



**DEFENSE LOGISTICS AGENCY
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IN REPLY
REFER TO

March 13, 2013

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved DLMS Change (ADC) 1059, Mandatory Use of Four-Character Packaging Discrepancy Codes on Supply Discrepancy Reports (SDRs) and Storage Quality Control Reports (SQCRs) (Supply/SDR/Stock Readiness)

The attached change to Defense Logistics Manual (DLM) 4000.25, Defense Logistics Management System (DLMS) is approved for implementation by DOD WebSDR on September 1, 2013. Joint implementation by Service/Agency SDR applications is required for adoption of new discrepancy codes. Service/Agency SDR applications interfacing with DOD WebSDR must transition to mandatory use of four-character packaging discrepancy codes on new SDR submissions no later than September 1, 2013.

Addressees may direct questions to Ellen Hilert, DOD SDR System Administrator, 703-767-0676, DSN 427-0676, e-mail: ellen.hilert@dla.mil. Others must contact their Component designated Supply PRC representative or SDR Subcommittee representative available at: www.dla.mil/j-6/dlms0/CertAccess/SvcPointsPOC/allpoc.asp.

DONALD C. PIPP
Director,
DLA Logistics Management
Standards Office

Attachment
As Stated

cc:
ODASD(SCI)
SDR Subcommittee (U.S. and Security Assistance)

ADC 1059
Mandatory Use of Four-Character Packaging Discrepancy Codes
on Supply Discrepancy Reports (SDRs) and Storage Quality Control Reports (SQCRs)

1. ORIGINATOR: Ms. Ellen Hilert, DOD SDR System Administrator, 703-767-0676; DSN 427-0676; or e-mail: ellen.hilert@dla.mil

2. FUNCTIONAL AREA: SDR/Packaging

3. REFERENCES:

a. PDC 176, Mandatory Identification of Detail Level Packaging Discrepancy Codes for USAF DOD WebSDR Users, July 28, 2005. Replaced by PDC 176A.

b. DLMSO Memorandum dated August 13, 2007, subject: DLMS SDR Subcommittee Meeting 07-1, July 25-26, 2007. The Committee supported expanding the scope of the original PDC beyond Air Force submitters to include Distribution Depot-originated SDR with phased implementation for all others as a future requirement.

c. PDC 176A, Mandatory Identification of Four-Character Packaging Discrepancy Codes, June 24, 2008. Currently on hold. With the publication of ADC 1059, PDC 176A is formally withdrawn.

4. APPROVED CHANGE:

a. **Overview:** This change establishes a mandatory requirement for the use of four-character packaging discrepancy codes when packaging discrepancies are reported via SDR or SQCR under DLMS procedures. Currently, the four-character packaging discrepancy codes are considered an optional detail-level variant of the generic two-character packaging discrepancy codes. Additionally, several new packaging discrepancy codes are established. SDR applications must make it mandatory for users to provide remarks text in conjunction with packaging discrepancy codes.

b. Background:

(1) Two-character packaging discrepancy codes are generic codes that attribute discrepancies by category: improper preservation, improper packing, improper marking, and improper unitization. All packaging discrepancy codes begin with the letter P. Each of the two-character discrepancy codes in the P-series also has a subordinate group of detail-level codes that can be used to identify the specific discrepancy within the category. The two-position packaging discrepancy codes date back to the origin of the hard-copy SDR (Standard Form SF 364); the four-character codes were designed to improve reporting and metrics primarily for SDRs created in automated systems, but were never mandated as a replacement for the generic codes.

(2) Storage activities report packaging discrepancies identified while the materiel is in storage using the SQCR. Discrepancy codes are not identified as a data requirement on the equivalent hard-copy form (DD 1225), but have been added for the automated process under

DLMS. The discrepancy code is currently implemented for DLMS SQCR transactions used internally between Distribution Depots and the DLA materiel owner pending wider implementation of the DLMS.

(3) The mandatory use of four-character packaging discrepancy codes has long been considered a future implementation goal. It was first proposed as an internal Air Force requirement under PDC 176 (Reference 3.a.). During subsequent discussion, DLA Distribution supported the transition for Distribution Depot-originated SDRs (Reference 3.b.). The Supply Process Review Committee sponsored a revised proposal for wider implementation (Reference 3.c.). However, at the DOD level, there was an obstacle presented by the number of SDRs reported from a hard copy by a third party and the DLMS change was placed on hold. This situation has greatly diminished and the timing is now appropriate to resurface this change for near-term implementation. The SDR System Administrator discussed formal staffing of this requirement for DOD-wide implementation during the January 23, 2013 meeting of the Defense Contract Management Agency (DCMA) Packaging SDR Continuous Process Improvement (CPI) Initiative. The Service/Agency representatives agreed that the mandatory adoption of four-character codes would improve the reporting process and enhance visibility of specific packaging discrepancies in automated SDR applications. The Service/Agency representatives expressed consensus to endorse this change as a CPI objective. This change supersedes PDC 176/176A in their entirety.

c. Approved Change in Detail:

(1) DOD WebSDR and Service/Agency SDR applications will be modified to prevent use of two-character packaging discrepancy codes on new SDR submissions. Existing SDR records will not be impacted by this change. Two-character packaging discrepancy codes will be retained for query and management report functions allowing selection of all packaging SDRs within a specific category.

(2) Storage activity preparation of SQCRs will be modified to prevent use of two-character packaging discrepancy codes on new submissions.

(3) WebSDR and Service/Agency SDR applications must be modified to ensure that remarks text are provided on new SDRs in conjunction with P-series discrepancy codes. Four-character packaging discrepancy codes are not designed for use without clarifying information.

(4) New packaging discrepancy codes are assigned as shown in Enclosure 2 to be used by exception when none of the existing packaging discrepancy codes are applicable.

(5) The restriction on continued use of two-position packaging discrepancy codes will require third parties inputting SDRs on behalf of the receiving activity to obtain sufficient information to identify the appropriate discrepancy code. This will specifically impact the DLA Customer Interaction Center (CIC) providing assistance to non-DOD activities and the International Logistics Control Offices (ILCOs) responsible for input of Foreign Military Sales SDRs.

d. Revisions to DLM 4000.25 Manuals:

(1) Revise DLM 4000.25 DLMS Manual, Volume 2, Chapter 17, Supply Discrepancy Reporting, as shown at Enclosure 1.

(2) Revise DLM 4000.25 DLMS Manual, Volume 2, Appendix 3, as shown at Enclosure 2.

(3) Revise the DLMS Supplement guidance for SDR transactions as shown at Enclosure 3. No change is required for the DLMS Supplement for the SQCR.

e. Transaction Flow: No change.

f. Alternatives: None identified.

5. REASON FOR CHANGE: This change adds value to the discrepancy code as a packaging data metric. This change will enable policy research related to packaging problems and provide that information in an objective way.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: Improved metrics and visibility of packaging discrepancies at more detailed level, thus providing more useful information.

b. Disadvantages: DOD-wide implementation is needed to take full advantage of this change.

7. ADDITIONAL FUNCTIONAL REQUIREMENTS:

a. Action activities responding to SDRs are required to update discrepancy codes that are used incorrectly by the submitter. This is necessary to ensure data extracted for management reports accurately reflect the discrepancy. Action activities responding to SDRs submitted prior to the implementation date may choose to update two-character packaging discrepancy codes to the appropriate four-character code.

b. DOD WebSDR automated reject capability for two-character packaging discrepancies is not required at this time. Service/Agencies may choose to reject or request additional information be provided by the submitter.

8. TIME LINE/IMPLEMENTATION TARGET: This change is approved for implementation by DOD WebSDR on September 1, 2013 for new discrepancy codes and mandatory use of four-character packaging discrepancy codes. Joint implementation by Service/Agency SDR applications is required for new discrepancy codes. Transition to mandatory use of four-character packaging discrepancy codes on new SDR submissions prior to this date is optional.

9. IMPACT:

a. **New DLMS Data Elements:** Not applicable.

b. **Changes to DLMS Data Elements:** Refer to Enclosure 2 for updates to Discrepancy Codes used for SDRs.

c. **Automated Information Systems (AIS):**

(1) Changes are required for Service/Agency SDR applications to adopt new discrepancy codes, prohibit use of two-character discrepancy codes on new submissions, and require user remarks be included when packaging SDR are submitted.

(2) The DLA Distribution Standard System must be updated to adopt new discrepancy codes and remove access to two position packaging discrepancy codes during creation of SQCRs.

d. **DLA Transaction Services:** DOD WebSDR must be updated to adopt new discrepancy codes, remove access to two-character packaging discrepancy codes on new SDR submissions, and require user remarks on packaging SDRs. No change to query/management reports.

e. **Non-DLA Logistics Management Standards Publications:** Internal Service/Agency guidance may require updates.

Enclosure 1, DLM 4000.25 DLMS Manual Revision

Revise DLM 4000.25, Volume 2, Chapter 17 as shown in ***bold red italics***.

C17.3.1. Original Submission of SDR

C17.3.1.1. Discrepancy Identification.

(Intervening text not shown)

C17.3.1.1.2. Identify the discrepancy using the Shipping, Packaging, and Storage Discrepancy Code (Appendix 3). Within the context of SDRs this data element is known as the SDR Discrepancy Code. Use up to three different codes to describe the discrepancy on SDRs. ***(Distribution Depot-originated SDRs and their equivalents prepared via WebSDR may only use two discrepancy codes). Packaging discrepancies must be identified by four-character packaging discrepancy codes and applicable remarks.¹*** If no code exists to adequately describe ~~the~~ ***a shipping/item*** discrepancy, select Code Z1 and use a clear-text description. The goal of the initial SDR submission is to provide as much relevant information as possible to the action activity, including clarifying remarks to supplement discrepancy codes, so that they can take timely action to correct the problem and provide a timely response and disposition to the customer.

¹ ***Applicable for new submissions after September 1, 2013. Refer to ADC 1059.***

Enclosure 2, Packaging Discrepancy Codes

Revise DLM 4000.25, Volume 2, Appendix 3, Supply Discrepancy Report Relevant Data Elements, and the DLMS Dictionary as shown. Revisions are shown in *red bold italics*.

P1 Improper preservation.¹

- P101 Cleaning inadequate, incorrect, or omitted.
- P102 Preservative inadequate, incorrect, or omitted.
- P103 Barrier material inadequate, incorrect, or omitted.
- P104 Unit pack cushioning inadequate, incorrect, or omitted.
- P105 Unit container inadequate, incorrect, omitted or oversized.
- P106 Desiccant incorrect, improperly located, or omitted.
- P107 Tape/closure of unit container incorrect or inadequate.
- P108 Hazardous materials not removed as required.
- P109 Improper preservation of hazardous materials (includes ammunitions/explosives).
- P110 Level of protection excessive or inadequate.
- P111 Minimum protection not applied (material returns).
- P112 Non-conformance to specified requirements for preservation (explanation required).
- P113 Electrostatic/electromagnetic device preservation inadequate or omitted.
- P114 Concealed preservation defect found in storage (retail only).
- P199 Improper preservation (not identified by other code). See remarks.***

P2 Improper packing.²

- P201 Container inadequate, incorrect, or oversized.
- P202 Intermediate container inadequate, incorrect, oversized, or omitted.
- P203 Exterior container inadequate, incorrect, oversized, or omitted.
- P204 Blocking and bracing inadequate, incorrect, or omitted.
- P205 Cushioning inadequate, incorrect, or omitted.
- P206 Level of protection excessive or inadequate.
- P207 Container deteriorated.
- P208 Skids incorrect or omitted.
- P209 Improper packing of hazardous materials (includes ammunitions/explosives).
- P210 Non-conformance to specified requirements for packing (explanation required).
- P211 Improper foam-in-place.
- P212 Reusable container not used or improperly prepared.
- P213 Closure incorrect or inadequate.
- P214 Concealed packing defect found in storage (retail only).

¹ *Two-position packaging discrepancy codes are not applicable for new submissions after September 1, 2013. Refer to ADC 1059.*

² *Ibid.*

P215 Non-conformance to specified requirements for wood packaging material (WPM)

P299 Improper packing (not identified by other code). See remarks.

P3 Improper markings.³

P301 Identification markings omitted, incomplete, incorrectly located, or not legible.

P302 Improper marking of hazardous materials (includes ammunitions/explosives).

P303 Labels omitted or improperly affixed.

P304 Contract data omitted, incomplete, incorrectly located, or not legible.

P305 Precautionary or handling markings omitted, incomplete, or not legible.

P306 Shelf-life markings omitted, incorrect, or not legible.

P307 Bar code markings omitted, or not legible.

P308 Incorrect lot number.

P309 Set or assembly markings omitted.

P310 Address incorrect or not legible.

P311 Non-conformance to specified requirements for marking (explanation required).

P312 Electrostatic/electromagnetic device markings inadequate or omitted.

P313 Packing list omitted or incorrectly located.

P314 Passive RFID tag is missing

P315 Passive RFID tag is visibly damaged and unreadable

P316 Passive RFID tag is present but unreadable (not visibility damaged)

P317 Passive RFID tag read has no corresponding advance shipment notification

P318 Passive RFID tag read duplicates previously used tag identification

P319 Military Shipment Label (MSL), DD Form 1387, omitted; no Transportation Control Number (TCN)

P320 MSL, DD Form 1387, improperly affixed, incorrect, or incomplete

P399 Improper markings (not identified by other code). See remarks.

P4 Improper unitization (includes palletization and containerization).⁴

P401 Cargo not unitized.

P402 Shrink/stretch wrap inadequate or omitted.

P403 Strapping inadequate or omitted.

P404 Multiple consignees in single consignee consolidation container.

P405 Protective covering/wrapping inadequate, improper, or omitted.

P406 Contents of multipack container inadequately packaged, stuffed or missing unit packs.

P499 Improper unitization (not identified by other code). See remarks.

³ *Ibid.*

⁴ *Ibid.*

Enclosure 3, DLMS Supplement Revisions

A. Revise the DLMS Supplement 842A/W Standard Supply Discrepancy Report (SDR), Follow-up, Correction, Cancellation, and Reconsideration Request, as shown below.

Item	Location	Change Table for DLMS 842A/W SDR	Reason
1.	DLMS Introductory Notes	<u>Add PDC 1059 to DLMS Introductory note 6:</u> <i>- PDC 1059, Mandatory Use of Four-Character Packaging Discrepancy Codes on SDRs and Storage Quality Control Reports (SQCRs)</i>	To identify DLMS changes included in supplement.
2.	2/LQ01/3340	<u>Replace existing DLMS Note for Qualifier HA:</u> HA Discrepancy Code DLMS Note: <i>1. Use up to three repetitions to identify the discrepancy. (Note: Distribution Depot-originated SDRs and their equivalents prepared via WebSDR use up to two discrepancy codes.)</i> <i>2. Four-character packaging discrepancy codes are required on new submissions applicable to packaging discrepancies. (Refer to ADC 1059)</i>	Identifies applicable business rules. Existing note reworded.

B. Revise the DLMS Supplement 842A/R Standard SDR Reply as shown below.

Item	Location	Change Table for DLMS 842A/R SDR Reply	Reason
1.	DLMS Introductory Notes	<u>Add ADC to DLMS Introductory note 4:</u> <i>- ADC 1059, Mandatory Use of Four-Character Packaging Discrepancy Codes on SDRs and Storage Quality Control Reports (SQCRs)</i>	To identify DLMS changes included in supplement.
2.	2/LQ01/4650	<u>Revise DLMS Note for Qualifier HA:</u> HA Discrepancy Code DLMS Note: <i>1. Use up to three repetitions to identify the discrepancy. (Note: Distribution Depot-originated SDRs and their equivalents prepared via WebSDR use up to two discrepancy codes.)</i> <i>2. Action activities are required to update inappropriate use of discrepancy codes to support use of the SDR record for program metrics.</i>	Identifies applicable business rules.

Enclosure 4, Proposed Change Comment Resolution

	Submitter	Response/Comment	Resolution
1.	DLA	Concur.	Noted.
2.	Army	<p>Concur.</p> <p>The USASAC concurs with the Proposed DLMS Change (PDC) 1059, with the following comments:</p> <p>1. The USASAC will advise the FMS customer in the use of four-position (discrepancy codes), and will assist them in determining the proper discrepancy codes. At a later date, to be determined, the USASAC will reject packaging SDRs submitted without the four-position discrepancy codes.</p> <p>2. The four-position code will be input into DoD WebSDR, however the USASAC legacy system will continue to accept the current two-character packaging discrepancy code.</p>	Noted.
3.	Navy	Concur.	Noted.
4.	Air Force	Concur.	Noted.
5.	Marine Corps	Concur.	Noted.
6.	USTRANSCOM	Abstain. There is no known impact to USTRANSCOM systems based on this change.	Noted.
7.	SDR System Administrator	Services/Agencies were asked to evaluate the adoption of the proposed new packaging discrepancy codes which allow the user to identify an unspecific packaging discrepancy in conjunction with clarifying remarks. This could be viewed as comparable to the existing two-character packaging discrepancy codes, but seems to be appropriate since some discrepancy scenarios might not fit the existing code list.	No objections were submitted and the new codes are incorporated in the ADC.