



Newsletter Vol. 1, No. 2. Summer 2008

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One Hidden Cost of Aircraft Ownership

As aircraft owners, we see the numbers fly past on the gas pump. We try to set aside a maintenance allowance for the Annual, any repairs that crop up then or during the year. We pay our storage expenses, be it a hangar or tie-down spot. We really don't look forward to the day the prop or engine need to be overhauled, but are resigned to facing that day when it comes, hopefully later than sooner. But there is one expense we may incur one day. "May" being the key word. Sure, we take our recurrency training, keep our maintenance up, and try to keep our pride & joy as safe as possible, but one day, we may have an accident or incident to deal with. This discussion is not about bodily injury, liability, property damage of others, or any of those type of things, I'll leave that to others that are more qualified than I.

Let's talk about the airplane. One of the aspects of my profession is in repair of the aircraft after the unfortunate happens. Although most repairs that happen due to unforeseen circumstances are considered major repairs, I generally put them into two classifications: incident and accident.

After an incident, the aircraft is generally flyable, but may need a special airworthiness certificate (ferry permit) to do so legally, as there may be some bent metal, torn fairings, etc. For example, we've done repairs like leading edge replacement after contact with hangar doors, ladders, and birds (in flight). These are usually straight forward repairs, easy to estimate, and are out the door fairly rapidly. The cost to the aircraft owner is paying the whole bill, or getting the insurance company involved; then you only need to worry about the deductible. (As an aside, make sure to communicate this with your shop, especially if you want them to wait for the insurance check!)

(One hidden cost of aircraft ownership, cont.)

For an accident, things get a bit more complicated. Your insurance company will assign an adjuster to the situation. You may be directed by the adjuster to obtain up to three estimates for repair. Multiple estimates have their pros and cons. The problem is in finding shops that are experienced in what you have, and are willing to put the time into writing the estimate. The benefits of multiple estimates are keeping the shops honest, and with multiple inspections generally all the damage will be seen by someone, but I'll discuss 'hidden damage' later.

My estimating process is basically four part:

Part 1: Discussions with the Owner and Adjustor. I try to get as much information as possible. Nope, not being nosey, but were there mechanical problems that caused the accident? If so, the repairs may be more extensive, and would they be covered by the insurance company? What are the times in service of any potentially damaged components?

Part 2: Visual Inspection. This is where I put my hands and eyes on the project, taking pictures and making notes. Often I'm the second or third person to give a visual inspection to a damaged airplane, and yet I'm the first to remove panels, such as cowling, interior, etc. How accurate can any other estimates be?

Part 3: Preliminary Estimate. I look at the project, and divide it into groups, for example, left and right wings, tail, control surfaces, fuselage, engine, etc., then price out the major components needed on a "used" basis. If an 'experienced' component is available of the same quality the aircraft was, then replacement may be less expensive than repair. Then, the parts, transportation, labor, and cosmetic costs are roughly put together. This gives me the ball park to discuss with the adjuster, find out what the pain-point is. If I'm not pushing the limit, I'll proceed with the final estimate.

Part 4: Final Estimate and Presentation. At this point, I develop a full parts list and get prices and availability. We get written estimates from any outside labor vendors (engine tear-down, propeller, etc.) I look at actual labor hours, generally derived from similar jobs we have performed in the past. That's one nice aspect of dealing with AVSTAR; chances are: We've been there and done that. All this information is itemized out on a spreadsheet and added together. A cover letter is generated that further describes our process, terms, and estimated down time. This estimate is prepared for you, the aircraft owner, and then is transmitted to you by mail, fax, or e-mail. Generally, we also send a copy to your adjuster.

(As a side note, my estimating process can typically take 20—30 hours for a complex job. I feel it important to be as detailed as possible. This furthers good communication.)

Although the insurance company will be paying the bill, it is you, the aircraft owner, that has the right to have your aircraft repaired by your choice of shops, but you must stay in contact with your adjuster during the process.

(One hidden cost of aircraft ownership, cont.)

When we are awarded a repair, after the aircraft is at our shop we will undertake an estimate validation inspection. This process will continue until complete disassembly has taken place.

At this time, any hidden damage will have been found and reported to you, along with an estimate revision, if necessary. As work progresses, we may present you with options for additional or alternate options. Eventually your aircraft will be ready to test out. We perform all necessary ground operational inspection, and participate with you on a test flight. Then, any discrepancies are repaired, and the paperwork completed.

With a little inside look at how an accident or incident may affect your airplane, you are now armed to better understand the situation. Fly safe.



Shared Knowledge

I firmly believe we must share our experiences, no one lives long enough to make all the mistakes, or invent everything. This is part of the motivation behind this newsletter. But, occasionally, we run into the obstinate ones...

I have a customer with a V35B. We had to do some work behind the panel recently, and he told me about a mod he had read about that splits the defroster off the glareshield, to make removal and installation of the glareshield easier. Sounds good to me— this would make life easier for a whole lot of folks! I contacted the upholstery shop that mentioned this in an article written by them in the ABS magazine. Sure, they do that and get a field approval on it. Would they give me any more information? Oh, of course not! They want the aircraft owner to come in for a \$20,000 + interior. They told me the only reason for their articles in the ABS was for advertisement, not to help people. I find that absurd! If they held an STC or PMA to alter or build the parts, then I can understand being a little tight-lipped about it, until I open a checkbook. Come on, people, let's make everyone's life easier. What comes around, goes around.

DID YOU KNOW— At AVSTAR, every customer benefits from years of knowledge about their airplane, and at www.avstarair.com, everyone, customer or not, can get this benefit!

Customer Spotlight

We recently completed installing a set of the new 20 Gallon (each) wing tip fuel tanks from D'Shannon Aviation on a V35B. This gives the aircraft 114 gallons of usable fuel. Will come in mighty handy for this gentleman; in June he was off to Europe to visit family.

We look forward to his safe return, and to hear some about his adventure!

God Speed, Raymond!



Letters A couple of short notes from our readers...

Mike,
Nice job. Thanks for your effort and the FREE info...
Regards,
Jim M.

Congrats to you for putting this out, Mike!
Talk with you in the beginning of next week when I get back.

Scotty

Excellent first effort Mike. I think the story about troubleshooting the prop on my bird would keep many people on edge followed by a good laugh because it was due to a screw loose. Not the one behind the yoke.

Jim S.
(Ed. Note: coming soon...)

Tidbits

Our new website is up and running. Check it out at www.avstarair.com, and next time you call in, tell Janice she did a GREAT job of putting it together!

Thank you for reading this issue of our newsletter. I hope you have found it interesting and informative. If you have any questions or comments, you can email them to me at avstarair@att.net. If this issue was sent to you by a friend, you may opt in to receive further issues by sending an email to me at avstarair@att.net with the word subscribe in the subject line. If you choose to opt-out of receiving further issues, please email me at avstarair@att.net with the word remove in the subject line.

Gear Green,

Mike

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