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Unique Identification (UID) Frequently Asked Questions (FAQ)

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If you don't see your question listed here, please see our <u>Extended FAQ List</u>, which is searchable as a Word document. For further inquiries, please email <u>info@uniqueid.org</u>.

1. What resources are available to assist with UID implementation?

Answer: The DoD does not endorse any specific vendors of materials or services designed to support UID

implementation. Many commercial vendors of solutions and products are accessible via the internet. AIM Global, the Association for Automatic Identification and Mobility, consists of a number of member companies that provide marking products and services, including labels. Regardless of which solution your company selects, the marking will need to conform to Mil-Std-130 requirements. You may search AIM's website at this address: http://www.aimglobal.org/members/Public/CompanySearch/CompanySearch/Simple_Step1.asp

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2. How will the additional cost of implementing UID be addressed, specifically for small businesses that supply DoD?

Answer: DoD has determined that it is a strategic imperative that items valued at or above \$5,000, or meeting other specified conditions, be marked with unique identification. There are no exceptions. Small businesses will find there are a number of vendors, many of them small businesses, which can provide unique identification marking assistance. DoD considers the cost of implementing unique identification requirements to be an allowable cost under FAR Part 31.

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3. Is there any training for FY05 scheduled on the UID regulations?

Answer: The UID Program Office is working with DAU, DCMA, and NDIA to develop regional training opportunities for UID. Other associations, such as NPMA, and suppliers have also begun internal training. Training opportunities will be posted on the UID website as they are identified. <u>DAU</u> and <u>NDIA</u> websites also provide training information.

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4. What if a supplier is not ready or able to comply with the UID requirements?

Answer: The September 3, 2004 policy memorandum recognized that situations may arise where small businesses and vendors of commercial products are not prepared to comply with DoD UID requirements within the cost constraints and/or time frames required for product deliveries. Should this occur, DoD requiring activities whose acquisition will be conducted under the regulations in FAR Part 8 or Part 12, may consider implementing a strategy under which the requiring activity would either: (1) coordinate and fund the furnishing of product UID data plates, labels or other marking media that meets MIL-STD-130 requirements, including durability, to the commercial vendors for application to products before shipment, or (2) contract with third parties to furnish and apply the UID markings after product delivery from the commercial vendors. This strategy should only be implemented if significant cost or schedule advantages would accrue to the Department and a Determination and Findings has been conducted. Additionally, DCMA, as part of its Single Process Initiatives, may grant near-term extensions of UID implementation if they are consistent with the implementation schedules of the negotiated corporate/facility strategies.

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5. Will waivers or exceptions to UID be granted?

Answer: The rule is considered to be a strategic imperative, necessary to efficiently move supplies to warfighters. The 3 September 2004 policy update memo specifies exceptions for small businesses and commercial acquisitions when DoD requiring activities conduct acquisitions under the regulations in FAR Part 8 or Part 12, when it is determined that it is more cost effective for the Government to apply the UID (which is not an exception to the UID requirement itself, but to who and when it is applied). CAE approval is required for ACAT 1D programs and the HCA approval for ACAT II, ACAT III, and non-ACAT programs. Additionally, DCMA, as part of its Single Process Initiatives may grant near-term extensions of UID implementation if they are consistent with the implementation schedules of the negotiated corporate/facility strategies.

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6. MIL-STD-130L contains exemptions for certain items. Are these exempt from UID?

Answer: After January 1, 2004, requests for proposals (RFPs) will include DFARS clause 252.211-7003, Item Identification and Valuation, which requires that items be marked with a unique identifier IAW practices of MIL-STD-130. Contracting officers shall include the DFARS clause in all solicitations and contracts that require delivery of one or more items that meet the UID criteria. The provisions of the DFARS clause in the contract are mandatory and take precedence over any exclusion contained in MIL STD 130L. If the Program/Item Manager were to contravene the requirements of the DFARS, the contract would require a waiver of the DFARS clause.

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7.According to the guidance, UID is required at the component level based on a program manager determination. What if we do not have a Program Manager?

Answer: Program managers should be interpreted as any activity that issues a requirement for procurement of an item. This would include such activities as Integrated Support Teams, Systems Managers or Item Managers.

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8. Does UID require manufacturing drawings to be changed?

Answer: Drawings will be changed in accordance with contract provisions, or in their absence, contractor practice. Generally, any markings to be placed on an item are required to be detailed in the technical documentation. The policy requires that UID markings comply with the provisions of MIL STD 130.

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9. How should a UID be constructed for surplus, remanufactured, or overhauled items?

Answer: If the item does not already have unique identification and meets the criteria for unique identification, the enterprise furnishing the item to the government must provide unique identification marking as part of the purchase price. In situations where sub-contractors are furnishing items to the prime contractor, it is the responsibility of the prime contractor to ensure that the items are marked in accordance with the unique identification requirements prior to furnishing to the government, either by flowing down the requirements to the sub-contractor or marking the item themselves.

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10. Does UID apply to Contractor Logistics Support (CLS)?

Answer: The current UID policy and DFARS can be used to address CLS programs. If the contract supports end items that are the property of the Department, when the Component pays for the end item, it constitutes delivery and acceptance. The DFARS indicates that the contracting officer is to put the UID clause in the contract if the contract will result in the delivery of an end item to the Department. In most cases, CLS contracts will result in such deliveries. However, please keep in mind that UID is only for items and does not include services.

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11. Will the UID replace the NSN? Will the UID be used in place of part numbers in publications?

Answer: The UID will not replace the NSN or part number. NSNs and part numbers reflect more of the form, fit, and function of an item and remain somewhat static over time. A UID is unique to the item, is used only for uniquely identifying that item among other items, and does not reflect what the item's purpose is.

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12. If a contractor elects to mark all of its serialized items as part of its internal business rules or

strategies, it may mean delivering marked items in addition to those required by a contact; is this acceptable to the government?

Answer: Yes.

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13. Can a prime contractor direct their vendors to use the prime's EID on the items the vendors produce for the prime to deliver to the government, or would the vendors need to use their own EIDs since they are the ones actually manufacturingthe item?

Answer: The prime contractor is responsible for ensuring uniqueness. The prime contractor can direct their vendors to use the prime's EID. However, from a manufacturing process perspective, this may not be the most efficient and effective way for their vendors to mark parts. The prime will also have the added responsibility of ensuring uniqueness of the sub-contractor's serial number within the prime's enterprise (Construct #1) or the sub-contractor's serial number within the prime's enterprise (Construct #2).

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14. How is the acquisition cost of an item valued?

Answer: It is the policy of the Department of Defense that Contractors shall be required to identify the Government's unit acquisition cost (as defined in DFARS 252.211-7003(a)) for all items delivered even if none of the criteria for placing a UID mark applies.

For fixed price type line, subline, or exhibit line items, the unit acquisition cost is the unit price identified in the contract at the time of delivery.

For cost type contracts [or undefinitized] line, subline, or exhibit line items, the unit acquisition cost is the contractor's estimated fully burdened unit cost to the Government at the time the item is delivered.

For items delivered under a time-and-materials contract, the unit acquisition cost is the contractor's estimated fully burdened unit cost to the Government at the time of delivery.

The Government's unit acquisition cost of subassemblies, components, and parts embedded in delivered items need not be [separately] identified.

An end item may be composed of embedded items, such as subassemblies, components and parts. The prime contractor will pass down appropriate specifications, including the UID marking requirements, to the tiered vendors for subcontracted subassemblies, components and parts.

Spares may be purchased directly from the vendors or through the prime. UID-qualifying spare items (subassemblies, components and parts) have to be marked appropriately with the UID data elements.

So, when the prime delivers the end item—that is one UID. The spares are delivered with their own UIDs. The Government has the option of asking the prime to deliver a list of all UIDs for UID-qualifying embedded items in the end item.

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15. How are the data elements required for unique identification placed on the item?

Answer: The UID component data elements, at a minimum, shall be contained in a Data Matrix symbol, as required by MIL STD 130 L (or a later version). Data may be contained in other AIT media (e.g., contact memory buttons, linear bar codes, radio frequency identification, etc.) in addition to the Data Matrix. The physical marks that contain the UID-required elements shall remain legible until the item is destroyed.

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16. How are the data elements for unique identification structured so they are machine-readable?

Answer: For the unique identification data elements to be "machine-readable" by any AIT device, they must be identified by some means such that the reader device can recognize, through its resident software, what data element it is reading. This is accomplished by employing the concept of "semantics", which is literally "the meaning of language". For the purposes of constructing machine-readable data elements, semantics take the form of data qualifiers. These data qualifiers have to define each data element placed on the item to tell the AIT devices how to derive the unique identifier. There are three types of data qualifiers being used by various industry sectors: Data Identifiers (DIs) (Format 06), Application Identifiers (AIs)(Format 05), and Text Element Identifiers (TEIs). ISO/IEC International Standard 15418, Information Technology – EAN/UCC Application Identifiers and ASC MH 10 Data Identifiers and Maintenance, governs DIs and AIs. Air Transport Association (ATA) Common Support Data Dictionary (CSDD) defines TEIs. ISO/IEC International Standard 15434, Information Technology – Syntax for High Capacity ADC Media, contains formats for DIs and AIs.)

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17. How do you decide when to place data elements for unique identification on items?

Answer: Strategies that produce the greatest business advantage for the items at the lowest cost and in the shortest possible time should be considered. The question of how this could be done leads to a conclusion that the probable scenario would be a mixture of vendor-applied-at-source, opportunity-based, seek-and-apply, and gated strategies. Requiring vendor-applied-at-source on future contracts for new equipment, major modifications, and reprocurements of end items and spares is important for sustainment, but has limited impact on a retrospective application program.

Vendor-applied-at-source provides a relatively cheap and unobtrusive application option for future purchases; however, it will not provide the speed of response necessary to successfully implement a retrospective application program for legacy items.

Opportunity-based item application can be done in the field or factory, wherever it is convenient to gain access to items either on an end item or available in a storage facility. Projected situations or processes where this might be deployed include phase maintenance, scheduled servicing, depot rebuild or overhaul processes, and work-order processes during modification.

The seek-and-apply strategy can be used for particular items in operational use, either at the end item or in storage. This strategy is dependent on establishing the location and availability of items before deployment of application equipment and teams. The location of items can be determined through the supply chain management information systems and inventory control systems. This approach is dependent upon good legacy data, and will demand greater overhead of coordinated effort to effect access to the assets. By concentrating application efforts, the advantage is faster fielding of configuration management for specific items.

The interception of items as they transit specific gates within the supply chain can ensure no item enters service without the data elements needed to construct a unique identifier. Having identified an item at the gate which requires a unique identifier, the situation can be resolved by either diverting the item back to the vendor for application, provision of an application capability at the specific supply gate, or diversion of the item to a centralized application facility.

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18. What exactly is the WAWF and how do we report UID data?

Answer: Wide Area Work Flow is a Paperless Contracting environment. It enables contractors to transmit shipping notices electronically and DoD to perform both receipt and acceptance electronically. One of the key benefits to WAWF is it has reduced the number of days it takes for contractors to get invoices approved and paid by DoD. Resources can be found on the web at http://www.wawftraining.com and https://wawf.eb.mil.

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19. How is the unique identifier to be used in automated information systems?

Answer: In the Service or Agency material management and supporting automated information systems (AISs) (developed or maintained in compliance with FMIP/FMEA requirements), once the unique identifier is created from the separate data elements placed on the item, the unique identifier shall not be parsed to determine the original

elements, since parsing and recombination of the elements will invariably result in the introduction of errors in the unique identifier; however the UID, the enterprise identifier, the serial number and, in the case of Construct #2, the original part number will be captured separately at the time of inspection and acceptance. The unique identifier shall be a primary pointer or key data element for traceability in all computational functions including inventory acceptance, item accountability, storage, issue, receipt, valuation, maintenance, and disposal.

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20. What is the difference between UID and RFID?

Answer: UID is a piece of data associated with an item that uniquely identifies it through out its life. RFID is a vehicle for holding and sharing data.

UID of tangible items deals with physical marking as prescribed in the policy and are applied directly on items or on labels themselves. UID also requires data to be captured about the item and submitted electronically to a registry database. Think of this as creating a birth certificate for the item.

RFID is either a passive (unpowered) or active (powered) transmitter/receiver that stores information on the case or pallet in which UID'd and non-UID'd items are placed. The RFID tag may store the unique item numbers for the items in the case or pallet or simply a different unique packaging number that when accessed in a transportation or logistics database provides an inventory of the items in the case or pallet. Eventually we will see RFID tags on the item packaging.

Please visit the DoD RFID website for further information on the RFID initiative: http://www.acq.osd.mil/log/rfid/index.htm.

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