emphasize aviation safety as FAA's top priority.

On his last point concerning safety, Mead urged the FAA to pay particular attention to its oversight of repair stations. He noted that airlines' use of repair stations had increased significantly over the past five years. In 1996, major air carriers spent \$1.6 billion, or 37 percent of their total maintenance costs, for outsourced aircraft maintenance. By 2001, that number had grown to \$2.9 billion, or 47 percent of major carriers' total maintenance costs. Mead stated that the FAA needs to consider this shift in maintenance practices when planning its safety surveillance work. He noted that the DOT OIG is currently completing a review of FAA oversight of repair stations.

Administrator Blakey outlined her priorities for the FAA. The first is safety, with particular emphasis on careful oversight of financially distressed carriers. Blakey emphasized the importance of improved data collection to detect problems and disturbing trends in the industry. She reaffirmed the agency's commitment to the Flight Operational Quality Assurance (FOQA) and Aviation Safety Action Program (ASAP). She noted that the FAA is on track to meet the

goal set several years ago under its Safer Skies initiative of reducing accidents 80% by 2007. The agency will focus on operational errors, which are decreasing, though not as fast as Blakey would prefer.

Airport capacity expansion is another of Blakey's priorities. She noted that the post- September 11 downturn has provided a much-needed opportunity to boost capacity at key airports before traffic returns to its previous levels, and praised the Administration's commitment to airport funding and efforts to expedite environmental review of airport expansion proposals. Blakey emphasized the importance of consistency and predictability in the agency's dealings with industry, and pledged to stamp out regional variations in FAA policy and practices. She expressed her desire to raise the FAA's international profile by expanding cooperation with aviation authorities in other countries. She also expressed her commitment to bringing the agency's operational costs under control and making the FAA the government's premier performance-based agency.

Senator McCain gave the FAA until May to come forward with specific reauthorization proposals, lest the Congress proceed using its own plan. Blakey pledged to meet the deadline.

House Focuses on Infrastructure

The following day, February 12th, saw a hearing before the Aviation Subcommittee of the House Committee on Transportation and Infrastructure, which focused largely on airport funding issues. In his opening statements, subcommittee chair Rep. John Mica (R.-Fla.) stated that an important goal of the Committee in this reauthorization cycle will be preserving the gains made by AIR 21. Spending

on aviation infrastructure has increased dramatically as a result of AIR 21. Airport Improvement Plan spending increased from \$1.9 billion in 2000 to \$3.2 billion in 2001 and Facilities & Equipment spending increased from \$2 billion to \$2.7 billion. He noted that the uncommitted balance in the Trust Fund is now \$4.8 billion.

The Subcommittee heard from three witnesses: the Honorable Robert Walker, Chairman of the Commission on the Future of the United States Aerospace Industry; Gerald Dillingham, Director for Civil Aviation Issues at the General Accounting Office; and DOT Inspector General Mead.

Walker presented recommendations by the Presidentially-chartered Aerospace Commission. The Commission advocates establishing an "Interstate Skyway System" on the model of the Eisenhower Administration's Interstate Highway System, which dramatically increased Americans' mobility. The system would be built by developing and bringing together several key technologies: (1) secure, high bandwidth digital communication systems to replace today's analog voice radios; (2) precision navigation systems that reduce position errors for all aircraft to within a few meters; (3) precision surveillance systems that accurately locate all aircraft, and automatically detect any deviations from an approved path within seconds; and (4) high-resolution weather forecasts creating 4-dimensional profiles, accurate for up to 6 hours for all atmospheric conditions affecting aviation. He recommended that the FAA's funding be structured to allow the agency to develop each of these technologies.

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FAA Pledges to Harmonize Local Discrepancies

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Walker drew particular attention to problems with the FAA's certification system for new technologies, which has not kept pace with technological developments. He pointed out that today's systems are more integrated and rely more heavily on software than current regulations and certification processes can adequately handle. FAA regulations and standards are mostly designed for individual components—not for integrated aviation systems. The Commission found that a new approach to certification is needed to foster innovations that will take advantage of a constantly improving knowledge base and new technologies that make aviation safer, more secure, and more efficient.

The GAO's Dillingham identified four challenges the FAA faces in its efforts to improve the National Airspace System: (1) funding planned airport capital development; (2) increasing system capacity and efficiency; (3) implementing human capital and procurement reforms; and (4) improving aviation safety. The GAO warned that the annual capital development funding amounts projected by both the FAA and airport trade groups fail to take into account the terminal modifications necessary to install explosive detection systems, and should therefore be revised upward by several billion dollars. GAO also found the FAA's progress on the modernization of air traffic control is uneven and prone to significant future delays and cost overruns. Dillingham noted that the FAA has yet to fully implement several key human capital management initiatives, owing to the slow pace of negotiations with multiple unions. The GAO praised the FAA's progress so far in improving safety though its Safer Skies initiative, and urged greater emphasis on the Air Transportation Oversight System to ensure carriers have systems in place to reduce the risk of accidents.

Conclusion

The issues discussed at these hearings will shape the growth of the aviation industry over the next several years. ASA members will be directly affected by the coming increase in air traffic and the business opportunities it will present.

For Further Information on FAA Reauthorization:

Senate testimony can be found at http://commerce.senate.gov/~commerce/press/03/2003206626.html. House testimony is available at http://www.house.gov/transportation/aviation/02-12-03/02-12-03memo.html.

ASA 2003 Continuing Education One-day Workshops

Save the Dates!

October 21 - Dallas, TX

October 23 - Chicago, IL

November 11 - Seattle, WA

November 13 - Los Angeles, CA

November 20 - Fort Lauderdale Miami, FL

December 2 - New York/New Jersey Area

78A - Phoenix, AZ

Past topics have included:
Regulations 101
Aviation Law
Suspected Unapproved Parts
Export Issues
Documentation
and much more!



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FAA Commits to Improvement

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Blakey announced a number of other changes as well. With the airlines facing a "Perfect Storm" of economic and security issues, the FAA needs to readjust its priorities to keep pace with developments in the industry. The current downturn in air travel provides a rare opportunity to reassess the agency's goals and get ahead of issues like airport capacity expansion before traffic levels return to their previous highs. Blakey explained that the FAA is in the midst of a strategic planning initiative, updating and accelerating its ten-year Operational Evolution Plan to define what the agency can do now to provide efficiencies to cut costs, ease operations, and prepare for increased demand. This will make the FAA a better agency as the aviation industry heals its wounds and begins to prosper again.

Blakey identified three priorities that the agency must not compromise.

The first is safety, and she reaffirmed her commitment to programs like Flight Operations Quality Assurance (FOQA) and the Aviation Safety Action Program (ASAP) that are designed to help anticipate and prevent accidents. The second is capacity expansion, using a combination of new technology, new procedures, and new pavement. The third is maintaining America's role as a worldwide leader in aviation. To this end she announced that the FAA's Office of Policy, Planning and International Aviation would be split into two parts to better handle its broadening workload. By establishing a separate office for International Aviation, the new Assistant Administrator for Aviation Policy and Planning will be freed up to focus on developing national policies, goals and priorities for aviation — a complex agenda that requires keeping tabs on changing technology, as well as environmental and energy policy. A separate Assistant Administrator for International Aviation will focus exclusively on meeting the challenges abroad for the next five years and beyond.

Blakey has enjoyed a stellar career and proved to be a highly effective Chair of the NTSB. She has assembled a very talented team of managers and has been looking to the best practices of "world-class organizations" as diverse as Boeing and the NYPD to find examples of management excellence. She is also actively implementing programs that industry has said for years were necessary to increase safety and improve the FAA's good regulatory practices.

With Blakey at the helm, it appears that the FAA may see some significant improvements over the next five years in terms of clearer goals and greater efficiency. ASA applauds the new customer service initiative and will work to support the FAA as it evolves to meet the challenges of a changing industry.



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New Date: July 15-16, 2003 - Dallas, TX

Additional dates and locations may be added.

Specific location(s) will be listed in future issues of The Update Report, in Member Bulletins and on our website at: www.aviationsuppliers.org

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FAA Plan for Growth

Air travelers everywhere will be glad to know that the FAA has not lost sight of its long-term plans to improve air travel and permit further growth of the airline industry. Before September 11 turned the aviation industry upside down, the FAA was hard at work identifying and developing ways to boost capacity in the National Airspace System (NAS). The latest version of the FAA's Operational Evolution Plan (OEP) is now available on

By the summer of 2000, the dramatic increase in the number of people flying had led to a wave of flight delays and cancellations. In response, the FAA devised the OEP, a ten-year plan to increase the capacity and efficiency of the NAS while enhancing safety and security. The OEP is a rolling plan, meaning that it is updated each year to reflect the coming ten years.

the FAA's website at http://www.faa.

gov/programs/oep.

The latest version reflects the changed operational and financial conditions in the aviation industry and shows the commitments and investments required across the aviation community. Also included are more details on the national airspace system both in the enroute and terminal areas and longer-term plans to make greater use of new paradigms like RNAV and RNP.

Overall, 2002 airport operations were about 10 percent below 2000 levels. As the economy improves, the FAA fully expects that the demand for aviation services will increase to pre-September 11 levels. One aspect of the demand for aviation is already affecting operations — namely, the airlines' increasing use of smaller aircraft, including regional jets, adding to already complex traffic flow management in many areas across the nation. For distributors, this signals the

Stolen Parts Data Base Proposed

Aircraft parts are the target of thieves just like any other expensive item. Stolen parts can pose particular problems in the aviation industry, however, because improper handling by thieves can adversely affect the airworthiness of parts, and stolen parts often have fraudulent or unreliable documentation

The Department of Transportation Office of the Inspector General (OIG) is interested in improving the identification and tracking of stolen parts to help prevent the parts from being reintroduced into commerce as SUPs. Working together with the FAA's Industry SUPs Steering Team, a working group composed of representatives from air carriers, manufacturers, distributors, trade associations, law enforcement agencies, and other interested parties, the OIG is spearheading an effort to develop a national database of stolen parts that would be available on the Internet.

Special Agent Carlos Vazquez of the OIG's Miami office is heading a committee from the SUPs Steering Team that is examining the issues and possibilities surrounding such a database. The two main questions at this point concern the ground rules for inclusion of entries in the database and the identification of a suitable home for the database on the Internet. The overriding goals are that the database be available free of charge to all users and that it be as accurate and comprehensive as possible.

need to alter operations to support these smaller aircraft. The FAA's response to these changes continues to reflect a plan for a 21st century aviation system that features efficiency and capacity improvements needed to meet the growing demand for air travel and cargo shipment.

Listing particular parts as stolen in a publicly available database is a serious matter, so care must be taken that postings meet certain minimum criteria before being allowed into the database. Draft guidelines under development by Vazquez's committee envision adopting criteria similar to those used by the National Crime Information Center (NCIC) database, which makes stolen property reports available to law enforcement officials nationwide. Under NCIC criteria, anyone wishing to enter parts in the database must provide a complete description of the stolen item, be able to show proof of ownership of the parts involved, and provide a police report documenting the theft.

Efforts are under way to find a suitable home for such a database on the Web. Vazquez's committee has investigated the possibility of combining efforts with existing databases of stolen parts in an effort to establish a single, comprehensive source of information. ILS, for example, maintains a stolen parts database on its web site. Tradeair.com has also expressed interest in hosting an industry-wide database, as has Embry-Riddle Aeronautical University. All three are likely to contribute to any final offering. No decisions have been made as yet as to who would host the database, but the committee is investigating whether an appropriate government web site could be the most suitable venue.

Once up and running, a national stolen parts database would be a considerable asset for distributors, repair stations, air carriers, and others who buy and sell parts. Prompt identification of stolen parts will help minimize SUPs problems associated with stolen parts and provide for greater safety in the industry.

Coast Guard Program Explores New Parts Marking Technologies

As part of its efforts to combat the spread of unapproved parts, the Department of Transportation has explored a variety of technical and nontechnical means to track parts and improve traceability. One of the most promising methods found so far is the use of two-dimensional (2D) symbologies to mark aircraft parts.

2D symbology makes it possible to produce unique, indelible, machinereadable part markings. 2D symbology may be thought of as being very much like a barcode – instead of a set of vertical lines, though, the symbology is made up of dots. This makes it possible to store much more information in the same amount of space that a simple barcode would have used. Examples of 2D symbology may be seen on most overnight packages today, as most of the major overnight package carriers seem to use 2D symbology to help record relevant information and track packages.

The Coast Guard has been conducting a multi-phase pilot program using this technology over the last several years. The program has been a tremendous success. It may represent the future of aircraft part marking.

The Background

The program had its start in June 1996, when Harry Schaefer, then the National Coordinator for the investigation of unapproved aircraft parts at the DOT Office of the Inspector General, approached the Coast Guard to see if it would be interested in participating in a pilot program involving the marking of Flight Safety Critical Aircraft Parts (FSCAP). The Coast Guard agreed and appointed Terry Boyce, one of its Unapproved Parts Investigators, to oversee the project.

The following year, after evaluating

demonstrations of some 40 different 2D Symbology marking technologies, the Coast Guard signed a contract with Boeing North America to conduct a pilot program that involved the identification and marking of 500 aircraft parts. This first phase of the program tested tamper-resistant labels bearing the marking information. Labels were applied to external aircraft parts and the parts were then installed on Coast Guard aircraft to evaluate how well the labels stood up to operational wear and tear in typical Coast Guard operating environments. The program also sought to integrate the software applications associated with creating and reading the machinereadable markings into the Coast Guard's existing "AMMIS" logistics software. This first phase of the program ended in 1998 and was deemed a complete success.

Advantages of Barcodes

Barcoding and other machinereadable symbologies offers a number of benefits over traditional methods of part marking. For example, barcodes are extremely tamper-resistant, making them difficult to duplicate. Efforts by unscrupulous persons to do so would be more likely to provide solid evidence of criminal activity, ensuring a better chance of prosecution and conviction. Barcodes can contain a good deal of data as well. 2D symbologies capture even more data making it possible to capture and update historical data for a given part. The automated process involved helps eliminate human error when capturing part identification. It is possible to produce readable codes on very small parts, as well as internal engine parts or gearbox parts. Moreover, portable data readers make it possible to read the markings in many cases without removing the part from the aircraft.

The data storage capability of machine-readable symbologies also makes it possible to create a central or even a national data base of part history information. The FAA, DOT, and the Air Transport Association are investigating options in this regard.

The Coast Guard program has found that machine-readable symbologies offer a number of other advantages that carry over directly into the civilian sector. The technology allows operators to improve inventory control and logistics management. The codes make it considerably easier to trace parts as well. Overall, the Coast Guard found that it was able to improve the efficiency of its maintenance operations, which in turn reduced its overall costs and improved operational scheduling.

The Next Phase

The Coast Guard has recently embarked upon a second phase of the program involving the permanent direct part marking of another 500 parts. The marking will be accomplished by means of laser etching, laser bonding, dot peening, or other methods selected to best suit the particular characteristics of the part. Improved labels made from a rubber compound are also being tested. NASA is performing the engineering analyses to determine the most appropriate marking methods for a given part. In this phase, internal parts are being marked as well, and the parts are being subjected to a full range of actions such as installation, repair, and overhaul. Most parts are marked with three codes applied by different methods to further evaluate how well the particular methods perform compared to one another.

The involvement of NASA marks a (Continued on page 23)

Marking Parts

(Continued from page 22)

move towards greater participation by agencies in addition to the Coast Guard. A number of other agencies and military services have signed a memorandum of understanding to collaborate in the development of a NASA Standard and Handbook for Direct Part Marking.

Marking of parts under Phase Two of the project began in December 2002, although software problems initially prevented the marking of all of the parts selected for the trials. The marking process should be complete by March or April. In the meantime, software trials are also being conducted to ensure that the datamatrix software will not only gather the required data, but will also be able to call up AMMIS and other databases to automatically update Coast Guard logistics systems.

Another objective of Phase Two is to produce an estimate of how much it would cost for the Coast Guard to fully implement machine-readable symbology markings for all of its Flight Safety Critical Aircraft Parts. While the final figures will not be available for some time, the Coast Guard's Boyce reckons that the overall price is not likely to be prohibitive.

The Future

Large-scale introduction of these marking technologies by an operator the size of the Coast Guard would pave the way for wider use of machine-readable symbologies throughout the aviation industry. While a complete transition to these new methods throughout the industry would be likely to take many years, even incremental implementation could result in greater safety and efficiency, and reduce instances of unapproved parts getting into the system.

145 Postponed?

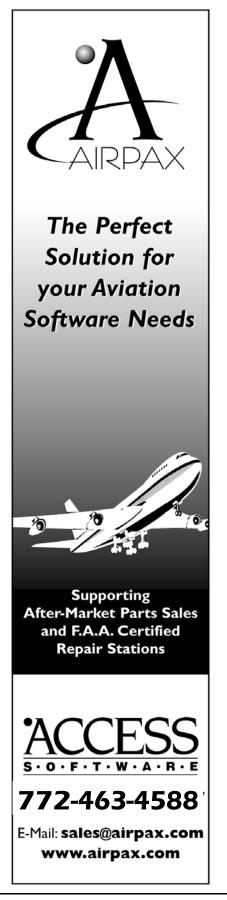
FAA officials have unofficially informed ASA that the effective date of the new Part 145, originally scheduled for April 6, 2003, is to be postponed until October 2003. The additional six-month delay will give the agency sufficient time to issue guidance materials explaining key changes in the regulations governing repair stations. A formal announcement in the Federal Register is likely soon, as long as top management in the Department of Transportation signs off on the delay.

If the postponement becomes official, it will be provide a much-needed breather for the industry and the FAA. As reported in the December 2002 Update Report, the new rule makes significant changes in the requirements for repair station manuals, replacing the traditional Inspection Procedures Manual with two different manuals. The FAA recognized that additional guidance would be necessary both for repair stations themselves and for the FAA inspectors who would be evaluating the manuals. The Part 145 final rule was published with a 20-month deadline for implementation that was designed to give FAA enough time to publish guidance and train its personnel, but it was not enough time.

ASA, together with industry allies, petitioned the FAA to delay the effective date of Part 145 until at least 180 days following publication of a final AC addressing the manual issue.

With the April 2003 deadline drawing near, the FAA has wisely chosen to postpone implementation to permit repair station to review the new guidance (which is expected to be published in March). This should result in much better compliance.

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2003		
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