



Counterfeit Avoidance Accreditation Program (CAAP)

Program Manager

Performance Review Institute

Current Situation

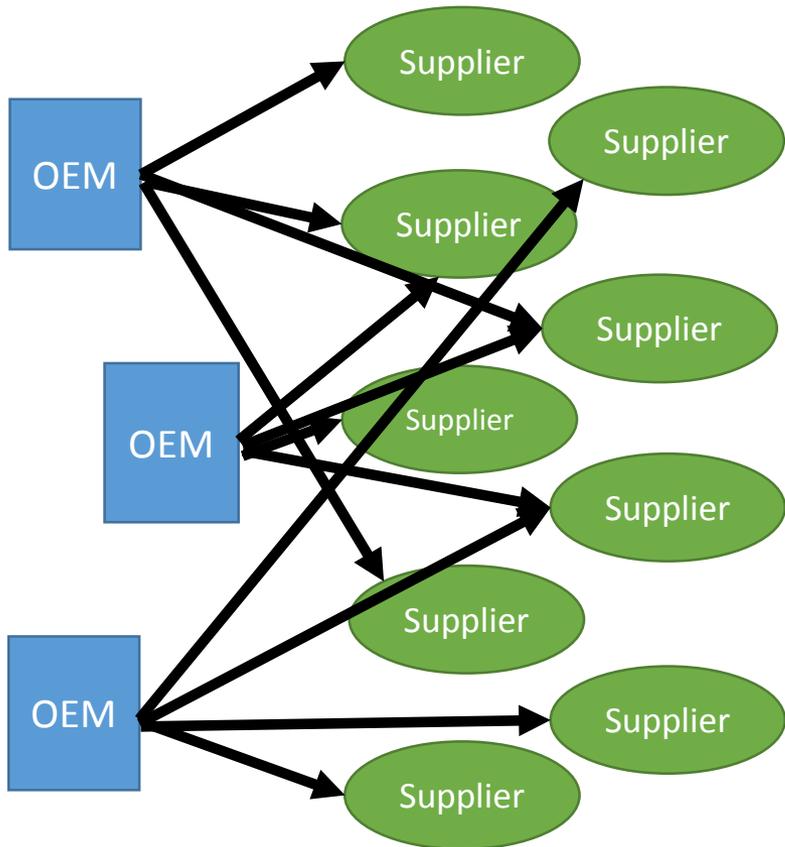
- The number of counterfeit/defective electronics entering the supply chain is rising
- Risks to the aerospace and defense industries
 - product failure
 - revenue loss
 - exfiltration of electronic data
 - loss of intellectual property
 - increased costs relating to warranty, inspections and testing, and restocking
- All may compromise public safety, industry profitability and national security
- Regulatory bodies are requiring an approach to address this issue

Current Situation

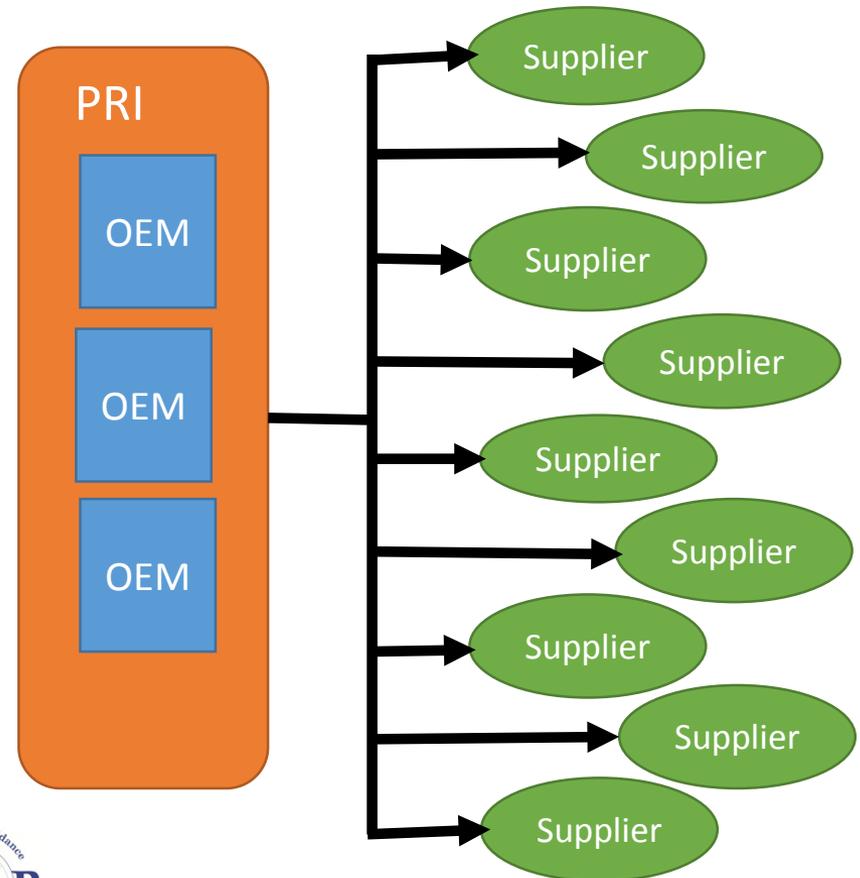
- A number of industry standards have been created to support the mitigation of counterfeit parts entering the supply chain
 - IDEA-STD-1010
 - SAE AS5553
 - MIL-STD-1580
 - IEC/TS 62668-1
- However, there needs to be a method to verify that organizations are in compliance with recognized counterfeit avoidance requirements

Supplier Oversight

Current Situation



Using CAAP



CAAP Program Description

CAAP is an industry-managed approach that brings together technical experts from both industry and government for ensuring compliance to standards associated with the prevention, detection, and responses to the threat of counterfeit parts in aviation, space, and defense. Subscribers and suppliers work together to define operational program requirements, establish requirements for accreditation and grant accreditation.



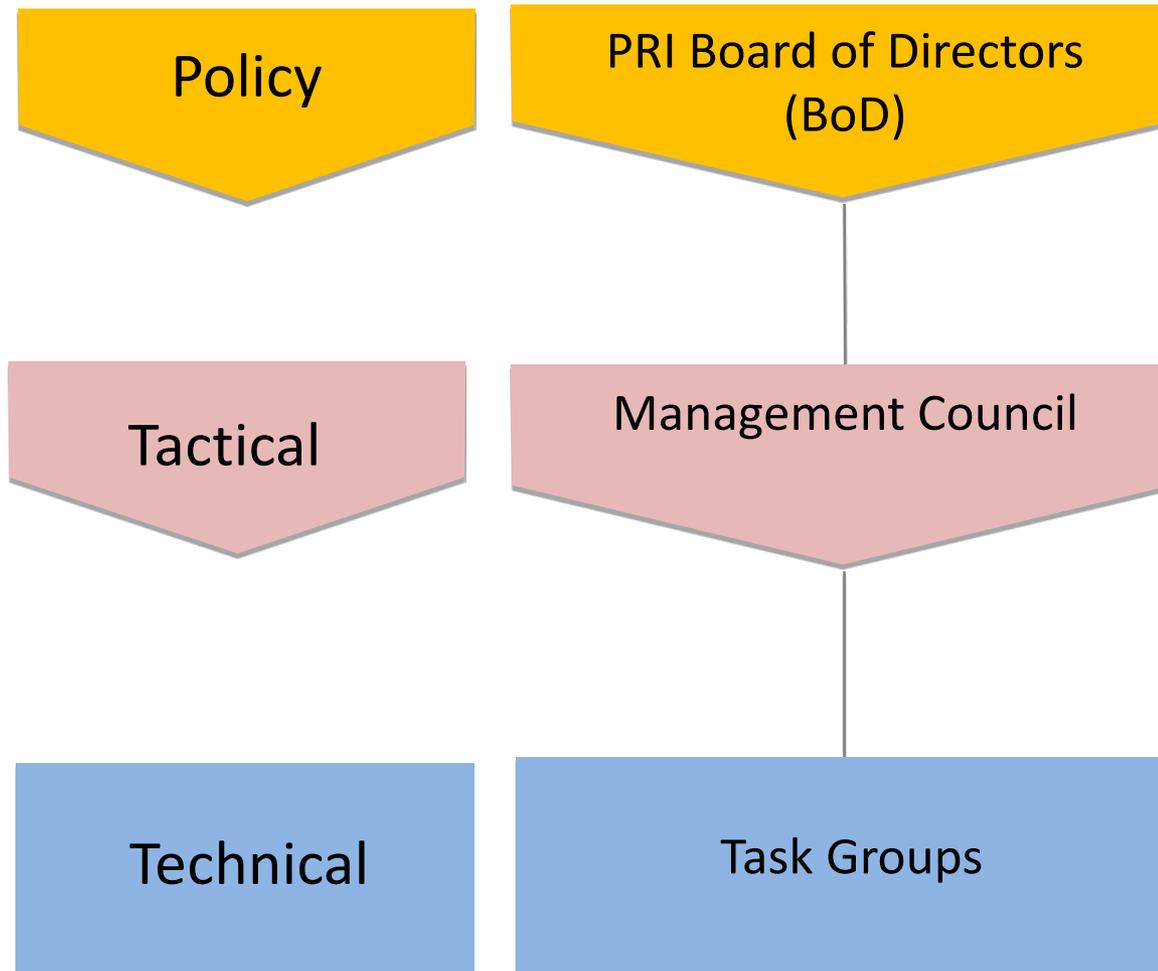
CAAP is first and foremost an Industry Managed Accreditation Process



Benefits of an Industry Managed Program

- Cost Savings
- Reducing Redundancy
- Regulatory Compliance
- Reduced Risk
- Direct Control and Oversight
- Flexibility

Industry Managed Model



Executive Leaders

- Legal entity
- Fiduciary responsibility
- Set policy
- Provide the vision

Senior quality leaders & managers

- Oversee operation of program
- Establish/implement policy & procedure
- Task group coordination & development
- Identify/develop/deploy improvement

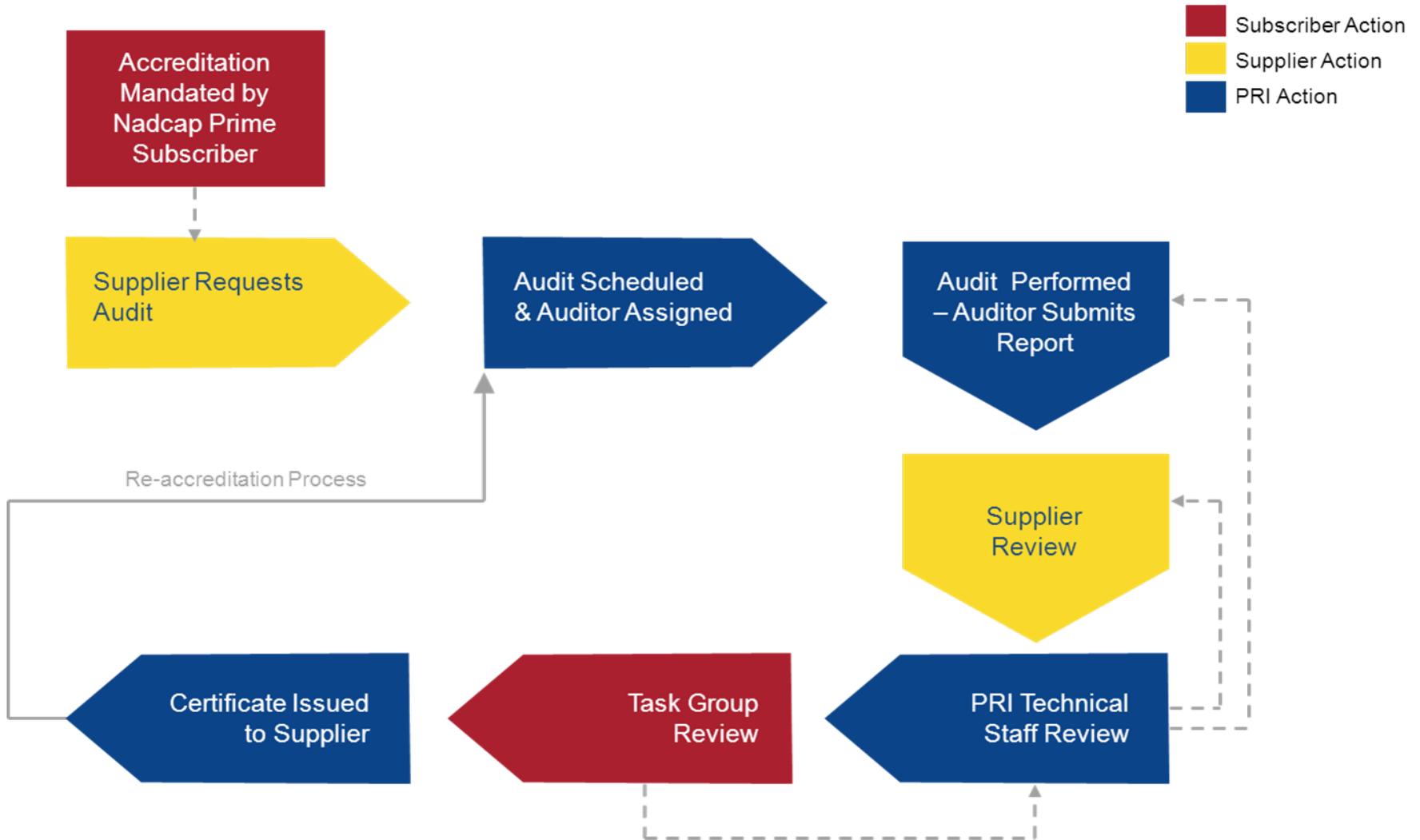
Technical Experts

- Determine requirements
- Develop documents
- Accept corrective action
- Final decision on accreditation

CAAP Program Bodies

- Policy
 - PRI Board of Directors
- Tactical
 - CAAP Management Council
- Technical
 - EEE Parts Task Group

THE CAAP AUDIT PROCESS



Brief Definition of Audit Process Roles

- Subscriber
 - Mandate/accept CAAP accreditation to suppliers
 - Review the audit package (audit report, non-conformances and root cause corrective actions)
 - Make final decision on accreditation
- Supplier
 - Liaise with PRI to schedule the CAAP audit
 - Provide CAAP auditor with pre-audit information (quality manual, procedures, etc.)
 - Liaise with PRI to close out any non-conformances
- PRI
 - Schedule audit with qualified auditor on convenient dates for all parties
 - Perform audit and submit report (Auditor)
 - Review report and liaise with Supplier to close out any non-conformances
 - Publish Approved Supplier List

eAuditNet

- Web-based workflow software used by all stakeholders – OEMs, Suppliers, Audit Reviewers, Auditors
- 24/7 secure global electronic access
- Committee / Working Group Collaboration – create, revise, and publish audit criteria and other controlled documentation
- Reporting and Analytics – advanced search and business intelligence features
- Sophisticated Security Model – ability to define roles and access controls
- Multi-party Workflow – audits processed simultaneously by different types of stakeholders
- Full Audit Management – every step in inspection lifecycle
- Corrective Action / Non-conformance Management – rich workflow for review of findings
- Qualified Supplier List – searchable database of accredited sites/facilities

Program Documentation

- PD1000 – Industry Managed Accreditation Program Document
 - Controlled by PRI Board of Directors with input from Program Management Councils
- PD1400 – Counterfeit Avoidance Accreditation Program (CAAP) Program Requirements
 - Controlled by CAAP Management Council
- OP 14XX – Operating Procedures
 - Controlled by CAAP Management Council



Audit Criteria

- AC7401 – Counterfeit Avoidance Accreditation Program (CAAP) Audit Criteria for Accreditation to AS5553
 - Published January 2016
 - Current revision of AC7401 will assesses compliance to AS5553 Rev A.
 - When AS5553 Rev B is released, AC7401 will be revised to ensure compliance with that revision

Audit Criteria

- AC7401/1 – Counterfeit Avoidance Accreditation Program (CAAP) Audit Criteria for Compliance to DFARS 252.246-7007
 - Currently resolving comments from ballot
 - In conjunction with AC7401, assesses compliance to DFARS 252.246-7007
 - Will also need to be revised when AS5553 Rev B is released

Participating Companies

Signed Subscription Agreements

- Defense Contract Management Agency (DCMA)
- Lockheed Martin
- Northrop Grumman
- Rockwell Collins
- United Technologies (UTC)

Participating Companies

Other Participating Companies

- Avcorp
- Ball Aerospace
- Boeing
- General Electric
- Honeywell
- Raytheon
- Rolls-Royce

CAAP Milestones

- First CAAP Management Council Meeting – March 2015
- First CAAP EEE Parts Task Group Meeting – May 2015
- AC7401 – CAAP Audit Criteria for Accreditation to AS5553 published – January 2016
- PD1400 – Counterfeit Avoidance Accreditation Program (CAAP) Program Requirements published – January 2016



CAAP Milestones

- First CAAP Subscriber – February 2016
- First Audit Conducted April 12-14
 - Rockwell Collins, Cedar Rapids, IA
 - Still going through the audit review process

Current/Future Activities

- Looking to start a second Task Group
 - Distributors (Independent and Authorized)
 - Materiel
 - Testing
- Developing plans for ramping up when mandates are issued
- Revise checklists when AS5553 Rev B is released

Further Information

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