



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(RESEARCH, DEVELOPMENT AND ACQUISITION)
1 000 NAVY PENTAGON
WASHINGTON DC 20350-1000

MEMORANDUM FOR COMMANDER NAVAL SEA SYSTEM COMMAND
COMMANDER NAVAL AIR SYSTEMS COMMAND
COMMANDER MARINE CORPS SYSTEMS COMMAND
COMMANDER SPACE AND NAVAL WARFARE SYSTEMS
COMMAND NAVAL SUPPLY SYSTEMS COMMAND

SUBJECT: Counterfeit Materiel Process Guidebook

References: (a) Department of Defense Instruction 4140.67, "DoD Counterfeit Prevention Policy," April 26, 2013
(b) SECNAVINST 4855.20, "Counterfeit Prevention Policy," April 22, 2015
(c) Section 818, Public Law 112-81, "National Defense Authorization Act for Fiscal Year 2012," December 31, 2011

Enclosure: (1) Department of Navy Counterfeit Materiel Process Guidebook - Guidelines for Mitigating the Risk of Counterfeit Materiel in the Supply Chain, NAVSO P-7000

In accordance with references (a) through (c), enclosure (1) provides Department of the Navy (DON) acquisition and sustainment communities with guidance for managing the risk of counterfeit materiel. In recent years, manufacturers supplying products to the Department of Defense (DOD) have encountered a dramatic increase in the numbers of counterfeit materiel in the supply chain. Counterfeit materiel poses a significant threat to the readiness and reliability of our weapon systems, potentially resulting in the loss of materiel, mission or life. As the risks of counterfeits increase due to better counterfeiting techniques and processes, we need to become more vigilant in selecting our sources of supply and in our processes for screening incoming materiel. This requires application of sound risk management processes and increased oversight of our supply chain as a result of those risk management efforts.

This handbook, developed by DON subject matter expert, provides amplifying guidance to the requirements within reference (b). Through its use, our acquisition and sustainment communities will be able to apply an effective, risk based approach to mitigating the impacts posed by counterfeit materials to our systems and supply chain. Please ensure its distribution across your respective commands.

My point of contact for counterfeit materiel is Eric Grothues, who can be reached at (951) 393-5275 or Ulrich.grothues@navy.mil.

A handwritten signature in black ink, appearing to read "J. D. Smith", is located below the text.

Jimmy Smith
Deputy Assistant Secretary of the Navy
(Expeditionary Programs and Logistics
Management)