

9/10/81

SUBJ: REPAIR STATION PRODUCTION OF REPLACEMENT OR MODIFICATION PARTS

1. PURPOSE. This order is to establish uniform procedures concerning repair stations that manufacture and install replacement or modification parts conforming to Federal Aviation Administration (FAA) approved data, under a Supplemental Type Certificate (STC) or Field.

2. DISTRIBUTION. This order is distributed to the Offices of Airworthiness and Flight Operations, division level; regional Flight Standards Divisions, branch level; the Aircraft Certification Division and Aircraft Certification Area Offices, Northwest Region, to branch level; General Aviation, Air Carrier, Engineering and manufacturing, and Flight Standards District Offices; Aeronautical Quality Assurance Field Offices and International Field Offices; and the Flight Standards Branch at the FAA Academy.

3. BACKGROUND.

a. It has recently been brought to our attention that most regions are permitting repair stations to manufacture replacement and modification parts that have been approved by an STC without getting Parts Manufacturer Approval (PMA) from the FAA, when the parts are installed by the repair station on aircraft brought to the station by the customer, with the total manufacturing/installation operation remaining "in-house". Some regions, however, have been requiring such repair stations to obtain PMA for the parts used in-house as well as those sold for use elsewhere. This lack of uniformity among regions has generated a complaint to the FAA, by the owner of a repair station who is required by his controlling region to get a PMA, while competitors in other regions are not, thereby placing him at a disadvantage in competing for bids on modification programs.

b. The situation with respect to whether or not a PMA should be required is not clearly defined in either the maintenance rules or the production approval rules. A hypothetical case could be made to support either view. This has been recognized, and to clarify the matter a regulatory review of production and maintenance rules is in the developmental stage, with one of the objectives being to provide quality control requirements for aircraft modifiers who both produce and install modification kits.

4. ACTION.

a. To establish uniform procedures for all regions, a repair station that is manufacturing replacement or modification parts may be given three options:

(1) A PMA may be issued if the repair station has applied for PMA and meets the provisions of FAR 21.303.

(2) The replacement or modification parts may be produced under the provisions of FAR parts 43 and 145 when:

(a) The repair station is modifying aircraft in accordance with an STC based on drawings and specifications adequate to produce duplicates;

(b) The repair station is appropriately rated for the aircraft involved; and,

(c) The repair station procedures manual provides controls which may be similar to those in FAR 21.303(h), to cover the manufacturing operations.

(3) Parts may be manufactured for repair or alterations covered by field approvals, in accordance with the provisions of Order 8600.1, chapter 3, Section 3.

b. The options in preceding paragraphs 4.a.(2) and 4.a.(3) apply only when the parts manufactured by the repair station are installed on aircraft either brought to the repair station for the work or at other locations under the repair station's direct authority. A PMA must be obtained for parts that are to be installed by anyone other than the repair station.

[original signed by]

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