

# The UPDATE Report



CONGRATULATIONS  
TO THE FOLLOWING  
COMPANIES ON THEIR  
ASA-100 ACCREDITATION:

**Grand Plans, Inc.**  
*Houston, TX*

**Velo Aviation**  
*San Diego, CA*

• AND •

**Aeronautic Investments, Inc.**  
*Miami, FL*

**ANA Trading Corp., USA**  
*Torrance, CA*

**MDR Aero**  
*Saint-Laurent, Quebec, Canada*

FOR THEIR REACCREDITATION  
TO THE ASA-100 STANDARD

## 767 AD Raises Air Carrier Concerns about Duplication of Effort

The FAA is superseding two earlier 767 Airworthiness Directives (ADs) and replacing them with a new terminating AD.

The earlier Airworthiness Directives were AD 2000-17-05 and AD 2001-04-09. AD 2000-17-05 had required a functional check of the shear rivets in all six elevator power control actuator (PCA) bellcrank assemblies to determine the condition of the shear rivets. AD 2001-04-09 had required repetitive testing of the elevator control system to determine if an elevator PCA is rigged incorrectly due to yielded or failed shear rivets in a bellcrank assembly for the elevator PCA. Since those two were issued, a terminating modification has been designed. This new AD requires an inspection to determine the part numbers and condition of the bellcrank assemblies and modification or replacement of the PCA bellcrank assembly, if necessary. The AD is generated because of failures or jams in the elevator system that occur when the elevator is fully deflected (hardover).

The new AD also requires certain repetitive checks, which the FAA estimates will cost about \$3,000 per inspection cycle according to estimates listed in the Federal Register on January 27. Federal Register cost estimates are notorious for their inaccuracy, and Fox Business News has estimated that the repetitive checks could cost \$2 million per aircraft.

*Continued on page 3*

**INSIDE THIS  
ISSUE:**



767 AD Raises Air Carrier Concerns  
about Duplication of Effort ..... 1

Window of Opportunity for Doing  
Business in Iran ..... 3

ASA Announces  
2014 Workshop Schedule ..... 5

Hazmat Registration -  
Does the Mandate Apply to You? ..... 7

## MESSAGE FROM ASA'S PRESIDENT

### THE UPDATE REPORT

is the newsletter of the Aviation Suppliers Association.

### OUR COMMITMENT

ASA is committed to providing timely information to help members and other aviation professionals stay abreast of the changes within the aviation supplier industry.

The **UPDATE Report** is just one of the many benefits that ASA offers members. To learn more about our valuable educational programs, please contact ASA.

### THE UPDATE REPORT STAFF

*Publisher . . . . Michele Dickstein*  
*Editor . . . . . Jason Dickstein*  
*Production . . . . Squaw Design*

### QUESTIONS ?

**EMAIL** questions to:  
[jason@washingtonaviation.com](mailto:jason@washingtonaviation.com)

**MAIL** questions to:  
**Jason Dickstein**  
Aviation Suppliers Association  
2233 Wisconsin Ave., NW  
Suite 503  
Washington, DC 20007  
Voice: (202) 347-6899  
Fax: (202) 347-6894

Dear Colleagues,

The ASA Board of Directors has announced that Richard G. Poutier, Senior Vice President, Technical Services at International Lease Finance Corporation (ILFC) has joined the Board of Directors. This appointment is effective immediately. Rich brings to the discussion a viewpoint from a customer and manager of over 1000 aircraft worldwide.

ASA is pleased to announce two of our keynote speakers for the 2014 Annual Conference. On Monday our keynote speaker will be Mr. Jean-Paul Ebanga, President & CEO, CFM International. He will be joined by industry and government speakers. On Tuesday, the keynote speaker will be Dr. Norbert Lohl, Certification Director, European Aviation Safety Agency (EASA). Following Dr. Lohl, will be a series of business and technical workshops. Registration is open and a complete agenda will be published shortly.

New to this years conference is a New Member Networking Event. This event is to welcome the new members and introduce them to fellow members, association staff and industry. The New Member Networking Event will be held on Saturday, June 14th.

ASA is holding two workshops in the beginning part of the year. We will be meeting with members in Atlanta and Phoenix. Jason Dickstein will be the speaker and he will be available to meet with local members before and after the workshops.

ASA will also be exhibiting at MRO US and attending several upcoming industry events.

Take care,  
Michele

### BOARD OF DIRECTORS

#### OFFICERS:

**Mitch Weinberg**  
(954) 441-2234  
*Corporate Treasurer*

**Jason Dickstein**  
(202) 347-6899  
*Corporate Secretary*

**Michele Dickstein**  
(202) 347-6899  
*President*

**Mike Mollie**  
*Committee to*  
*Safeguard*  
*Impartiality*

**Adam Chiamulon** . . . . . (818) 933-6105  
Global Airtech

**Richard Levin** . . . . . (818) 842-6464  
A.J. Levin Company

**Greg McGowan** . . . . . (206) 898-8243  
Boeing Comercial Airplanes

**Sheri Murray** . . . . . (305) 235-5401  
Air Parts & Supply Company (APSCO)

**Richard Poutier** . . . . . (310) 788-1999  
International Lease Finance Corporation

**Brent Webb** . . . . . (305) 877-3441  
AerSale, Inc.

**Mitch Weinberg** . . . . . (954) 441-2234  
International Aircraft Associates, Inc.

**Jimmy Wu** . . . . . (818) 881-8911  
Infinity Air, Inc.

### LIST OF ADVERTISERS

2014 ASA-AFRA Conference	. 4
MRO US 2014	. . . . . 5
ASA Regulatory Workshop Series	. . . . . 5
Hazmat Training	. . . . . 6
ASA Social Media	. . . . . 7
ASA Audit Services	. . . . . 8
ASA Blog	. . . . . 9

Advertise in  
**The UPDATE Report!**

For more information, e-mail:  
[michele@aviationsuppliers.org](mailto:michele@aviationsuppliers.org)  
or call (202) 347-6899.

Continued from page 1.

United objected to the AD during the Notice and Comment period. The airline felt that the AD terminating work had already been accomplished by the industry (they'd received Alternative Method of Compliance [AMOC] approvals from the FAA). The FAA disagreed, explaining that the actual number of aircraft that complied through AMOCs was unknown.

Anyone with an interest in 767 aircraft or affected 767 parts should consider what opportunities this may pose for existing 767 parts inventories.

The new AD is effective March 3, 2014. 

## Window of Opportunity for Doing Business in Iran

For a limited time, Iran could be a great source of business for the aircraft parts distribution community.

On January 12, 2014, six major nations (the United States, United Kingdom, Germany, France, Russia, and China, coordinated by EU High Representative Catherine Ashton) concluded an agreement on a joint action plan to begin normalizing relations with Iran. The action plan was based on November 2013 negotiations. The initial steps included a relaxation of the prohibitions against exporting aircraft parts to Iran. The text of the agreement says that the United States will start to engage in the following activity:

- License the supply and installation in Iran of spare parts for safety of flight for Iranian civil aviation and associated services. License safety related inspections and repairs in Iran as well as associated services.

The agreement makes it clear that sanctions relief could involve any Iranian airline including Iran Air.

More recently, AviationPros reported that Iran would begin importing aircraft parts in mid-February (this was based on a February 1 article from Trend News). The article explained that Iran's Civil Aviation Organization head Alireza Jahangirian has asked the Iranian National Development Fund to release \$400 million to purchase aircraft parts.

The AviationPros article also carried an implicit warning for anyone who sells to Iran – it quoted Managing Director of Qeshm Airline, Hefzollah Ataherian as saying “Most of the [Iranian] airlines are indebted and their revenues are not enough to pay their debts.” This suggests that aircraft parts sellers should be particularly cautious about the payment arrangements for parts to ensure they are among those who get paid.

Continued on page 4



## Not AC 00-56 Accredited Yet?

Learn more about the audit services provided by ASA and ASACB.

(202) 347-6899 *Ph*  
[www.aviationsuppliers.org](http://www.aviationsuppliers.org) *Wb*  
[michele@aviationsuppliers.org](mailto:michele@aviationsuppliers.org) *Em*



## REGULATORY UPDATE

Continued from page 3.

Licenses from the Treasury Office of Foreign Asset Control (OFAC) are likely to be necessary for most aircraft parts being shipped to Iran. Treasury has already issued guidance on its Iran Licensing Policy; the guidance clarifies that licenses are still necessary but that “license applications will also be evaluated in light of the Iran-Iraq Arms Non-Proliferation Act and any other relevant statutes, as appropriate.” The guidance also notes that the authority is temporary – licenses issued under this authority will expire June 20 of this year (so right now there is a limited window for these transactions).

OFAC has also released guidance explaining that the U.S. Government “will not impose correspondent or payable-through account sanctions on foreign financial institutions that ... conduct or facilitate financial transactions relating to [covered aircraft parts transactions].” One important caveat is that these payments will only be authorized if the exporting activities are initiated and completed entirely within the period covered by the agreement (the six-month period beginning on January 20, 2014, and ending July 20, 2014).

Another important factor in the payment licensing policy is that the favorable treatment of payments will only be granted if the transaction does not involve any party on the Specially Designated Nationals (SDN) list. As a special exception, SDN-party Iran Air \*is\* permitted to engage in transactions as is any Iranian depository institution that is listed as an SDN solely pursuant to Executive Order 13599.

The Commerce Department’s Bureau of Industry and Security (BIS) has published its regulations on Iran at 15 C.F.R. § 746.7. This section continues to impose restrictions on shipments to Iran; however it also permits a single license from OFAC to cover BIS requirements as well as OFAC requirements. 15 C.F.R. § 746.7(a)(2). There are limitations on this authority – for example the subject of the license must be an article subject to OFAC limitations – but most aircraft parts that are licensed for export to Iran by OFAC ought to be exempt from any further licensing obligations under the BIS regulations. 

## ASA Annual Conference



**ASA 2014**  
15-17 JUNE 2014 WASHINGTON DC

# Fairmont Hotel Georgetown

≈ Now Accepting ≈  
Reservations

Visit the website for more details:  
[www.aviationsuppliers.org/Annual-Conference](http://www.aviationsuppliers.org/Annual-Conference)

Early bird conference registration  
is NOW OPEN.

## ASA Announces 2014 Workshop Schedule

ASA will soon be announcing the 2014 Workshop schedule. The workshops change every year, but they are generally focused on identifying the regulations and policies that aircraft part distributors need to know in order to remain successful in the industry. In the past, the ASA workshops have addressed topics including:

- AC 00-56/ASA-100
- aircraft parts documentation topics (like the 8130-3 tag)
- approved and unapproved parts
- counterfeit parts identification
- distinguishing Commerce-Department-controlled parts from ITAR-controlled parts
- export out of the United States (BIS, DDTC and OFAC regulations)
- FAA regulations that affect parts transactions
- EASA regulations that affect parts transactions
- hazmat identification in aircraft parts
- import into the United States
- liens and other security interests
- “magic words” for quotes and purchase orders
- quality assurance
- safety management systems
- standard parts and commercial parts
- using commercial documents to protect your right to get paid

*(Continued on Page 6)*

**ASA is exhibiting  
at MRO US 2014!**

Stop by **Booth 533**  
to get the latest  
on **ASA News  
and Events.**

- **APRIL 8-10, 2014  
PHOENIX, AZ**

**Join us!**

### *ASA Regulatory Workshop Series*



## **Stay Legal.**

### **Register NOW:**

**March 26, 2014  
Atlanta, GA**

**April 11, 2014  
Phoenix, AZ**

### **FALL workshops:**

**Los Angeles, CA**

**Miramar, FL**

**Find out MORE at [www.aviationsuppliers.org/Workshops](http://www.aviationsuppliers.org/Workshops)**

## REGULATORY UPDATE

(Continued from Page 5)

We are just beginning to draft the 2014 workshop. This is your opportunity to influence the syllabus and make sure we are teaching the subjects that you want to hear about. Send ASA a note if you would like to suggest a topic for the 2014 workshop.

ASA's workshops are subsidized by the Association so the registration fees are very inexpensive. This is an excellent opportunity to introduce new employees to new concepts that they need to understand and for more seasoned employees to ask questions and get answers about the details of compliance and aviation distribution business. We particularly recommend the class for quality, shipping/receiving and sales people. We love hearing from sales people that a better understanding of the regulations and policies helped them cement a sale that was falling apart, or helped prevent them from making a mistake on the details of a sale.

Will we be in your city? This year, ASA is planning to hold workshops in Atlanta, Los Angeles, Phoenix, Seattle and South Florida. More cities may be announced later. If we are not in your city, then we would love to see you in a neighboring city! 

# 2014 Hazmat Training



April 15-16 • Miramar, FL and April 23-24 • Los Angeles, CA

To register:

[www.washingtonaviation.com/hazmat](http://www.washingtonaviation.com/hazmat)

Or call:

202-628-6777

**REMINDER: ASA MEMBERS GET DISCOUNTED REGISTRATION.**

### *Who should attend ?*

This course is intended for all individuals who may come into contact with, or make decisions that affect hazardous material (Hazmat) or dangerous goods (DG).

### *Why should I attend ?*

The U.S. Department of Transportation (U.S. DOT) requires that all individuals engaged in handling hazardous materials must be trained at least once every 3 years. Air Carriers are required to be trained annually, and IATA requires training every 2 years.

This course will focus on shipments of Dangerous Goods under the IATA Dangerous Goods Regulations (a field manual that includes the ICAO technical instructions). This course will also address matters arising out of United States' regulations that are not covered by IATA.

All attendees receive a Certificate of Training stating 49 CFR 172 Subpart H training requirements have been met (upon successful completion of all attendance and testing requirements).

## Hazmat Registration – Does the Mandate Apply to You?

One of our members recently asked “what is the PHMSA registration program for hazmat shippers?”

PHMSA is the Pipeline and Hazardous Materials Safety Administration. It is the government entity that establishes hazmat safety regulations for the United States. As the agency’s name implies, it has responsibility for more than just hazmat regulation. PHMSA shares enforcement responsibility for the hazmat rules with the modal agencies (like the FAA). As a consequence, violations of hazmat rules that occur in the context of aviation are often handled by the FAA’s investigators and lawyers, rather than by PHMSA personnel.

PHMSA has a program that requires certain hazmat shippers and carriers to register with the government. They pay a fee and that fee is used for government grants (distributed to states and Indian tribes) for hazmat emergency response planning and training.



So, who must register? Anyone who offers any of the following hazmats for shipment generally must register with PHMSA (this would also include hazardous wastes; the rule also applies to transporters):

- Highway route controlled quantity of a Class 7 (radioactive) material
- More than 25 kilograms (55 pounds) of a Division 1.1, 1.2, or 1.3 (explosive) material
- More than one liter per package of toxic inhalation hazard material (hazard zone “A” material)
- Bulk-packaged hazardous material in a packaging having a capacity equal to or 3,500 gallons for liquids or gases or more than 468 cubic feet for solids
- A placarding-required package with gross weight of 5000 pounds or more
- Any package that requires placarding

Most aircraft parts distributors are not within the class of parties that need to register with PHMSA. This is because typical hazmats found in aircraft parts are usually not shipped in ways that would meet one of the required categories for registration. However, if your business model includes any of the above categories, then you should make sure that you are registered with PHMSA. 

ASA-100 ACCREDITED



# ASA Audit Services



Since 1996, ASA has been providing audits to the ASA-100 Standard and FAA AC 00-56A. ASA operating under the trade name of ASACB can offer accredited ISO 9001:2008, AS9100 and AS9120 certifications!

### Offering the following QMS Certifications:

ASA-100 • FAA AC 00-56A • ISO 9001:2008 • AS9100 • AS9120

Joint audit certifications are available.  
We also offer PreAssessments to ISO 9001:2008, AS 9100, AS 9110, and AS 9120.  
Interested in transferring your ISO 9001:2008 certification to ASACB? Contact us today!  
Visit [www.aviationsuppliers.org/ISO-Registrar](http://www.aviationsuppliers.org/ISO-Registrar) for details.

**QUESTIONS? E-mail: [info@aviationsuppliers.org](mailto:info@aviationsuppliers.org)**

## CALENDAR OF EVENTS

### ASA 2014 Annual Conference

June 15-17, 2014 ..... Fairmont at Georgetown • Washington, DC

### Industry Events

April 8-10, 2014 ..... MRO Americas • Phoenix, AZ

### ASA Workshop Series/Training

March 26, 2014 ..... Regulatory Workshop • Atlanta, GA

April 11, 2014 ..... Regulatory Workshop • Phoenix, AZ

April 15-16, 2014 ..... Hazmat Training • Miramar, FL

April 23-24, 2014 ..... Hazmat Training • Los Angeles, CA

June 15, 2014 ..... Quality Committee Meeting • Washington, DC

October 2014 ..... Regulatory Workshop • Los Angeles, CA

October 2014 ..... Regulatory Workshop • Miramar, FL



## ASA is blogging!

Check out the two blogs on the ASA website:

- **Cavu Café: Royboy's Prose & Cons**  
*and the*
- **ASA Web Log** by Jason Dickstein

## CONTACT US!

ASA Staff is always interested in your feedback. Please contact us with any comments or suggestions.

**Michele Dickstein**  
*President*  
michele@aviationsuppliers.org

**Stephanie Brown**  
*Director of Programs*  
stephanie@aviationsuppliers.org

**Diane Leeds**  
*Account Services*  
diane@aviationsuppliers.org

**Jason Dickstein**  
*General Counsel*  
jason@washingtonaviation.com

**Dawn Carberry**  
*Coordinator, Member Services*  
dawn@aviationsuppliers.org

**Arthur Schweitzer**  
*Programs & Membership Assistant*  
arthur@aviationsuppliers.org

---

Subscriptions to **The UPDATE Report** are FREE. To subscribe, please send your request to [info@aviationsuppliers.org](mailto:info@aviationsuppliers.org).

---