

# CAAG Summary

- CAAG Focus Areas and Next Steps
  - AS6174 – Review current standard architecture with consideration to implementation; Review basic requirements document; Provide G21 with CAAG recommendations for consideration
  - Draft Counterfeit System of Standards architecture
  - Address Scope issues – Electromechanical, G19 vs G21, Application
  - Incorporating CAAG as part of SAE ITC
  - Continue to advocate for CAAG comments to AS5553 rev B via participation in G-19CI
- Next CAAG, June 10-12 or July 8-10, SAE to participate

# CAAG Discussions

- Information sharing – Status on regulations, DCMA/DCAA oversight plans, and AIA QAC/DCMA initiative
- Discussed Aerospace Council Chairman Advisory Group markup to proposed restructuring of G-19 and G21 Managing Committee charter
- Discussion on why Counterfeit Avoidance is different than other standards
- Open discussion with SAE CEO, on current issues and possible operational frameworks (See Chart 6)
- Prime only discussion (See Chart 5)
- Presentation on traceability and authorizing documents
- Met with G19/G21 subcommittee chairs to understand their concerns (see Chart 7)

## Why is Counterfeit Avoidance different than other Standards?

- Government regulations will place major Primes at much higher risk than rest of supply chain
  - DFARS Case 2012-D055 proposes to include prime contractor liabilities, ties counterfeit avoidance system approval to prime contractor's CPSR, and exempts small businesses
  - FAR case 2012-032 proposes to include AS5553 and AS6174 to FAR 246-11 "Higher Level Contract Requirements" and ties approval to prime contractor's CPSR.
  - Draft MOD UK Defense Standard 05-135 references AS5553, AS6081, AS6174, AS6462, and ARP6178
- CPSR disapproval may result in increase Government oversight, limiting a major Prime contractor's ability to procure, and financial penalties/withholds
- Government usage of Standards and pending regulations (including counterfeit related issues are unallowable costs) makes it imperative for major Primes to ensure Industry standards are effective and implementable.
- Counterfeit standards developed in immature, dynamic environment where processes, test methods, regulations are still being defined

# Discussion

- CAAG Discussion with SAE
  - SAE CEO presented different options within SAE structure
  - Accept recommendation to pursue incorporating CAAG under the ITC as a 501c(6)
  - Continue to work with G19/G21 to improve standards architecture and development, alignment, and vision / strategy
  - Formalize operational processes
  - Longer term actions
    - Need to establish how to improve integration, roles, and responsibilities between CAAG, G19/G21 Committees, and Aerospace Council
    - Evaluate both CAAG and G19/G21 leadership, advisors, members, and operations
    - Determine path forward on getting global acceptance

# CAAG discussion with Subcommittee Chairs

- Meeting with Subcommittee Chairs
- Common themes among subcommittee chairs
  - Need for cross committee forums, currently no formal integration occurs between committees and subcommittees; no sharing of best practices, lack of vision
  - No formal process to adjudicate issues
  - Standards committee require significant time commitment, long process with various interests/agendas “wears people out” or people give up
  - Need for writing rules – requirement vs. guidance, lack of awareness regarding implementation / practicality, and executability
  - Concerns on scope and applicability; no coordinated releases across standards; perceived need vs. real need
  - Need for more working level resources
  - Only part of their full time job [little time for anything else]