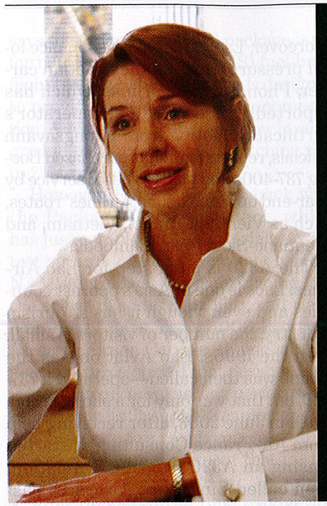

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What's in it for the OEM—a continuous refresh cycle?
Exactly, so an original equipment manufacturer can concentrate on new product and technology development. As the life-cycle of a product progresses, they encounter resource constraints—either facility space, engineering bandwidth, capital, whatever. Over time, they will rationalize their portfolios. They license or divest their product to Ontic, and we go into the business under their full authorization of supporting those parts.

Given the range of aviation parts in use, how do you keep costly inventory from expanding out of control?
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You're touching on a topic in which Aviation Week has taken an active interest, and that is workforce, particularly as it applies to technical and engineering skills. What has been your experience?
I'll go back to the uniqueness of our business model. We spend a lot of energy looking at what are these legacy technologies. We have identified about nine manufacturing technologies that will need to be supported for the long term. Cadmium plating and aluminum dip brazing are just two examples. But the need for those manufacturing capabilities has decreased significantly, so there are fewer suppliers in those businesses. We are developing partnerships to secure access to those special skills, and at some point it might be necessary for us to in-source it.

What are the principal challenges to your business model?
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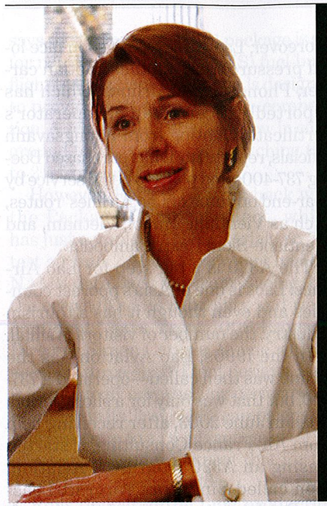

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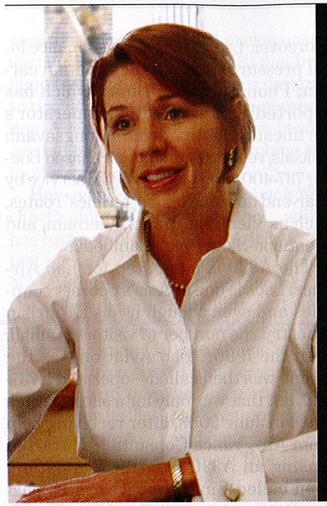

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