



SUSTAINMENT

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

3500 DEFENSE PENTAGON
WASHINGTON, DC 20301-3500

MEMORANDUM FOR SUPPLY DISCREPANCY REPORTING PROCESS REVIEW
COMMITTEE

SUBJECT: Approved Defense Logistics Management Standards Change 1443, Product Quality
Deficiency Report Policy Migration

The Defense Logistics Management Standards change, as outlined in the attachment, is approved for implementation.

Addressees may direct questions to Mark Rockwell e-mail: DEDSO.PQDR@dla.mil.
Others must contact their designated PRC representative available at <https://www.dla.mil/Defense-Data-Standards/Committees/Contacts/>.

Leigh E. Method, SES
Deputy Assistant Secretary of Defense
for Logistics

Attachment:
As stated

cc:
OUSD(C)
DLA J6DS

Approved Defense Logistics Management Standards Change 1443

Product Quality Deficiency Report Policy Migration

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION:

a. **Technical POC:** Defense Logistics Agency, Logistics Operations, Steven Nace, 571-477-4194, Steven.Nace@dla.mil

b. **Functional POC:**

(1) Defense Logistics Agency, Logistics Operations, Steven Nace, 571-477-4194, Steven.Nace@dla.mil

(2) Headquarters, Army Materiel Command (AMCOL-MC), Marc D. Saperstein, 973-769-6410, Marc.D.Saperstein.civ@army.mil

(3) Headquarters, United States Marine Corps, Chief Warrant Office (CWO5) Jason Pierce, 571-256-7127, Jason.M.Pierce@usmc.mil

(4) Naval Supply Systems Command, Nicole Van Schilt, 717-605-1092, Nicole.L.VanSchilt.civ@us.navy.mil

(5) Headquarters, Air Force Materiel Command, Fernando Browning, 937-904-0712, Fernando.Browning.1@us.af.mil

(6) Defense Contract Management Agency, Phil Wedgie, 804-536-6638, Philip.Wedgie.civ@mail.mil

4. **REASON FOR CHANGE:** Substantive updates made after proposed change staffing are identified in green highlighting.

a. **Bottom Line Up-Front:** This change coincides with an update being made in the reissuance of DoDM 4140.01-V5 (Reference 9.a.) and DoDM 4140.01-V6 (Reference 9.b.). It serves to inform the Department of Defense (DoD) Components that the DLM 4000.25, Volume 2, Chapter 24 (Reference 9.c.), is replacing Joint Service Regulation DLAR 4155.24/AR 702-7/SECNAVINST 4855.21/AFI 21-115/DCMA INST 1102 (Reference 9.d.) as the DoD's authoritative source for Product Quality Deficiency Report (PQDR) related guidance.

Consolidating PQDR guidance into a single publication will streamline the way the DoD makes changes to policy requirements, transactional processing, and electronic data interchange (EDI) programming. It will allow these types of changes to be made simultaneously, utilizing a proven methodology in the Defense Logistics Management Standards (DLMS) change management process.

b. **Background:** Since 2019, the DoD PQDR Steering Committee, made up of military service and defense agency appointed policy representatives, PQDR processing system experts, and other advisers, has made a concerted effort to focus on transformational ways to improve

PQDR processing. In their review, the committee found the lack of system programming in accordance with the DLMS 842P PQDR Implementation Convention (IC) and the rate at which PQDR policies and procedures are revised to improve the process had been historically inadequate.

In today's DoD supply chain management operating environment, the digital exchange of information between DoD Component information systems is critically important to support enterprise-wide data analytics and provide senior leaders with the level of information needed to make informed business decisions. Consequently, when changes are made to policies and procedures outside of DLM 4000.25, Volume 2, Chapter 24, Product Quality Deficiency Report, such as current PQDR policy, it negatively impacts the systemic flow of data between PQDR processing systems due to conflicting information.

By centralizing all PQDR related policies, transactional processing procedures, and system programming requirements into Reference 9.c., as has been done with similar logistics processes such as Supply Discrepancy Reports (SDR), it will allow the DoD to complete all the necessary updates through a single publication change, utilizing the DLMS change management process. This process improvement will ensure that both the business rules required by policy and the system programming needs are documented and adjudicated simultaneously. Additionally, it will reduce the external publications used by the military services and defense agencies to ensure compliance with DoD PQDR processing requirements.

2. CHANGE IN DETAIL:

a. Technical Details:

(1) This change formally documents within Reference 9.c., that it has been established as the new DoD authoritative source for PQDR related guidance. The change is being done in conjunction with revisions currently being made to reissuance of References 9.a. and 9.b.

(2) Full migration of all PQDR guidance from Reference 9.d. into Reference 9.c. will take place over the course of the next 12 months following the approved change. Full migration may take place with a single change or be migrated in phases through multiple changes. Pending the full change an eventual cancellation of Reference 9.d., DoD Component personnel must first consult Reference 9.c. for all PQDR related program guidance before referring to the previous source authority at Reference 9.d.

(3) Pending full DLMS migration of PQDR guidance, DoD Components should consult their corresponding representative listed in section 1.b. of this change for questions related to PQDR guidance.

b. Revised Transaction Flow: This change *does not* revise transactional processing already established in DLMS 842P PQDR IC.

3. IMPLEMENTATION TARGET: This change will take place immediately upon approval. Full migration of all PQDR related guidance from Reference 9.d. into Reference 9.c. is estimated

at one-year from approval of this change. It will not require any targeted implementation by Defense Automated Addressing System (DAAS) or the PQDR processing systems.

4. TECHNICAL IMPACT:

- a. **Additions or Changes to Data Elements:** N/A.
- b. **Automated Information Systems (AIS):** N/A.
- c. **Defense Automatic Addressing System (DAAS):** N/A.

5. PUBLICATION/POLICY IMPACT:

- a. **Defense Logistics Manual (DLM) 4000.25:**

- (1) DLM 4000.25, Volume 2, Chapter 24, Product Quality Deficiency Report, October 9, 2018

- b. **Non-DLM 4000.25 Publications:**

- (1) DoDM 4140.01-V5, DoD Supply Chain Materiel Management Procedures: Delivery of Materiel, February 10, 2014

- (2) DoDM 4140.01-V6, DoD Supply Chain Materiel Management Procedures: Materiel Returns, Retention, and Disposition, March 8, 2017

- (3) DoDM 4140.01-V8, DoD Supply Chain Materiel Management Procedures: Materiel Data Management and Exchange, February 10, 2014

- (4) DLA 4155.28, Enterprise Product Quality Deficiency Report (PQDR) Investigation and Restitution Process, March 11, 2022

- (5) DLA eSOP 4155.28-001, Product Quality Deficiency Report (PQDR) Processing, November 5, 2019

- (6) DLA eSOP 4155.28-02, Communication Between Technical/Quality and Procurement during Product Quality Deficiency Report (PQDR) Investigations, June 14, 2018

- (7) DLA eSOP 4155.28-003, Product Quality Deficiency Report (PQDR) Exhibit Return, February 10, 2021

- (8) Air Force Instruction (AFI) 21-115, Product Quality Deficiency Report Program

- (9) Air Force 00-35d-54, Technical Manual: US Air Force Deficiency Reporting, Investigation, and Resolution

- (10) NAVSUPINST 4855.7 Product Quality Deficiency Reporting and Defective Material Summary

(11) NAVSEA Instruction 4855.040 - Counterfeit Material Mitigation

(12) NAVSOP 3683 - DoN SOP PDREP

(13) SECNAV INSTRUCTION 4855.3D - PRODUCT DATA REPORTING AND EVALUATION PROGRAM

(14) OPNAV INSTRUCTION 4790.15D CHANGE TRANSMITTAL 2 - AIRCRAFT LAUNCH AND RECOVERY EQUIPMENT MAINTENANCE PROGRAM (ALREMP)

(15) DOD INSTRUCTION 5200.49 - OVERSIGHT OF THE COLLECTION AND EXCHANGE OF INFORMATION USING THE GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM

(16) NAVSEA, NAVAIR, NAVSUP SOPs/Desk Guides/Training

6. ASSUMPTIONS: The approved version of this change will coincide with the final signature authority of References 9.a. and 9.b.

7. FINANCIAL IMPROVEMENT AND AUDIT REMEDIATION (FIAR), MATERIAL WEAKNESS, AND AUDIT-RELATED INFORMATION: N/A.

a. **Notices of Findings and Recommendations (NFR):** N/A.

b. **Corrective Action Plan (CAP) References:** N/A.

c. **Other FIAR, Material Weakness, and Audit-Related Information:** N/A.

8. END-TO-END TESTING REQUIREMENTS: This change will not require any testing between DAAS and the PQDR processing information systems.

9. REFERENCES:

a. DoD Manual 4140.01-V5, DoD Supply Chain Materiel Management Procedures: Delivery of Materiel, under revision

b. DoDM 4140.01-V6, DoD Supply Chain Materiel Management Procedures: Materiel Returns, Retention, and Disposition, March 8, 2017

c. DLM 4000.25, Volume 2, Chapter 24, Product Quality Deficiency Report, October 9, 2018

d. DLAR 4155.24/AR 702- 7/SECNAVINST 4855.21/AFI 21-115/DCMA INST 1102, August 1, 2022

10. PROPOSED DLMS CHANGE (PDC) 1443 RESPONSE/COMMENT RESOLUTION:

	Component	Response/Comment	Disposition
1.	DLA	Concur.	None noted.
2.	Navy	<p>Concur with comment.</p> <p>Comment:</p> <p>Here is a list of policy that will need to be updated when this PDC is approved:</p> <ol style="list-style-type: none"> 1. NAVSUPINST 4855.7 PRODUCT QUALITY DEFICIENCY REPORTING AND DEFECTIVE MATERIAL SUMMARY 2. DLM 4000.25, Volume 2, <ol style="list-style-type: none"> a. CHAPTER 13 - MATERIEL RECEIPT b. Chapter 17- Supply Discrepancy Reporting 3. NAVSEA Instruction 4855.040 - Counterfeit Material Mitigation 4. NAVSOP 3683 - DoN SOP PDREP 5. SECNAV INSTRUCTION 4855.3D - PRODUCT DATA REPORTING AND EVALUATION PROGRAM 6. OPNAV INSTRUCTION 4790.15D CHANGE TRANSMITTAL 2 - AIRCRAFT LAUNCH AND RECOVERY EQUIPMENT MAINTENANCE PROGRAM (ALREMP) 7. DOD INSTRUCTION 5200.49 - OVERSIGHT OF THE COLLECTION AND EXCHANGE OF INFORMATION USING THE GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM 8. NAVSEA, NAVAIR, NAVSUP SOPs/Desk Guides/Training 	<p>DEDSO Response:</p> <p>ADC 1443 updated with the Navy recommendation update to include Navy policy/manual updates required as a result of approved ADC 1443.</p>
3.	Air Force	<p>Concur with comment.</p> <p>Comment.</p> <p>Add the following publications: AFI 21-115, PRODUCT QUALITY DEFICIENCY REPORT PROGRAM and TO 00-35D-54, TECHNICAL MANUAL: USAF DEFICIENCY REPORTING, INVESTIGATION, AND RESOLUTION.</p>	<p>DEDSO Response:</p> <p>ADC updated with the referenced/impacted USAF publications.</p>
4.	US Army	Concur.	As noted.
5.	USASAC	Concur.	As noted.
6.	USMC	None.	None noted.

7.	DAAS	Concur.	As noted.
8.	USTRANSCOM	Abstain.	As noted.
9.	GSA	None.	None noted.
10.	DCMA	Concur.	As noted.

Changes are identified by ***bold red italics*** and double strike-through text.

C24. CHAPTER 24

PRODUCT QUALITY DEFICIENCY REPORT PROGRAM

C24.1. GENERAL. This chapter ***replaces DLAR 4155.24/AR 702-7/SECNAVINST 4855.5 series/AFI 21-115/DCMA INST 1102, as the DoD Product Quality Deficiency Report (PQDR) Program authoritative source for*** ~~provides general information supporting the DoD Product Quality Deficiency Report (PQDR) Program. The authoritative source for detail procedures pertaining to this program. is~~ ***DoD Components must first consult this chapter for PQDR program guidance before referring to*** ~~DLAR 4155.24/AR 702-7/SECNAVINST 4855.5 series/AFI 21-115/DCMA INST 1102, pending full migration of guidance and the eventual cancellation of the Joint Service Regulation. Product Quality Deficiency Report Program (refer to the DLA PQDR Home Page).~~ The DoD PQDR program requires DoD Component capture and exchange product quality deficiency information to facilitate root cause determinations, corrective actions, reliability analysis, and recoupment actions (contractor caused deficiencies). This chapter provides an overview of the DLMS transaction exchange supporting the PQDR program. Initial implementation will include the DLA Enterprise Business Systems (EBS), SECNAV Product Data Reporting and Evaluation Program (PDREP), and NAVAIRSYSCOM Joint Deficiency Reporting System (JDRS). Initially, all transactions will pass through the PQDR Inter-service Interface (PQDR II). Components developing new PQDR processing systems will comply with this DLMS standard to exchange data with other DoD PQDR systems.