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### GOING PAPERLESS

IS IT ADVISABLE OR EVEN POSSIBLE TO GO PAPERLESS IN THE HANGAR?



### ROTORCORP

SPECIALIZING IN ROBINSON PARTS AND TEAMING WITH THE SBA LEADS TO SUCCESS



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SAFETY EXPERT JEFF GUZZETTI LOOKS AT FATIGUE AND THE SUNDANCE HELO ACCIDENT





# ROTORCORP –

## THE LITTLE PARTS COMPANY THAT COULD

Joy Finnegan, Editor-in-Chief

**S**ean Casey, an Atlanta-based real estate broker in a previous career, joined his California-based brother — a helicopter pilot and mechanic — to create a helicopter parts company that has grown to become the world's largest distributor of parts for Robinson R22, R44 and R66 helicopters. Rotorcorp is based at Fulton County Airport, just west of Atlanta, Georgia. Casey eventually bought out his brother's portion of the company and proceeded to bring the company into the worldwide parts market with help from a Small Business Administration (SBA) course called the Emerging Leaders Program.

"In 2016, we reached out to the University of Georgia (UGA) Small Business Development Center (SBDC) and Darrel Hulseley from that office came out to see us," Casey says. Hulseley is the international trade consultant and trade financing specialist from the center. The services offered by UGA's SBDC range from training, to consulting and international trade and are available to beginning and experienced entrepreneurs in Georgia looking to grow their businesses. The group also offers multiple educational courses for things like financing, exporting, digital marketing and many others. The meeting with Hulseley and that relationship served as the touchstone for a lot of things that have come after that, including the

Emerging Leaders Program, Casey says.

"We were referred to and accepted into the SBA Emerging Leaders Program. We were one of 300 companies that applied and 16 got accepted," Casey says. "We were lucky to be one of those." He calls the Emerging Leaders Program a condensed MBA course and taking it helped him crystalize a growth plan for the company. "It's basically an eight-month MBA boot camp for free," Casey says.

The course gave his company many new insights on how to do business. "We developed a financial dashboard for the company," he says. "One of the things that we'd always struggled with was inventory management." He learned about days inventory, an efficiency ratio that measures



Sean Casey (shown on previous page) has guided Rotorcorp from its founding to its current status as the largest distributor of Robinson helicopter parts in the world. Rotorcorp images.

the average number of days the company holds its inventory before selling it, and turnover, a measure of the number of times inventory is sold or used in a time period. He says the course totally changed how they determine what they have on the shelves. "We were able to double our revenues the year I was taking my class."

The company has had so much growth are they considering expanding to support other airframes? "I personally have a philosophy that you fish deeply from a small pond," Casey says. "At this point, I have no desire to go into any other types. I look at just the extraordinary depth of knowledge that's required to support one airframe and it would also be necessary to do that again with another airframe."

So, where will future growth for this company come from? "Robinson makes 400 helicopters a year," Casey says. "What we've decided to do is continue to innovate horizontally with the Robinson space." With more than 12,000 Robinsons of various models built, he says the growth he sees is in the international market and therefore he has spent time becoming well-versed on exporting parts from the U. S. to operators around the world. Currently Rotorcorp has customers in 45 countries and Casey says 60 percent of their sales are exports.

"We have gotten into the export finance space, so we can use the Export-Import bank like Gulfstream or Boeing does, to help provide open account terms to customers overseas," he says. "For some

of those customers, the hardest thing to do might be to actually send us money. So we can provide them with 90-days open account terms." The Export-Import Bank of the United States is an important backer for the company, guaranteeing transactions with foreign buyers and helping their cash flow. Rotorcorp was nominated in 2019 and then chosen as SBA Exporter of the Year for the State of Georgia and the larger eight-state Southeast Region by the U.S. Small Business Administration (SBA) Region, an accomplishment Casey is particularly proud of.

The company is planning to continue to focus on exporting and export financing, since Casey says the key to future growth is in the international market. "Becoming

more and more proficient at export and branching into logistics and shipping” will be goals in the coming year says Casey. He will also look for more efficiencies in logistics and shipping. “We can get a pair of main rotor blades that are as long as this table [indicating a nearby 30-plus foot table] on a crate to anywhere including Dutch Harbor, Alaska,” a remote island in the Aleutian chain, Casey says.

Another hard lesson learned earlier on was that the company had started out paying spot insurance for each individual shipment. After watching the insurance costs climb, the company found a better way with a blanket policy covering all their shipments. “The blanket cargo policy covers



all of our shipments whether they are on a traditional carrier or we are packing them on a donkey in Argentina somewhere,” he says. “And it is at a fraction of the cost we were paying individually.”

As specialists, the company says basically everything that can go in, on or around a Robinson helicopter, Rotorcorp has an interest in. “We use the small parts sales to really grow and manage that relationship with the customer and build trust. So when the time comes for that major service, we’re in that conversation,” Casey says. A big part of Rotorcorp’s business is overhaul kits. These kits were developed by Robinson and include main rotor and gearbox for replacement at the 2200 hour mark. “We also sell Lycoming [IO-540] engines, Rolls-Royce 300 engines and engine parts.”

What sets the Georgia supplier apart, Casey says, is service. “Primarily it’s going to be responsiveness and customer service.

Robinson’s a much bigger company than we are.” Casey offers an example, “I think our online part sales offers a perfect example of this. If I’m in Australia and it’s two in the morning in Los Angeles, but I need to order a parts before I go to bed. They can jump on our website and order parts or shoot us an email and we can just process that order.” If the parts are in stock they will ship same day, no AOG charges. “We make it as easy as possible. We want to sell what we have on our shelves as quickly as possible,” Casey says harkening back to his bootcamp knowledge.

The company has a trusted logistics partner in Los Angeles that helps consolidate and expedite all orders. Whether shipping by air, ocean or overland, this optimized shipping

helps eliminate a couple of days.

“We also opened up a shop in Baton Rouge, Louisiana. There are operators all over the world that don’t have access to an easy way to overhaul their helicopters. So we set up a shop in Baton Rouge and all we do is there is overhauls,” says Casey, who leapt at the opportunity after listening to his customers. Rotorcorp

Helicopter Services will focus exclusively on performing the 2200 hour overhaul service for Robinson R22, R44, and R66 helicopters. They hope the specialization will create cost savings, improved turnover times and better quality for Robinson owners and operators.

The services venture is timed to meet surging demand of helicopters requiring overhaul which were manufactured by Robinson leading up to the recession in 2008 when the company experienced record high production levels. “Customers can send their helicopters in a container and we will do it. Or, we have a flyaway team. We’ll go anywhere. We’re talking to companies in Qatar, in Israel,” says Casey. “We’re finding the more options that we can give our customers, the better.”

Of course the areas where helicopters are getting used the most are not necessarily in the most well-developed nations or the nicest parts of the world. “It’s where the

roads end. It’s in countries like Papua New Guinea where there are 14 being operated by fishing company. Each one of their ships has a helicopter on it. And other remote locations like the Philippines, Panama, Ecuador, and Peru.” The shipping fleet uses their Robinsons to set out sonar arrays in the ocean to detect fish. Once the schools of fish have been identified by these arrays, the helicopters go back out and fly low over the water to help herd the fish like cattle, toward the fishing boats. These are very harsh environments but a single day with a helicopter down means financial losses for those operators and having a reliable partner to ship parts is crucial.

What advice would Casey give to someone who wanted to get into aviation has never been in it before as a business? “Have a discipline that you’re bringing in. I think the industry needs to focus on developing capabilities from a business standpoint that may best be found outside the business sometimes,” he stresses. “There’s a whole world out there that does things a lot better than aerospace, with regards to how business is done and I think there’s a loss of margin from that. On the other side, safety has always got to be paramount and those coming in from outside aviation may not have that understanding. As a former tank gunner deployed to Bosnia during the war, I understand the high stakes.”

As for his commitment to become even more well-versed in all things export, this fall Casey was appointed to the Industry Trade Advisory Committee (ITAC) for Aerospace Equipment. ITACs are a unique public-private partnership jointly managed by the U.S. Department of Commerce and the Office of United States Trade Representative (USTR) that engages business leaders in formulating U.S. trade policy. In his role on the committee, he will represent the viewpoints of Rotorcorp and the U.S. helicopter and helicopter parts services industry and will share their “perspectives, provide input and shape outcomes at the national policy level.” He will be on the committee until 2022.

Casey says Robinson has been a solid and supportive partner and as for the future, he says, Rotorcorp is a family owned business and that he would love to have his children involved in the company someday. **AM**