



## MAINTENANCE, REPAIR & OVERHAUL

### **Shop Digitalization Still Leads Digitizing Outside Transactions**

Electronic 8130-3s and Aeroxchange standards should help.

[Henry Canaday](#) | Nov 05, 2019

As with all other innovations, it's a lot easier to go digital inside an organization than to achieve the efficiencies of a digital marketplace outside the organization.

“We are seeing a gradual shift to electronic task cards and e-signatures,” says Kirk Baugher, executive vice president of MRO software maker Pentagon 2000. “Each customer and each regulatory jurisdiction is different from the next.” So to support all the markets it serves, Pentagon offers a full range of capabilities that span paper-based workflow to fully electronic and mobile workflow.

Baugher says an MRO's in-house operations are relatively straightforward to digitize, but challenges arise in conducting business in a fully digital way with counterparties and

intermediaries. “The emergence of new regulatory standards such as an electronic 8130-3 form will help facilitate the change to digital records,” he notes. “And commercial standards developed by companies such as Aeroxchange are enabling buyers and sellers to conduct fully electronic multi-step workflows at a lower cost with improved speed and accuracy.”

To support the digital shift, Pentagon recently released its new version 9.6 that includes additional functionality for managing work orders through tablet-based mobile apps. It has also released an expansion of its interface with Aeroxchange and now supports the full set of documents and messages for both AeroBuy and AeroRepair. Further, “we have added a browser-based Executive Dashboard tool as well as a new browser-based vendor RFQ portal.”

Pentagon does a fair amount of its business supporting third-party MROs. Unlike airlines’ in-house MRO units working on airline fleets, third-party shops need to quote much of their business. Pentagon’s ability to accurately track and manage historical and current costs allows shops to price their offers business competitively, but at profit margins that sustain the business. “Since we incorporate a full accounting a financial ERP system in conjunction with MRO capabilities, financials can be set up to flow automatically based on MRO operational workflow,” Baugher summarizes.