

DEFENSE LOGISTICS AGENCY TROOP SUPPORT 700 ROBBINS AVENUE PHILADELPHIA, PENNSYLVANIA 19111-5092

January 5, 2022

Hartwell Corporation Attention: Dain Miller 900 S. Richfield Placentia, CA 92870

SUBJECT: Request for Voluntary Refund

Dear Mr. Miller:

In response to several letters from Members of Congress, the DoD Office of Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries on 153 contracts between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Troop Support paid excess profit to Hartwell Corporation on the following contract:

(FOUO) Contract Number	Cage No.	NSN and Description	TransDigm s Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part**	Quantity	Total Excess Profit Per Part
SPE5EK-17-P-1291	83014	5340-01-078-8824 Mortise Latch		\$1,499.0 0				\$64,110

Accordingly, DLA Troop Support requests Hartwell Corporation voluntarily refund a total of \$64,110, as reflected in the chart above, to the Government. This represents the total excess profit on the above listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "Finance and Accounting Officer, DFAS-CO" at the address in the letterhead to the attention of DLA Troop Support and forward the payment, along with a copy of this letter to:

DLA Troop Support ATTN: Bldg. 6D033 700 Robbins Avenue Philadelphia, PA 19111 January 5, 2022 Page 2

In accordance with DFARS 242.7100, paying the refund is voluntary. It is not an admission of any impropriety on the part of Hartwell Corporation; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If Hartwell Corporation has questions regarding the refund amount, please submit information that may have affected the pricing of Hartwell Corporation at that time. Additionally, if there are any questions concerning this letter, please contact with the Class IX Support Function (formerly Industrial Hardware), at or by email: @dla.mil. DLA Troop Support greatly appreciates your support of our military and we

(a)dla.mil. DLA Troop Support greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

WILLIAM J. KENNY Acquisition Executive

cc: Mr. Kevin Stein, CEO, TransDigm Group, Inc. Mr. Jorge L. Valladares, III, President and COO, TransDigm Group, Inc.



DEFENSE LOGISTICS AGENCY TROOP SUPPORT 700 ROBBINS AVENUE PHILADELPHIA, PENNSYLVANIA 19111-5092

January 5, 2022

Eletromech Technologies, LLC Attention: Patrick O'Brien 2600 South Custer Wichita, Kansas 67217-1324

SUBJECT: Request for Voluntary Refund

Dear Mr. Patrick O'Brien:

In response to several letters from Members of Congress, the Department of Defense Office of Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries on 153 contracts between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Troop Support paid excess profit to Eletromech Technologies, LLC on the following contract:

(FOUO) Contract Number	Cage No.	NSN and Description	TransDigm s Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part**	Quantity	Total Excess Profit Per Part
SPE8E7-18-P-1002	54395	4140-01-191-4765 Vaneaxial Fan		\$16,874.00				\$99,102.80
								\$99,102.80

Accordingly, DLA Troop Support requests Electromech Technologies, LLC voluntarily refund a total of \$99,102.80, as reflected in the chart above, to the Government. This represents the total excess profit calculated on the above listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "Finance and Accounting Officer, DFAS-CO" at the address in the letterhead to the attention of DLA Troop Support and forward the payment, along with a copy of this letter to:

DLA Troop Support ATTN: Bldg. 6D032 700 Robbins Avenue Philadelphia, PA 19111 January 5, 2022 Page 2

In accordance with DFARS 242.7100, paying the refund is voluntary. It is not an admission of any impropriety on the part of Electromech Technologies, LLC; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If Electromech Technologies, LLC has questions regarding the refund amount, please submit information that may have affected the pricing of Electromech Technology, LLC at that time. Additionally, if there are any questions concerning this letter, please contact the Director of Suppliers Operations for the Construction & Equipment (C&E) Supply Chain, at the support provided by e-mail: (adda.mil. DLA Troop Support greatly appreciates the support provided by Electromech Technology, LLC of our military and we hope this pricing issue can be resolved to the satisfaction of Electromech Technology, LLC and the taxpayers that support the Department of Defense.

Sincerely,

WILLIAM J. KENNY Executive Director, Troop Support Contracting and Acquisition Management

cc: Mr. Kevin Stein, CEO, TransDigm Group, Inc. Mr. Jorge L. Valladares, III, President and COO, TransDigm Group, Inc.

Procurement Sensitive Information - See FAR 2.101 & 3.104

Controlled Unclassified Information (CUI)



DEFENSE LOGISTICS AGENCY TROOP SUPPORT 700 ROBBINS AVENUE PHILADELPHIA, PENNSYLVANIA 19111-5092

January 5, 2022

Skurka Aerospace Attention: Michael Barnaba 4600 Calle Bolero Camarillo, CA 93012

SUBJECT: Request for Voluntary Refund

Dear Mr. Barnaba:

In response to several letters from Members of Congress, the DoD Office of Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries on 153 contracts between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Troop Support paid excess profit to Skurka Aerospace on the following contract:

(FOUO) Contract Number	Cage No.	NSN and Description	TransDigm s Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part**	Quantity	Total Excess Profit Per Part
SPE5EM-19-P-0558	95270	5330-01-542-0168 Plain Encased Seal		\$1,612.00				\$205,555

Accordingly, DLA Troop Support requests Skurka Aerospace voluntarily refund a total of \$205,555, as reflected in the chart above, to the Government. This represents the total excess profit on the above listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "Finance and Accounting Officer, DFAS-CO" at the address in the letterhead to the attention of DLA Troop Support and forward the payment, along with a copy of this letter to:

DLA Troop Support ATTN: Bldg. 6D033 700 Robbins Avenue Philadelphia, PA 19111 January 5, 2022 Page 2

In accordance with DFARS 242.7100, paying the refund is voluntary. It is not an admission of any impropriety on the part of Skurka Aerospace; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If Skurka Aerospace has questions regarding the refund amount, please submit information that may have affected the pricing of Skurka Aerospace at that time. Additionally, if there are any questions concerning this letter please contact with the Class IX Support Function (formerly Industrial Hardware), at or by email:

@dla.mil. DLA Troop Support greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

WILLIAM J. KENNY Acquisition Executive

cc: Mr. Kevin Stein, CEO, TransDigm Group, Inc. Mr. Jorge L. Valladares, III, President and COO, TransDigm Group, Inc.



Mr. Mike Carney President Electromech Technologies 2600 South Custer Wichita, KS 67217

JAN 1 2 2022

Dear Mr. Carney:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Electromech Technologies on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M1-18-P-5520	6105-01-446-8553 Tachometer Generator Motor	54395		\$6,093.00				\$543,756
SPE7M1-18-V-2786	6105-01-446-8553 Tachometer Generator Motor	54395		\$5,642.00				\$1 03,071
SPE7M1-18-V-4529	6105-01-446-8553 Tachometer Generator Motor	54395		\$5,642.00				\$101,231
SPE7M5-18-P-F350	5905-01-203-8072 Variable Resistor	54395		\$1 0, 2 92.00				\$521,024
SPE7M1-18-P-4742	5905-01-203-8072 Variable Resistor	54395		\$10,292.00				\$497,536
SPE7M9-18-V-0168	6105-01-230-1495 Direct Current Motor	54395		\$9,257.00				\$106,060
SPE7M9-18-V-0333	6105-01-166-4896 Torque Motor	54395		\$5,591.00				\$104,269
		e e					Total	\$1,976,947

Accordingly, DLA Land and Maritime requests Electromech Technologies voluntarily refund \$1,976,947, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a

check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Electromech Technologies; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact contact and the contact of Procurement Process Support, at a or e-mail contact and the contact of a contact contact and the contact of the contac

Sincerely,

Mak a. Mu MARK A. BROWN, SES

Acquisition Executive

cc:



Mr. Pat O'Brien President Aero Fluid Products 313 Gillett St. Painesville, OH 44077

JAN 1 2 2022

Dear Mr. O'Brien:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Aero Fluid Products on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M4-17-C-0021	4810-01-607-7882 Valve, Linear, Direct	96124		\$4,229.00				\$494,496
SPE7M4-19-P-1394	4810-01-607-7882 Valve, Linear, Direct	96124		\$2,299.00				\$301,575
SPE7MC-17-P-5868	4810-01-607-7882 Valve, Linear, Direct	96124		\$5,136.00				\$94,188
SPE7MC-17-P-5364	4810-01-607-7882 Valve, Linear, Direct	96124		\$5,136.00				\$91,888
SPE7MC-17-P-2307	4810-01-607-7882 Valve, Linear, Direct	96124		\$5,011.00				\$88,303
SPE7M0-17-V-6367	4810-01-607-7882 Valve, Linear, Direct	96124		\$5,011.00				\$87,181
SPE7M1-18-P-1626	5945-00-933-8654 Electrical Solenoid	96124		\$2,799.00				\$112,408
SPE7M3-18-P-5459	4820-00-629-7758 Parts Kit, Pressure	96124		\$1,901.00				\$108,389
SPE7MC-18-V-1069	4820-01-068-3370 Fuel Pressure Valve	96124		\$12,637.00				\$105,510
SPE7MC-18-P-2122	4820-01-068-3370 Fuel Pressure Valve	96124		\$13,173.00				\$98,426
SPE7MC-18-P-0010	4820-01-068-3370 Fuel Pressure Valve	96124		\$12,706.82				\$96,202
SPE7MC-18-P-1098	4810-01-246-1382 Solenoid Valve	96124		\$7,138.00				\$94,498

SPE7MC-17-P-6020	4810-01-349-7231 Solenoid Valve	96124	\$18,701.00			\$93,525
SPE7MC-18-P-0255	4810-01-349-7231 Solenoid Valve	96124	\$18,701.00			\$91,704
SPE7MC-17-P-6080	4810-01-349-7231 Solenoid Valve	96124	\$18,701.00			\$90,383
SPE7MC-18-P-1206	4810-01-349-7231 Solenoid Valve	96124	\$18,701.00			\$89,957
SPE7MC-18-P-1207	4810-01-349-7231 Solenoid Valve	96124	\$18,701.00			\$87,759
SPE7M1-18-P-0039	5945-00-929-7535 Electrical Solenoid	96124	\$5,733.00			\$86,836
SPE7MC-18-P-4093	4820-00-516-2463 Valve, Linear	96124	\$7,881.00			\$72,718
					Total	\$2,385,943

Accordingly, DLA Land and Maritime requests Aero Fluid Products voluntarily refund \$2,385,943, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Aero Fluid Products; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact _______. Director of Procurement Process Support, at _______. Director of Procurement Process Support, at _______. Our support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

Mak G. Nov

MARK A. BROWN, SES Acquisition Executive

cc:



JAN 1 2 2022

Mr. Adam Crossman President Arkwin Industries, Inc. 686 Main Street Westbury, NY 11590

Dear Mr. Crossman:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Arkwin Industries, Inc. on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M1-18-P-6917	4320-01-276-6097 Rotor, Pump	98391		\$9,654.01				\$179,394
SPE7M1-18-V-5144	4320-01-276-6097 Rotor, Pump	98391		\$8,938.90				\$85,680
SPE7L2-18-P-0476	3040-01-326-8635 Piston, Linear Actuating Cylinder	98391		\$3,227.22				\$114,484
SPE7M0-17-V-A757	4820-00-991-0785 Regulating Valve	98391		\$5,775.00				\$113,889
SPE7MC-17-P-5637	4820-00-991-0785 Regulating Valve	98391		\$5,775.00				\$113,296
SPE7MC-17-P-5974	4820-00-991-0785 Regulating Valve	98391		\$5,775.00				\$111,198
SPE7MC-18-V-4798	4820-01-007-5367 Bleed Valve	98391		\$2,092.92				\$100,450
SPE7M4-18-P-0383	4810-00-013-7091 Solenoid Valve	98391		\$3,798.00				\$84,026
SPE7MC-18-P-5711	4810-00-013-7091 Soleniod Valve	98391		\$4,215.78				\$83,790
SPE7MC-17-P-2738	4810-00-013-7091 Solenoid Valve	98391		\$3,798.00				\$73,104
							Total	\$1,059,311

Accordingly, DLA Land and Maritime requests Arkwin Industries, Inc. voluntarily refund \$1,059,311, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service - Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Arkwin Industries, Inc.; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact Director of Procurement Process Support, at or e-mail @dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

Mark A. BROWN, SES Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.

Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc. Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



JAN 1 2 2022

Mr. Sanjeev Musalimadugu President Whippany Actuation Systems 110 Algonquin Parkway Whippany, NJ 07981-1602

Dear Mr. Musalimadugu:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Whippany Actuation Systems on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M2-18-P-1700	6105-00-794-0008 Direct Current Motor	81039		\$4,590.75				\$39,501
							Total	\$39,501

Accordingly, DLA Land and Maritime requests Whippany Actuation Systems voluntarily refund \$39,501, as reflected in the contract identified in the chart above, to the Government. This amount represents the total excess profit on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Whippany Actuation Systems; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact Director of Procurement Process Support, at or e-mail Octavity appreciates

your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

Mak a. Mul

MARK A. BROWN, SES Acquisition Executive

cc:



Mr. Steve Gross President Avionic Instruments, LLC. 1414 Randolph Ave., Box 498 Avenel, NJ 07001

JAN 1 2 2022

Dear Mr. Gross:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Avionic Instruments LLC on the following contract(s):

Contract Number	NSN and Description	CAGE	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7L7-17-P-4475	6130-01-455-4497 Battery Charger	6HAR8		\$23,522.49				\$392,883
SPE7L7-18-P-1278	6140-01-400-2901 Storage Battery	6HAR8		\$1,610.21				\$84,865
SPE7L7-18-P-1526	6140-01-400-2901 Storage Battery	6HAR8		\$1,610.21				\$84,865
SPE7L7-18-P-2163	6130-01-536-9332 Power Supply	10933		\$10,989.00				\$45,701
SPE7M1-18-P-0204	5905-01-548-2316 Variable Resistor	10933		\$3,263.00				\$3,488
							Total	\$611,801

Accordingly, DLA Land and Maritime requests Avionic Instruments LLC voluntarily refund \$611,801 as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Avionic Instruments LLC; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact contact

Sincerely,

Mck G. Twe MARK A. BROWN, SES

Acquisition Executive

cc:



Mr. Joe Glover President AdelWiggins Group 5000 Triggs St. Los Angeles, CA 90022

JAN 1 2 2022

Dear Mr. Glover:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to AdelWiggins Group on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M3-19-P-1619	4730-01-015-7518 Coupling Half, Quick Disconnect	79326		\$17,901.00				\$218,570
SPE7M3-17-P-3398	4730-01-050-9882 Coupling Assembly	79326		\$17,213.00				\$126,931
SPE7M3-17-V-0912	4730-00-856-0288 Coupling Assembly, Quick Disconnect	79326		\$6,035.00				\$123,333
SPE7MC-17-P-5946	4820-01-030-7160 Valve, Disconnect	79326		\$7,033.00				\$119,599
SPE7M4-17-P-2842	4820-01-035-2339 Disconnect, Pylon Al	79326		\$9,897.00				\$116,910
							Total	\$705,344

Accordingly, DLA Land and Maritime requests AdelWiggins Group voluntarily refund \$705,344, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of AdelWiggins Group; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

Sincerely,

Make a. The

MARK A. BROWN, SES Acquisition Executive

cc:



Mr. Michael Hargas President AeroControlex Group 4223 Monticello Blvd. South Euclid, OH 44121

JAN 1 2 2022

Dear Mr. Hargas:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to AeroControlex Group on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Totai Parts	Total Excess Profit	
SPE7M3-17-P-2945	4730-00-802-5123 Coupling Half, Quick Disconnect	81833		\$16,641.00				\$140,433	
SPE7M3-18-P-2314	4730-00-802-5123 Coupling Half, Quick Disconnect	81833		\$16,641.00				\$140,268	
SPE7MC-18-P-0943	4820-01-130-5538 Valve, Check	81833		\$14,999.00				\$137,536]
SPE7MC-18-P-3053	4820-01-197-4744 Check Valve	81833		\$3,923.00				\$132,812	1
SPĒ7M3-18-P-0828	4730-00-720-2000 Coupling Half, Quick Disconnect	81833		\$8,811.00				\$89,678	
SPE7M3-18-P-0820	4730-00-720-2000 Coupling Half, Quick Disconnect	81833		\$8,811.00				\$84,710	
SPE7L3-18-P-6535	3010-00-812-8162 Disk, Clutch, Nonvehicular	98889		\$1,769.00				\$137,141	
SPE7L5-18-C-0003	3020-01-055-8604 Gear, Spur	98889		\$2,097.00				\$122,318	
SPE7MI-18-V-2228	6105-01-164-2120 Electric Motor Parts Kit	98889		\$3,154.00				\$118,315]
SPE7M8-18-P-0677	6105-01-164-2120 Electric Motor Parts Kit	98889		\$3,154.00				\$112,617	

SPE7M3-18-P-5739	4820-01-227-7574 Fluid Regulating Valve	98939	\$29,927.00			\$121,937
SPE7MC-18-P-3909	4820-00-489-5829 Cock, Drain	98939	\$6,398.00			\$116,463
				_	Total	\$1,454,227

Accordingly, DLA Land and Maritime requests AeroControlex Group voluntarily refund \$1,454,227, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of AeroControlex Group; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact for the determined of the DoD IG's determined or e-mail for the determined of t

Sincerely,

Maka. The

MARK A. BROWN, SES Acquisition Executive

cc:



JAN 1 2 2022

Mr. Jason Marlin President Champion Aerospace, LLC 1230 Old Norris Rd. Box 686 Liberty, SC 29657

Dear Mr. Marlin:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Champion Aerospace, LLC on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M3-19-P-3376	2920-00-776-4482 Turbine Engine Igniter	0AFL4		\$443.00				\$600,964
SPE7M3-19-P-0607	2920-00-776-4482 Turbine Engine Igniter	0AFL4		\$365.00				\$188,768
SPE7M5-18-P-8871	5961-00-086-9165 Semiconductor Device	0AFL4		\$380.91				\$134,696
SPE7L7-17-P-5178	6130-01-379-2970 Power Supply	0AFL4		\$22,805.00				\$104,669
SPE7M3-18-P-2478	4730-01-169-1734 Ignitor Plug	0AFL4		\$646.00				\$91,443
SPE7M3-18-P-2486	4730-01-169-1734 Ignitor Plug	0AFL4		\$646.00				\$91,443
SPE7M3-18-P-3336	4730-01-169-1734 Ignitor Plug	0AFL4		\$646.00				\$91,443
SPE7L4-19-P-1141	2920-01-286-5685 Ignition Coil	0AFL4		\$2,405.00				\$280,560
SPE7L2-18-V-0459	2920-01-286-5685 Ignition Coil	0AFL4		\$2,306.00				\$56,416
SPE7L0-17-V-6099	2920-01-286-5685 Ignition Coil	0AFL4		\$2,215.00				\$48,185
							Total	\$1,688,586

Accordingly, DLA Land and Maritime requests Champion Aerospace, LLC voluntarily refund \$1,688,586, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Champion Aerospace, LLC; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact Director of Procurement Process Support, at or e-mail Director of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

Maha. M

MARK A. BROWN, SES Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.

Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc. Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



JAN 1 2 2022

Mr. Robert Mikita Business Unit Manager CEF Industries, LLC 320 S. Church Street Addison, IL 60101

Dear Mr. Mikita:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to CEF Industries, LLC on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPRDL1-19-P-0154	3040-01-652-9227 Linear Actuator, Ram	00268		\$9,033.00				\$47,096
							Total	\$47,096

Accordingly, DLA Land and Maritime requests CEF Industries, LLC voluntarily refund \$47,096, as reflected in the contract identified in the chart above, to the Government. This amount represents the total excess profit on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of CEF Industries, LLC; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact please con

your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

Mak a. M. MARK A. BROWN, SES Acquisition Executive

cc:



JAN 1 2 2022

Mr. Brian Babin President Tactair Fluid Controls, Inc. 4806 West Taft Road Liverpool, NY 13088

Dear Mr. Babin:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Tactair Fluid Controls, Inc. on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M1-18-C-0023	4810-00-484-3760 Solenoid Valve	70236		\$2,485.00				\$177,058
SPE7MC-18-P-1941	4810-00-484-3760 Solenoid Valve	70236		\$2,424.00				\$29,796
SPE7MC-17-P-5415	4810-00-484-3760 Solenoid Valve	70236		\$2,424.00				\$24,470
SPE7M1-19-P-1537	4320-01-147-9015 Pump Assembly	70236		\$3,196.00				\$100,195
SPE7M1-18-P-2733	4320-01-147-9015 Pump Assembly	70236		\$2,968.00				\$74,800
SPE7M1-18-P-1474	4320-01-147-9015 Pump Assembly	70236		\$2,968.00				\$64,907
SPE7M1-17-P-7761	4320-01-147-9015 Pump Assembly	70236		\$2,968.00				\$66,865
SPE7M1-17-V-9446	4320-01-147-9015 Pump Assembly	70236		\$2,968.00				\$31,963
SPE7M4-17-C-0008	4810-01-459-3368 Hydraulic Actuator	70236	Ĩ	\$29,248.00				\$81,536
SPE7M1-18-V-9768	2030-01-191-7265 Valve Serv. Actuator	70236		\$28,131.00				\$67,297
SPE7MC-18-P-5784	2030-01-191-7265 Valve Serv. Actuator	70236		\$28,131.00				\$67,153
SPE7MC-18-P-3630	2030-01-191-7265 Valve Serv. Actuator	70236		\$28,131.00				\$64,209

SPE7MC-18-P-2728	1710-01-301-3367 Accumulator, Seal Replacement Kit	70236	\$782.00			\$52,440
SPE7MC-18-P-1421	4810-01-129-4546 Solenoid Valve	70236	\$2,197.00			\$14,345
					Total	\$917,033

Accordingly, DLA Land and Maritime requests Tactair Fluid Controls, Inc. voluntarily refund \$917,033, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service - Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Tactair Fluid Controls, Inc.; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact , Director of Procurement Process Support, at or e-mail @dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

Mak G. Mun Mark A. BROWN, SES

Acquisition Executive

cc:



January 13, 2022

Via U.S. Mail and Electronic Mail

AeroControlex Group, Inc. DBA Talley Actuators Attention: Ms. Jennifer Clark 313 Gillett Street Painesville, OH 44077-2918

SUBJECT: Request for Voluntary Refund

Dear Ms. Clark:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to AeroControlex Group, Inc., DBA Talley Actuators, (AeroControlex) (Cage 98889) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests AeroControlex voluntarily refund to the Government a total of \$777,283, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022 Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Date: 2022.01.13 07:54:07 -0500'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

(cui)	Buying		CAGE	TransDigm's	TransDigm's Cost	Contract Price	Contract Price Cost Per Part With Excess Profit	Excess Profit	Total	Total Excess
Contract Number	Command	NSN and Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
				Aerocontrolex						
	DLA Aviation	1680-00-624-7500		Group Inc. DBA						
SPE4A7-17-C-0285 Richmond, VA	Richmond, VA	Parts Kit Actuator	98889	Talley Actuators		4,671.00				\$525,829
				Aerocontrolex						
	DLA Aviation	1680-01-081-4073		Group Inc. DBA						
SPE4A7-17-P-6289 Richmond, VA	Richmond, VA	Clutch Assembly	98889	Talley Actuators		6,882.00				\$96,803
				Aerocontrolex						
	DLA Aviation	1680-01-014-2757		Group Inc. DBA						
SPE4A7-17-P-B373 Richmond, VA	Richmond, VA	Housing, Actuator	98889	Talley Actuators		29,980.00				\$62,908
		2915-01-463-5076		Aerocontrolex						
	DLA Aviation	Turbine Engine Fuel		Group Inc. DBA						
SPE4A7-18-P-1184 Richmond, VA	Richmond, VA	Pump	98889	Talley Actuators		13,508.00				\$57,230
				Aerocontrolex						
	DLA Aviation	1680-01-109-6559		Group Inc. DBA						
SPE4A4-18-V-6515 Richmond, VA	Richmond, VA	Ram Assembly	98889	Talley Actuators		21,015.00				\$34,513
										\$777,283

DoDIG COST ANALYSIS AND EXCESS PROFIT



DEFENSE LOGISTICS AGENCY AVIATION 8000 JEFFERSON DAVIS HIGHWAY RICHMOND, VIRGINIA 23297-5002

January 13, 2022

Via U.S. Mail and Electronic Mail

Aerosonic, Inc. Attention: Mr. Lorenzo Belluccia 1212 N. Hercules Avenue Clearwater, FL 33765-1920

SUBJECT: Request for Voluntary Refund

Dear Mr. Belluccia:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Aerosonic, Inc. (Aerosonic) (Cage 98810) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Aerosonic voluntarily refund to the Government a total of \$92,056, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022 Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Digitally signed by CONTRERAS.CATHERINE.L.12 29386472 Date: 2022.01.13 07:54:39 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

Total	Excess	Profit		\$92,056	\$92,056
	Total	Parts			Ş
	Excess Profit	Per Part			
	TransDigm's Cost Contract Price Cost Per Part With	15% Profit			
	Contract Price	Per Part		2,401.00	
	TransDigm's Cost	Per Part			
	TransDigm's	Operating Unit		98810 Aerosonic, Inc.	
	CAGE	Code		98810	
	NSN and	Description	6610-00-064-9349	Probe Assembly	1
	Buying	Command	DLA Aviation	Richmond, VA	,
	(cui)	Contract Number		SPE4A6-19-P-3304 Richmond, VA	

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January 13, 2022

Via U.S. Mail and Electronic Mail

Arkwin Industries, Inc. Attention: Ms. Amanda Kelly 686 Main Street Westbury, NY 11590-5093

SUBJECT: Request for Voluntary Refund

Dear Ms. Kelly:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Arkwin Industries, Inc. (Arkwin) (Cage 98391) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Arkwin voluntarily refund to the Government a total of \$1,419,774, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022 Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Date: 2022.01.13 07:55:07 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

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Buying Command N	z	NSN and Description	CAGE Code	TransDigm's Operating Unit	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
DLA Aviation Richmond, VA		1650-00-449-3455 Cylinder Assembly	98391	Arkwin Industries Inc		5,412.00				\$525,516
DLA Aviation Richmond, VA		1650-01-202-5344 Cylinder, Actuating	98391	Arkwin Industries Inc		29,888.60				\$225,162
DLA Aviation Richmond, VA		1650-01-010-5057 Hydraulic Cylinder Tank	98391	Arkwin Industries Inc		3,421.05				\$151,431
DLA Aviation Richmond, VA		1650-00-449-3455 Cylinder Assembly	98391	Arkwin Industries Inc		5,547.49				\$100,252
DLA Aviation Richmond, VA		1680-01-057-5176 Cylinder Assembly	98391	Arkwin Industries Inc		4,120.00				\$97,226
DLA Aviation Richmond, VA		1650-01-204-5359 Hydraulic Filter	98391	Arkin Industries Inc		399.45				\$92,725
DLA Aviation Richmond, VA		2995-00-909-4510 Bracket Assy	98391	Arkin Industries Inc		2,851.49				\$80,402
DLA Aviation Richmond, VA		1680-01-053-9318 Kit, Actuator, Speed	98391	Arkin Industries Inc		415.00				\$78,825
DLA Aviation Philadelphia, PA		4320-01-335-6683 Manifold, Reservoir	98391	Arkin Industries Inc		47,400.00				\$68,235
										\$1,419,774



January 13, 2022

Via U.S. Mail and Electronic Mail

Avionic Instruments, LLC Attention: Mr. Jordan Zipper 1414 Randolph Avenue Avenel, NJ 07001

SUBJECT: Request for Voluntary Refund

Dear Mr. Zipper:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Avionic Instruments, LLC (Avionic) (Cage 10933) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Avionic voluntarily refund to the Government a total of \$773,236, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.
If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely, CONTRERAS.CAT HERINE.L.1229386 472 Digitally signed by CONTRERAS.CATHERINE.L.12 29386472 Date: 2022.01.13 08:01:23 -0500'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

DoDIG COST ANALYSIS A	LYSIS AND EXCESS PROFIT						
(cui)		NSN and	CAGE	TransDigm's	CAGE TransDigm's TransDigm's Cost Contract Price Cost Per F	Contract Price	Cost Per F
Contract Ninmbor	har Dimine Command Decemination Cade Constitue Inter Dec Dec	Docerintion	Codo	Oncreting Hait	Dor Dort	Dor Dort	1 50/ 5

(CUI) Contract Number	Buying Command	NSN and Description	CAGE Code	TransDigm's Operating Unit	TransDigm's Cost Per Part	Contract Price Per Part	TransDigm's Cost Contract Price Cost Per Part With Excess Profit Per Per Part Per Part 15% Profit Part	Excess Profit Per Part	Total Parts	TotalTotal ExcessPartsProfit
	DLA Aviation	1680-01-633-8686								
	Philadelphia, PA	Frequency		Avionic						
SPRPA1-19-C-V028		Converter	10933	Instruments LLC		108,109.33				\$565,187
	DLA Aviation	1680-01-584-2944		Avionic						
SPRPA1-18-C-W085	Philadelphia, PA	Inverter, Aircraft	10933	Instruments LLC		26,483.52				\$208,049
	1					1		-		\$773,236



January 13, 2022

Via U.S. Mail and Electronic Mail

CEF Industries, LLC Attention: Ms. Hannah Cosgrove 320 S. Church Street Addison, IL 60101

SUBJECT: Request for Voluntary Refund

Dear Ms. Cosgrove:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to CEF Industries, LLC (CEF) (Cage 00268) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests CEF voluntarily refund to the Government a total of \$457,890, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Date: 2022.01.13 08:02:12-0500'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

(cui)	Buying	NSN and	CAGE	TransDigm's	TransDigm's Cost	Contract Price	TransDigm's Cost Contract Price Cost Per Part With Excess Profit Total Total Excess	Excess Profit	Total	Total Excess
Contract Number	Command	Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
		1650-00-072-								
	DLA Aviation	DLA Aviation 5616 Hydraulic								
SPE4A7-19-P-7579	Richmond, VA	Parts Kit	00268	CEF Industries		3,535.00				\$457,890
										\$457,890

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January 13, 2022

Via U.S. Mail and Electronic Mail

Champion Aerospace, LLC Attention: Ms. Sharon Williams 1230 Old Norris Road Liberty, SC 29657-3508

SUBJECT: Request for Voluntary Refund

Dear Ms. Williams:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Champion Aerospace, LLC (Champion) (Cage 0AFL4) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Champion voluntarily refund to the Government a total of \$192,836, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Date: 2022.01.13 08:02:36 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

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(cui)	Buying	NSN and	CAGE	TransDigm's	TransDigm's Cost Contract Price Cost Per Part With Excess Profit Total Total Excess	Contract Price	Cost Per Part With	Excess Profit	Total	Total Excess
Contract Number	Command	Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
	DLA Aviation	2925-01-093-5479		Champion Aerospace						
SPE4A7-19-P-A111	Richmond, VA	Igniter	0AFL4	ILC		695.00				\$192,836
										\$192,836



January 13, 2022

Via U.S. Mail and Electronic Mail

Harcosemco LLC Attention: Ms. Eileen Viglione 186 Cedar Street Branford, CT 06405-6011

SUBJECT: Request for Voluntary Refund

Dear Ms. Viglione:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Harcosemco, LLC (Harcosemco) (Cage 00060) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Harcosemco voluntarily refund to the Government a total of \$180,015, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT HERINE.L.1229386 472 Date: 2022.01.13 08:03:03 -05:00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

(cui)	Buying	NSN and	CAGE	TransDigm's	TransDigm's Cost	Contract Price	TransDigm's TransDigm's Cost Contract Price Cost Per Part With Excess Profit	Excess Profit	Total	Total Excess
Contract Number	Command	Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
DLA Aviation SPE4A6-19-P-B377 Richmond, VA	DLA Aviation Richmond, VA	6150-01-164-4853 Cable Assembly	Harc 00060 LLC	Harcosemco, LLC		10,419.00				\$95,511
SPE4A6-19-P-5848	DLA Aviation Richmond, VA	6150-00-806-9397 Cable Assembly	00060 LLC	Harcosemco, LLC		6,505.57				\$34,736
SPE4A6-19-C-0112	DLA Aviation Richmond, VA	6150-00-806-9397 Cable Assembly	00060	Harcosemco, LLC		6,505.57				\$42 <i>,</i> 459
DLA Aviation SPE4A6-18-P-8893 Richmond, VA	DLA Aviation Richmond, VA	6150-00-806-9397 Cable Assembly	00060 LLC	Harcosemco, LLC		6,299.57				\$7,309
	1									\$180,015

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January 13, 2022

Via U.S. Mail and Electronic Mail

Hartwell Corporation Attention: Mr. Paul Valdiviez 900 S Richfield RD Placentia, CA 92870-6788

SUBJECT: Request for Voluntary Refund

Dear Mr. Valdiviez:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Hartwell Corporation (Hartwell) (Cage 83014) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Hartwell voluntarily refund to the Government a total of \$88,592, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Date: 2022.01.13 08:03:35 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

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Total Excess	Profit	\$48,436	\$40,156	\$88,592
Total	Parts			
Excess Profit	Per Part Parts			
TransDigm's TransDigm's Cost Contract Price Cost Per Part With Excess Profit Total Total Excess	15% Profit			
Contract Price	Per Part	3,525.86	3,525.86	
TransDigm's Cost	Per Part			
TransDigm's	Code Operating Unit	Hartwell 83014 Corporation	Hartwell 83014 Corporation	-
CAGE	Code	83014	83014	
NSN and	Description	5342-00-718-0680 Latch, Assembly, Cowl	5342-00-718-0680 Latch, Assembly, Cowl	
	Contract Number Buying Command Description	DLA Aviation Richmond, VA	DLA Aviation Richmond, VA	1
(cui)	Contract Number	DLA Aviation SPE4A6-17-P-A082 Richmond, VA	DLA Aviation SPE4A6-17-P-B183 Richmond, VA	

DoDIG COST ANALYSIS AND EXCESS PROFIT



January 13, 2022

Via U.S. Mail and Electronic Mail

Marathonnorco Aerospace, Inc. Attention: Ms. Jill Recio 8301 Imperial DR Waco, TX 76712

SUBJECT: Request for Voluntary Refund

Dear Ms. Recio:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Marathonnorco Aerospace, Inc. (Marathonnorco) (Cage 08844) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Marathonnorco voluntarily refund to the Government a total of \$67,720, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Date: 2022.01.13 08:04:08-0500'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

(cui)	Buying		CAGE	TransDigm's	TransDigm's Cost	Contract Price	TransDigm's Cost Per Part With Excess Profit			Total Excess
Contract Number	Command	NSN and Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
	DLA Aviation	1560-00-915-7313								
7-P-3878	Richmond, VA	PE4A7-17-P-3878 Richmond, VA Receiver Assy, Strut	08844 Marat	Marathonnorco		1,046.18				\$67,720
										\$67,720

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January 13, 2022

Via U.S. Mail and Electronic Mail

Semco Instruments, Inc. Attention: Ms. Eileen Viglione 186 Cedar Street Branford, CT 06405-6011

SUBJECT: Request for Voluntary Refund

Dear Ms. Viglione:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Semco Instruments, Inc. (Semco) (Cage 09526) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Semco voluntarily refund to the Government a total of \$69,318, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Digitally signed by CONTRERAS.CATHERINE.L.12 29386472 Date: 2022.01.13 08:04:50 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

Buying		NSN and	CAGE	TransDigm's	TransDigm's TransDigm's Cost Contract Price Cost Per Part With Excess Profit Total	Contract Price	Cost Per Part With	Excess Profit	Total	Total Excess
Command Description C	Description	0	code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
DLA Aviation 6150-01-348-3051	6150-01-348-3051			Semco						
Richmond, VA Cable Assembly 0952		0952	26	09526 Instruments		3,802.98				\$69,318
	1									\$69,318

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January 13, 2022

Via U.S. Mail and Electronic Mail

Semco Instruments, Inc. Attention: Ms. Eileen Viglione 186 Cedar Street Branford, CT 06405-6011

SUBJECT: Request for Voluntary Refund

Dear Ms. Viglione:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Semco Instruments, Inc. (Semco) (Cage 24735) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Semco voluntarily refund to the Government a total of \$353,589, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 CONTRERAS.CATHERINE.L.12 29386472 Date: 2022.01.13 08:06:05 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

	Parts Profit	\$85,021	\$53,008	\$52,039	\$47,868	\$47,656	\$40,504	\$27,493
_	Per Part F							
Cost Dor Dout	With 15% Profit							
Contract Drice	Contract Price Per Part	2,820.70	3,795.00	3,795.00	4,926.00	3,850.00	4,926.00	3,756.00
Tranchican's Cast	Iransuigm s cost Per Part							
Tranchiamle	Operating Unit	Semco Instruments						
	Code	24735	24735	24735	24735	24735	24735	24735
OFIT	Buying Command NSN and Description	6150-01-314-2892 Cable Assembly	5995-01-308-7954 Cable Assembly	5995-01-308-7954 Cable Assembly	6150-01-347-5681 Cable Assembly	5995-01-280-9907 Cable Assembly	6150-01-347-5681 Cable Assembly	6685-01-011-8036 Thermocouple Harness Assembly
SIS AND EXCESS PR	Buying Command	DLA Aviation Richmond, VA						
DoDIG COST ANALYSIS AND EXCESS PROFIT	umber	SPE4A6-19-V-7707	SPE4A6-18-V-317P	SPE4A6-18-V-6129	SPE4A6-18-P-E829	SPE4A6-18-P-2333	SPE4A6-18-V-9136	SPE4A4-18-V-8172

DoDIG COST ANALYSIS AND EXCESS PROFIT



January 13, 2022

Via U.S. Mail and Electronic Mail

Skurka Aerospace, Inc. Attention: Ms. Jacqueline Frederic 4600 Calle Bolero Camarillo, CA 93012

SUBJECT: Request for Voluntary Refund

Dear Ms. Frederic:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Skurka Aerospace, Inc. (Skurka) (Cage 95270) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Skurka voluntarily refund to the Government a total of \$759,519, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Date: 2022.01.13 08:06:40 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

Operating Unit Per Part 15% Profit Per Part Parts Skurka Aerospace 16,204.00 16,204.00 16,204.00 16,204.00 Skurka Aerospace 29,154.50 29,154.50 16,204.00 16,204.00 Skurka Aerospace 29,154.50 29,154.50 16,204.00 16,204.00				CAGE	TransDigm's	TransDigm's Cost	e	/ith	ŵ	Total	Total Excess
1650-01-542-0169 95270 Skurka Aerospace 16,204.00 Housing Assy, Stator 95270 Skurka Aerospace 16,204.00 6105-00-448-6927 41ernating Current 29,154.50 5 Alternating Current 95270 Skurka Aerospace 29,154.50 6105-00-315-1186 95270 Skurka Aerospace 29,154.50 6105-00-315-1186 95270 Skurka Aerospace 29,154.50 6105-00-315-1186 95270 Skurka Aerospace 29,154.50	- Free	Command	NSN and Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
6105-00-448-6927 6105-00-448-6927 Alternating Current Motor 95270 Skurka Aerospace 6105-00-315-1186 29,154.50 Alternting Current Motor 95270 Skurka Aerospace 5,175.14 5,175.14		ation nd, VA	1650-01-542-0169 Housing Assy, Stator		Skurka Aerospace		16,204.00				\$535,781
6105-00-315-1186 Alternting Current Motor 95270 Skurka Aerospace 5,175.14		iation ma City, OK	6105-00-448-6927 Alternating Current Motor		Skurka Aerospace		29,154.50				\$168,150
	5 6	iation ma City, OK	6105-00-315-1186 Alternting Current Motor		Skurka Aerospace		5,175.14				\$55,588

DoDIG COST ANALYSIS AND EXCESS PROFIT



January 13, 2022

Via U.S. Mail and Electronic Mail

Tactair Fluid Controls, Inc. Attention: Ms. Patricia Tierney 4806 W. Taft Road Liverpool, NY 13088-5552

SUBJECT: Request for Voluntary Refund

Dear Ms. Tierney:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Tactair Fluid Controls, Inc. (Tactair) (Cage 70236) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Tactair voluntarily refund to the Government a total of \$1,812,281, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT HERINE.L.1229386 472 Digitally signed by CONTRERAS.CATHERINE.L.12 29386472 Date: 2022.01.13 08:07:08-05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

DoDIG COST ANALYS	DoDIG COST ANALYSIS AND EXCESS PROFIT									
(cul)		NSN and	CAGE	TransDigm's	TransDigm's Cost	Contract Price	Cost Per Part With Excess Profit Per	Excess Profit Per	Total	Total Excess
Contract Number	Buying Command	Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Part	Parts	Profit
SPE4A7-19-C-0215	DLA Aviation Richmond, VA	1630-01-098-2057 Dual Parking Valve	70236	Tactair Fluid Controls, Inc.		6,227.49				\$471,314
SPE4A7-18-C-0486	DLA Aviation Richmond, VA	1620-00-918-6392 Lock, Assy, Steering	70236	Tactair Fluid Controls, Inc.		13,202.00				\$437,138
SPE4A7-18-C-0473	DLA Aviation Richmond, VA	1630-01-098-2057 Dual Parking Valve	70236	Tactair Fluid Controls, Inc.		5,988.00				\$420,091
SPE4A7-19-P-B565	DLA Aviation Richmond, VA	1620-01-089-2484 Compensator Assembly	70236	Tactair Fluid Controls, Inc.		3,688.00				\$179,292
SPE4A7-18-P-0928	DLA Aviation Richmond, VA	1650-01-174-9137 Cap, Linear Actuating	70236	Tactair Fluid Controls, Inc.		7,495.00				\$145,553
SPE4A7-17-P-D488	DLA Aviation Richmond, VA	1650-01-101-4365 Rod, Head Assembly	70236	Tactair Fluid Controls, Inc.		21,553.00				\$68,964
SPRTA1-18-P-0065	DLA Aviation Oklahoma City, OK	1650-01-132-3641 Servo Mechanism, Hydr	70236	Tactair Fluid Controls, Inc.		74,058.00				\$56,197

DoDIG COST ANALYSIS AND EXCESS PROFIT

(cui)		NSN and	CAGE	TransDigm's	TransDigm's Cost Contract Price Cost Per Part With Excess Profit Per Total Excess	Contract Price	Cost Per Part With	Excess Profit Per	Total	Total Excess
Contract Number	Contract Number Buying Command	Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Part	Parts	Profit
	DI A Aviation	1620-01-038-4966		Tactair Fluid						
				5						
SPE4A6-19-P-7049 Richmond, VA	Richmond, VA	Position Transducer	70236	Controls, Inc.		47,412.75				\$33,732
				-						\$1,812,281



January 13, 2022

Via U.S. Mail and Electronic Mail

TransDigm, Inc. DBA AeroControlex Attention: Ms. Chrisi Trivison 4223 Monticello BLVD South Euclid, OH 44121

SUBJECT: Request for Voluntary Refund

Dear Ms. Trivison:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to TransDigm, Inc., DBA AeroControlex (TransDigm) (Cage 04638) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$664,919, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT HERINE.L.1229386 29386472 472 Date: 2022.01.13 08:07:34 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

DoDIG COST ANALYSIS AND EXCESS PROFIT	IS AND EXCESS P	ROFIT								
(cui)	Buying	NSN and	CAGE	TransDigm's	TransDigm's Cost	Contract Price	Cost Per Part With	Excess Profit	Total	Total Excess
Contract Number	Command	Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
	DLA Aviation	1615-01-172-5065		TransDigm, Inc. DBA						
SPE4A7-18-P-A047	Richmond, VA	Gearbox Assembly	04638	AeroControlex		15,850.00				\$117,199
	DI A Aviation	1650-01-507-2406		TransDiem Inc DBA						
SPE4A7-18-P-8325	Richmond, VA	Disk, Valve	04638	AeroControlex		28,067.00				\$116,461
	DI A Aviation	1615-01-172-5065		TransDiøm Inc DB∆						
SPE4A7-18-P-C959	Richmond, VA	Gearbox Assembly	04638	AeroControlex		15,850.00				\$115,078
	DLA Aviation	1615-01-172-5068		TransDigm, Inc. DBA						
SPE4A7-18-P-A174	Richmond, VA	Gearbox Assembly	04638	AeroControlex		13,034.00				\$111,294
	DI A Aviation	1615-01-172-5067		TransDiem_Inc_DBA						
SPE4A7-18-P-9501	Richmond, VA	Gearbox Assembly	04638	AeroControlex		9,878.00				\$106,607
	DLA Aviation	1615-01-172-5065		TransDiem. Inc. DBA						
SPE4A7-18-P-3131	Richmond, VA	Gearbox Assembly	04638	AeroControlex		15,850.00				\$98,280
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January 13, 2022

Via U.S. Mail and Electronic Mail

TransDigm, Inc. DBA AeroControlex Attention: Ms. Chrisi Trivison 4223 Monticello BLVD South Euclid, OH 44121

SUBJECT: Request for Voluntary Refund

Dear Ms. Trivison:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to TransDigm, Inc., DBA AeroControlex (TransDigm) (Cage 81833) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$392,389, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 472 Dete: 2022.01.13 08:08:12-05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

(cui)	Buying		CAGE	TransDigm's	TransDigm's Cost Contract Price Cost Per Part With Excess Profit Total Total Excess	Contract Price	Cost Per Part With	Excess Profit	Total	Total Excess
Contract Number		Command NSN and Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
		2915-01-055-6515								
	DLA Aviation	Jet Engine Fuel		TransDigm, Inc. DBA						
SPE4A7-19-C-0069 Richmond, VA	Richmond, VA	Pump	81833	AeroControlex		7,223.00				\$392,389
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January 13, 2022

Via U.S. Mail and Electronic Mail

TransDigm, Inc. DBA Aero Fluid Products Attention: Ms. Jennifer Clark 313 Gillett Street Painesville, OH 44077-2918

SUBJECT: Request for Voluntary Refund

Dear Ms. Clark:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to TransDigm, Inc., DBA Aero Fluid Products (TransDigm) (Cage 96124) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$1,074,937, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT Digitally signed by HERINE.L.1229386 CONTRERAS.CATHERINE.L.12 29386472 Date: 2022.01.13 08:08:41 -0500'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

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(cui)	Buying		CAGE	TransDigm's	TransDigm's Cost	Contract Price	Cost Per Part With	Excess Profit		Total Excess
Contract Number	Command	NSN and Description	Code	Operating Unit	Per Part	Per Part	15% Profit	Per Part	Total Parts	Profit
SPE4A7-18-C-0035	DLA Aviation Richmond, VA	1680-01-176-6351 Housing Assembly	96124	TransDigm, Inc. DBA Aero Fluid Products		18,697.00				\$487,566
SPRRA1-17-C-0021	DLA Aviation Huntsville, AL	2915-01-246-6785 Shutoff Valve	96124	TransDigm Inc - Aero Fluid Products		3,511.36				\$157,862
SPE4A7-18-P-2803	DLA Aviation Richmond, VA	2915-01-173-5774 Fuel Float Assembly	96124	TransDigm, Inc. DBA Aero Fluid Products		1,703.00				\$127,094
SPE4A7-18-P-0784	DLA Aviation Richmond, VA	2915-00-968-8538 Adapter Assy	96124	TransDigm, Inc. DBA Aero Fluid Products		18,740.00				\$119,974
SPE4A7-17-P-A408	DLA Aviation Richmond, VA	2915-00-628-6457 Valve Parts Kit	96124	TransDigm, Inc. DBA Aero Fluid Products		1,105.00				\$96,735
DLA Aviation SPE4A5-18-P-3731 Richmond, VA	DLA Aviation Richmond, VA	4810-01-454-3053 Solenoid Valve	96124	TransDigm, Inc. DBA Aero Fluid Products		3,717.00				\$85,706
										\$1,074,937

DoDIG COST ANALYSIS AND EXCESS PROFIT



January 13, 2022

Via U.S. Mail and Electronic Mail

Transicoil, LLC Attention: Mr. Erik Weber 9 Iron Bridge DR Collegeville, PA 19426-2042

SUBJECT: Request for Voluntary Refund

Dear Mr. Weber:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Transicoil, LLC (Transicoil) (Cage 65907) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$112,013, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely, CONTRERAS.CAT HERINE.L.1229386 472 Digitally signed by CONTRERAS.CATHERINE.L.12 29386472 Date: 2022.01.13 08:09:06 -05:00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

(cui)	Buying	NSN and		TransDigm's	TransDigm's Cost	Contract Price	TransDigm's TransDigm's Cost Contract Price Cost Per Part With Excess Profit Total Total Excess	Excess Profit	Total	Total Excess
Contract Number	Command	Description	CAGE Code	Description CAGE Code Operating Unit	Per Part	Per Part	15% Profit	Per Part	Parts	Profit
	DLA Aviation	DLA Aviation 6645-01-586-5278								
SPE4A6-18-P-6730		Panel Clock	65907	5907 Transicoil LLC		13.546.15				\$112.013

\$112,013

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January 13, 2022

Via U.S. Mail and Electronic Mail

Whippany Actuation Systems, LLC Attention: Mr. William Flatley 110 Algonquin Parkway Whippany, NJ 07981

SUBJECT: Request for Voluntary Refund

Dear Mr. Flatley:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Whippany Actuation Systems, LLC (Whippany) (Cage 81039) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$220,978, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact at a contract @dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT HERINE.L.1229386 472 Digitally signed by CONTRERAS.CATHERINE.L.12 29386472 Date: 2022.01.13 08:09:42 -05'00'

CATHERINE L. CONTRERAS Acquisition Executive

Enclosure

Excess Profit Total Total Excess Profit Per Part Parts Profit	\$154,347	\$55,680	
Cost Per Part With 15% Profit			
Contract Price Per Part	21,623.69	1,750.00	
TransDigm's Cost Per Part			
TransDigm's Operating Unit	Whippany Actuation Systems LLC	Whippany Actuation Systems LLC	
CAGE Code	81039	81039	
NSN and Description	1055-01-228-1370 Actuator	1680-00-816-8295 Flange, Clutch, Drive	
Buying Command	DLA Aviation Huntsville, AL	DLA Aviation Richmond, VA	
(CUI) Contract Number	SPRRA2-17-C-0022	SPE4A5-17-P-6997	

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