



Department of Defense INSTRUCTION

NUMBER 4140.01
December 14, 2011

USD(AT&L)

SUBJECT: DoD Supply Chain Materiel Management Policy

References: See Enclosure 1

1. **PURPOSE.** This Instruction:

- a. Reissues DoD Directive (DoDD) 4140.1 (Reference (a)) as a DoD Instruction (DoDI) in accordance with the guidance in DoDI 5025.01 (Reference (b)) and the authority in DoDD 5134.01 (Reference (c)).
- b. Establishes policy and assigns responsibilities for management of materiel across the DoD supply chain.
- c. Authorizes and directs the conversion of the DoD issuances identified in Enclosure 2 into Defense Logistics Manuals (DLMs) and publication of the DLMs in the Defense Logistics Agency (DLA) publication system (DLAPS) within 180 days of publication of this Instruction, after which time those DoD issuances shall be removed (cancelled) from the DoD Directives system.

2. **APPLICABILITY.** This Instruction applies to:

- a. OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (hereinafter referred to collectively as the "DoD Components").
- b. All phases of materiel management, from identifying and defining an operational requirement to an item's introduction into the DoD supply chain to operational requirements through weapon system phase-out and retirement, including materiel disposition, and the DoD materiel management data systems.

3. DEFINITIONS. See Glossary.

4. POLICY. It is DoD policy that:

a. DoD materiel management shall operate as a high-performing and agile supply chain responsive to customer requirements during peacetime and war while balancing risk and total cost. The DoD supply chain shall provide best-value materiel and services in support of rapid power projection and operational sustainment of U.S. forces as required by the National Military Strategy. Potential disruptions within and outside the DoD supply chain shall be identified, monitored, and assessed in order to mitigate risk to supply chain operations. Life-cycle management controls shall be applied to guard against counterfeit materiel in the DoD supply chain. Energy efficient products or services shall have preference in all procurements, except those products or services procured for combat or combat-related missions.

b. Resourcing for all elements of the DoD supply chain shall be optimized through collaboration between support providers and customers. DoD investment shall be sufficient throughout the life cycle of new or existing weapons systems, equipment, and major end items to respond to warfighter needs. Performance and cost evaluations of supply chain operations and inventory shall be conducted periodically with the objective of ensuring that assets are available for use or reuse in the DoD supply chain to satisfy customer requirements.

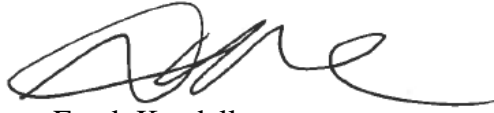
c. Accountability, control, and DoD-wide visibility of materiel shall be maintained throughout the DoD supply chain, with the required level of physical protection and identification of the materiel at minimal cost. However, the highest levels of accountability, control, visibility, protection, and identification shall apply to the stewardship of controlled inventory items (CII) including nuclear weapons-related materiel (NWRM) commensurate with the risk of materiel release. All materiel recurrently used, bought, stocked, or distributed, including NWRM, shall be cataloged with an accountable record.

5. RESPONSIBILITIES. See Enclosure 3.

6. PROCEDURES. See Enclosure 4.

7. RELEASABILITY. UNLIMITED. This Instruction is approved for public release and is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

8. EFFECTIVE DATE. This Instruction is effective upon its publication to the DoD Issuances Website.

A handwritten signature in black ink, appearing to read 'Frank Kendall', with a stylized, cursive script.

Frank Kendall
Acting Under Secretary of Defense
for Acquisition, Technology, and Logistics

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REFERENCES

- (a) DoD Directive 4140.1, "Supply Chain Materiel Management Policy," April 22, 2004 (hereby cancelled)
- (b) DoD Instruction 5025.01, "DoD Directives Program," October 28, 2007
- (c) DoD Directive 5134.01, "Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L))," December 9, 2005
- (d) DoD Directive 5134.12, "Assistant Secretary of Defense for Logistics and Material Readiness (ASD(L&MR))," May 25, 2000
- (e) DoD 4140.01-R, "Supply Chain Materiel Management Regulation," May 23, 2003
- (f) DoD Directive 5158.04, "United States Transportation Command (USTRANSCOM)," July 27, 2007
- (g) DoD Instruction 5158.06, "Distribution Process Owner," July 30, 2007
- (h) Chapter 146 of Title 10, United States Code
- (i) Executive Order 13423, "Strengthening Federal Environmental, Energy, and Transportation Management," January 26, 2007
- (j) Instructions for Implementing Executive Order 13423, "Strengthening Federal Environmental, Energy, and Transportation Management," March 29, 2007
- (k) Executive Order 13514, "Federal Leadership in Environmental, Energy, and Economic Performance," October 8, 2009
- (l) DoD Directive 5106.01, "Inspector General of the Department of Defense," September 25, 2006
- (m) DoD Directive 3150.1, "Joint DoD-DOE Nuclear Weapon Life-Cycle Activities," August 26, 2002
- (n) DoD Instruction 5030.55, "DoD Procedures for Joint DoD-DOE Nuclear Weapons Life-Cycle Activities," January 25, 2001

ENCLOSURE 2DLM ISSUANCES

This Instruction authorizes and directs the conversion of the following DoD issuances into DLMs within 180 days of publication of this Instruction and published within the DLAPS. The DoD Components shall comply with the DLMs, which, when converted, can be electronically accessed at <http://www.dla.mil/j-6/dlms0>.

Table. DoD Issuances Authorized for Conversion

| Issuance Number | Issuance Title | Issuance Date | New DLM |
|------------------|--|-------------------|-----------------------------|
| DoD 4000.25-M | Defense Logistics Management System | March 1, 2003 | DLM 4000.25, Volume 6, Ch 2 |
| DoD 4000.25-6-M | Department of Defense Activity Address Directory (DoDAAD) | Dates Vary | DLM 4000.25, Volume 6, Ch 2 |
| DoD 4000.25-8-M | Military Assistance Program Address Directory (MAPAD) System, | March 11, 1997 | DLM 4000.25, Volume 6, Ch 3 |
| DoD 4000.25-13-M | Department of Defense Logistics Data Element Standardization and Management Program (LOGDESMAP) Procedures | June 19, 1996 | DLM 4000-25-13 Volume 5 |
| DoD 4000.25-1-M | Military Standard Requisitioning and Issue Procedures (MILSTRIP) | April 28, 2004 | DLM 4000.25-1 |
| DoD 4000.25-1-S1 | MILSTRIP Supplement – Data Elements and Codes | April 28, 2004 | DLM 4000.25-1 |
| DoD 4000.25-2-M | Military Standard Transaction Reporting and Accountability Procedures (MILSTRAP) | September 1, 2001 | DLM 4000.25-2 |
| DoD 4000.25-7-M | Military Standard Billing System (MILSBILLS) | May 15, 2007 | DLM 4000.25-3 |
| DoD 4000.25-10-M | Defense Automatic Addressing System (DAAS) | October 20, 2003 | DLM 4000.25-4 |

ENCLOSURE 3

RESPONSIBILITIES

1. UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY, AND LOGISTICS (USD(AT&L)). The USD(AT&L), in accordance with Reference (c), shall establish DoD policy and develop implementing guidance in appropriate DoD issuances and DLMS on all matters relating to materiel management, including counterfeit risk mitigation.

2. ASSISTANT SECRETARY OF DEFENSE FOR LOGISTICS AND MATERIEL READINESS (ASD(L&MR)). The ASD(L&MR), under the authority, direction, and control of the USD(AT&L), and in accordance with DoDD 5134.12 (Reference (d)), shall:

a. Develop DoD materiel management, risk management, and disposition policies, including policies for foreign excess personal property, and ensure implementation in a uniform manner throughout the DoD supply chain.

b. Develop and maintain procedures in DoD materiel management issuances that implement the policies contained in this Instruction.

c. Monitor the overall effectiveness and efficiency of the DoD materiel management systems and continually develop improvements.

d. Oversee and approve the development, coordination, publication, and maintenance of the DLMS.

e. Act as the principal point of contact for all matters relating to the prevention, detection, reporting, and disposition of counterfeit materiel.

3. ASSISTANT SECRETARY OF DEFENSE FOR RESEARCH AND ENGINEERING (ASD(R&E)). The ASD(R&E), under the authority, direction, and control of the USD(AT&L), shall:

a. Act as the principal point of contact for the Government-Industry Data Exchange Program (GIDEP).

b. Provide advice and assistance, as necessary, to the ASD(L&MR) on matters involving the prevention, detection, and reporting of counterfeit materiel.

c. Provide GIDEP training and data services as required to allow users the full utility of the system for reporting nonconforming materials, tracking, and analyzing issues with suppliers and counterfeit activity.

4. DIRECTOR, DEFENSE PROCUREMENT AND ACQUISITION POLICY (DP&AP). The Director, DP&AP, under the authority, direction, and control of the USD(AT&L) shall:

- a. Develop procurement instructions and procedures to support this Instruction including appropriate contract language and reporting requirements to GIDEP and law enforcement agencies.
- b. Provide advice and assistance, as necessary, to the ASD(L&MR) on matters relating to preventing the acquisition of counterfeit materiel for secondary items covered by Reference (d).
- c. Establish procurement policies, procedures, and guidance to prevent the procurement of counterfeit goods.

5. DIRECTOR, DLA. The Director, DLA, under the authority, direction, and control of the USD(AT&L), through the ASD(L&MR), in addition to the responsibilities in section 7 of this enclosure, shall:

- a. Ensure the DoD issuances in Enclosure 2 are converted into the DLMs and published in DLAPS within 180 days of publication of this Instruction.
- b. Ensure DLMs are prepared, coordinated, approved, maintained, and published in accordance with DoD 4140.01-R (Reference (e)) and DLAPS guidance.
- c. Implement the policies in this Instruction consistent with the requirements and procedures in Reference (e).
- d. Comply with supporting DoD and DLM supply chain issuances.
- e. Ensure all appropriate regulations and implementing procedures are revised to ensure compliance with this Instruction.

6. SECRETARIES OF THE MILITARY DEPARTMENTS. The Secretaries of the Military Departments, in addition to the responsibilities in section 7 of this enclosure, shall:

- a. Implement the policies and guidance in this Instruction consistent with the requirements and procedures in Reference (e).
- b. Comply with supporting DoD and DLM supply chain issuances.
- c. Ensure all appropriate regulations and implementing procedures are revised to ensure compliance with this Instruction.

7. HEADS OF THE DoD COMPONENTS. The Heads of the DoD Components shall:

a. Develop and implement materiel sourcing and acquisition strategies and processes that offer best-value selection among organic and commercial support alternatives and seek to minimize life cycle costs. A decision to use organic versus commercial sources should be part of developing an acquisition or sourcing strategy. This decision must be supported by a management analysis. The use of existing Government-owned inventory shall be maximized before seeking new commercial support on all performance-based logistics (PBL) arrangements and collaborating agreements.

b. Develop sourcing programs that promote quality and hardware reliability and prevent counterfeit materiel or unauthorized product substitution.

c. Provide for the exchange of information between materiel managers and acquisition managers to:

(1) Encourage coordinated sourcing and acquisition efforts.

(2) Provide timely, complete, and accurate data that promotes coordinated decision making.

d. Provide for the management and control of materiel within production, manufacturing, repair, modification, overhaul, and testing functions performed at organic or private sector facilities or through public and private collaboration at those facilities.

e. Provide for an integrated, synchronized, end-to-end materiel distribution system to meet customer requirements for authorized information and materiel consistent with DoDD 5158.04 and DoDI 5158.06 (References (f) and (g)).

f. Establish programs for monitoring and mitigating the risk of counterfeit materiel entering DoD supply chains.

ENCLOSURE 4

PROCEDURES

1. OPERATIONAL REQUIREMENTS

a. Best-value materiel and services shall be provided to support rapid power projection and operational sustainment of U.S. forces as required by the National Military Strategy.

b. The supply chain operational reference processes of plan, source, make and maintain, deliver, and return shall be used as a framework for developing, improving, and conducting materiel management activities throughout the DoD supply chain to satisfy customer support requirements developed collaboratively with the support providers.

c. All costs associated with materiel management, including acquiring, distributing, transporting, storing, maintaining, and disposing, shall be considered in making best value decisions throughout the DoD supply chain.

d. Supply chain risk management strategies shall be employed to identify, monitor, assess, and mitigate (reduce or eliminate) potential disruptions within the DoD supply chain (e.g., insufficient quality, unreliable suppliers, machine break-down, uncertain demand) and outside the supply chain (e.g., flooding, terrorism, labor strikes, natural disasters, large variability in demand). Additionally, life-cycle management controls shall be developed, applied, and maintained to guard against counterfeit materiel in the DoD supply chain.

e. This Instruction does not apply to the supply chain risk management related to the acquisition of national security systems.

f. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for supply chain operations throughout the DoD supply chain.

2. DEMAND AND SUPPLY PLANNING

a. Through collaboration between support providers and customers, the DoD Components shall conduct demand and supply planning and precisely define requirements to optimize resourcing for all elements of the supply chain and meet established support strategies such as PBL strategies.

b. Planning shall address demand forecasting, requirements definition, and inventory level setting through the life cycle of an item of supply starting with its initial sparing during provisioning. The planning shall maintain flexibility to respond to a spectrum of regional contingencies while minimizing DoD investment throughout the life cycle of new or existing weapons systems, equipment, and major end items.

c. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for demand and supply planning throughout the DoD supply chain using enterprise resource planning systems and other automated solutions.

3. MATERIEL SOURCING

a. The DoD Components shall employ strategic sourcing and acquisition practices to ensure performance-based optimum life-cycle-support solutions that balance support goals, total supply chain costs and performance factors. The practices will include best-value selection among organic and commercial support alternatives and seek to minimize life cycle costs. The use of existing Government-owned inventory shall be maximized before seeking new commercial support on all performance-based logistics arrangements and partnering agreements. Compliance with chapter 146 of title 10, United States Code (Reference (h)) should be considered by DoD materiel managers when making decisions regarding public and private agreements.

b. In accordance with Executive Order 13423 (Reference (i)) and its implementing instructions (Reference (j)), “green” products or services shall have preference in all procurements, to include sustainable energy, except those products or services procured for combat or combat-related missions. As part of the approach to promote green products and sustainable materials use, components shall integrate actions targeted at reducing negative environmental impacts and preserving natural capital throughout the life cycle of materials, taking into account economic efficiency and social equity in accordance with Executive Order 13514 (Reference (k)).

c. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for materiel sourcing throughout the DoD supply chain.

4. MAKE AND MAINTAIN MATERIEL

a. DoD materiel managers shall ensure best-value support by optimizing their relationships with organic and commercial sources of materiel as well as with organic and commercial maintenance facilities maintaining depot-level reparable items. Compliance with Reference (h) should be considered by DoD materiel managers when making decisions regarding public and private agreements.

b. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for making and maintaining materiel throughout the DoD supply chain.

5. DELIVERY OF MATERIEL

a. The DoD Components shall provide for an integrated, synchronized, end-to-end materiel distribution system consistent with Reference (g). All materiel within the DoD supply chain, whether in storage, in transit, in repair, or on loan, shall have an accountable record.

b. The DoD Components shall use consistent performance and cost criteria to select best-value providers and processes to:

(1) Manage the positioning, requisitioning, and issuing of stock, including lateral redistribution.

(2) Operate storage activities.

(3) Provide item accountability with asset visibility of in-transit, in-storage, and in-process stocks.

(4) Safely handle the movement and storage of hazardous materials.

(5) Manage the retrograde of materiel back to the national level and disposal.

(6) Monitor discrepancy and deficiency reporting for corrective action, trend analysis, and appropriate timely disposition of discrepant or deficient materiel.

c. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for delivery of materiel throughout the DoD supply chain.

6. MATERIEL RETURNS, RETENTION, AND DISPOSITION

a. Returns of materiel shall be timely to ensure that adequate assets are available in the DoD supply chain for use or reuse to satisfy customer requirements.

b. Materiel assets that do not stratify as approved acquisition requirements should be disposed of unless economic or contingency reasons support their retention.

c. The decision to return materiel excess to the needs of retail supply activities, materiel in need of depot-level repair, or defective materiel shall be based on both economic and customer requirements considerations.

d. Materiel available in the disposition system shall be used to the extent practicable to prevent the cost of concurrent procurement and disposal, or to prevent the cost of repair of unserviceable items when serviceable items are available.

e. Materiel disposition in contingency operations will be accomplished in accordance with the warfighter's mission and in the best interest of the U.S. Government using principles of sustainability in accordance with Reference (k). Unless otherwise directed, priority of disposition is:

- (1) Consume within theater.
- (2) Reutilize within DoD and other U.S. entities
- (3) Retrograde to reset U.S. forces.
- (4) Transfer or donate to allies or partner nations.
- (5) Turn-in to DLA Disposition Services.

f. Life-cycle management controls shall be developed, applied, and maintained to detect, remediate, and determine appropriate disposition of counterfeit materiel within the DoD supply chain.

(1) All occurrences of suspect and confirmed counterfeit items will be documented in the appropriate reporting system to include the GIDEP.

(2) DoD criminal investigative organizations, other DoD law enforcement or security authorities, and users of the suspect and confirmed counterfeit items will be notified of all incidents at the earliest opportunity.

(3) All confirmed cases of counterfeit items will be investigated and remedies obtained under existing fraud, waste, and abuse authorities cited in DoDD 5106.01 (Reference (l)).

g. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for materiel returns, retention, and disposition throughout the DoD supply chain.

7. SUPPORTING TECHNOLOGIES

a. To ensure a high-performing and agile supply chain, DoD materiel managers shall leverage modern technologies, such as enterprise resource planning systems, to enhance materiel management processes. Materiel managers shall also use modern technologies to automatically identify items in storage and movement that will provide better product support for weapon systems.

b. DoD Components' materiel management systems shall be designed to facilitate DoD-wide asset visibility of materiel throughout the DoD supply chain. Materiel managers shall use automatic identification technology to maintain accountability and control, effectively manage costs, and implement the DoD policies cited in this Instruction.

c. The reissuance of Reference (e), currently under development, shall describe procedures for incorporating modern technologies into materiel management processes throughout the DoD supply chain.

8. MATERIEL DATA MANAGEMENT AND EXCHANGE

a. Each item recurrently used, bought, stocked, or distributed by the DoD shall be cataloged and included in the Federal Catalog System and subject to its procedures.

b. The Uniform Materiel Movement and Issue Priority System shall prescribe the procedures governing the responsiveness of the DoD supply chain to customer demand.

c. Standard logistics data exchanges under the defense logistics management systems (DLMS) shall be used to implement DoD materiel management policy and the interfaces among the functional areas of supply, transportation, acquisition (contract administration), maintenance, and finance.

d. The Deputy Assistant Secretary of Defense for Supply Chain Integration (DASD(SCI)) will sign and approve the publication of the DLMs issuances. Proposed changes must be submitted to DLMSO, for development and evaluation with participating organizations, through the established Process Review Committees. The DASD(SCI) will review, coordinate with the DoD Components, and approve proposed DLMS changes prior to publication.

e. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for materiel data management and exchange throughout the DoD supply chain.

9. MATERIEL PROGRAMS

a. Modern materiel preservation, packaging, and marking techniques shall be used to provide all materiel within the DoD supply chain with the required level of protection and identification at the lowest possible cost.

b. Materiel managers shall control the acquisition costs that the DoD Components pay for materiel through price challenge and verification programs, spare part breakout programs, item reduction programs, and the program for introducing new clothing items.

c. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for packaging and other materiel programs throughout the DoD supply chain.

10. SPECIAL REQUIREMENTS

a. DoD materiel managers shall evaluate and be capable of reporting on the performance and cost of their supply chain operations and inventory.

b. On a reimbursable basis or as specified by law, the DoD Components shall provide materiel and services to the following non-DoD operations or entities:

(1) Entities directly assisting overseas commanders.

(2) U.S. civil authorities for domestic emergencies and for designated law enforcement and other activities.

(3) Assistance directed by the President.

(4) U.S. Government contractors when in the best interests of the Government.

c. The reissuance of Reference (e), currently under development, shall describe procedures associated with materiel management processes for performance measurements and other special requirements throughout the DoD supply chain.

11. CRITICAL SAFETY ITEMS (CSI), CII INCLUDING NWRM

a. The highest levels of materiel accountability and asset visibility shall apply to the stewardship of CSI and CII. DoD materiel managers shall follow special procedures for identification, handling, and control of CSI and CII including NWRM commensurate with the risk of materiel release. Managers responsible for life cycle activities of Department of Energy-designed/DoD-owned material will adhere to guidance outlined in DoDD 3150.1 (Reference (m)) and DoDI 5030.55 (Reference (n)).

b. Unique item level traceability is required for all DoD serially managed items that are also sensitive or pilferable, all DoD serially managed CSI, and all NWRM using a unique item identifier (UII) assigned to each individual item, e.g. a single instance of a stock-numbered item or a single assembly or subassembly. Unique item level traceability is also required for depot level repairables as well as any item that the DoD materiel manager decides requires unique item level traceability.

c. Small arms, light weapons, and conventional ammunition shall be managed as special types of materiel in the DoD supply chain.

d. The reissuance of Reference (e) currently under development, shall describe procedures associated with materiel management processes for managing CSI and CII, including NWRM, throughout the DoD supply chain.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

| | |
|-----------|---|
| ANSI | American National Standards Institute |
| ASD(L&MR) | Assistant Secretary of Defense for Logistics & Materiel Readiness |
| ASD(R&E) | Assistant Secretary of Defense for Research and Engineering |
| ASC | Accredited Standards Committee |
| | |
| CII | controlled inventory items |
| CSI | critical safety items |
| | |
| DASD | Deputy Assistant Secretary of Defense for Supply Chain Integration |
| DLA | Defense Logistics Agency |
| DLAPS | DLA publication system |
| DLM | Defense Logistics Manual |
| DLMS | Defense Logistics Management System |
| DoDD | DoD Directive |
| DoDI | DoD Instruction |
| DP&AP | Director, Defense Procurement and Acquisition Policy |
| | |
| EDI | electronic data interchange |
| | |
| GIDEP | Government-Industry Data Exchange Program |
| | |
| NWRM | nuclear weapons-related materiel |
| | |
| PBL | performance-based logistics |
| | |
| UII | unique item identifier |
| USD(AT&L) | Under Secretary of Defense for Acquisition, Technology, and Logistics |

PART II. DEFINITIONS

These terms and their definitions are for the purposes of this Instruction.

accountability. The obligation imposed by law, lawful order, or regulation, accepted by an organization or person for keeping accurate records, to ensure control of property, documents, or

funds, with or without physical possession. The obligation, in this context, refers to the fiduciary duties, responsibilities, and obligations necessary for protecting the public interest; however, it does not necessarily impose personal liability upon an organization or person.

acquisition. Obtaining logistics support, supplies, or services under an acquisition agreement or under a cross-servicing agreement. This includes purchasing (whether for payment in currency, replacement-in-kind, or by exchange for equal value), renting, leasing, or any method of temporarily obtaining logistics support, supplies, or services.

American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12. The official designation of the U.S. national standards body for the development and maintenance of electronic data interchange (EDI) standards. The group was founded in 1979, and is an accredited standards committee under the ANSI. The designation of X12 is a sequential designator assigned by ANSI at the time of accreditation with no other significance.

best value. As determined through the use of a business case analysis methodology or a methodology approved by the applicable DoD Component, the term applied to the proposed alternative that ranks the highest when both cost and non-cost factors are evaluated..

CII. Those items designated as having characteristics that require that they be identified, accounted for, secured, segregated, handled or transported in a special manner to ensure their integrity and that they are safeguarded. The list of CII codes includes NWRM, non-nuclear missiles and rockets, arms, ammunition and explosives. CII categories in descending order of the degree of control normally exercised are classified items, sensitive items, and pilferable items.

CSI. A part, assembly, support equipment, installation or production system containing a critical characteristic whose failure, malfunction, or absence may cause a catastrophic or critical failure resulting in loss or serious damage, unacceptable risk of personal injury or loss of life, or an unsafe condition.

counterfeit materiel. Materiel whose identity or characteristics have been deliberately misrepresented, falsified, or altered without legal right to do so.

demand. An indication of a requirement, a requisition or similar request for an item of supply or individual item. Demands are categorized as either “recurring” or “non-recurring.”

distribution. The operational process of synchronizing all elements of the logistic system to deliver the “right things” to the “right place” at the “right time.”

DLM. A set of manuals that prescribe logistics management responsibilities, procedures, rules, and electronic data communications standards for use in the DoD, to conduct logistics operations in functional areas such as supply, maintenance, and finance. These manuals collectively comprise the DLMS.

DLMS. A process governing logistics functional business management standards and practices. A broad base of business rules, to include uniform policies, procedures, time standards, transactions, and data management, designed to meet DoD requirements for total logistics support. Founded upon ANSI ASC X12 EDI, DLMS will be expanded to support emerging electronic business capabilities, such as data sharing, automatic identification technology, object-oriented user interfaces, electronic malls, web-based technology, and electronic funds transfer, as appropriate.

foreign excess personal property. U.S.-owned excess personal property that is located outside the United States and its possessions. This excludes the 50 States, District of Columbia, Puerto Rico, American Samoa, Guam, Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands, Palau and the U.S. Virgin Islands. This property becomes surplus and is eligible for donation and sale.

identity. Original manufacturer, trademark or other intellectual property, performance, part number, date code, lot number, testing methods and results, inspection, documentation, warranty, origin, ownership history, packaging, storage, handling, physical condition, previous use, etc.

inventory. Materiel titled to the U.S. Government, held for sale or issue, held for repair, or held pending transfer to disposal.

materiel management. That phase of military logistics that includes managing, cataloging, demand and supply planning, requirements determinations, procurement, distribution, overhaul, and disposal of materiel.

materiel manager. Any DoD activity or Agency that has been assigned materiel management responsibilities for the DoD and participating Federal Agencies. The term includes responsibilities performed by either wholesale materiel managers or retail materiel managers: managing, cataloging, demand and supply planning, requirements determination and definition, procurement, distribution, overhaul and repair of reparable materiel, and disposal of materiel.

NWRM. Classified or unclassified assemblies and subassemblies (containing no fissionable or fusionable material) identified by the Military Departments that comprise or could comprise a standardized war reserve nuclear weapon (including equivalent training devices) as it would exist once separated/removed from its intended delivery vehicle. A delivery vehicle is the portion of a weapon system that delivers a nuclear weapon to its target. This includes cruise and ballistic missile airframes as well as delivery aircraft.

PBL. Logistics that delineate outcome performance goals of weapon systems, ensure that responsibilities are assigned, provide incentives for attaining these goals, and facilitate the overall life cycle management of system reliability, supportability, and total ownership costs.

reparable item. An item of supply subject to economical repair and for which the repair (at either depot or field level) is considered in satisfying computed requirements at any inventory level.

requirements definition. The process materiel managers use to turn warfighter operational requirements into procurable specifications to convey to support.

retail. Level of inventory below the wholesale level, either at the consumer level for the purpose of directly providing materiel to ultimate users or at the intermediate or region level for the purpose of supplying consumer levels or ultimate users in a geographical area.

supply chain. The linked activities associated with providing materiel from a raw material stage to an end user as a finished product.

supply chain risk management. The systematic identification, assessment, and quantification of potential supply chain disruptions with the objective to control exposure to risk or reduce its negative impact on supply chain performance.

sustainability. Create and maintain conditions, under which humans and nature can exist in productive harmony, that permit fulfilling the social, economic, and other requirements of present and future generations.

suspect counterfeit. Materiel, items, or products in which there is an indication by visual inspection, testing, or other information that it may meet the definition of counterfeit materiel provided herein.

UII. A set of data elements marked on items that is globally unique and unambiguous. The term includes a concatenated UII or a DoD recognized unique identification equivalent.

unique item level traceability. The requirement to trace life-cycle management events related to acquisition, storage, operation, maintenance, safety, physical security, retirement, and disposal by each individual item, e.g., for a single instance of a stock-numbered item or a single assembly or subassembly.