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The Aircraft Electronics Association (AEA) appreciates the opportunity to present comments for consideration to the General Aviation Small Business Roundtable regarding the challenges faced by aviation small businesses.

The Association represents more than 1300 aviation businesses worldwide, including repair stations that specialize in maintenance, repair and installation of avionics and electronic systems in general aviation aircraft. AEA membership also includes instrument facilities, manufacturers of avionics equipment, instrument manufacturers, airframe manufacturers, test equipment manufacturers, major distributors, and educational institutions. Of the total membership over 80 percent of the businesses employ fewer than 10 technicians.

As topics go, it is easy to focus on ADS-B and new technology but I believe there is a root cause that lies beneath the challenges that industry is facing with Next Gen as well as the low cost installation of safety enhancing technologies in the cockpit of general aviation aircraft. The issue is one of fundamental organizational leadership. Every organization needs leadership to make the “final” decision; the hard decisions; the compromise decisions. They take the input from each expert and make the best decision – the FAA, as an organization, lacks this ability.

While the FAA employs some extremely talented individuals, the organization’s inability to make a decision is paralyzing the organization, and as a result, the small businesses that rely on a helpful, responsive, and consistent Agency. Any one individual within the Agency can (and routinely does) derail a project and the leadership doesn’t have the necessary tools to collect the best data and simply make a decision.

When identifying challenges which most impact the industry, we often compare the 7000 safety inspectors and engineers that our membership interfaces with as 7000 independent contractors. These 7000 individuals do their best to make a perfect decision about absolute safety. Unfortunately, a decision by one representative of the Administrator means nothing to the other 6999 independent representatives – if they believe, without substantiation, that another safety inspector or engineer is incorrect, they will simply ground the aircraft, refuse certificates, or threaten enforcement action until the small business capitulates to their demands, without management oversight and without any opportunities to reasonably dispute the person’s opinion in a timely manner.

A decision made at one FAA district office will often be second guessed at another district office and the product/project will be held ransom until the small business capitulates. And there is no organizational leadership to intervene.

The safety inspector or engineers don't issue condition tags, as their policy requires, but rather through the threat of enforcement action simply ground any project they personally don't like. The ability of an individual to ground general aviation aircraft (to take private property) without some level of organization oversight is simply wrong.

As a result, many small businesses simply accept the highest level of approvals in order to minimize the impact of inspector "second-guessing", driving up costs and reducing profits, and I might add, compromising safety by discouraging, rather than encouraging, new safety enhancing technologies.

And without a centralized leadership for the system based projects, such as ADS-B, which includes avionics products as well as ATO implementation procedures, there is no one leadership position that can take charge. Each subject matter expert is driven by absolute perfection with no risk. Unfortunately, NextGen includes new and novel technologies which by their very nature add a certain level of risk. While one office of the agency is trying to facilitate cost effective timely installations of NextGen equipment, another office is responsible for the design and certification of the equipment while another is responsible for the in-service modifications which are needed to equip 160,000 general aviation aircraft with NextGen technologies. While each office is making perfect decisions there is no organizational leadership who can make the best decision while balancing each individual office's concern.

To be fair, industry has to assume some of the blame because of our Monday morning quarterbacking. Once we did receive an answer we might question and even challenge the answer in an attempt to get it changed to a more favorable outcome.

The frustration for industry is we are constantly being driven to higher level of approvals for simple avionics installations simply to satisfy the minority safety inspectors who might second guess an installation.

And this carries over to ADS-B and NextGen. While the FAA proposed a lower level approval for ADS-B technologies during the NPRM, when the perfect decisions of one office came in conflict with the simple in-service proposal, the installation cost doubled and in many cases has prohibited ADS-B installation in one-off and orphaned aircraft.

This is NOT a recipe for a strong aviation small business industry. We need leadership who are willing and able to make a decision. Again, this is not about individuals, the FAA employs some of the brightest minds the industry has to offer, unfortunately, over the past twenty or so years, the Agency has morphed into an organization that lacks the fundamental principles of leadership.

The Aircraft Electronics Association appreciates the opportunity to voice our concerns in support of aviation small businesses and the avionics industry. Should you have any questions, please do not hesitate to contact us at (202) 589-1144 or e-mail at: ricp@aea.net.

Sincerely,

A handwritten signature in black ink that reads "Richard Peri". The signature is written in a cursive style with a large, prominent initial "R".

Richard A. Peri
Vice President
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