Government-Industry Data Exchange Program - Counterfeit Reporting

GIDEP Program Manager
DSPO
About GIDEP

Governance Model

- DDR&E (Systems Engineering)
- GIDEP Program Manager DSPO
- GIDEP Operations Center
- Government Advisory Group
- Government Participant Representatives
- Industry Advisory Group
- Industry Participant Representatives
GIDEP Is:

A Partnership Between Government & Industry Teamed to Share Technically Valid, Fact-Based Information.

- Active Network of People
- Web-Accessible Databases
GIDEP Mission

- To foster technical information sharing among Government and Industry partners to:
  - Increase systems’ safety, reliability, and readiness
  - Reduce systems’ development, production, and ownership costs
About GIDEP

History
“Exchanging information will help eliminate instances where individual agencies or their contractors acquire products and materials previously identified as nonconforming by other agencies.”

“Nonconforming products often result from the failure of suppliers to adequately control quality and in some instances from criminal intent.”

“Government/Industry Data Exchange Program (GIDEP) operated by the Department of Defense will serve as the central data base for receiving and disseminating information about such products.”
About GIDEP

Information & Data

- Failure Experience
- Product Information
- Reliability
- Engineering
- Metrology

SAFE ALERTS
ALERTS
PROBLEM ADVISORIES
AGENCY ACTION NOTICES
LESSONS LEARNED
PRODUCT CHANGE NOTICES
PRODUCT INFORMATION
DMSMS
RELIABILITY METHODOLOGY
FAILURE ANALYSIS
RELIABILITY PREDICTIONS
RELIABILITY STATISTICS
FACILITIES DOCUMENTS
COMPUTER TECHNOLOGY
PROCESS SPECIFICATIONS
TEST REPORTS
ENGINEERING REPORTS
MANAGEMENT REPORTS
SOLDERING TECHNOLOGIES
TECHNICAL MANUALS
GENERAL METROLOGY
CALIBRATION PROCEDURES
Counterfeiting and Obsolescence

- Counterfeiters take advantage of shortage:
  - Hard to get new production or end-of-production

- Even if you have adequate supply, “counterfeit contamination” may put it all under suspicion.
  - Result: you no longer have adequate supply (DMSMS)
Link Between DMSMS and Nonconforming Parts

Obsolete Part (DMSMS Notice) → Counterfeiting Opportunity

Parts Availability Concern (DMSMS) → Nonconforming Part
Many other counterfeit cases have been discovered by users, but were not reported via GIDEP.

Data shown does not reveal instances where a GIDEP notice alerted another user who subsequently found counterfeits as a result of the notice.

Component manufacturers are aware of counterfeit cases involving their products, but generally do not report those cases via GIDEP or industry “watch dog” organizations.

We have been informed that one Government organization has reportedly discouraged such GIDEP notifications for fear of undermining a government investigation, but have had other Government agencies applaud GIDEP notifications.

Dept. of Commerce Survey indicated more than 7,000 counterfeit incidents during 2008.

The survey also indicated that less than 15% of Original Component Manufacturers (OCM) and Board Assemblers either checked a database for information or submitted data to a database when coming into possession of a counterfeit part.
Counterfeit

GIDEP Reports (4 year avgs)

Year


Counterfeit
Non-Compliant
Suspect
Fraud

GIDEP Reports (4 year avgs)
Use existing GIDEP Form as appropriate…
This example shows the use of the Alert form

<table>
<thead>
<tr>
<th>Guidance in Using Current Forms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Put the part identifier, as marked on the product, in the ‘Part Number’ block.</td>
</tr>
<tr>
<td>Put the CAGE code of the impacted manufacturer in the ‘CAGE’ block.</td>
</tr>
</tbody>
</table>
| Include the following paragraph …
“The manufacturer identified in block 4 is the entity whose product may have been counterfeited. This reporting convention is necessary to facilitate GIDEP database searches for suspect counterfeit products and is by no means intended to imply that the manufacturer identified in block 4 is involved with the suspect product.” |

| Put the name of the impacted manufacturer in the ‘Manufacturer’ block. |
| Put the name of the supplier (e.g. broker) in the ‘Problem Description’ block. |

Submit draft copies of documents for comment to:
- Companying supplying suspect product (required)
- Impacted manufacturer (recommended)

After 15 working days, attach all responses and submit document to GIDEP.
## “Suspect Counterfeit” Report

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title</strong></td>
<td>Leadless Small Signal Transistor</td>
</tr>
<tr>
<td><strong>Document Number</strong></td>
<td>C7E-A-09-01</td>
</tr>
<tr>
<td><strong>Date</strong></td>
<td>04 August 2009</td>
</tr>
<tr>
<td><strong>Manufacturer</strong></td>
<td>Corp.</td>
</tr>
<tr>
<td><strong>Part Number</strong></td>
<td>JANTX2N2920</td>
</tr>
<tr>
<td><strong>National Stock Number</strong></td>
<td>5961-01-387-2894, 5961-00-179-4366</td>
</tr>
<tr>
<td><strong>Specification</strong></td>
<td>MIL-PRF-19500</td>
</tr>
<tr>
<td><strong>Lot Code Start</strong></td>
<td>0309</td>
</tr>
<tr>
<td><strong>Lot Code End</strong></td>
<td>0309</td>
</tr>
<tr>
<td><strong>Point of Contact</strong></td>
<td>Director of Quality</td>
</tr>
<tr>
<td><strong>CAGE Code</strong></td>
<td>43611</td>
</tr>
<tr>
<td><strong>Manufacturer’s Fax</strong></td>
<td><strong>Note:</strong> Not Available</td>
</tr>
<tr>
<td><strong>Manufacturer’s E-Mail</strong></td>
<td><strong>Note:</strong> Not Available</td>
</tr>
<tr>
<td><strong>Cross Reference Vendor</strong></td>
<td><strong>Note:</strong> Not Available</td>
</tr>
<tr>
<td><strong>Cross Reference Cage</strong></td>
<td><strong>Note:</strong> Not Available</td>
</tr>
<tr>
<td><strong>Cross Reference Part</strong></td>
<td><strong>Note:</strong> Not Available</td>
</tr>
<tr>
<td><strong>Problem Description/Discussion/Effect</strong></td>
<td>The parts were purchased from <strong>ABC ELECTRONICS TRADING CO (HK)</strong>, 819 Room, Stars Plaza, Hua Qiang bel Road, Shenzhen, China 518031 (No CAGE). The parts are marked MSC, JANTX2N2920, 0309 on the top. The word “KOREA” is etched in very fine letters on the side of can. Defense Supply Center Columbus (DSCC) was contacted, and pictures of the parts were forwarded. DSCC responded on 4/22/09 that the parts were counterfeit for the following reasons. The manufacturer designation “CDWR” typically is what Microsemi-Lawrence places on the device. Also, Microsemi places the marking on the side not the top. Lastly,</td>
</tr>
</tbody>
</table>
“Suspect Counterfeit” Report

[Redacted text]

Supplier actions:

- 260 pieces failed testing and were scrapped and destroyed.
- 140 pieces – in stock [redacted] warehouse - quarantined
- 300 pieces – sold locally - all 300 pieces have been located and will be recalled

We have attached photographs of the subject parts.

Note: The manufacturer identified in block 4 is the entity whose product may have been counterfeited. This reporting convention is necessary to facilitate GIDEP database searches for suspect counterfeit products and is by no means intended to imply that the manufacturer identified in block 4 is involved with the suspect product.

20. ACTION TAKEN/PLANNED

[Redacted text]

- Contacted DSCC and [redacted]
- Notified customers who purchased this product.
- Located all components and currently in process of their containment.
“Suspect Counterfeit” Report
Groups Working

- AIA Counterfeit IPT
- DoD Counterfeit IPT
DoD Counterfeit IPT Observations

- What is counterfeit?
- Magnitude of problem?
- How to identify counterfeits?
- Nuances between CM and UPS?
- What to do when you have CM?
- Dynamics when legal/investigative is involved?
- Who to report to?
- Supply chain (before government acceptance)
DoD Counterfeit Material

IPT status

- DoD Adopted AS-5553

- IPT established 5 subgroups:
  - Policy
  - Training/Awareness
  - Standard Procedures/Processes
  - Reporting
  - Metrics
- Draft DTM establishing anti-counterfeit program

- Create DODD or DODI for Counterfeit Material

- Update DODI 4140 (Supply Chain Mgmt) and DFAR
Training/Awareness

- Establish training/awareness program

- Create web-base DOD awareness sites

- Promote training/awareness with Components
Standard Procedures/Processes

- Procedures/Processes for storage & handling
- Detection and disposal
- Standard Reporting Procedures
Reporting

- Establish counterfeit reporting officials in Components and Agencies

- Establish GIDEP as the official reporting forum for counterfeit materiel

- Build more formal collaboration network with industry
Metrics

- Create DOD counterfeit metrics

- Create Component and Agency metrics
“Déjà Vu All Over Again”

- West Coast Aluminum Heat Treat
- Temperform
- Western Titanium
W.T. In the Supply Chain

- Mars Rover
- C-17
- F-15
- F-22
- etc