

ASA Quality Assurance Committee Meeting

Metro Center Marriott, Washington, DC

July 17, 2011

Minutes

The Chairman opened the meeting at 8:30 am. The Committee and attendees introduced themselves.

Name	Company	Name	Company
Erin Pudifin	AERO PARTS MART, INC.	David Kirby	DALLAS CENTERLINE
Dan Von Flue	AERO RECOVERY SOLUTIONS, LLC	Joe Cosma	EAST AIR CORPORATION
Bryan Moore	AERODIRECT, INC.	Kim Barnette	FAA - AFS-300
Kurt Encinias	AERSALE, INC.	Nin George	GLOBAL PARTS, INC.
Roy Resto	AIM SOLUTIONS CONSULTING AIRBORNE MAINTENANCE & ENGINEERING SERVICES, INC. (AMES)	Rick Sauro	INTERNATIONAL AIRCRAFT ASSOCIATES, INC.
Barry Allen	AIRCRAFT INVENTORY MANAGEMENT & SERVICES, LTD.	Dave Meek	INVENTORY LOCATOR SERVICE, LLC (ILS)
Brent Webb		Chris Anderson	MIDAMERICAN AEROSPACE, LTD.
Robert Harper	AMERICAN AIRLINES	Butch Goforth	MITCHELL AIRCRAFT SPARES, INC.
Justin Bassett	AMERICAN JET INDUSTRIES	Kenny Williams	NTE AVIATION, LTD.
Ken Yuki	ANA TRADING CORP., U.S.A.	Chris Dumont	ORANGE AERO LIMITED PRATT & WHITNEY COMMERCIAL SERVICEABLE ASSETS
Stesko Huffman	ANA TRADING CORP., U.S.A.	John Helms	
Deron Rackie	ANSETT AIRCRAFT SPARES & SERVICES	Terry Reid	RANGER AIR AVIATION LTD.
Benny Tuley	AVIALL SERVICES, INC.	Anibal Mendoza	REGIONAL ONE INC.
Michelle Billoir	AVIATION SUPPLIERS ASSOCIATION	Allan Rennie	ROLLS-ROYCE PLC
Kelly Lyon	AVIATION SUPPLIERS ASSOCIATION	Paul Baker	ROLLS-ROYCE PLC
Richard Smith	AVIATION SUPPLIERS ASSOCIATION	Graham Carson	ROLLS-ROYCE PLC
Michele Dickstein	AVIATION SUPPLIERS ASSOCIATION	Scott Tabor	SILVER WINGS AEROSPACE, INC.
Jason Dickstein	AVIATION SUPPLIERS ASSOCIATION	Chris Atherton	STANDARDS INTERNATIONAL, LLC
George Ringger	AVIATION SUPPLIERS ASSOCIATION	Jarod Adams	TRACER CORPORATION
Nick Dicintio	B/E AEROSPACE, INC.	Tim Heckart	TURBINE ENGINE CONSULTANTS, INC. (TECI)
Rouleen Billinger	BOEING COMMERCIAL AIRPLANES	Ryan Charlton	TURBO RESOURCES INTERNATIONAL, INC.
Craig Lynd	BOEING COMMERCIAL AIRPLANES	Dave Damron	TURBO RESOURCES INTERNATIONAL, INC.
Patti Rockey	BOEING COMMERCIAL AIRPLANES	Roger Bartz	UNICAL AVIATION, INC.
Greg McGowan	BOEING COMMERCIAL AIRPLANES	John Wilkins	UPSILON INTERNATIONAL CORPORATION WERNER AERO SERVICES/WERNER CORPORATION
Ed Bayne	BOEING COMMERCIAL AIRPLANES	Jay Ludwig	WERNER AERO SERVICES/WERNER CORPORATION
Martin Garcia	Boeing Dallas Repair Station	Valbon Ebibi	
Domonic Eleby	BROADWING AVIATION, LP	Brad Baker	WORTHINGTON AVIATION PARTS, INC.

The President made a series of announcements concerning the 2011 Annual Conference.

The President provided a briefing on the status of the ASA ISO 9000 project. ASA plans to apply for AS9100 series privileges this month. ASA plans to soon offer a package that more efficiently integrates

ISO 9000 and ASA-100 audits, permitting distributors to obtain both certifications efficiently and economically.

J Dickstein provided a short briefing on the ASA Antitrust Compliance Statement and reminded the attendees to speak with their own counsel before engaging in potentially anticompetitive discussions with competitors. He also noted that the Association legal staff is available for informal discussions about hypothetical competition issues.

Brown provided a briefing on the ASAAP program. The program suggests that the industry is seeing a turn-around, with stronger companies. It also appears that more distribution companies are engaging in disassembly of aircraft.

J Dickstein provided a briefing on the AFRA Recycling BMP.

Barnette provided an update on the FAA's efforts to update the Advisory Circular 00-56.

- Update references to outdated documents
- Update the list of standards to remove AS7103, AS7104 and GAPSA
- Recommend a self-audit
- All for electronic submission of application to the database
- Updated the information required for the database application
- Permit a 30 day cushion for removal from the database of expiring companies

FAA will be sending this new draft out for public comment.

Bob Hayes will replace Barbara Capron as the AIR-200 representative overseeing accreditation.

The president noted that the AS9100 series should be added to the list of standards, and also ASA has a desire to see updates to the documentation table (as previously communicated to the FAA). Barnette invited the Association to offer its comments ahead of time so that they could be subject to public comment, as well. The president offered to provide comments before the end of the summer.

The ASA auditors, Lyon, Billoir and Smith, provided a briefing on the most frequent findings seen during their audits. The purpose of this is to alert members to the areas of quality systems to which they should be paying attention.

- Keeping your documentation current (updated)
 - No distribution list
 - Assigned Quality Manager copies not recorded on the distribution list
 - Organizational chart fails to show relationship between quality department
 - Etc.
- Maintaining the documentation in such detail as to be useful as operating instructions
 - Failure to describe elements of the system
- Self audits problems
 - Incomplete self audits
 - Required self audit not performed or not performed according to written schedule
 - Ineffective auditing
 - Checklist does not audit to the entire standard

- Training
 - Training records not maintained for all affected employees
 - Failure to document training
 - Information missing I training records
- Material handling
 - Failure to tag or to properly tag parts in accordance with manual requirements
- Approved vendor list
 - Not current or not being maintained
 - Vendor surveys / approvals do not meet manual requirements
- Incomplete documentation
 - Parts are not traceable to a prior source
- Shelf life controls
 - Failure to monitor parts with a shelf life
 - Expired items not segregated as required by the system
 - Reports not generated pursuant to manual requirements
- Failure to identify elements of the quality system
 - Failure to say whether a provision is not applicable (silent as to the provision) – often attributable to a change that has recently made the provision not applicable.
- Inadequate description of the facility (usually attributable to an unrecorded change in the facility)

Resto asked whether when a distributor refers to an external document (incorporation by reference), whether a revision level should be included. Lyon pointed out that the document should be listed “as revised” in order to make sure that the current revision is what is used without having to update the manual for such references.

Bayne asked that the findings and CARs be posted on the ASA website. There is a generic CAR list currently on the website.

ACTION: ASA shall consider whether to post additional information concerning the findings and CARs on the ASA website.

J Dickstein provided a briefing on the activities and status concerning distributor oversight in Europe and China. EASA RM 145.017 is the European Rulemaking Committee addressing the subject for EASA, and J Dickstein is a member of the 6-person rulemaking committee. The current mission appears to be the creation of official guidance material (a "GM") to interpret an advisory material (an AMC) that suggests that 145 organizations provide oversight to their distributors. ASA is also translating the draft Chinese revision to the distributor oversight guidance.

Bayne provided a briefing on International Aerospace Quality Group (IAQG) topics.

ASA and IAQG have formally agreed to work together, collaboratively on projects of mutual benefit. There is a formal Memorandum of Understanding on this relationship.

Where quality and safety are concerned, there is no such thing as a competitive advantage. Competitors work together in IAQG to collaboratively achieve safety advances for the entire industry.

IAQG's mission is prevention of safety issues through standardization of quality systems.

IAQG is working to enhance and promote a quality culture. IAQG also seeks to improve the industry quality systems. IAQG has a five year mission involving improvements to the industry systems.

IAQG has four strategic foci IAQG:

- develops standards,
- publishes performance metrics,
- helps to develop personnel competency, and
- develops product and supply chain improvements.

IAQG publishes a variety of standards for product and supply chain improvement.

Bayne explained that the IAQG Industry controlled other party (ICOP) program is not just a system for relying on third party audits. It implies that companies like Boeing will participate as a partner in the oversight of the AS9100 program, and that they can rely on the system because they are an active participant.

OASIS is the database, which has 14,000 accredited sites under AS9100, AS9110 and AS9120.

IAQG has published a Supply Chain Management Handbook that is designed to facilitate quality oversight by any manufacturer.

IAQG works with a variety of companies, governments and non-governmental organizations to facilitate consistency of standards and interoperability of requirements.

IAQG has meetings twice per year which rotate through Americas, Europe and Asia. The next IAQG meeting will be in Bordeaux, France.

Resto asked what are the Boeing requirements for doing business with distributors? Bayne said "it depends." In the civil aircraft aftermarket sector, Boeing's distribution centers have the ability to buy from distributors, but each has different standards depending on the intended purpose of the parts. Production, for example, often cannot buy from surplus distributors whereas aftermarket distribution can do so.

Resto noted that there is some degree of overlap among different standards. Bayne explained that IAQG plans to embed the requirements of SMS into AS9100 in order to help reduce the possibility of multiple conflicting requirements from multiple different authorities. IAQG remains committed to supporting consistency.

IAQG is targeting a significant revision to AS9100 in 2015. It will be synchronized with the next significant revision to ISO 9000.

Huffman noted that Boeing is discontinuing licenses for certain parts. Bayne explained that this is not related to what he is doing.

Damron is proposing to the Committee that the use of the term “serviceable” be reviewed and potentially either changed or defined. He provided a review of the existing literature use of the term “serviceable.”

Damron discussed the ASA-100 section 6(B) requirement for sample visual inspection, and noted that there is guidance for sampling elsewhere as to statistically relevant sampling plans.

Damron explained that the trend has been to remove requirements for documents from the body of the text in order to prevent conflicts between the body of the document and the documentation matrix. He noted that most fasteners do not have 8130-3 tags. He wondered whether this means that the requirement for manufacturer’s certifications under 6(B) is inappropriate?

Damron suggested that an aircraft fastener can fit into a number of line items on the documentation matrix.

Dickstein explained that part of the purpose to paragraph 6(B)’s certification language was to ensure receiving inspector’s check for documentation meeting the requirement of the Fastener Quality Act. It was not meant to reiterate the documentation matrix but rather was meant to address the FQA requirements separately.

George asked whether Damron is suggesting removal of 6(B)? Damron suggested that a team be established to look into this.

Bayne suggested creating a separate line in the documentation matrix that is specific to aircraft fasteners in order to ensure that they comply with the Fastener Quality Act.

J Dickstein suggested that an explicit cross reference to the fastener Act might be necessary in order to

Resto noted that the reference to the standard part exception in the documentation matrix needs to be updated (in AC 00-56) because it is no longer found in FAR 21.303.

Heckart provided a presentation on disaster planning for distributors. His company is located in Joplin Missouri which was struck by a major tornado on May 22, 2011. This was the deadliest single tornado since modern recordkeeping began, and based on prior reports is the 7th deadliest in US history.

Disaster recovery is the process for continuation of business following a disaster. Disasters may be natural or man-made.

IT systems are important to smooth operation of business. Thus, a disaster recovery system should include planning for recovery of IT infrastructure and data in the event of a disaster.

Controls for recovery planning include:

- Business continuity planning
- Preventing events from occurring
- Detecting/discovering events

TECI found that its data protection mechanisms were effective (including use of raid arrays, sharepoint, etc.). They had a management communications system that allowed them to respond very quickly, as a business, to the gas line severance. Personal response was necessary because emergency services were swamped. They had engaged in emergency drills which helped. But even with their preparation there were problems. For example, the city had shutoff natural gas to the entire city because of rampant breaks. Water was also shut off. Cell service was swamped which overwhelmed the system and caused it to shut down. In addition, many cell sites had been wiped out by the tornado.

In the wake of this, TECI is looking at options for support in the event of a natural disaster. They are recognizing which back-up systems may be wiped out by a disaster.

Heckart asked how many businesses have disaster recovery planning in place? About a third said that they had such programs.

Resto commented that FEMA has resources for disaster planning and recovery. He noted that one of his Florida businesses lost power for weeks in the wake of a storm. At the time the only way to communicate was with employees who had cell phones that could be recharged with car chargers. This highlights the importance of having alternative communications infrastructure, and planning for methods to keep it functioning in case of a loss of basic utilities or services.

McGowan asked what adjustments TECI has made to its emergency response plan. Heckart explained that there were two major changes to their plan

- Power for the server system – they have added backup power generation based on propane as well as electrical conditioners, which make the generated electricity appropriate for powering sensitive electronics
- Facility – they are no longer confident in their building's ability to withstand a significant disaster, and they are awaiting building engineering services to assess the building's vulnerabilities. Scott Tabor noted that both FEMA and American Red Cross will provide consulting on the disaster-readiness of your facility and identify vulnerabilities in the event of a disaster.

Tabor indicated that his company (in Miami) opens its doors to employees in the event of a hurricane because their facility may be more structurally sound than the homes of some of the employees.

George asked about liabilities, and J Dickstein noted that an employer does have an obligation to protect employees from known and reasonably foreseeable hazards in the workplace.

J Dickstein provided a briefing on the new bilateral agreement structure between the US and the European Community. He explained the documentation expectations associated with parts flowing from the U.S. to Europe, and parts flowing from Europe to the U.S.

Anderson provided a briefing on the scrap parts best practice (tentatively called ASA 1001) that we've drafted. A copy of the draft was distributed to the Committee. This document would replace AC 21-38. He asked that the Committee review the draft and provide feedback on any potential changes.

ACTION: The Committee should review the draft and provide feedback on any potential changes.

Ringger explained that he recently attended DER recurrent training. The training addressed a number of important issues that affect ASA members.

The FAA has published a “lessons learned” website with 75 key aviation accidents and the safety lessons learned from those accidents.

He noted that in many cases, a small flaw is at the root cause, and other factors permitted the small flaw to become a major safety issue.

In the SwissAir 111 accident, there was a difference between how the materials were configured upon testing and how they were configured upon installation. This difference made an appreciable difference in flammability of the thermal/acoustic insulation.

Within the last five years, there have been no accidents with new causes – all were caused by causal factors previously known.

In most cases, there are multiple contributing root causes, and often correcting any one of them might have prevented the accident.

The new website can be found at <http://accident-ll.faa.gov>.

New Business

- M Dickstein presented the July 1, 2011 SAFO concerning blades and vanes. She noted that the SAFO is clearly overbroad, based on the information available from the December 2010 press release from the Justice Department. It appears that the FAA is preparing a UPN.
- The Committee discussed the language in the AC 00-56 documentation matrix concerning certified true copies. It was felt that this was driven by customer demands but many members of the committee pointed out that the controls on copies have increased in other ways since the 1990s. Harper from American Airlines pointed out that a “certified true copy” stamp does not really add much value in today’s market. The Committee agreed that they would take this issue up with the FAA as an item of discussion.
- The Committee discussed the standard language concerning disclosure of government-sourced aircraft parts. Some non-U.S.-airlines are owned by their national governments, and therefore the provision about government sources could be interpreted to apply to non-U.S.-airline-sourced parts where the non-U.S.-airline is owned by a government. The Committee discussed the fact that the disclosure of government-sourced aircraft parts is meant to highlight parts flown on public aircraft as opposed to civil aircraft. The Association suggested that they would look at options for clarifying that the basis of this provision is the public-civil aircraft distinction.

The meeting was adjourned at 3:20 pm.