DEFENSE LOGISTICS AGENCY
HEADQUARTERS
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January 07, 2014

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Proposed Defense Logistics Management Standards (DLMS) Change (PDC) 1071, Implementation of DOD Item Unique Identification (IUID) Supply Policy in Version 4030 DLMS 856R Shipment Status Materiel Returns (Supply/IUID)

We are forwarding the attached proposed change to DLM 4000.25, Defense Logistics Management System, for evaluation and submission of a single coordinated Service/Agency position. It is the responsibility of the Component Supply PRC representative to ensure full coordination of the proposal within your Component, to include your IUID Component leads.

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 non-concurrence is provided, please provide an alternate method to meet the requirement being addressed.

Addressees may direct questions to Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676 or DSN 427-0676, e-mail: ellen.hilert@dla.mil, or Ms. Heidi Daverede, DOD MILSTRIP Alternate, 703-767-5111; DSN 427-5111, e-mail: heidi.daverede@dla.mil. Others must contact their Component designated Supply PRC representative, available at: www.dla.mil/j-6/dlmso/CertAccess/SvcPointsPOC/allpoc.asp.

DONALD C. PIPP
Director
DLA Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD(SCI)
IUID Working Group

ATTACHMENT TO PDC 1071
Implementation of DOD Item Unique Identification (IUID) Supply Policy in DLMS 856R Shipment Status Materiel Returns

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: DLA Logistics Management Standards Office, ellen.hilert@dla.mil or heidi.daverede@dla.mil

2. FUNCTIONAL AREA/PROCESSES: Supply/Materiel Returns Program

3. REFERENCES:

a. DOD Instruction 4140.01, DOD Supply Chain Materiel Management Policy, December 14, 2011

b. DOD Regulation 4140.1-R, DOD Supply Chain Materiel Management Regulation, May 23, 2003

c. DOD Manual 4140.01, DOD Supply Chain Materiel Management Procedures. (Draft)

d. DLM 4000.25, Defense Logistics Management System, Volume 2

e. DOD Instruction 8320.04, Item Unique Identification (IUID) Standards for Tangible Personal Property (Draft)

f. ADC 353A, Revised Procedures for Pre-positioned Materiel Receipt (PMR) and Shipment Status for Retrograde and Directed Discrepant/Deficient Materiel Returns Including Corrected Time Standard for Security Assistance/Foreign Military Sales (SA/FMS) (Supply/SDR/PQDR/TDR/Retrograde)

g. ADC 1030, Implementation of Item Unique Identification (IUID) in the DLMS Shipment Status Supporting DOD IUID Supply Procedures and Associated Supply Discrepancy Report (SDR) Procedures (Supply/SDR)

h. ADC 399A, Automated Data Capture for Serialized Item Shipments and Preparation of the Issue Release/Receipt Document (IRRD) (DD Form 1348-1A or DD Form 1348-2) Continuation Page, dated January 30, 2013

4. PROPOSED CHANGE(S):

a. Brief Overview of Change: This document is one of a series of DLMS changes to define procedures and establish a coordinated implementation for the exchange of IUID data in accordance with DOD IUID Supply Policy.

(1) This change implements inclusion of the IUID content in the Version 4030 DLMS 856R Shipment Status Materiel Returns when the National Stock Number (NSN) has a Federal Logistics Information System (FLIS) IUID Indicator Y (Yes).

(2) To implement the DOD IUID Supply Policy for Materiel Returns involving a secondary inventory control activity (SICA), either as the approving source of supply or the generator of the DLMS 180M Customer Asset Report to the primary inventory control activity (PICA), the materiel holder will be required to generate the DLMS 856R. This is a major change from the current process which requires the SICA to generate the MILSTRIP legacy DIC FTM/DLMS 856R. To ensure data accuracy of the IUID data content, the inclusion of that information must be provided by the shipping activity, rather than another external activity acting on behalf of the shipper.

(3) In accordance with new DLMS naming conventions, previous references to "DLMS Supplements" have been updated to "DLMS Implementation Conventions".

(4) Notes previously identified as "Federal Notes" have been updated as "DLMS Notes".

b. <u>Background</u>: DOD policy is that the Components use the Unique Item Identifier (UII) to enhance life-cycle management of assets and provide more accurate asset valuation, to achieve unqualified audit opinions on the Property, Plant and Equipment and Operating Materials and Supplies Portions of DOD Financial Statements. The UII will serve as a common key in financial, property accountability, acquisition, supply, maintenance and logistics systems.[1]

(1) For an NSN to be managed under the DOD IUID Supply Policy, the item must have a unique item level traceability requirement at some point in its lifecycle. See Reference 3.e. for specific criteria.

(2) The manager of the item, in consultation with its users, determines the requirement for unique item level traceability.

(3) The FLIS will be updated to support a new data field to identify the IUID Indicator. This new data element is a yes/no indicator to provide enterprise-wide visibility of IUID applicability for NSN items. Pending FLIS modernization, starting in December 2013 the IUID Indicator will be made available through web-services using the Master Data Capability (MDC).

(4) IUID benefits the transportation node of the DOD supply chain in a key way.[2] Visibility of UIIs will be available in enterprise tracking systems (e.g., Integrated Data Environment (IDE)/Global Transportation Network (GTN) Convergence (IGC)), by maintaining referential integrity between the document number and its Transportation Control Number (TCN). To simplify order tracking once one or more shipments are made to satisfy a requisition, all shipments, regardless of origin or destination, will be assigned a shipment TCN that is linked to the requisition. As shipments move through the transportation nodes and undergo consolidation or deconsolidation actions, the integrity of the TCN-to-requisition relationship documented in the supply shipment status is maintained. To facilitate customer follow-up with commercial carriers, supply sources using DLMS will provide carrier identification and the carrier tracking number. The DLMS 856R (and 856S)[3] will identify the

[1] Reference 3.e.
[2] Ibid
[3] Reference 3.g.

UIIs associated with a document number and the TCN under which the document number shipped. The transportation node will continue to transact business at the TCN level. TCN tracking while in transit can be associated back to UIIs through the use of the DLMS 856R, Shipment Status Materiel Returns (and 856S). Rather than being the primary link, the UII is a byproduct of the link between the document number and the TCN.

(5) ADC 353A (see Reference 3.f.) established a requirement for DLMS-capable customers to generate a Materiel Returns Shipment Status, DLMS 856R with enhanced data content, to report directed returns to both the storage activity and the Inventory Control Point/Integrated Materiel Manager (ICP/IMM) under the MILSTRIP Materiel Returns Program. The enhanced data content allows the shipment status to flow directly to the "return-to" activity and includes identification of the return-to activity, passive Radio Frequency Identification (pRFID) and IUID data content to facilitate receipt processing. The return-to activity is identified by Routing Identifier Code (RIC) for returns under the MILSTRIP Materiel Returns Program; for all other directed returns, the return activity is identified by either the DoDAAC or CAGE per the direction in the return instructions. The requirements of ADC 353A are inherent to the new procedures identified in this PDC.

c. <u>Proposed Change in Detail</u>:

(1) <u>Inclusion of UII and/or Serial Number</u>: Include the UII and/or machine readable serial number (hereafter referred to as "serial number" unless specifically noted) when available, on the outbound DLMS 856R Shipment Status Materiel Returns when the FLIS IUID Indicator for a specific NSN is Y.[4] Include both when both are available. The UII and/or serial number is a desired entry but is not mandatory at this time. The long-term end state goal is to eliminate reliance on serial number and pass only the UII when the IUID Indicator is Y. Table C5.T2 of Reference 3.d. provides a decision table that applies to scenarios where the UII and/or serial number may not be available when the item is being shipped. The overriding vision is that, pending full transition to the DOD IUID Supply Policy using the UII, processing of return shipments does not stop due to lack of a viable UII and/or serial number when the NSN contains a IUID Indicator Y.

(2) <u>Issue Release/Receipt Document</u>: Shipping activities will prepare the Issue Release/Receipt Document (DD 1348-1A/DD 1348-2), when applicable, in accordance with DLM 4000.25-1, MILSTRIP Manual, Chapter 5 and Appendices 1.35, 1.36, 3.48, and 3.49. Provide the UII(s) and/or serial number(s) of the items shipped using automatic information technology (AIT). The previously cited MILSTRIP references define procedures for the IRRD continuation page for shipment quantities of two or more serialized items and how the PDF417 symbol or Macro PDF417 symbols are used to include the IUID data. The term Macro PDF417 is used when concatenating multiple PDF417 barcodes. The continuation page contains linear bar coding with the included serial numbers to satisfy legacy system requirements and enables users to obtain the serial number if the Macro PDF417 data cannot be read. ADC 399A (Reference 3.h.) revised encoding procedures to support association of the serial number used for tracking and the applicable UII in the 2D bar code.

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[4] Machine readable is specifically noted as the minimum requirement because of the labor intensive effort and accuracy concerns with hand typing multiple serial numbers in the status transactions.

(3) <u>Multiple Freight Pieces</u>: For a materiel return shipment containing IUID content and shipped in multiple freight pieces, shippers are NOT authorized to execute the movement of the shipment using multiple freight piece procedures[5] (i.e., citing the same TCN for all boxes). Those shipments must be "partialled" by using the 16th position of the TCN to uniquely identify each freight piece. A separate DLMS 856R Shipment Status will be transmitted for each document number – partial TCN pair, identifying the contents of each freight piece, to include pRFID tag(s) and UII(s) and/or serial numbers.

(4) <u>Due In Record</u>: Receiving activities will use the UIIs and/or serial numbers in the Shipment Status Materiel Return to append to the Prepositioned Materiel Receipt (PMR) file, if available, or establish a means of accessing the UII and/or serial number information from the 856R, Shipment Status Materiel Returns during the receiving process. This information will be used to verify which UIIs are actually received.

(5) <u>SDRs for Discrepancies Involving Mismatched/Missing IUID Content on Materiel Returns</u>: ADC 1030 (Reference 3.g.) addresses the use of SDRs for reporting discrepancies involving mismatched/missing IUID content in shipment status documentation. Pending full implementation of the DOD IUID Supply Policy, do not use SDRs to report missing IUID content on materiel returns, items, or packaging originating from a DOD shipping activity. The exception is items managed under an existing UIT program for intensively managed materiel.

(6) <u>Scenarios for Including the UII with Shipment Status Materiel Return</u>

(a) <u>MRP Reporting Activity Processing of Replies to Customer Asset Reports from the ICP/IMM</u>. Reporting activities returning materiel under MRP will prepare and submit the DLMS 856R, Shipment Status Materiel Returns, with UII(s) and/or corresponding serial numbers when required by DOD IUID Supply Policy, after materiel directed for return is released to the carrier. Prepare a separate DLMS 856R for each shipment. Exercise care to ensure that appropriate data content, including suffix of the individual Reply to Customer Asset Report (MILSTRIP legacy DIC FTR), is perpetuated in the DLMS 856R. The DLMS 856R will be sent to the ICP/IMM and the designated return-to activity. The ICP/IMM is not required to store the UIIs.

(b) <u>MRP Reporting Activity Follow-Ups for ICP/IMM Materiel Receipt Status</u>. When a reporting activity has not received a materiel receipt status from the ICP/IMM, the DLMS 180M (MILSTRIP legacy DIC FTT) will be prepared and submitted within designated timeframes with the same data content as contained in the DLMS 856R, with the exception that no UII(s) and/or serial numbers will be perpetuated. The ICP/IMM will respond to the follow-up under standard MILSTRIP procedures.

(c) <u>MRP Reporting Activity Response to ICP/IMM Follow Ups on Directed Returns</u>. When a reporting activity receives a DLMS 180M (MILSTRIP legacy FT6) and research indicates that the materiel was previously shipped, a new DLMS 856R will be prepared and submitted identifying the quantity shipped to include UII(s) and/or corresponding serial

[5] This policy was first delineated in ADC 1030, Reference 3.g.

numbers, when required by DOD IUID Supply Policy. The DLMS 856R will be sent to the ICP/IMM and the designated receiving activity. The ICP/IMM is not required to store the UIIs.

(d) MRP Items Designated by a Source of Supply for Automatic Returns. DLMS 180M (MILSTRIP legacy FTA) Automatic Return Notification is used for items by a source of supply for automatic return. Supply sources will notify reporting activities of the location to which items so designated are to be shipped. The returning activity will prepare the DLMS 856R/DIC FTM, Shipment Status Materiel Returns, with UII(s) and/or corresponding serial numbers, when required by DOD IUID Supply Policy.

(e) MRP Materiel Holder and SICA Processing of Replies to Customer Asset Reports. For SICA-approved returns, the SICA will provide disposition instructions to the materiel holder under normal intra-Service implementing instructions. The materiel holder will prepare and submit the DLMS 856R, with UII(s) and/or corresponding serial numbers when required by DOD IUID Supply Policy. The materiel holder will send the DLMS 856R to the SICA and the designated return-to activity. The SICA is not required to store the UIIs and/or serial numbers.

(f) MRP Materiel Holder and SICA Processing of Replies to Customer Asset Reports Approved by the PICA. For materiel returns approved by the PICA, the SICA is required to provide the PICA RIC and appropriate return-to information to the materiel holder under intra-Service implementing instructions. The materiel holder will prepare and submit the DLMS 856R, with UII(s) and/or corresponding serial numbers when required by DOD IUID Supply Policy. The materiel holder will send the DLMS 856R to the SICA and the designated return-to activity, with a copy to the PICA when directed by the SICA. The PICA will be identified as a Party to Receive Status (N101=Z1) in the DLMS 856R. The PICA and SICA are not required to store the UIIs and/or serial numbers.

(g) Directed Discrepant/Deficient Materiel Returns and Retrograde Returns. For returns other than MRP, (e.g., directed by the exchange of depot level repairable Class IX repair parts under the Military Service's Exchange pricing programs, the retrograde of forward-positioned retail stock back to a home location, and discrepant/deficient materiel returns directed by SDR, PQDR, or TDR), the returning activity will prepare the DLMS 856R, Shipment Status Materiel Returns, with UII(s) and/or corresponding serial numbers when required by DOD IUID Supply Policy, to include citing the Return Type Code identifying the reason for return for which the materiel returns shipment status is provided. If the controlling document number for the directed return is the same as the customer's requisition, a unique transportation control number (TCN) (not derived from the original document number) will be identified.[6] The DLMS 856R will be submitted to the ICP/IMM and the return-to activity, with UII(s) and/or corresponding serial numbers when required by DOD IUID Supply Policy.

d. Revisions to DLM 4000.25 Manuals:

(1) Refer to Enclosure 1 for the detailed changes to the DLMS 856R, Shipment Status Materiel Returns.

[6] Refer to paragraphs C11.19.3.1.4, .C11.19.3.2.4, and C11.19.3.3.4 in Enclosure 2, below.

(2) Refer to Enclosure 2 for revisions to the DLM 4000.25, DLMS, Volume 2 Chapter 11 to reflect updates to the business rules for the processes addressed by this PDC. Changes to the DLMS manual are identified in the enclosure by ***red, bold italics***.

e. Transaction Flows: To implement the DOD IUID Supply Policy for Materiel Returns involving a SICA, either as the approving source of supply or the generator of the customer asset report to the PICA, the materiel holder will be required to generate the DLMS 856R. ***This is a major change from the current process which requires the SICA to generate the MILSTRIP legacy DIC FTM/DLMS 856R***.

f. Alternatives: None identified.

5. REASON FOR CHANGE: Supports the implementation of the DOD IUID Supply Policy. This change documents how the UII requirements will be implemented within the DLMS 856R, Shipment Status Materiel Returns transaction.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: Providing the UII in the shipment status materiel return enables traceability of a UII to a physical location, as an item is returned and travels back through the supply chain to the designated receiving location. This change enables notification of downstream customers to whom items are being transported.

b. Disadvantages: None identified.

7. ASSUMPTIONS USED OR WILL BE USED IN THE CHANGE OR NEW DEVELOPMENT:

a. Users of this change have fully implemented the DLMS transaction capability in their business application.

b. The IUID Indicator will be made available via web services in the DLA Logistics Information System Master Data Capability (MDC) in December 2013. In 2017, the reengineered FLIS will incorporate the IUID Indicator. This will require Components to initially modify systems to access the IUID Indicator in the MDC after December 2013, and later obtain the IUID Indicator through a standard cataloging interface when the redesigned FLIS is operational.

c. This PDC changes the policy currently in place for UIT by formalizing the inclusion of the UII in the shipment status materiel return.

d. Shipping activities generating the DLMS 856R per this DLMS change must use the Version 4030 variant of the DLMS Implementation Convention.

8. ADDITIONAL FUNCTIONAL REQUIREMENTS:

a. ADC 1030 (Reference 3.g.) discusses the possibility of expanding information in the IUID loop to include batch/lot numbers. If this capability is added to the 856S at some point in the future, adding it to the 856R should be considered as well.

b. All new development and significant enhancements to the DLMS 856R must use the 4030 version of the DLMS Implementation Convention. The 4010 version of the DLMS 856R IC will be phased out in 2019, to correspond with the deadline for full DLMS compliance per the OSD AT&L Strategy.

9. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: Staggered implementation is authorized, with full implementation targeted by December 2017.

10. ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE: Not available.

11. IMPACT:

a. New DLMS Data Elements: No new DLMS data elements

b. Changes to DLMS Data Elements: Specific data elements are to be removed from the DLMS 856R, Shipment Status Materiel Returns transaction as shown in Enclosure 1.

c. Component Automated Information Systems:

(1) Component automated information systems for shipping, shipment consolidation, and receiving need modification to ensure the IUID content is always included in the 856R, Shipment Status Materiel Returns transaction when applicable and required under DOD IUID Supply Policy.

(2) Activities shipping materiel under MRP and Directed Discrepant/Deficient Materiel Returns and Retrograde Returns will be required to include IUID content when the IUID Indicator is Y.

(3) For Materiel Returns involving a SICA, either as the approving source of supply or the generator of the customer asset report to the PICA, Component automated information systems will require update to enable the materiel holder (e.g., shipping activity) to generate the DLMS 856R. This is a major change from the current legacy process which requires the SICA to generate the MILSTRIP legacy DIC FTM/DLMS 856R.

d. DLA Transaction Services: No capability is required to store IUID information within DLA Transaction Services databases, outside of standard DLMS transaction history reporting requirements.

e. <u>Non-DLA Logistics Management Standards Publications</u>: IUID requirements are being addressed in the update to DOD 4140.1-R that will be republished as DODM 4140.01, DoD Supply Chain Materiel Management Procedures, at a future date. Components will update local procedures as necessary.

Enclosure 1, DLMS Implementation Convention (IC) Revisions

Item #	Location	DLMS (4030) 856R, Shipment Status Materiel Returns	Reason
1.	DLMS Introductory Notes	Insert new DLMS Introductory Note 6 and renumber existing note to Note 7: ***All new development and significant enhancements to the DLMS 856R must use the 4030 version of the DLMS Implementation Convention. The 4010 version of the DLMS 856R IC will be phased out in 2019, to correspond with the deadline for full DLMS compliance per the OSD AT&L Strategy.***	Announce plans to sunset the Version 4010 DLMS 856R Implementation Convention.
2.	DLMS Introductory Notes	Add PDC 1071 to DLMS Introductory Note 8: ***- PDC 1071, Implementation of Item Unique Identification (IUID) Supply Policy in Version 4030 DLMS 856R Shipment Status Materiel Returns***	To identify DLMS changes included in the DLMS Supplement.
3.	Throughout DLMS IC	Revise notes to reflect updated terminology as follows: From UID (Unique Identification) to ***IUID (Item Unique Identification)***.	Administrative change to update terminology.
4.	Throughout DLMS IC	Revise references to ADC 353 as follows: From ADC 353 to ***ADC 353A***.	Administrative update to align ADC 353 references to ADC 353A which fully replaced ADC 353.
5.	2/REF/1500	Revise DLMS Note at segment level: **DLMS Note:** 1. Must use in 2/HL/0100 transaction reference number loops to identify the document number, fund code and the transportation control number with the shipment status transaction. 2. Financial accounting data is provided as a DLMS enhancement. When implemented, refer to the Accounting Classification Appendix for specific entries for the basic appropriation number and supplemental accounting classification data. 3. This transaction ~~***will***~~ ***supports unique*** item identification based upon the UII ~~***or the serial number. Data elements associated with the UII may be identified separately. Use the appropriate data elements to satisfy the desired functionality.***~~ ***Pending full transition to DoD IUID Supply Policy using the UII, shipment status for materiel returns will be prepared using both the UII and corresponding serial number when available and required by DoD IUID Supply Policy. See PDC 1071.***	Based on deleting the individual data elements associated with the UII

Item #	Location	DLMS (4030) 856R, Shipment Status Materiel Returns	Reason
6.	2/REF01/1500	Delete Federal Note and revise DLMS Note at data element level: ~~***Federal Note: Use any code.***~~ **DLMS Note:** 1. Use codes separately or in combination, to identify appropriate information for ***DoD IUID Supply Policy, including, but not limited to*** unique item tracking (UIT) ***programs. See PDC 1071***. 2. For DLMS use, only the following codes are authorized.	Clarifies intended use to support DoD IUID Supply Policy.
7.	2/REF01/1500	Remove code PM and associated notes. ~~**PM Part Number**~~ ~~**DLMS Note:**~~ ~~1. Use in UID loop to identify the applicable part number.~~ ~~2. May be used when primary item identification is the NSN.~~ ~~3. DLMS enhancement; see introductory DLMS note 3a.~~	Removes requirement to identify individual parts of the UII
8.	2/REF01/1500	Revise DLMS Notes for codes SE and U3: **SE Serial Number** **DLMS Note:** 1. Use in IUID loop to identify the serial number. ***See PDC 1071.*** 2. DLMS enhancement; see introductory DLMS Note 3***f~~a~~***. **U3 Unique Supplier Identification Number (USIN)** **DLMS Note:** 1. Use in IUID loop to identify the UII value in REF03. ***See PDC 1071.*** The UII may not exceed 50 characters in accordance with IUID Policy. An ANSI data maintenance action was approved in version 5020. The approved code/name is "UII - Department of Defense Unique Item Identifier". 2. DLMS enhancement; see introductory DLMS Note 3f.	Revise DLMS enhancement status to authorize for implementation by modernized systems under DLMS migration.
9.	2/REF03/1500	Revise DLMS Note: **DLMS Note:** 1. Use to indicate UII value when REF01=U3. ***Refer to PDC 1071***.	Revise DLMS Note to reference PDC 1071.

Item #	Location	DLMS (4030) 856R, Shipment Status Materiel Returns	Reason
10.	2/N101/2200	Add DLMS Note to Z1: **Z1 Party to Receive Status** **DLMS Note:** 1. Use to indicate the organization to receive shipment status. ***2. Use to identify the PICA RIC when reporting materiel returns shipment status to the SICA under MILSTRIP MRP supporting DOD IUID Supply Policy; authorized for optional use for non-UII materiel returns. Authorized DLMS enhancement; see introductory DLMS Note 3f. Refer to PDC 1071.*** 3. As a DLMS enhancement, may be used to identify recipients other than the prescribed status recipients under DLMS/MILSTRIP distribution rules. Use multiple iterations of the 2/N1/2200 loop to identify shipment status recipients, as needed. See introductory DLMS 3a.	Revise DLMS Notes to authorize implementation of the Z1 for use to identify the PICA RIC under MRP when the shipment contains UII and/or serial numbers as required under DOD IUID Supply Policy. **Staffing Note**: Components should comment on desirability of standardizing the identification of the PICA RIC, regardless of the materiel return being within the scope of the DOD IUID Policy. Standardizing the change would eliminate the requirement for Components to maintain two separate reporting requirements, depending on IUID applicability.

Item #	Location	DLMS (4010) 856R, Shipment Status Materiel Returns	Reason
1.	DLMS Introductory Notes	Insert new DLMS Introductory Note 4 and renumber existing note to Note 5: ***All new development and significant enhancements to the DLMS 856R must use the 4030 version of the DLMS Implementation Convention. The 4010 version of the DLMS 856R IC will be phased out in 2019, to correspond with the deadline for full DLMS compliance per the OSD AT&L Strategy.***	Announce plans to sunset the Version 4010 DLMS 856R Implementation Convention.
2.	DLMS Introductory Notes	Add PDC 1071 to DLMS Introductory Note 5: ***PDC 1071, Implementation of Item Unique Identification (IUID) Supply Policy in Version 4030 DLMS 856R Shipment Status Materiel Returns***	To identify DLMS changes included in the DLMS Supplement.

Enclosure 2, Changes to DLM 4000.25, Volume 2, Chapter 11, Materiel Returns, Redistribution of Assets, Directed Discrepant/Deficient Materiel Returns, and Retrograde Returns

C11.7. PROCESSING REPLIES TO CUSTOMER ASSET REPORTS

C11.7.1. Reporting Activity Processing. DLMS 870M is used by the ICP/IMM to respond to all customer asset reports and can be used (intra-Army only) to notify customers of the amount of credit granted and/or reversed for materiel received. The reporting activity will process the DLMS 870M, reply using the appropriate status code and take the following actions:

C11.7.1.1. Use Paragraph C11.6. to submit a cancellation, DLMS 180M, when it is determined that the materiel directed for return will not be returned.

C11.7.1.2. ***Reporting activities returning materiel under MRP will prepare and submit*** ~~Use~~ ***a*** DLMS ~~to~~ 856R, Shipment Status Materiel Returns, ***with Unique Item Identifier (UII) and/or corresponding serial number(s) for NSNs containing an IUID Indicator Yes (Y), indicating that DoD IUID Supply Policy compliance is required,*** ~~to prepare a shipment status and promptly submit to the IMM/ICP~~ after materiel directed for return is released to the carrier. Prepare a separate DLMS 856R for each shipment. Exercise care to ensure that appropriate data content, including suffix of the individual DLMS 870M***, Reply to Customer Asset Report (MILSTRIP Legacy DIC FTR)*** ~~document~~, is perpetuated in the DLMS 856R. ***The DLMS 856R will be sent to the ICP/IMM and the designated return-to activity. The ICP/IMM is not required to store UIIs.***

[Intervening text not shown]

C11.8. FOLLOW-UPS ON REPORTED ASSETS

C11.8.1. Reporting Activity Follow-Ups. Reporting activity follow-ups consist of three types:

C11.8.1.1. Follow-Up for ICP/IMM Reply to Asset Report (DLMS 180M). This type of follow-up will be used to obtain intelligence regarding status of the original asset report (DLMS 180M (Report of Available Assets to ICP/IMM)). DLMS 180M follow-up to ICP/IMM will be submitted no earlier than 30 calendar days from date of submission of DLMS 180M (Report of Available Assets to ICP/IMM), and will contain the same data as shown in the DLMS 180M (Report of Available Assets to ICP/IMM). If DLMS 870M (Disposition Instructions Delay Status) has been received, DLMS 180M Follow-Up will be submitted at the expiration of the expected reply date and DLMS 870M (From ICP/IMM) has not been received.

C11.8.1.2. Follow-up for ICP/IMM Materiel Receipt Status (DLMS 180M). This type follow-up will be used when materiel to be returned has been shipped as directed by a reply to asset report (From ICP/IMM)(DLMS 870M) but an ICP/IMM

Materiel Receipt Status (DLMS 870M) has not been received. DLMS 180M, follow-up for ICP/IMM Materiel Receipt Status), will be submitted no earlier than 70 calendar days for continental U.S. (CONUS) or 130 calendar days for outside-the-continental U.S. (OCONUS) after shipment. The data for the DLMS 180M, follow-up will be the same as shown in the DLMS 856R, ***with the exception that no UIIs and/or serial numbers will be perpetuated*** ~~(Customer Status to ICP/IMM)~~.

[Intervening text not shown]

C11.8.3. ICP/IMM Follow-Ups on Directed Returns (DLMS 870M). Upon receipt of DLMS 870M, ICP/IMM Follow-Up, from the ICP/IMM, the reporting activity will review records to determine whether a DLMS 870M, Reply to Customer Excess Report, had been received. If there is no record of having received DLMS 870M reply to the customer excess report, the 870M ICP/IMM Follow-Up transaction will be converted to DLMS 870M, Reply to Customer Excess Report, and processed. If shipment has not occurred, DLMS 870M, Materiel Returns Program Supply Status, citing the ESD will be submitted. If records indicate that shipment has occurred, the transportation activity will be queried to ensure that the materiel has been shipped. If the materiel has been shipped, a new DLMS 856R, will be ***prepared and submitted identifying the quantity shipped to include UIIs and/or corresponding serial numbers for NSNs containing an IUID Indicator Y, indicating that DoD IUID Supply Policy compliance is required*** ~~created~~. ***The DLMS 856R will be sent to the ICP/IMM and the designated receiving activity.*** If materiel has not been shipped, determine when the shipment will be made and follow the above procedures. When less than the total quantity contained in the original DLMS 870M is to be shipped, the reporting activity will respond to the DLMS 870M, ICP/IMM Follow-Up, with DLMS 870M, Materiel Returns Supply Status, for the quantity to be shipped and DLMS 180M for the quantity that will not be shipped. If any of the shipment has already occurred, the reporting activity will respond to DLMS 870M (ICP/IMM Follow-up), with DLMS 856R for the quantity that has been shipped***, to include UIIs and/or corresponding serial numbers for NSNs containing an IUID Indicator Y, indicating that DoD IUID Supply Policy compliance is required. The DLMS 856R indicating partial shipment will be sent to the ICP/IMM and the designated receiving activity.*** ~~and with~~ ***A*** DLMS 870M supply status and/or DLMS 180M cancellation ***will be sent to the ICP/IMM*** for the remaining portions of the originally reported quantity, as appropriate.

C11.9. AUTOMATIC RETURNS

C11.9.1. Items Designated by a Supply Source for Automatic Return. DLMS 180M Automatic Return Notification is used for items by a source of supply for automatic return. Supply sources will notify reporting activities of the location to which items so designated are to be shipped. ***The returning activity will prepare and submit the DLMS 856R (MILSTRIP Legacy DIC FTM) with UII(s) and/or corresponding serial numbers for NSNs containing an IUID Indicator Y, indicating that DoD IUID Supply Policy compliance is required.***

C11.9.2. Nonconsumable Item Materiel Support Code (Items Designated for Automatic Return)

C11.9.2.1. All NIMSC 5 unserviceable (SCC E or F) items are designated for automatic return on an inter-DoD Component basis.

C11.9.2.2. PICAs will notify SICAs of the NSN and the storage organization to which such items are to be shipped. PICAs will also notify the receiving storage activity of the NSN of such items to be returned. The SICAs will perpetuate this information ***and the PICA RIC*** to the ***materiel holder/***SICA activities using ~~the~~ intra-DoD Component procedures. ***The materiel holder will prepare and submit the DLMS 856R with UII(s) and/or corresponding serial numbers for NSNs containing an IUID Indicator Y, indicating that DoD IUID Supply Policy compliance is required. The materiel holder will send the DLMS 856R to the SICA and the designated return-to activity, with a copy to the PICA when directed by the SICA. The PICA will be identified as the Party to Receive Status in the DLMS 856R. The PICA and SICA are not required to store the UIIs and/or serial numbers.***

C11.9.2.3. If there is no DoD Component SICA for the items identified for automatic return by a PICA (e.g., Coast Guard), the PICA will provide the information to the appropriate DoD Component designated activity. ***The materiel holder will prepare and submit the DLMS 856R with UII(s) and/or corresponding serial numbers for NSNs containing an IUID Indicator Y, indicating that DoD IUID Supply Policy compliance is required. The materiel holder will send the DLMS 856R to the PICA and the designated return-to activity.***

C11.9.2.4. For SICA-approved returns, the SICA will provide disposition instructions to the materiel holder under normal intra-Service implementing instructions. The materiel holder will prepare and submit the DLMS 856R with UII(s) and/or corresponding serial numbers for NSNs containing an IUID Indicator Y, indicating that DoD IUID Supply Policy compliance is required. The materiel holder will send the DLMS 856R to the SICA and the designated return-to activity. The SICA is not required to store the UIIs and/or serial numbers.

[Intervening text not shown]

C11.13. ***PREPARATION AND*** PROCESSING OF SHIPMENT STATUS

C11.13.1. Preparation of ***Shipment Status*** ~~Documentation~~.

C11.13.1.1. Shipment status provides information and normally requires no subsequent documentation. ***For NSNs containing an IUID Indicator Y, UII(s) and/or corresponding serial numbers must be included in the DLMS 856R, indicating that DoD IUID Supply Policy compliance is required. The DLMS 856R will be provided by the materiel holder and sent to both the ICP/IMM and the return-to activity.***

C11.13.1.2. If the controlling document number for the return is the same as the customer's original requisition for the item, a unique transportation control number (TCN), not derived from the original document number, must be created.

C11.13.1.3. Shipments containing IUID data content (e.g., UIIs and/or serial numbers) and requiring more than one freight piece to execute the movement must have a unique TCN assigned to each freight piece by using a partial indicator in the 16th position of the TCN. Multiple freight piece shipments using the same TCN for all related freight pieces are not authorized when IUID content is required.[7]

C11.13.2. ICPs/IMMs will receive shipment status transactions and update appropriate ICP/IMM records. ***Shipment status with UII(s) and/or corresponding serial numbers under DoD IUID Supply Policy requirements, will be received by ICP/IMM, but they are not expected to store and track by UII.*** The shipment date indicated in DLMS 856R, Shipment Status Materiel Returns, is available to ICPs/IMMs to verify in-transit status and provide information on expected receipts. DLMS 856R received for items not under control of the ICP/IMM will be rejected to the reporting activity using DLMS 870M, Materiel Returns Supply Status (From ICP/IMM), with reject Status Code SC. DLMS 856Rs that do not pass data field validity checks will be rejected to the reporting activity using DLMS 870M, with the appropriated S_ series status code.

C11.13.***3***. Shipment Advice. In the event that the ICP/IMM requires an advice of shipment to support related supply decisions and a DLMS 856R, Shipment Status Materiel Returns, has not been received, an ICP/IMM follow-up (DLMS 870M, Materiel Returns Supply Status) will be prepared and forwarded to the reporting activity. DLMS 870M will not be generated until at least five calendar days have elapsed from the transmission of DLMS 870M (from ICP/IMM) for PD 03 or 50 calendar days for PD 13 and no DLMS 856R, Shipment Status Materiel Returns, or receipt has been posted. DLMS 870M with Status Code T3 may be generated upon expiration of the due-in timeframe when DLMS 856R has been received, but receipt has not been posted. The ICP/IMM is authorized to follow up without regard to the established timeframe when the need arises to satisfy PD 01-08 requirements.

[Intervening text not shown]

C11.20. DIRECTED DISCREPANT/DEFICIENT MATERIEL RETURNS AND RETROGRADE RETURNS

C11.20.1. General Requirements. The DoD supply chain may require the return of supply items for a variety of reasons beyond the usual excesses turned in for credit under the materiel returns program (MRP) described earlier in this chapter. These can include the exchange of depot level repairable (DLR) Class IX repair parts as required by Military Services' Exchange Pricing programs, the retrograde of forward-positioned retail stock back to a home location, and discrepant/deficient materiel returns directed by SDRs, Product Quality Deficiency Reports (PQDRs), or TDRs. In many cases, logistics business rules require that the return will use the same document number as the related order/sale. The use of a combination of enhanced return transactions and the addition of specific indicators to other transactions allows for the specific reporting of

[7] ***PDC 1071, Implementation of DoD Item Unique Identification (IUID) Supply Policy in Version 4030 DLMS 856R Shipment Status Materiel Returns***

the transactions without confusion about the nature of the return and enable enhanced in-transit visibility (ITV) of these returns. The procedures also support recent process improvement initiatives related to requirements for directed returns.

C11.20.2. Associated Transactions. There are three DLMS transactions that contain specific content that support the procedures for retrograde and directed discrepant/deficient returns. They are the DLMS 527D, Pre-Positioned Materiel Receipt, DLMS 856R, Materiel Returns Shipment Status, and DLMS 842A/R Standard Supply Discrepancy Report Reply.

C11.20.2.1. A Pre-Positioned Materiel Receipt, DLMS 527D/MILSTRAP DW_, is required for all returns to a Defense Distribution Depot/Storage Activity. This requirement is applicable to DLMS-capable applications and legacy MILS applications. Detailed procedures associated with the PMR are listed in paragraph C11.20.3.

C11.20.2.2. A Materiel Returns Shipment Status, DLMS 856R with enhanced data content, is required from DLMS-capable customers to report directed returns to both the storage activity and the ICP/Integrated Materiel Manager (IMM) (or other Component designated activity). Detailed procedures associated with the materiel returns shipment status are listed in paragraph of C11.20.3.

C11.20.2.3. ***The materiel returns shipment status will include passive radio frequency identification (pRFID), and for NSNs containing an IUID Indicator Y, UII(s) and/or corresponding serial numbers must be included in the DLMS 856R, indicating that DoD IUID Supply Policy compliance is required.*** ~~Passive Radio Frequency Identification (pRFID) and Item Unique Identification (IUID) will be included in the DLMS materiel returns shipment status transactions as required by DoD or DoD Component policy.~~

C11.20.3. Detailed Procedures. The following paragraphs contain detailed procedures for return of supply items related to discrepant/deficient materiel as directed by an SDR, PQDR, or TDR response. This section also addresses retrograde of forward-positioned retail stock back to a home location.

C11.20.3.1. Supply Discrepancy Report

[Intervening text not shown]

C11.20.3.1.4. The returning activity will prepare the DLMS 856R, materiel returns shipment status citing the Return Type Code, identifying the reason for return for which the materiel returns shipment status is provided. If the controlling document number for the directed return is the same as the customer's requisition, a unique transportation control number (TCN) (not derived from the original document number) will be identified. The shipment status will perpetuate the DoD WebSDR control number (required where electronic interface is available to facilitate inclusion of this data content). The materiel returns shipment status will include pRFID***,*** and ***for NSNs containing an IUID Indicator Y, UII(s) and/or corresponding serial numbers must be included in the DLMS 856R, indicating that DoD IUID Supply Policy compliance is required.*** ~~IUID in accordance with DoD/Component policy.~~ ***Shipment***

returns containing IUID data content (e.g., UIIs and/or serial numbers) and requiring more than one freight piece to execute the movement must have a unique TCN assigned to each freight piece by using a partial indicator in the 16th position of the TCN. Multiple freight piece shipments using the same TCN for all related freight pieces are not authorized when IUID content is required. The shipment status will be directed to the ICP/IMM (or other organization that directed the return). The shipment status will also be directed to the return-to activity when identified by DoDAAC. DAAS will transmit to DLMS capable activities as identified.

[Intervening text not shown]

C11.20.3.2. Product Quality Discrepancy Report

[Intervening text not shown]

C11.20.3.2.4. The returning activity will prepare DLMS 856R, materiel returns shipment status citing the Return Type Code indicating the reason for the shipment status as deficient materiel returns. If the controlling document number for the directed return is the same as the customer's requisition, a unique TCN (not derived from the original document number) will be identified. The materiel returns shipment status will perpetuate the PQDR RCN. The materiel returns shipment status will include pRFID***,*** and ***for NSNs containing an IUID Indicator Y, UII(s) and/or corresponding serial numbers must be included in the DLMS 856R, indicating that DoD IUID Supply Policy compliance is required.*** ~~IUID in accordance with DoD/Component policy.~~ ***Shipment returns containing IUID data content (e.g., UIIs and/or serial numbers) and requiring more than one freight piece to execute the movement must have a unique TCN assigned to each freight piece by using a partial indicator in the 16th position of the TCN. Multiple freight piece shipments using the same TCN for all related freight pieces are not authorized when IUID content is required.*** The shipment status will be directed to the ICP/IMM (or other organization that directed the return). The shipment status will also be directed to the return-to activity when identified by DoDAAC. DAAS will transmit to DLMS capable activities as identified.

[Intervening text not shown]

C11.20.3.3. Transportation Discrepancy Report

[Intervening text not shown]

C11.20.3.3.4. The returning activity will prepare DLMS 856R materiel returns shipment status citing a Return Type Code indicating the reason for the shipment status is applicable to a TDR directed return. If the controlling document number for the directed return is the same as the original shipment, a unique TCN (not derived from the original document number) will be identified. The materiel returns shipment status will perpetuate the TDR control number. The materiel returns shipment status will include pRFID***, and for NSNs containing an IUID Indicator Y, UII(s) and/or corresponding serial numbers must be included in the DLMS 856R, indicating that DoD IUID Supply Policy compliance is required.*** ~~in accordance with~~

~~DoD/Component policy.~~ ***Shipment returns containing IUID data content (e.g., UIIs and/or serial numbers) and requiring more than one freight piece to execute the movement must have a unique TCN assigned to each freight piece by using a partial indicator in the 16th position of the TCN. Multiple freight piece shipments using the same TCN for all related freight pieces are not authorized when IUID content is required.*** The shipment status will be directed to the ICP/IMM (or other organization that directed the return). The shipment status will also be directed to the return-to activity. DAAS will transmit to DLMS capable activities as identified.

[Intervening text not shown]

C11.19.3.4. Retrograde Returns. These procedures apply to returns for which a Shipment Status Materiel Returns transaction (DLMS 856R/DIC FTM) is not provided under the above MILSTRIP Materiel Returns Program.

[Intervening text not shown]

C11.20.3.4.4. The returning activity will prepare DLMS 856R materiel returns shipment status citing a Return Type Code indicating the reason for the shipment status is applicable to return/retrograde movement. The materiel returns shipment status will perpetuate the associated document number. A unique TCN (not derived from the original document number) will be identified. A customer reference number may be included when applicable to identify the original requisition document number. The materiel returns shipment status will include pRFID***,*** and ***for NSNs containing an IUID Indicator Y, UII(s) and/or corresponding serial numbers must be included in the DLMS 856R, indicating that DoD IUID Supply Policy compliance is required.*** ~~IUID in accordance with DoD/Component policy.~~ ***Shipment returns containing IUID data content (e.g., UIIs and/or serial numbers) and requiring more than one freight piece to execute the movement must have a unique TCN assigned to each freight piece by using a partial indicator in the 16th position of the TCN. Multiple freight piece shipments using the same TCN for all related freight pieces are not authorized when IUID content is required.*** The shipment status will be directed to the ICP/IMM (or other organization that directed the return). The shipment status will also be directed to the return-to activity when identified by DoDAAC. DAAS will transmit to DLMS capable activities as identified.