

Meeting Notes from the
Safety Management System Focus Group (SMSFG)
2nd Quarterly Meeting, August 12, 13, 2008
Air Transport Association Headquarters
1301 Pennsylvania Avenue, NW Suite 1100
Washington, DC 20004-1707

Meeting Objective: Further develop the relationships of SMS Pilot Project Participants and to discuss obstacles, work-arounds, and approaches that have been helpful in SMS Development and Implementation.

Day 1: August 12, 2008

Welcome and Meeting Logistics

Keith DeBerry & Dave Prewitt

Dave and Keith welcomed the group and reviewed the Agenda (Attachment 1).

Dave reviewed the meeting objectives, and made an initial proposal that the size of this group needs to be controlled. While encouraging participation by all interested parties in the aviation industry, he observed that the group would function better if it had a smaller executive group to centralize decision-making. In this way, the group would better serve the community, and be better able to make a contribution to SMS rule development.

Going around the room, the participants introduce themselves to the group. The list of participants, including phone and email addresses is provided in Attachment 2.

Action Items & Parking Lot

Bob Traube (HT)

Action items and parking lot entries from this meeting are provided in Attachment 3. Since there were no actions from the last meeting, Bob asked if there were any “old business” that the group needed to discuss. The following topics were raised:

Issue: FAA Resources:

As the SMS effort grows, will the FAA be able to facilitate the execution of SMS? Are the resources available to do this? Don offered to address a little later in the meeting.

Don provided a summary of how the FAA oversight role is evolving in today’s environment. The current ATOS elements structure based is on CFR, not air operator processes. It has been used as a stop gap to give some structure to FAA’s oversight; it gives us a numbering system for the system, subsystem and elements. The current structure provides no value in terms of rolling up the data. We are currently in the process of restructuring the list to closely follow IOSA and NATA Safety Foundation model for charter industry. The first version would follow the existing structure; future versions would be closer to how industry manages their business, and how international agreements track the work. The hope is to make the oversight system more efficient. This could appear in the next evolution of ATOS.

Compliance is not going to go away.

The regulations should address hazard, risk, and what is intended in controlling them. If we can’t understand that relationship we have written a bad rule.

We are using the SAIs to guide SMS development. With 12 SAIs relating to SMS, it seems we will have to morph these 12 SAIs into one tool to use for SMS surveillance. We are hoping to build a set of tools that are more experimental in nature. The Procedures section is the key section to focus on. It will be nothing more than verification that you are meeting the SMS Standard. The Interfaces questions will be kept concise. However the next generation of the Draft SMS Advisory Circular (AC) will generate another set of tools.

When US Air did their gap analysis, they recognized the SAIs for what they were, developmental tools. Currently the questions are at the JTI level, not the SAI level. The SAI objectives have not been reviewed for a year. We would like to put those objectives right in the standard. The Objectives in the front of the SAI are very useful if you keep them in mind as you do the gap analysis.

Several specific questions were raised by the participants. The following items will be placed on the parking lot to be addressed in future sessions:

- One of the 121 carriers chose not to participate in the Pilot Program because they felt it would slow down their SMS Implementation. We should explore with them why they felt this way.
- Harmonization with international trends. How different do we want or need to be? Don may address.
- Establishing a standard that identifies when you are compliant at each phase/levels. (Don will address)
- The idea has been proposed to consolidate CAS, IEP, etc. into an SMS and do away with them as individual programs. Can we do this? It should be addressed in the rule. The objective throughout the SMS needs to be to breakdown stovepipes, and not require duplicate systems. Multiple type certificates would be addressed by one system, not multiple systems (e.g. CAS/IEP/SMS). This would not be subject to a local decision if it were allowed in the rule. The rule might permit the satisfaction of multiple rule requirements with a single program that accomplished all objectives.
- Australian CASA website has an SMS toolkit available. It includes videos talking about SMS, a Reason discussion of the philosophy behind of error management. Follow this link to view a description of the toolkit, and links to download information.
<http://casa.gov.au/sms/toolkit/index.htm>

AFS SMS Website Development & Status

Roy Hutto (FAAST)

- Roy provided a summary of the status of the SMS Website to be placed on the FAAST website. Currently there is no funding for the project, and no timeline for its completion.
The group stressed the need to share information on an open forum like a website; without such a vehicle, they won't be able to communicate efficiently among themselves or with the rest of the aviation community.

Don took an action item to get an answer by the End of September.

He observed that we are at least three months from availability of funding.

The group asked if there will be a member's only section of the website. This was put on the Parking lot.

The site will be designed to provide great accessibility and openness.

- While there may be contactors out there who are willing to write articles about and examples of SMS's for us; one concern is if there will be any control over them and what they are producing? What intellectual property controls will be in place? As it stands now, it appears there will be no control over the content. In fact we set up the SMSFG to share information with the community with an emphasis on doing SMS the right way.

The group wondered if there is a way we can protect the information and prevent someone from taking our work and reselling it. The group observed that we need to accept the fact that in the safety business there is no competition. Consultants are out there, we need to accept that they will have access to our material. We need to make sure that the core material on our website is fundamentally sound.

Is there a plan for "approving" consultants in a similar way to the Certification consultants? Not at this time.

Details of an SMS development (e.g. the Gap analysis) need to be treated as your property.

SMSFG Charter

Keith DeBerry

Keith distributed a copy of the SMSFG Charter. This is the same copy as we distributed the last meeting.

Dave followed up on the observation he made during the opening of the meeting and proposed an executive oversight group/steering committee including both FAA and industry. This group could meet more often than the full group. Representatives from the various CFR parts and FAA would meet to achieve consensus on the issues before the group.

As a proposal, the following Groups would be represented:

1. FAA
2. Large 121
3. Smaller 121
4. Large 135
5. Smaller 135
6. Large 145
7. Smaller 145
8. Rotational membership selected by industry
9. ATA
10. RAA
11. ALPA
12. NATA
13. HAI
14. IATA (As an observer?)

Plus the leaders of the functional groups discussed below.

The group needs to consider issues such as, “What should be in the standard, and is it granular and auditable. When the CMO looks at that standard, they can tell if the SMS meets the standard.” This requires this group to come to consensus on what it means.

Scalability in the guidance is important. 80% of the certificated operators have fewer than 10 airplanes on the certificate. Within each group we need to have members focus on each pillar of SMS.

The group proposed a set of sub-groups to address issues peculiar to each group. The following considerations were discussed:

1. Safety Assurance and Safety Risk Management should be integrated into one working group. There are already ACs already written on these, each with tasks and deliverables identified. The primary deliverable of this group would be the guidance material (System design & implementation; What does the standard really mean?)
2. Policy and corporate governance and safety promotion and culture. These areas are less well defined in US.
3. Each type of certificate holder should be represented.

The following sub-groups were proposed:

1. MRO addressing SA/SRM
2. MRO addressing Policy Governance
3. AC addressing Safety Promotion
4. AC addressing Policy Governance

Chair of each group would also be on the steering committee.

The Charter needs to include a protocol for how to generate other groups as needed. Since there would be Special Interest groups, participation would be dictated by the topic, but in principle, all would be welcome. Topics proposed for consideration by these other subgroups would include:

Parts- share common implementation problems

SMS Pillars – share common solutions – meet regularly and tasked to provide deliverables.

Advisory groups – community of practice

Issue problem reporting – this implies a responsibility between executive group and the sub groups to report on the status of SMS development & execution.

Phase of implementation -- Focus on levels where membership is at this time.

We should establish a structure similar to “GAIN.” Once or twice a year, we would hold a general conference open to the entire SMSFG membership. There would be several different focus groups. (e.g. CFR Parts, data protection –transcending parts.) Smaller groups can react more effectively to issues that come up.

The charter provides the scope, participants, and boundaries. The steering group keeps the working groups on task. Identify objectives and deliverables.

The recommendation is that the SMSFG will have 2 large meetings annually. To include the steering group plus all affected members. The subgroups will hold quarterly

meetings, and periodic telecons as needed. They would be responsible for documenting their accomplishments and ROI... what did you get done.

We need to commit to the structure just outlined, propose options for implementation, and pick the best.

Action Item: Find the right representation for Helicopters/EMS. Rotorwing needs to be included in 135 group or their own Special Interest Group. HAI could perhaps support or serve as that organization.

Action Item – MRO organizations will propose leads.

Action Item – Air Ops organizations will propose leads?.

Subgroup leadership:

- Air Ops-Policy/Promotion – Ashley Smith – Jet Logistics

Other leads that need to be identified:

- Air Ops-SA/SRM -
- MRO-SA/SRM -
- MRO-Policy/Promotion

How many would be able to participate in quarterly meetings such as this? By show of hands, approximately 80% of the attendees at this meeting offered to participate.

It would be helpful if the meetings more centrally allocated e.g. Dallas (“My home station!”)

The aging transport rule making committee developed that rule during the ‘99 through ’05 time frame. It was supported by an ATA sponsored group. The RM Committee decided to use what ATA proposed and had in place. In fact, that group became the #1 working group of the rulemaking committee. The same could happen here.

Caution: This group is not here to develop requirements as long as there is an open rulemaking group going on. We can’t have an advisory committee during the Rulemaking process. The set of rules must be followed during the Rule Making process. This could be considered Ex Parte communication if we handle it inappropriately.

The people in this group might be on both groups (i.e. the ARC and the SMSFG). There is a lot beyond Rulemaking that we can do. E.g. making SMS efficient.

Don noted that there will be an ARC. Its Charter is being developed. Many in this room would be interested in that process.

We need to make the AC as user friendly as we can. It should include development guidance, as well as oversight guidance. The Steering Committee must ensure the integration of the four groups will result in a common approach. Subgroup chairs, need to be at the Steering committee, but not necessarily voting members. The sub-groups should be allowed to consider how they want to operate.

Mitre could be charged with collecting information from each group. They would then

align the results and provide a common format. Mitre would welcome participation in that process. Although an FFRDC, we get our direction from the FAA, and this could be part of that direction.

Bill Huntley took an action item to involve a few more MRO participants and get back with us.

AFS SMS Pilot Program Status

Don Arendt (FAA)

Don handed out copies of the “SMS Phased Implementation” paper

The issue is to be able to identify “When you have an SMS.”

- As depicted on the chart, below level 2 is considered predevelopment.
- Starting at level 2 and going through level 4 is development
- When you achieve Level 4 this is a mature SMS.

Declaration that the SMS is “done” is being called “validation.”

If you assume that you will use components you already have (e.g. IEP, CAS), you will still need to validate them.

At the end of Level 3 all the pieces are in place. At level 4 there is increased integration of those components. It meets standard at end of level 3, but level 4 is an improvement beyond that.

Will be asking for volunteer organizations who believe themselves to be at level 2 or 3, so we may review their program and validate it if possible.

Handout 2: Proposed changes to appendix 1, AC 120-92A

The next version of the AC, 120-XX, is on the Mitre website. See Don for copies. We are asking for comments that will address whether or not this is a fair way to address SMS.

SMS Framework –

Originally AC was organized around the ISO/Clause standard. It required mapping to the ICAO structure. We have had trouble tracking this within the FAA documents. Hence, we decided to reformat it into an ICAO/system model format; creating a cross walk between the old standard and this standard.

The handout is the original standard reorganized into the ICAO format. We have also aligned the SMS SAI structure to conform to the ICAO structure. These are anticipated to be released this year.

Contact Don for a copy of VS 8000.367, the AVS Standard. It has been signed by AVS-1. JPDO standard would have trickled down to this.

Air Canada's SMS Lessons Learned

Peter Blake (AC)

Peter is the General Manager for Quality Services with Air Canada; responsible for the Safety, Environment and Quality Branch. We attacked SMS because we had the skills and the time. Please feel free to share this presentation.

Background:

During '98/'99, the pre-codeshare period of AC, the objective was to make the operation work.

The Star Alliance program had some benefits and some drawbacks:

- Codeshare audit
- Focus on implementation
- Few documented processes
- Some QA and QC.

In 2002, the IOSA Standard was able to identify gaps in the CAA material that were either non-existent or useless. At that time our Project Team was established, and we felt that everything should fall under SMS.

By 2004, we had achieved IOSA Registration, and the SMS Project Closed in 2006.

During 2007, the CAA had its first meaningful review of the ACA SMS.

The full scope of our SMS confused the CAA; we needed to redefine the scope, but what should it include?

Looking to October 8 for final Validation.

Lesson Learned: Don't get as far down the development path as we did, then have to revamp the program to be able to demonstrate compliance. We had to be careful what we package in the SMS because of conflicting legislation that is beyond Aviation Legislation.

Lesson Learned: Leverage Modular systems. Some things are in the SMS some are not. Information on trends, reliability data, etc. should not be in the SMS; they need to be handled via normal maintenance channels. The breakdown of other management systems should be allocated to the SMS. For example:

- Central risk model
- Causal/human factors risk model
- Safety information management system.
- Data
- Human factors analysis and classification system (HFACS) (Humans are responsible for 100 % of incidents.)

The economic impact of an SMS is still in the expensive phase. A positive ROI is not yet attributable to our victories. We can't, yet, point to any SMS data that tells us something we didn't already know.

Observation: There is an inverse relationship between audit findings and self-reported items. The more audit findings the more reports will be generated. In a punitive environment the results are in hidden reports. As you implement your SMS you should prepare your management that reports will go up. Thus if you see these results, you will not be as concerned.

Once the goals were known, you can use project management techniques to address risks identified by change management.

Dennis retired from the Fairbanks FSDO as a POI.

Garry Dennis approached him to become the Executive Director of the Medallion Foundation. He will provide a brief overview of the program and describe why they are interested in SMS. In the past Medallion Foundation has partnered with the FAA on selected things.

The Medallion Foundation is a non profit Corporation, founded in 2002. Dave Pruitt was on original board of directors. It is funded by Congress through a grant managed by AAL-200. The foundation goals can be found in the presentation.

The Medallion Foundation has established several voluntary “Safety Standards” with six levels of recognition:

- CFIT Star
- Safety Star
- Operational Control Star
- Maintenance and Ground Service Star
- Internal Evaluation star
- Medallion shield

The first five of these levels have written policies and procedures for each component. E.g. release decision made by two people, pilot and dispatcher.

Currently the Medallion Foundation operates only in Alaska, but it is expanding into Hawaii.

Recipients of the foundation awards are recognized for:

- Tracking and trending of corrective actions.
- Continual improvement
- Distribution of safety information
- Aircraft training devices available that simulate three conditions of CFIT accidents

Once all five stars have been achieved, the Medallion Shield becomes available. The air carrier is evaluated by our Safety Committee, and an award is made based on their safety culture. The carrier must remain in compliance with the standards, or the star is revoked. We have had a measurable impact on the safety culture of our member organizations.

It is possible to get all five stars without management support for building the safety culture; however they cannot get the shield unless management is behind it.

To ensure this, we conduct interviews with at least 50% of the employees, over a 3-5 day period, then we compare management inputs with written guidance.

The Medallion Foundation provides training for its participating members. This includes:

- TapRoot - a root cause analysis program. We provide a 2-day Taproot class; give them the software, we tell them to call if they have an issue, and we visit to help them walk through an issue the first time
- System Safety and hazard identification are modeled after the ACA course
- Flight Risk Management
- Safety Officer Training

To date, 88 Stars have been awarded, and 5 carriers have earned the Medallion shield. Requirements are scaled to fit all operators from Part 121 and 135 carriers/operators all the way down to single pilot operations.

Given the challenges faced by the Alaska region, we have developed a scaled SMS model for AAL-200 Alaska Part 135 operators that is based on AC 120-92. Taquan Air and Wings of Alaska are two examples of shield holders that are applying this standard. The gap analyses conducted so far has resulted in several organizations that are at Level 0, and several that fell between levels 1 and 4.

At some point we need to address the financial side of SMS, i.e. WIIFM?. We have just started addressing this with a Part 135 SMS grant. We are teaming with Roy Hutto to make this a reality.

Other motivators that encourage involvement in the Medallion program include:

- A relationship between stars and accident rates
- A reduction in insurance - Some Insurance underwriters have given 2% per star reduction.
- The training available to members
- The state of Alaska requires carriers who conduct charters flights for state employees to hold stars. In fact, recently the carrier who had submitted the highest bid got the contract because they had the Medallion stars.
- The program is recognition by the FAA

It's hard to quantify the contribution of Medallion safety improvements vs other programs (e.g. Capstone, Circle of Safety). NIOSH did a study over several years to assess that contribution. They found that the more medallion stars you held, the safer the operation. An accident reduction was seen across the state, yet the Capstone was only available in the Yukon.

The program allows the small companies to grasp the importance of a culture of safety.

Medallion gives all customers a copy of File Maker Pro to enable them to track safety. Some would use Access, some larger operators us AQD. Taproot now has a safety database built in.

To assess the safety culture of our operators we use an employee interview technique, based on what Management tells us. The results are provided in an outbrief to management.

FEDEX SMS Development & Implementation

Dave Prewitt – FEDEX SMS

Of the 240,000 people in FEDEX, 9,300 are involved in FEDEX air. The corporate focus is on being a successful global shipping company, not just being an air operator. They don't get the publications, and they don't read what they get. Traditional aircraft loaders and aircraft release procedures don't work for us. We are just a part of what they do.

We are starting our SMS with the fleet teams that take findings from various reporting systems (FSR, ASAP, FOQA, etc.), provide them to the Safety Management Group, and integrate the Operations and Maintenance issues with our IEP, using Audits in the middle

Any group that identifies a safety recommendation creates a written document and provides recommended solutions. These are voted upon by the Safety Group. Issues whose risk are considered not accepted will be tracked, including any corrective actions, until we can accept the level of risk.

We treat the Operations Center and ground operations like a vendor – thus our CAS and IEP programs allow us to audit them.

Our Risk Matrix is predictive – it considers what the severity would be if this condition happened again. The risk is categorized as to whether it would lead to death, loss of dollars, equipment, or certification, or result in a system deficiency.

The auditors report to the same individual as the organizations they are auditing. There has been some discussion as to whether this is truly independent.

Our SMS reporting uses the language found in the ICAO standard to address risks.

As we track the costs – we have recognized \$12-14 million savings...

Specific Lessons Learned may be found in the presentation.

Keith informed the group that next week at FEDEX is the first level 1 validation. We are using the content 120-XX to evaluate and build upon. It will be conducted similar to the Table Top exercises used in certification. At the next meeting Dave and Keith will have lessons learned from that validation.

Development of the SMS is far more productive if the CMO is involved. FEDEX is IOSA certified and is seeing some international countries saying you can't fly here if you aren't IOSA compliant.

According to Bill Yantiss, Code share audits total 22 million annually. IOSA motivation has been to create a standard and the ICAO has endorsed the IOSA standard. The issue is how to tailor the IOSA standard so that it applies to the US Carriers and is acceptable to the FAA. FAA has not elected to include all the ICAO requirements in the FAA requirements (e.g. Flight Data Analysis Program). The SMS Standard Advisory circulars will become mandatory for Part 121 carriers. Carriers are being pushed into this ahead of the FAA. There is real pressure to get moving.

Are SMS ICAO standards in the IOSA standard? Yes. But some aspects in the FAA SMS standard are not in the IOSA standard.

All our code shares must meet the FAA Standard. By the FAA not subscribing to the ICAO requirements, it makes us the “ugly American.” For example Hazmat standards carriage must conform to the dangerous goods standards. FAA doesn't have to adopt everything as mandatory standards, but they should recognize that you are conformant to the FAA Standards. At Continental we had 5 finding under the IOSA audit.

We needed a rule - “last year!” This proves us budget, staffing and takes getting those things out of the realm of salesmanship and makes it a requirement.

Action Item: Conduct a gap analysis between IOSA and the FAA SMS Standards.

Day 2: August 13, 2008

The group opened the second session of the day with a discussion of accountability –

Don and Bill Yantiss discussed the need to define accountability for our purposes. ATOS defines it in terms of the Accountable Executive. We need to highlight the essential difference between SMS and what we did before. Without understanding that difference, we are just repackaging what we already do. The accountability issue is not about blame, but ownership.

Kelly Kiernan offered to draft a brochure that describes SMS for specific roles, e.g. senior leadership, etc.

Overview of AVS SMS

Amer Younossi (FAA)

Amer Younossi – ASA Office of Aviation Safety Analytical Services discussed the AVS SMS that is under development. The fundamental question is, “Why change?” We need to change because aviation is changing. Some of the key factors creating that change are listed below:

- Traffic
- ICAO
- JPDO
- FAA Flight Plan

The JPDO vision integrates the functions of several government agencies. The airlines must currently satisfy each of these agencies. It is good to see them recognized in these discussions, and perhaps an SMS will allow carriers to integrate their requirements into a single system.

SMS benefits include: integration, early intervention, and reduced total cost.

The AVS SMS approach is to accomplish the following activities:

- Publish doctrine
- Establish requirements
- Build the SMS program around the strategy
- Seek guidance from the Integrated Safety Council
- Look to the AFSSMS Working Group to establish and execute the program
- Work with industry to test prototypes
- Publish a AVSSMS Standard that addresses AVS Service level standards
- Integrate with the JPDO SMS Standard
- Perform testing and establish a lesson learned program
- Perform outreach to the FAA as well as to industry to keep all stakeholders informed

The ANPRM is coming. It is looking like it will be available in Late October or early November. That could change depending on internal review. The initiative is still at staff level drafting questions seeking how to draft the regulation and how to comply with the ICAO requirements, and ensuring the ANPRM contains the right information.

We know that you are putting the voluntary SMS AC into effect; we need to know what you have learned so we can address those issues in the Rule. Provide your inputs as responses to the ANPRN. The expected comment period has been suggested to be 90 days. Is that sufficient? This group replied that 120 days may be best. We have a long list of questions that need to be addressed.

Our challenge is to figure out how to draft the regulation so that it avoids duplication. The ARC will be composed around the same time as the ANPRN to allow them to consider the inputs. The details of how that will occur are still under negotiation. One Major involves around building a proactive for collecting valid safety data? Reviewing how.?

If during Gap analysis an air carrier discovers a noncompliance, what should they do? Self disclosure is advised.

Essential Elements of the AAR Aircraft Services SMS

Rayner Hutchinson (AAR)

Our SMS is just the way we integrate the safety and quality groups, we have subsequently added our environmental group. AAR includes the following components:

- 5 repair stations
- 7 component repair facilities
- 6 OEM stations
- Supply chain management logistics support

We rely heavily on the ICAO document as the basis of our SMS. The program is CEO Driven, and has grown by acquisition thus it involved legacy systems and legacy people.

Listed below are some of the more important features of the AAR SMS:

- The AAR SMS has results in 25-30 employees inputs per week that we never would have discovered. We routinely have FAA's PMIs and POIs sit on the management review team meetings when the issue is FAA related. The System includes programs for reporting, awareness, recognition.
- At the heart of our SMS is the Enterprise Corrective Action and Tracking System (ECATS). This is an Oracle database that tracks all quality escapes. It was designed based on the requirements of our business unit quality leaders. To support ECATS we have Oracle programmers on staff, These are code writers who can communicate with people.
- The FAA's FSDO can input items into our ECATS, and get updates on the progress of issues being tracked.

- This is a great application of the term “integrated management system.” It recognizes operations and maintenance along with the regulatory agencies and the body of law we operate under. These are integrated into a single IT platform that glues it all together. Without the automation, it’s all manual, with no data sharing, and no trending.
- Reporting of issues is anonymous. The inputs result in creation of an “Items for Attention” (IFA). The recognition component of the AAR SMS is the “Wings Program.” It has been designed to touch all employees to ensure they define and understand airworthiness. Under the AAR Awards program 100 % of eligible employees have been recognized.
- AAR receives credit in our insurance system premiums for the SMS.
- Our “human factors” training wasn’t resulting in any change. Through this systems we recognized the need to convert human factors into actionable ideals and actions.
- The focus of our investigations has moved from who did what, to why did this happen.
- The system allows for escalation of over due actions. Our VPs know the CEO will take action within seconds of when he is notified, and they don’t want or need that help.

Questions:

- Would AAR be willing to participate in a dialog to help us understand analysis/identification of risk?
Yes, we would get significant benefit out of that discussion as well. For example we have observed the following issues:
 - We are having difficulty with the probability aspects of a hazard. We know the severity, but the probability issue is more difficult to pin down.
 - Trend identification is not automatic; we must address the data “manually.” If we see issue counts increasing in certain areas, we will usually have a conference call to discuss if this is real. Sometimes this is productive, sometimes not.
- How do you integrate a (121) customer’s SMS employee reporting system with your AAR SMS?
We would put them on distribution for our reporting system. Our employees would continue to input to our system, and have that interface provide reporting with their SMS.

SMS Level 1 Lessons Learned – US Air

Larry Farris (USA)

Larry Farris presented the lessons learned during their Gap Analysis ...

Most of the issues were “self inflicted.”

Background:

US Air entered Level 0 in November 2007, and decided to participate in the Pilot Program in January 2008. In February we received the Level1 briefing, and Mitre conducted our SMS Training in March.

Up to that point we had made an investment of about 6 man-weeks.

We continued to build an SMS model, presenting SMS as we see it. The scope of this research project then expanded 6-fold as we involved each of the six functioning departments. The results were presented to the CMO in May, and presented to Mitre and FAA in June. All but 2 of the deliverables for level 1 were complete, the remaining were in draft or coordination. US Air plans to exit Phase 1 in Dec 2008.

The following Lessons Learned were developed based on our experience with the Gap Analysis:

- Understand the requirement and the language (ISO, ATOS, IOSA) – Remember the glossary is in the back of the Guidebook.... Use it. It was the most important document we had. Without the explanations in the Guidebook we would have gone down the wrong path many times.
- Understand the data collection tool – we referred to the objective statement numerous times. Several times we asked, “Didn’t we answer that yesterday?” When in fact, but checking on the objective statement we were able to appreciate that we had addressed a different objective.
- For exiting level 1, only the procedures questions need to be addressed. That simplifies the project significantly.
- The Spreadsheet (i.e. the Gap Analysis Tool on the Mitre website) is where you document the requirement and where in your manuals that you satisfy that requirement. It is a good tracking tool.
- March 2007 is the correct version of the guidebook. It contains an explanation of the standard and what they want to see.
- Mitre (Kent and Bill) were always there.

It is important to create a good working relation with your CMT (Pittsburg CMO). They have to buy into your system, even though it’s a voluntary system. The biggest thing we didn’t have is integration. We had strong stovepipes as evidenced by our internal and external reporting systems.

Don has asked for feed back from the Level 1 briefings. If we can roll that into the guidebooks, we can make them clearer for future users. Sometimes the best answer the FAA can give is “what would work best for you?”

Meeting Wrap Up:

The next meeting date/location are yet to be determined, but should follow these guidelines:

- Executive conference call in 30 days
- Executive meeting in 60 days
- Next full meeting in 90-120 days
- Subgroups will establish their own schedules

Possible Locations for Meetings were proposed:

- Chicago – 50 seat room
- Dallas –

- Consider “admiral clubs” at airports. Or At Dulles, the airport manager has a 100 person room.
- Prefer somewhere in the middle of the country.

Action Item Review

- We need a place for this group to communicate –Don and Roy will discuss SMS Website design, funding, resources, and schedule
- Currently the Mitre “Members Only” Website is being used to store specific documents, for example presentation from this meeting. Participants are reminded that the User Id to access that site is “SMSFG” and the Password is “safety” – all lower case.

Attachment 1: Agenda & Planned Presentations

Safety Management System Focus Group
 2nd Quarterly Meeting, August 12, 13, 2008
 Air Transport Association Headquarters
 1301 Pennsylvania Avenue, NW Suite 1100
 Washington, DC 20004-1707

Meeting Objective: Further develop the relationships of SMS Pilot Project Participants and to discuss obstacles, work-arounds, and approaches that have been helpful in SMS Development and Implementation.

Day 1: August 12, 2008			
Start Time	Duration (with questions)	Topic	Presenter
8:00 AM	10	Welcome and Meeting Logistics	Keith DeBerry (FAA) Dave Prewitt (FEDEX) & Nobuyo Sakata (ATA)
8:10 AM	20	Agenda Review, Meeting Purpose & Introductions	Bob Traube (HT)
8:30 AM	45	Action Items & Parking Lot	Bob & Keith
9:15 AM	30	AFS SMS Website Development & Status	Fred Kaiser (FAAST)
9:45 AM	60	SMSFG Charter	Keith
10:45 AM	15	Break	
11:00 AM	60	AFS SMS Pilot Program Status	Don Arendt (FAA)
12:00 Noon	60	Lunch	
1:00 PM	120	Air Canada's SMS Lessons Learned	Peter Blake (AC)
3:00 PM	15	Break	
3:15 PM	60	Medallion Foundation Overview	Dennis Ward (Medallion Foundation)
4:15 PM	45	FEDEX SMS Development & Implementation	Dave
5:00 PM		Adjourn	
Day 2: August 13, 2008			
8:00 AM	45	Overview of AVS SMS	Amer Younossi (FAA)
8:45 AM	60	FAA Rulemaking	Anne Bechdolt (FAA)
9:45 AM	15	Break	
10:00 AM	45	Essential Elements of the AAR Aircraft Services SMS	Rayner Hutchinson (AAR)
10:45 AM	45	SMS Level 1 Lessons Learned – US Air	Larry Farris (USA)
11:30 AM	15	Action Item Review & Plus-Delta Recap	Bob
11:45 AM	15	Core Group discussion and next meeting planning	Core Group
12:00 PM		Adjourn	

AFS SMS FG Administration
 FAA SMS Status
 Industry SMS Status

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Planned Presentations and Summaries

Presenter	Presentation Title	Topic/Summary
Roy Hutto (FAAST)	AFS SMS Website Development & Status	The current status on efforts to host the AFS SMS Focus Group website
Keith DeBerry (FAA)	SMSFG Charter	Review of the existing draft charter and a discussion of proposed changes and approval approach
Don Arendt (FAA)	AFS SMS Pilot Program Status	<ul style="list-style-type: none"> • Current status AFS SMS Pilot Program • Guidance materials update • FAA's position on Executive Awareness campaign for CEOs and other senior leaders. • FAA's position on a FIRM directive supporting SMS
Peter Blake (Air Canada)	Air Canada's SMS Lessons Learned	Air Canada and their recent SMS experiences
Dennis Ward	Medallion Foundation Overview	The Executive Director of the Medallion Foundation will give us an overview of the Medallion Foundation's purpose, background, and its ongoing efforts.
Dave Prewitt (FEDEX)	FEDEX SMS Development & Implementation	Development & Implementation of the FEDEX SMS
Amer Younossi (FAA)	AVS SMS Program Office Status	Detailed description of FAA approach to SMS in AVS, including the planned incorporation of SMS within AVS and organizations overseen by AVS.
Anne Bechdolt (FAA)	FAA Rulemaking	The FAA Lead Attorney for SMS will discuss rulemaking process and status
Rayner Hutchinson (AAR)	Essential Elements of the AAR Aircraft Services SMS	An overview of the AAR SMS prototype project and its essential elements including some additional elements, automated tools, and initial positive results.
Larry Farris (USA)	SMS Level 1 Lessons Learned – US Air	A summary of the lessons learned during the US Air SMS implementation
Core Group	Core Group discussion and next meeting planning	Wrap up discussions by the core members of the AFS SMS Focus Group (i.e. Charter Signatories) to include, among other items, the plans for the next meeting.

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Attachment 2: Participants

#	Representing:	Rep	Name	Email	Office Phone	Cell Phone	Attended
1	AFS-940	FAA	Don Arendt	don.arendt@faa.gov	703 661-0516		<input checked="" type="checkbox"/>
2	FAA Memphis FSDO	FAA	Bill Backus	bill.e.backus@faa.gov	901 322-8621	727 504-7736	<input checked="" type="checkbox"/>
3	FAA Legal	FAA	Anne Bechdolt	anne.bechdolt@faa.gov			<input checked="" type="checkbox"/>
4	FAA FDEA CMU	FAA	Gerald Dainewood	gerald.l.dainewood@faa.gov	901 322-8619		<input checked="" type="checkbox"/>
5	AFS-940	FAA	Keith De Berry	keith.de.berry@faa.gov	571 423-8720		<input checked="" type="checkbox"/>
6	Executive Flight	135	Morgan De Lashmutt	morgand@execflight.com	509 884-1545	509 630-4480	<input checked="" type="checkbox"/>
7	ALPA	Org	Bill Edmunds	bill.edmunds@alpa.org	703 689-4198		<input checked="" type="checkbox"/>
8	US Airways	121	Larry Farris	larry.farris@usairways.com	480 693-7472		<input checked="" type="checkbox"/>
9	FAA AFS-30 (Booze Allen)	FAA	Patti Gaston	gaston-patricia@bah.com	703 377-8698		<input checked="" type="checkbox"/>
10	PASS	FAA	Mike Gonzales	mgonzalez@passnational.org	202 293-7277		<input checked="" type="checkbox"/>
11	PASS	FAA	Linda Goodrich	lgoodrich@passnational.org	202 293 7277		<input checked="" type="checkbox"/>
12	USA 3000	121	Joe Guhin	jguhin@usa3000.com	610 325-1289		<input checked="" type="checkbox"/>
13	Bombardier/Services Corp	145	Mark Hintz	mark.hintz@aero.bombardier.com	520 746-5192	520 730-1184	<input checked="" type="checkbox"/>
14	Mitre	FAA	Kent Hollinger	kenth@mitre.org	703 983-5573		<input checked="" type="checkbox"/>
15	NATA	Org	Jim Holmes	fittchlvr@sbeglobal.net	614 895-9920	614 589-9920	<input checked="" type="checkbox"/>
16	AAR Corp	145	Bill Huntley	william.huntley@aarcorp.com	630 227-5021	630 965-3886	<input checked="" type="checkbox"/>
17	AAR Corp	145	Rayner Hutchinson	rayner.hutchinson@aarcorp.com	630 227-2026	630 677-2225	<input checked="" type="checkbox"/>
18	FAAST/Western Pacific Reg	FAA	Roy Hutto	roy.hutto@faa.gov	916 422-0272 x234		<input checked="" type="checkbox"/>
19	Mitre	FAA	John Illson	jillson@mitre.org	703 983-2993	571 481-6688	<input checked="" type="checkbox"/>
20	MITRE	FAA	Bill Jarrott	wjarrott@mitre.org	703 983-1842		<input checked="" type="checkbox"/>
21	Continental	121	Di Johnson	dion.johnson@coair.com	713 324-8506		<input checked="" type="checkbox"/>
22	American Airlines	121	Kelley Kiernan	kelley.kiernan@aa.com	817 931-4825		<input checked="" type="checkbox"/>
23	AFS-940	FAA	Rick Krens	rick.krens@faa.gov	703 661-0540	703 509-2874	<input checked="" type="checkbox"/>
24	NATA	Org	Russ Lawton	rlawton@nata.aero	703 575-2053		<input checked="" type="checkbox"/>
25	RAA	Org	Dave Lotterer	lotterer@raa.org	202 367-1252		<input checked="" type="checkbox"/>

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26	TIMCO	145	Bob Mabe	bob.mabe@timco.aero	336 601-2702		<input checked="" type="checkbox"/>
27	Miami Air	121	Armando Martinez	amartinez@miamiair.com	305 876-3600	305 439-3028	<input checked="" type="checkbox"/>
28	NWA	121	Mark Millam	mark.millam@nwa.com	612 726-7650		<input checked="" type="checkbox"/>
29	FAA ASO/240	FAA	Neal Morris	neal.f.morris@faa.gov	305 592-4784		<input checked="" type="checkbox"/>
30	Jet Logistics	135	Bill Myers	bill@jetlogistics.com			<input checked="" type="checkbox"/>
31	ALPA	Org	Linda Orlady	lorlady@gmail.com		443 254-3414	<input checked="" type="checkbox"/>
32	FEDEX	121	Dave Prewitt	dave.prewitt@fedex.com	901 224-5542	901-326-7283	<input checked="" type="checkbox"/>
33	Delta	121	Jason Ragogna	jason.ragogna@delta.com	404 773-7787		<input checked="" type="checkbox"/>
34	Delta	121	Bunty Ramakrishna	bunty.ramakrishna@delta.com	404 715-3928		<input checked="" type="checkbox"/>
35	Flight Options	135	Ted Rogachuk	roga@flightoptions.com	216 262-1283	216 965-7359	<input checked="" type="checkbox"/>
36	Jet Logistics	135	W Ashley Smith Jr.	ashley@jetlogistics.us			<input checked="" type="checkbox"/>
37	FAA	FAA	David P. Smith	david.p.smith@faa.gov	901-322-8620	609 273-7264	<input checked="" type="checkbox"/>
38	Flight Options	135	Chuck Starkey	star@flightoptions.com	216 797-8150		<input checked="" type="checkbox"/>
39	AAL-204 (FAAST)	FAA	John W. Steuernagle	john.w.steuernagle@faa.gov	907 271-5405	907 382-5519	<input checked="" type="checkbox"/>
40	Human Technology	FAA	Bob Traube	btraube@humtech.com	703 798-9093	703 798-9093	<input checked="" type="checkbox"/>
41	Schubach Aviation	135	Eric Turner	eric.turner@schubachaviation.com	619-884-7775		<input checked="" type="checkbox"/>
42	XOJET, Inc.	135	Harry van Soestbergen	hvansoestbergen@xojet.com	916 285.4806	530 867-4454	<input checked="" type="checkbox"/>
43	NETJETS	121	Jeff Vander Wel	jvanderwel@netjets.com	843 705-8134		<input checked="" type="checkbox"/>
44	Medallion Foundation	Org	Dennis Ward	dennis@medallionfoundation.org	907 743-8050		<input checked="" type="checkbox"/>
45	United Airlines	121	Bill Yantis	bill.yantiss@united.com	847 700-4224		<input checked="" type="checkbox"/>
46	ASA-100	FAA	Amer Younossi	amer.m.younossi@faa.gov	202 527-5432		<input checked="" type="checkbox"/>

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Attachment 3: Action Items and Parking Lot

New Action Item List

Meeting Date: August 12-13, 2008

To Whom	Action Item	By When
Don Arendt	Determine if there is FAA funding to develop and support the SMS Website	September
Keith DeBerry	Prepare/revise the Draft Focus Group Charter to reflect the decisions made in this meeting on participation and structure.	Next Exec Meeting
Dennis Ward	Find the right representation for rotorcraft/EMS participation in the SMS Focus Group	TBD
Bill Huntley	Identify the subgroup leaders for MRO Subgroups <ul style="list-style-type: none"> • MRO-SA/SRM • MRO-Policy/Promotion 	TBD
Bill Huntley	Attempt to involve a few more MRO participants in the SMS Focus Group and get back with the executive group on your success.	October 2008
Mitre	Conduct a Gap Analysis between ISARPs and the FAA's SMS	TBD
Kelly Kiernan	Draft a brochure that describes SMS for Senior Leadership	December
All SMS Focus Group Participants	Review the next version of the AC, 120-XX (on the Mitre website) and provide Don comments on whether or not this a fair way to address SMS.	TBD

Parking Lot

Meeting Date: August 12-13, 2008

As the SMS effort grows, will the FAA be able to facilitate the execution of SMS? Are the resources available to do this? Don offered to address this.	
The idea has been proposed to consolidate CAS, IEP, etc. into an SMS and do away with them as individual programs. Can we do this? It should be addressed in the rule. The objective throughout the SMS needs to be to breakdown stovepipes, and not require duplicate systems. Multiple type certificates would be addressed by one system, not multiple systems (e.g. CAS/IEP/SMS). This would not be subject to a local decision if it were allowed in the rule. The rule might permit the satisfaction of multiple rule requirements with a single program that accomplished all objectives.	
Harmonization with international trends. How different do we want or need to be? This was addressed during the meeting, and removed from the parking lot.	Remove
Establishing a standard that identifies when you are compliant at each phase/levels. This was addressed during the meeting and removed from the parking lot.	Remove
The group asked if there will be a member's only section of the website. This was put on the Parking lot. Answered during the meeting and removed from the parking lot.	Remove

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Following the meeting the group conducted a review of what went well, and what aspects of the meeting they would like to change. The following are the results of that discussion:

Plus – What went well?	Delta – What should change?
Openness of presentation. We shared strengths and weaknesses, despite mixed audience	Presenters needed a microphone
Having a facilitator for the meeting to keep us on track	We could use a bigger room. Need a bigger room, more suitable for the number of people
Facilities were very good	This date was in conflict with other meeting. (That was done intentionally so participants could attend parts of both.)
Great choice of presentations, nice variety	Speakers and organizations we would like to see: Keri Spencer – FAA Airports Embry Riddle, St Louis U, U of Illinois, and other universities working SMS.
	Allow more time for open discussions during the “Old Business” section,
	Post a draft roster of participants ahead of the meeting