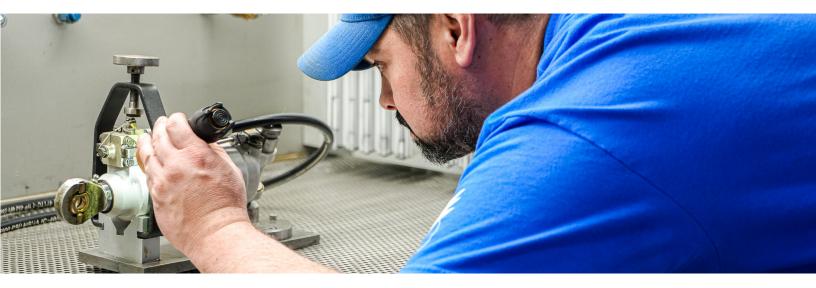
C&L Aviation Group

Should You Outsource Your Aircraft Rotable Repair Management?



If your operation does not have a repairs department or the resources to handle your aircraft rotable repair process, it may be time to consider outsourcing repair management. Although there are numerous benefits to choosing third-party aircraft rotable repair mangement, determining whether it is the right choice for an airline's operation requires careful consideration.

In this article, we share the benefits of working with a third-party provider, who is a good fit, and what to look for in a provider to assist you in making an informed decision.

What is Aircraft Rotable Repair Management?

Rotable repair management encompasses the entire repair process and is usually handled

by an operation's repairs and purchasing departments. The rotable repair process includes the following:

- Finding and vetting cost-effective and dependable repair vendors
- Sending rotables to vetted repair vendors
- Following up with associated repair tasks (such as documentation, shipping, and other logistics)
- Sourcing replacement aircraft parts, if necessary

Who is a Good Fit for Aircraft Rotable Repair Management?

Third-party aircraft rotable repair management can be beneficial for aircraft operators, directors of maintenance (DOMs), repairs and purchasing departments, and some MROs.



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Typically, aircraft operations that are a good fit:

- Do not have or have limited personnel and resources for managing their repairs, vetting vendors, and sourcing parts
- Are considering outsourcing the entire repair process
- Have a small to mid-sized fleet (1-50 aircraft)
- Are either a start-up operation or are adding new aircraft to its fleet

Generally, third-party rotable repair management is provided as needed or as part of a Power-By-the-Hour (PBH) program.

What are the Benefits of Aircraft Rotable Repair Management?

Working with a third-party provider offers the following benefits:

Cost-Saving Opportunities

A third-party provider offers their customers volume-based, negotiated prices. As part of this process, they may also source piece components necessary for repairs at significantly reduced prices. These cost-savings are passed onto the customer. Cost savings vary by situation.

Time Savings

By managing the entire repair process, thirdparty providers decrease the amount of time that operators spend on managing rotable repairs. Third-party providers may also shorten turnaround times (TAT) by offering exchange options for parts with long lead times.

Reduced Workload

By allocating repair responsibilities to a thirdparty provider, operation personnel can focus on other priorities. For instance, in addition to saving time for repairs and purchasing departments, third-party providers reduce time-consuming burdens on the operator's accounting department. By combining costs and invoices and by establishing terms with a small number of repair vendors, third-party providers create fewer invoices and administrative costs associated with repair management.

Tracking Warranty Claims

A third-party provider tracks warranty claims by serial number to ensure the operator is not paying for repairs on a part with warranty coverage.

Work Scope Expertise

Experienced third-party providers can provide expertise and recommendations on the repair work scope to ensure best practices and quality work.

What to Look for in Aircraft Rotable Repair Management

Consider the following when determining how well an aircraft rotable repair management provider can extend support.



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An Approved Repair Vendors List

Ask the provider about their criteria for vetting repair vendors and if they have an approved vendors list. The rotable repair management provider should send rotable components to approved, top-quality repair vendors.

References

Always ask for references to ensure the provider and repair vendors provide quality service in accordance with applicable regulatory authorities.

Fee Structure

How costs are structured will vary from provider to provider. Most of the time, providers offer a flat fee (a predetermined percentage markup for a type of rotable repair) that may help operators anticipate upcoming costs. Operators should also note the minimum charge per repair order.

Contracts

Some operators may want to work exclusively with a rotable repair management provider to handle all their rotable repairs. In these cases, the operator could establish a contract with the provider. Having an agreement with the provider may lead to more advantageous pricing structures and provide better tracking of warranty claims.

Power-By-the-Hour Repair Management

Operators may work with a third-party provider via a PBH rotable repair program. In a PBH, operators pay a monetary rate for each hour the aircraft is flown. The funds are allocated to rotable repairs, which the provider manages.

What is an Alternative to Aircraft Rotable Repair Management?

Some operators need an aircraft part quickly and cannot wait for the repair process to be completed. In these situations, an alternative to repair is an exchange. In an exchange, an unserviceable rotable (core) is traded for a serviceable unit ready for installation. Operators pay an exchange fee and the repair or overhaul costs for the core. This option may be an alternative for repairs or to augment existing rotable repair management.

Concluding Thoughts

Outsourcing a third-party provider for your rotable repair management requires careful planning and financial analysis. With the knowledge gleaned from this article, you'll be able to determine whether a third-party provider will benefit your operation. You'll also be able to identify experienced providers you can trust with all our rotable repair requirements.



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