

ENVIRONMENTAL COMPLIANCE

TEST HOUSE

BROKERS

EXCESS INVENTORY

OBSOLESCENCE MANAGEMENT

FRANCHISE

COMPONENT INSPECTION

COUNTERFEIT AVOIDANCE

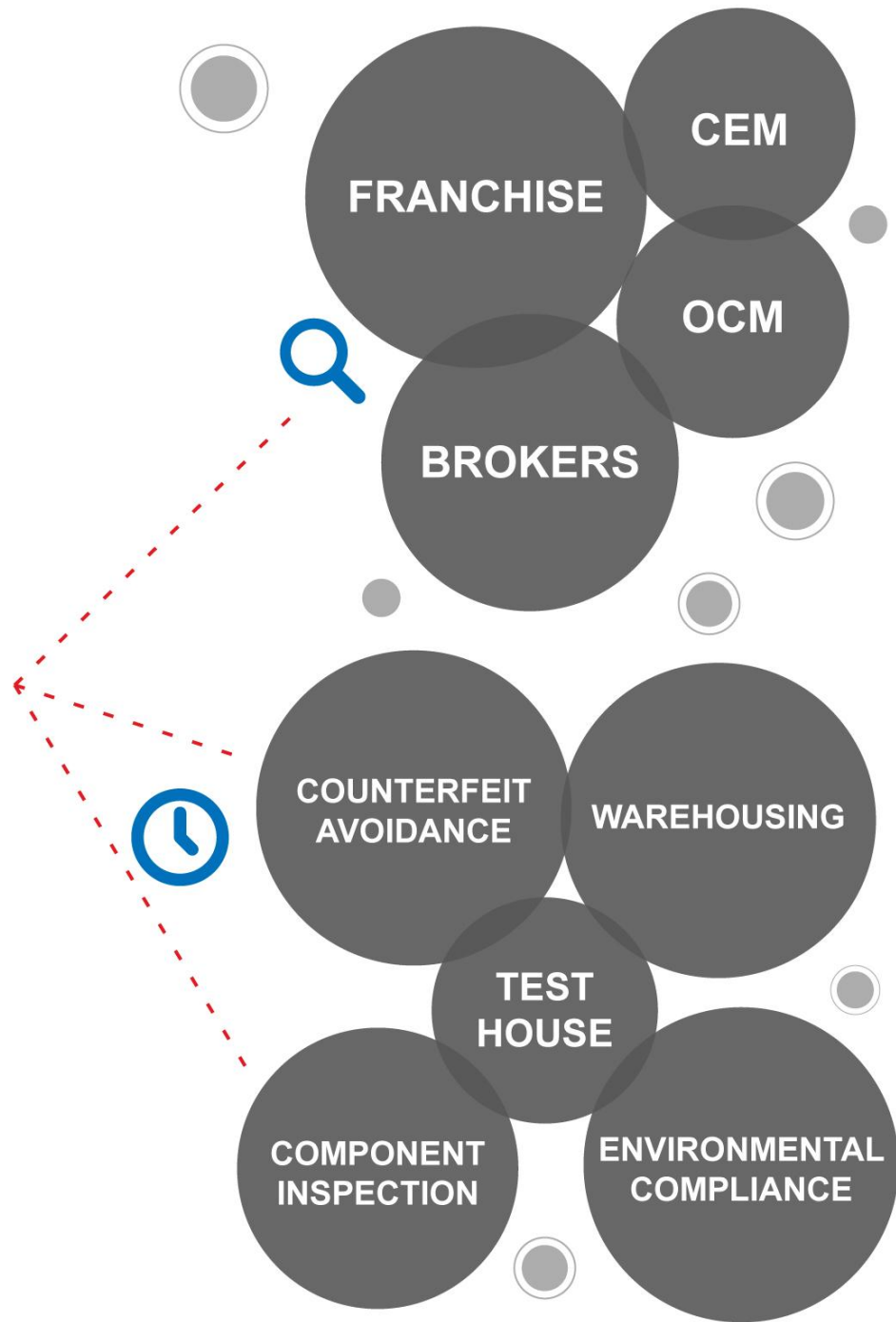
WAREHOUSING

OCM

CEM



AERI



- ★ 21 Years in Business
- ★ AS9120 Certified (Aerospace Distributor Standard)
- ★ AS6081 Certified
- ★ ISO9001 Certified
- ★ IDEA-QMS-9090 Certified (QC Standard for Independents)
- ★ ANSI/ESD S20.20 Certified
- ★ ERAI 15 Year Member

Why AERI Chose AS6081 Certification

- ★ To help our customers to feel safe
- ★ Point to a golden standard for our QC team, which is accepted by industry
- ★ AERI wants to help set the standard for others in the independent market
- ★ Enables team to sleep at night knowing our customers will not receive counterfeits

Changes Necessary for AERI's Certification

- ★ Very few changes necessary for AERI
- ★ Most changes for certification either;
 - a) lacked strong benefit
 - b) believed to be a bit excessive

Excessive Requirements

- ★ Mandatory quoting of the supplier's name and location
- ★ Dimensional measurement verification of a minimum of 122 pieces

Difficult Requirements

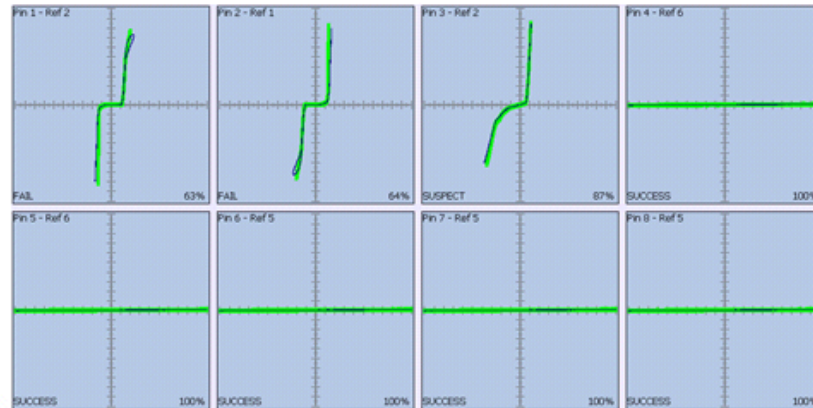
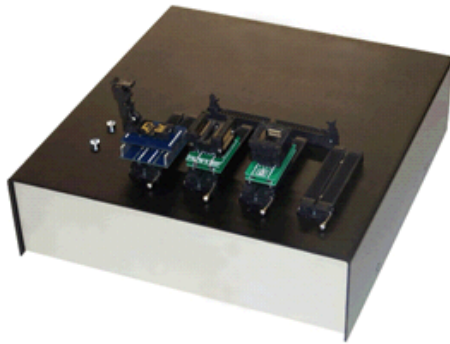
- ★ Reporting of suppliers which ship “suspect” counterfeits
- ★ Confiscation of “suspect” counterfeits

Potential problems;

- a) Good suppliers, which made an honest mistake, may choose not to sell to a distributor after being negatively reported and their parts confiscated
- b) “Suspected” parts are not always truly counterfeit (manufacturer remarks, different styles of production, etc.)

Recommended Additions to AS6081

- ★ Strengthen training requirements
- ★ Curve trace analysis

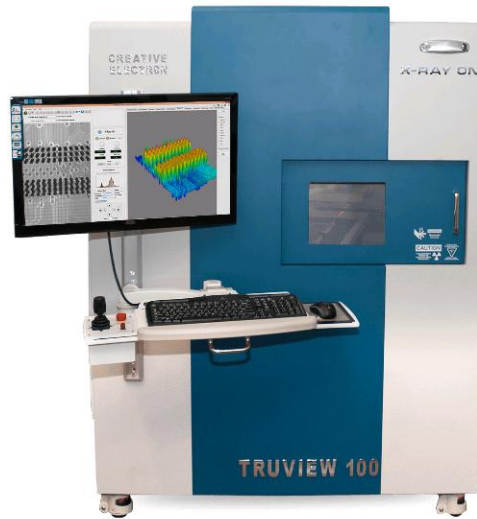


Additional Equipment Costs



Decapsulation
\$30,000

+ \$10,000 for Fume Hood, etc.



X-Ray
\$50,000



XRF
\$70,000

Additional Expenses

- ★ Electrical Engineer \$60,000+ per/engineer
- ★ Audit fees \$5,000 per year
- ★ Chemical costs \$15 per/part (3 per lot)
- ★ Equipment maintenance and calibration \$5,000+ per year

Advice to Others Contemplating AS6081 Certification

- ★ Most important asset – an electronics engineer with counterfeit detection experience
- ★ If starting with nothing, it is a long road ahead
- ★ AERI encourages everyone towards certification to help change the negative perception of our industry



Keeping your production lines moving.