

East Air Corporation—Reputation is Forever

East Air Corporation has built a successful business on what they “cherish” as a simple but profound truth: *Profit is temporary, but reputation is forever.*

East Air Corporation was founded in 1950 by Gino Nepola by obtaining the authority to be one of the original FAA designated spare parts stocking and overhaul facilities in the USA. It was during 1958 to 1962, while operating a charter airline that East Air observed first-hand the many difficulties and inefficiencies that existed in the aerospace supply chain from an operator's perspective.

As we all know, being successful in today's market can certainly be difficult. John Nepola, East Air's President, CEO and son of Gino Nepola, shared these thoughts with us. “After September 11th, the spare parts market deteriorated so drastically, that many smaller suppliers disappeared. We were able use our financial strength and the relationships we had with some of our larger customers to assist each other through that difficult period. The airlines needed assistance as much as the suppliers. Cash was tight for everyone involved and lines of credit for many airlines and distributors dried up.” As a result, East Air leveraged its strong cash position and its commitment to the industry by providing creative financing options for their best customers.

John also added, “Now that the industry has begun to turn around we are still providing these financial services to our customers in addition to our more typical support services. The tragedy that unfolded on September 11th and the effect it had on the commercial airline market was a watershed period for us. I decided to rededicate the company to our customers and we offered a relatively new service and filled a void in the market. The industry held together and we all supported each other. I am particularly proud of my company

for responding to the challenges of a post 9/11 market in the manner in which we did. While the market is still in some flux, I think we all see the light at the end of the tunnel.”

ASA also caught up with Joe Cosma who is the Vice President of Quality Assurance & Operations. In addition to Joe's everyday responsibilities, he is an active member of the ASA Quality Assurance Committee. We asked Joe for his thoughts on some of the challenges he feels distributors face today.

“Identifying, processing and shipping hazardous material (“Hazmat”) is a considerable dilemma facing our daily business operations. Processing Hazmat shipments are increasing becoming a costly and potentially risky element of the aftermarket spares business,” explained Joe. For these reasons, East Air has declined accepting Hazmat related business except from a core customer base. In Joe's opinion, “It has been our experience with some orders that Hazmat related transactions are simply not worth doing considering the potential liabilities.”

Another considerable dilemma facing distributors according to Joe, is obtaining acceptable trace documentation. He explained that East Air's Quality Inspectors spend an exhaustive amount of time reviewing, reconciling and approving documentation for spares purchased and inventory sold. Several years ago, East Air adopted and implemented a zero tolerance policy for errors in documentation. Every new item purchased from an OEM or from another approved aftermarket supplier is reviewed by two inspectors prior to being shipped to a customer.

Joe believes further industry standardization is required with respect to documentation and that ASA has played and continues to play a crucial role in educating suppliers and customers alike

with respect to documentation. East Air hopes the various sectors of the industry can come together to help further define generally accepted documentation standards. As a member of the ASA's quality committee, East Air hopes to play a key role in the formation of these standards.

To this day, East Air continues to operate on the foundation that Gino Nepola established over forty years ago; that history as an operating airline made East Air aware of the importance of delivering goods and services on time and anticipating our customers' changing needs. They remain mindful of that experience as an airline and continuously strive to provide innovative and cost effective solutions to their customers. Their underlying philosophy; “customer's requirements are treated with the same sense of urgency as if they were our own.”

East Air's customer base spans the Aviation Industry and serves: Scheduled, Charter, Cargo & Regional Airlines; Military/Governments; Engine & Airframe Manufacturers; Primary and Sub Vendors; Repair & Overhaul Agencies; Financial Institutions & International Development Agencies; Leasing Companies; and the Investment Community. East Air supplies aviation equipment from nose to tail through sale, lease or exchange programs. They offer creative financing solutions for outright purchase and can provide flexible and affordable alternatives to assist airline customers in acquiring the equipment that they require. East Air also offers inventory consignments strategies and revenue sharing programs.

East Air's headquarters is located in Hackensack, NJ, with operating companies in Europe and Asia. Their clients include most major OEM's and airlines worldwide. East Air has been a member of the Aviation Suppliers Association since 1994.