FAA Proposes $1.55 Million Civil Penalty Against Federal Express

WASHINGTON, D.C. — The Federal Aviation Administration (FAA) has proposed a $1.55 million civil penalty against Federal Express for allegedly failing to revise its Continuous Airworthiness Maintenance Program in accordance with FAA regulations.

Federal Express allegedly failed to ensure that the air carrier used approved standards, inspections, and time limitations for 14 cargo Unit Load Devices (ULDs) used on the company’s airplanes beginning in early 2008. The civil penalty addresses 124 flights from March 20 to April 17, 2008. Aircraft ULDs are sophisticated containers with integral pallets that are used to load freight.

“When it comes to maintenance, it’s unacceptable for any air carrier not to meet the FAA’s standards,” said FAA Administrator Randy Babbitt.

During a routine surveillance from March 14-20, 2008, FAA inspectors determined that Federal Express had failed to incorporate Technical Standard Orders (TSOs) into its Continued Airworthiness Maintenance Program for 14 cargo ULDs. The TSOs contain specific maintenance instructions for the ULD smoke detector, power distribution feed, and batteries. Federal Express could not ensure that it used approved maintenance standards for the 14 newly installed ULDs because the company failed to make the necessary revisions to its program for overhauling and inspecting the devices.

On March 20, 2008, Federal Express was notified of the problem by the FAA but did not make the necessary revisions to its Continuous Airworthiness Maintenance Program until April 17, 2008.

Federal Express has 30 days from the receipt of the FAA’s civil penalty letter to respond to the agency.

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