The Supplier

COORDINATING AGENCY FOR SUPPLIER EVALUATION

DECEMBER 2014

Evolution

C.A.S.E. Makes a Change

Robert Radawiec Jr.
C.A.S.E. 1A Level III

During the recent fall meeting in Phoenix, the C.A.S.E. Organization celebrated their 50th anniversary and 30th anniversary of the Air Carrier Section. While the meeting included the usual committee meetings and ever so popular allocation, it also included an excellent overview of the Organization including a guest appearance from one of the founding fathers, Tom Meeley (TWA). What was most interesting during this session was seeing how the Organization has evolved through the years. While you can easily see the changes from the first logo to what we have presently, you could really appreciate the unseen efforts that so many members have put in to the Policies, Procedures and Standards we have written today. This organization has been gifted with some of most knowledgeable professionals in the aviation industry. These individuals have laid the foundation for building and maintaining the highest of quality standards in the aviation community.

When we look back at the significant changes the organization has made to maintain the highest of standards, we also look forward to new challenges

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ACS Ops Committee

Anti-Trust Revisited

Ken Shadursky & Bud Morris
C.A.S.E. ACS Chair, Level IV

C.A.S.E. ACS Vice Chair, Level III

There was an excellent article addressing Anti-Trust in the December 2013 edition of The Supplier. We would like to revisit the section pertaining to if/when a vendor should be deleted and possible liabilities related to a vendor deletion.

Some members use the C.A.S.E. register as a means to approve their contract maintenance providers. It could be viewed as an anti-trust violation if an auditor removes a vendor from the register without giving the vendor the same opportunity to correct the discrepancies as other vendors are given. It could also be perceived that the vendor is being treated differently than other vendors and hindered by C.A.S.E. and the Auditor to unreasonably restrain trade. This type of removal could put the organization, member and individual auditor at risk for liabilities.

When deleting a vendor from the register please reference 3-2-0 pages 3 and 4 of the C.A.S.E. Policies and Procedures Manual and keep the following items in mind:

1. Violations of safety of flight requirements, whether or not they are regulatory violations.
2. Intent to defraud, after the vendor has been tried and convicted by a court of law on that charge
3. Ceasing operations or business
4. A move of principal operations
5. Refusing to permit an audit from a C.A.S.E authorized auditor requesting to perform an allocated audit to a C.A.S.E. standard
6. Failing to implement corrective action(s)
7. Refusing to sign the Vendor Expectations and Limitations prior to closure of the audit process
8. Failing to correct audit findings within the required time limits

Working with the vendor not only helps the vendor, but also helps the members that use that vendor.■

presented by technology, the regulating authority and the industry as a whole. In looking forward, the Organization recently made a decision during this meeting to create a new committee specifically responsible for implementing risk into the organization. This new committee, which remains nameless, was the result of 18 months of discussions, investigations and sampling performed by an ADHOC Committee of several Member Airlines. During the fall meeting this ADHOC Committee presented results from the analysis and sampling of Member Airlines. The results depicted were somewhat unexpected catching several members off guard. After much discussion, President Ken Flemming proposed a committee be developed specifically targeting a risk based system. At the end, it was felt by the majority of members that in order to take the C.A.S.E. oversight to the next level, this would be one of the necessary changes.

As with anything new, we face many challenges. To combat things initially a temporary Chair, and Vice Chair was nominated during the meeting. The immediate focus is to create a section to the P&P essentially formalizing and defining the Policies and Procedures of the new committee. Member airlines are encouraged to join the committee especially during the initial design. ■

Editor's Choice

Allocated vs. Company Audits

Robert Radawiec Jr.
C.A.S.E. 1A Level III

Every year during October, C.A.S.E. runs the allocation assigning audits to member airlines. While this is usually the highlight of the fall meeting, there is another allocation that follows. This 'other' allocation, usually accomplished in December, is done by your Company.

The results of this allocation usually defines your Company audit plan for the forthcoming year which includes C.A.S.E. allocations and other oversight required by your company's program. Through several discussions with other airline members, I noted some redundant audits being accomplished. Is the redundancy necessary? Is it hurting or helping the Airline, the Vendor, or the Organization? Below are some examples of what happens.

Example 1: Airline A stated they are required to audit Vendor A every year in accordance with their program. However, Airline B was allocated the C.A.S.E. audit of Vendor A for the forthcoming year. Aside from the possibility of scheduling the audit in different months, Airline A and Airline B have the same audit to perform during the same year.

Example 2: During the course of the year, Airline B's CASS identifies a concern with Vendor B. Vendor B has been allocated to Airline A which the audit is due two (2) months from this discovery. Due to the discovery, Airline B must perform surveillance. Again, Airline A and Airline B will be performing surveillance on Vendor B.

In both scenarios, the vendor is audited twice. However, could one of the audits be avoided? Clearly you can argue that yes, one of the audits could be avoided. Now comes the challenging question; how could an audit be avoided? Or better yet, Should one of the audits be avoided? How different is your Company audit from the C.A.S.E. audit?

It is my opinion that in both scenarios efforts could be made to eliminate the need for a second audit. Before continuing it should be understood that this does not apply to all scenarios. Whether it is the decision to relieve the airline that was allocated the audit via Audit Transmittal, or at a minimum requesting a team audit of the vendor, both would satisfy requirements and help in the performance of allocated audits. Regardless of the choice, all it takes is simple communication between member airlines. In the end, I believe that both the Air Carriers and the Vendor would significantly benefit. ■

Calendar of Events 2015

Winter Training Sessions

Nashville, TN
January 11-15

Spring Meeting

Reno, NV
April 13-16
Monday-Thursday

Summer Training Session

Nashville, TN
July 12-16

Fall Meeting

St. Louis, MO
October 5-8
Monday-Thursday

Good Luck Simon

Regulation Talk

8900.1

Robert Radawiec Jr.
C.A.S.E. 1A Level III

Some of you may have noticed over the past few years that the FAA is continuously referencing 8900 guidance. More often than not during our quarterly meetings with the FAA has turned into a familiarization class of 8900.1 material. Rather than interpreting the regulations, we now divert to discussing the 8900 guidance pertaining to the specific regulation of concern.

So what is order 8900.1? The Purpose defined by the FAA is, "This order directs the activities of aviation safety inspectors (ASI) responsible for the certification, technical administration, and surveillance of air carriers, certain other air operators conducting operations in accordance with the appropriate part of Title 14 of the Code of Federal Regulations (14 CFR), certificated airmen, and other aviation activities. This order also provides direction for tasks related to aircraft accidents and incidents, investigations and compliance, the aviation safety program, administrative areas, and miscellaneous tasks not related to a specific regulation. In addition, it contains regional and district office requirements for the support of ASIs responsible for those activities." It is comprised of 16 volumes, numerous chapters and sub-chapters detailing for the ASI's who, what, where, when, how and why of the regulations from the authorities standpoint.

With this shift from interpreting the regulations or Advisory Circulars to using the 8900 guidance, it would only be prudent that we all become more familiar with the information. This of course will help with internal compliance, but also directly touches external oversight. 8900.1 Volume 3, Chapter 42, Section 1 provides information for the ASI's and aids air carriers in developing and verifying the adequacy of contract maintenance programs. It also includes information regarding C.A.S.E. oversight.

This information is vital from a compliance standpoint and the FAA has made it easily available. You can reference this information by going to www.FSIMS.FAA.GOV , 8900.1.

Be advised, unlike the regulations, this information changes frequently without notice. In fact since October 2007, there have been 371 changes. In 2014 there were 50 changes. Notification of changes are sent out, so it is beneficial to set up auto-notifications of change, at FAA.gov. ■

Treasurer's Forum

Annual Fees

Michael Goering
C.A.S.E. Treasurer

An invoice for 2015 Annual Membership dues will be arriving in the Company Representatives Email box soon. Invoices are scheduled to be distributed at the beginning of January and will be due by January 31, 2015.

There are 4 ways to make payment:

1. Send a check made out to "C.A.S.E., Inc." and send to the address below:

   Michael Goering
   C.A.S.E., Inc. Treasurer
   3849 S. Gilda Circle
   Wichita, KS 67215

Please remember to note the invoice number on your check

2. Use the link attached to the email sent along with the invoice.
3. Wire transfer. In this case the bank will charge C.A.S.E. a fee when making a wire transfer so an additional $25.00 will need to be added to your payment. Also, you will need to contact me for additional bank information when making a wire transfer.
4. PayPal. By accessing the C.A.S.E. website, www.caseinc.org, a link is posted under the "Air Carriers" button or "Repair Stations" button.

Membership dues are $ 1,400.00 for Air Carrier Members and $1,000.00 for Repair Station Members and are good for 12 months (January 1, 2015 through December 31, 2015)

If you have any questions, Michael can be reached by the following:

(734) 644-1149 cell
mgoering@kalittaair.com

Please note: If you do not receive an invoice by January 15th, please contact Michael. ■

Meeting Pointers

Notes and Points of Interest

Robert Radawiec Jr.
C.A.S.E., Level III

Twice a year we meet to discuss the Organizations concerns, needs, and make changes necessary to keep up with the ever evolving industry. During these meetings, I float to each committee attempting to grasp some of the major discussions. This section includes some of the highlighted discussions observed.

- Training – Be sure to schedule your training sessions on 4 cycles, NOT 2 Years. There has been issues with expiring auditors.
- Submitting transmittals on time. Remember there should be two transmittals in a 90 day interval. Members utilizing that vendor are counting on those dates!
- In Process Audit: Extra attention should be provided to the following:
  - Special tooling
  - Parts & Materials
  - Travelers, Task Cards (CMM Match?)
  - Training & Qualification
  - Technical Data (For Members Also)
- Update the Data Base. Whether you are performing an audit or reviewing the transmittal. Updated the data base is everyone's job! Emails and Phone numbers need to be correct.
- Know the difference between a Finding and Observation. Observations are not required or governed by C.A.S.E. Observations may impact the closing of an audit. ■

Vendor Surveys

Results and Suggestions

Bud Morris
C.A.S.E. ACS Vice Chair, Level III

In 2012 C.A.S.E. introduced the Vendor Survey, so the organization would have a tool to identify areas that might need improving. The survey consists of the following 17 questions:

1. Auditor time of arrival,
2. Auditor departure time,
3. Was the 1A Standard provided to you before the audit?
4. How was the Auditor dressed?
5. Did the Auditor request copies of applicable manuals, Certificates, and Operations Specifications in advance of the Audit?
6. Did the Auditor identify himself/herself with a current C.A.S.E. authorization ID card?
7. Was an in-brief conducted that adequately explained the purpose of the audit and the history of the C.A.S.E. organization?
8. Was the audit conducted in a professional manner?
9. Were the employee interviews performed in a professional manner?
10. Did the Auditor conduct themselves in a professional manner throughout the audit process?
11. In your opinion, were the sample rates appropriate?
12. Was the out-brief conducted that clearly identified all substantiated findings?
13. During the out-brief were response dates clearly established?
14. Were the ramifications of a failure to respond clearly explained?
15. Was the Vendor appeal process clearly explained?
16. Was the CACS-7 Vendor Expectation Letter explained and signed?
17. Do you feel that the C.A.S.E. 1A-Audit was a value to your Company?

Some would wonder why all seventeen questions are listed. The reasons is because everyone should have an idea of the questions being asked, so they also may use the tool to better themselves. After reviewing the 207 surveys completed as of this date, the results show a mix of positive and room for improvement feedback. On a positive note, auditors represent the organization and their companies day-to-day in a professional manner.

But there are a couple areas that could use improvement by some and are the same areas noted last year, so maybe now that everyone is aware of the questions asked of the vendor, we can improve in the following areas during the 2015 audit year.

- ✓ 10 audits where the 1A Standard was **not** provided to the vendor before the audit, last year 4.
- ✓ 5 audits where the vendor appeal process was **not** clearly explained to the vendor, last year 7.
- ✓ 5 audits where conducted wearing **casual** attire, last year 3

So, if you see yourself needing improvement in one of the above areas let's improve in those areas and try to achieve 100% in these areas for 2015.

Happy Holidays to All.■

Regulation Corner

Regulation Changes or Additions

Robert Radawiec Jr.
C.A.S.E. 1A Level III

This section is developed to update Members with regulatory guidance distributed this year pertaining to the Quality Oversight and Auditor function.

Federal Aviation Administration

Recent Action Items:

1. **NPRM-14 CFR Part 25 – Transport Airplane Fuel Tank and System Lightning Protection**
    a. SUMMARY: The FAA proposes to amend certain airworthiness regulations for transport category airplanes regarding lightning protection of fuel tanks and systems. This action would establish design requirements for both normal conditions and possible failures of fuel tank structure and systems that could lead to fuel tank explosions, add new maintenance requirements related to lightning protection features, and impose specific requirements for airworthiness limitations in the instructions for continued airworthiness.

2. **NPRM-14 CFR Parts 1, 121, 125, and 135 – Acceptance Criteria For Portable Oxygen Concentrators Used On Board Aircraft**
    a. SUMMARY: This rulemaking would replace Special Federal Aviation Regulation No. 106 with acceptance criteria for portable oxygen concentrators to be used by passengers in air carrier operations, commercial operations and certain other operations using large aircraft.

3. **Order-8110.117A – Service Bulletins Related to Airworthiness Directives**
    a. SUMMARY: This order provides information and guidance to aviation safety engineers (ASE) for reviewing service bulletins (SB) that incorporate drafting concepts in Federal-Aviation Administration (FAA) advisory circular (AC) 20-176, Service Bulletins Related to Airworthiness Directives and Indicating FAA Approval on Service Documents.

4. **RULE-14 CFR Part 43 – Disposition of Life Limited Aircraft Parts: Technical Amendment**
    a. SUMMARY: The FAA is correcting a final rule published in the Federal Register on January 15, 2002 (67 FR 2110). In that rule, the FAA amended its regulations to require that all persons who remove any life-limited aircraft part safely control that part, to deter the installation of that part after it has reached its life limit. The rule reduced the risk of life-limited parts being used beyond their life limits. The rule also required that type certificate and design approval holders of life-limited parts provide instructions on how to mark a part indicating its current status, when requested by persons removing such a part. This document corrects error in the codified text of that document.
    b.

5. **RULE-14 CFR Part 145 – Repair Stations**
    a. SUMMARY: The Federal Aviation Administration (FAA) is correcting a final rule published in the Federal Register on August 12, 2014, (79 FR 46974). In that rule, the FAA removed a word to address what the agency perceived to be a previous oversight.

Note: Not all changes were listed in this document. For the entire listing, please reference the order. ■