IN REPLY
REFER TO

January 31, 2013

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

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

We are forwarding the attached proposed change to DLM 4000.25, Defense Logistics
Management System (DLMS), for evaluation and submission of a single coordinated DOD
Component position. Omission of applicable interface requirements does not relieve you of the
responsibility to ensure full coordination of the proposal within your Component.

Request you review the attached proposed change and provide your comments/concurrence
to DLA Logistics Management Standards Office not later than 30 days from the date of this
memorandum. If nonconcurrence is provided, please provide an alternate method to meet the
requirement being addressed.

Addressees may direct questions to the DLA Logistics Management Standards Office point
of contact: Ms. Ellen Hilert, DOD SDR System Administrator, 703-767-0676, DSN 427-0676, or
e-mail: ellen.hilert@dla.mil,. Others must contact their Component designated representative.

DONALD C. PIPP
Director,
DLA Logistics Management
Standards Office

Attachment
As Stated

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

PDC 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. Upon approval of PDC 1059, PDC 176A will be formally
withdrawn.

4. REQUESTED 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 current procedures, the four-character packaging discrepancy codes are an
optional detail-level variant of the generic two-character 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 proposal 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.   Requested 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 will 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. New SDRs using P-series discrepancy codes without associated remarks will be rejected informing the submitter that remarks are required (Reject Reply Code 915 applies).

(4)   Services/Agencies are asked evaluate if an additional code is needed in each category to indicate a discrepancy not otherwise covered by the authorized codes.   Refer to Enclosure 2 for possible new code assignments.
Staffing Note: Components must specifically indicate concurrence for these new codes in their response to this staffing.

(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 in Enclosure 1.

(2) Revise DLM 4000.25 DLMS Manual, Volume 2, Appendix 3 as shown in 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: 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 can update two-character packaging discrepancy codes to the appropriate four-character code prior to formal implementation of this change and for SDRs submitted prior to the implementation date.

8.   ESTIMATED TIME LINE/IMPLEMENTATION TARGET: Joint implementation on September 1, 2013.

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):   Changes are required for Service/Agency SDR applications to prohibit use of two-character discrepancy codes on new submissions.

d.   DLA Transaction Services: DOD WebSDR must be updated to block use of two-character packaging discrepancy codes on new SDR submissions. WebSDR will edit to block submission of packaging discrepancies without associated remarks text. 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.

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[1] ***Applicable for new submissions after September 1, 2013. Refer to PDC 176A.***

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.

Staffing Note: Service/Agencies should review codes listed to identify any recommended updates/deletions. Service/Agency responses to this PDC must specifically indicate concurrence for adoption of the codes identified in *red bold italics* in conjunction with the mandatory use of four-position packaging discrepancy codes.

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.

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[1] Two-position packaging discrepancy codes are not applicable for new submissions after September 1, 2013. Refer to PDC 176A.
[2] Ibid.

P213 Closure incorrect or inadequate.
P214 Concealed packing defect found in storage (retail only).
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.

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[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	Add PDC 1059 to DLMS Introductory note 6: *- PDC 1059, Mandatory Use of Four-Character Packaging Discrepancy Codes on SDRs and Storage Quality Control Reports (SQCRs)*	To identify DLMS changes included in supplement.
2.	2/LQ01/3340	Revise DLMS Note for Qualifier HA: **HA Discrepancy Code** **DLMS Note:** *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.)* *2. Four-character packaging discrepancy codes are required on new submissions. (Refer to PDC 1059)*	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	Add PDC 1059 to DLMS Introductory note 4: *- PDC 1059, Mandatory Use of Four-Character Packaging Discrepancy Codes on SDRs and Storage Quality Control Reports (SQCRs)*	To identify DLMS changes included in supplement.
2.	2/LQ01/4650	Revise DLMS Note for Qualifier HA: **HA Discrepancy Code** **DLMS Note:** *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.)* *2. Action activities are required to update inappropriate use of discrepancy codes to support use of the SDR record for program metrics.*	Identifies applicable business rules.