



ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON, D.C. 20301-8000

10 NOV 1988

PRODUCTION AND  
LOGISTICS P&L/SD

MEMORANDUM FOR THE DOD MILSTRAP SYSTEM ADMINISTRATOR (DLSSO-BT)

SUBJECT: Logistic Reassignment Policy for Proposed New Supply Condition Code (SCC) W to Identify and Segregate Unserviceable Warranted Assets

Reference: DLSSO-BT letter, dated 19 October 1988, subject as above.

Supply Condition Code (SCC) W applies to assets that are in a non-issuable condition which is similar to SCC F and L. DoD 4140.26-M, Defense Integrated Materiel Management Manual for Consumable Items, currently specifies that SCC F and L assets on consumable items are unacceptable for logistic reassignment. Based on this similarity, SCC W assets are also considered unacceptable.

This policy, covering treatment of SCC W assets during logistic reassignment, will be provided in Change 1 to DoD 4140.26-M.

  
OSCAR O. GRANT  
Chairman, DoD IMC

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MILSTRAP RFRID AMCL 3  
Encl 1



DEPARTMENT OF THE ARMY  
HEADQUARTERS, U. S. ARMY MATERIEL COMMAND  
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19 OCT 1989

AMCSM-MSM

MEMORANDUM FOR Office of the Secretary of Defense, ATTN: DLSSD-B, 6301 Little River Turnpike, Suite 210, Alexandria, VA 22312-5044

SUBJECT: Logistics Reassignment Policy for Proposed New Supply Condition Code W to Identify and Segregate Unserviceable Warranted Assets

1. Reference telephone conversation between, Mr. Roberts, AMC, and Ms. Kenna, OSD, 17 Oct 89, subject as above.
2. In response to reference 1, the following is the Nonconsumable Item Program policy regarding the logistical transfer of Condition Code W assets:
  - a. The Secondary Item Control Activities (SICA) will attempt to reclassify Condition Code W assets to a serviceable condition prior to the Effective Date of Transfer (ETD).
  - b. The SICA(s) will not transfer Condition Code W assets to the Primary Inventory Control Activity (PICA) until the warranty work has been completed and the asset is reclassified to an acceptable Condition Code.
  - c. The SICA and the PICA will maintain close coordination on all items which are under warranty. The responsible contracting office will insure that all warranty actions are processed in a timely manner. In addition, the SICA will include information on warranty provisions in the status of open contracts at the time of logistical reassignment.
3. Currently policy is not reflected in the Joint Service Regulation, Wholesale Inventory Management and Logistics Support of Multiservice Used Nonconsumable Items. That regulation is now in coordination with the military services. When the final regulation is published, change 1 will incorporate the policy outlined in paragraph 2.
4. During the week of 4 Dec 89, AMC will host a meeting to discuss the status of certain actions resulting from the June 89 NIPC Workshop and Department of Defense Inspector General review of the NIP. At that time, we will include this subject as an additional topic for discussion. Your participation is welcomed.

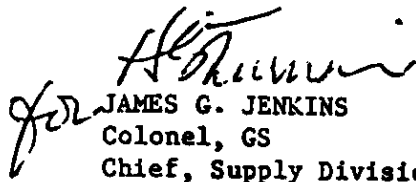
MILSTRAP RFRID AMCL 3  
Encl 2

AMCSM-MSM

SUBJECT: Logistics Reassignment Policy for Proposed New Supply Condition Code  
W to Identify and Segregate Unserviceable Warranted Assets

5. Point of contact is Mr. Roberts

FOR THE COMMANDER:

  
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ODCS for Supply, Maintenance,  
and Transportation

CF:

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