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OFFICE OF THE SECRETARY
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SECNAVINST 4440.34
ASN (RD&A)
22 December 2009

SECNAV INSTRUCTION 4440.34

From: Secretary of the Navy

Subj: IMPLEMENTATION OF ITEM UNIQUE IDENTIFICATION WITHIN THE DEPARTMENT OF THE NAVY

Ref: (a) DoD Instruction 8320.04 of 16 Jun 08
(b) SECNAVINST 5400.15C
(c) U.S. Department of Defense, Annual Report to the Congressional Defense Committees, Status of the Department of Defense's Business Transformation Efforts of 15 Mar 08
(d) SECNAVINST 4000.37
(e) Naval Logistics Integration, Strategic Plan of Sep 05
(f) DoD Directive 8320.03 of 23 Mar 07
(g) through (w), see enclosure (1)

1. Purpose. This instruction promulgates the Department of the Navy (DON) policy regarding the Unique Identification (UID) of tangible items of personal property, equipment, and materiel. This instruction establishes policy and responsibility necessary for implementation and management of Item Unique Identification (IUID) within the Department of the Navy.

2. Scope. This instruction applies to all organizations within the Department of the Navy, including foreign military sales.

3. Background

a. References (a) through (t) provide overarching Department of Defense (DoD) policy and guidance for implementing IUID throughout the Department of the Navy.

b. Reference (a) identifies the mandatory IUID requirements for all qualifying property items delivered to the Government, under contract, in inventory, in-use or legacy items if one or more of the following criteria apply:

(1) All items for which the Government's unit acquisition cost is $5,000 or more.

(2) Items for which the Government's unit acquisition cost is less than $5,000, when identified by the requiring activity as DoD serially managed, mission essential or controlled inventory.

(3) When the Government's unit acquisition cost is less than $5,000 and the requiring activity determines that permanent identification is required.

(4) Regardless of value, any DoD serially managed subassembly, component, or part embedded within an item; and the parent item that contains the embedded subassembly, component or part.

c. Reference (b) documents and describes the duties, and responsibilities of, and relationships among DON organizations responsible for research and development, acquisition and associated life-cycle management and logistics.

d. Reference (c) documents and describes the DON's business transformation vision of significantly increasing readiness, effectiveness and availability of warfighting forces by exploiting process improvements, technology enhancements and an effective human capital strategy. The DON transformational objectives include developing and maintaining a secure, seamless, interoperable information infrastructure; creating optimized processes and integrated systems; optimizing investments for mission accomplishment; transforming applications into web-based capabilities to improve effectiveness and gain efficiencies; and aligning governance to produce a single, integrated Naval enterprise.

e. Reference (d) directs all levels of command to actively pursue appropriate courses of action to improve Naval logistics to the fullest extent possible by integrating Navy and Marine Corps logistics capabilities and capacities using processes, technologies and people (organizational construct).

f. Goal 1, strategy 1.5, objective 1.5.1 of reference (e), directs standardization of Navy and Marine Corps approaches addressing key Automated Identification Technology (AIT)

initiatives and policy execution, such as radio frequency identification, and UID while ensuring common expeditionary communication architecture across the Naval logistics processes of the future.

g. Reference (f) prescribes the criteria and responsibilities associated with employing UID data standards relevant to information needs of a net-centric environment. Included in the criteria is the need for designating authoritative data sources, stewards and accessibility requirements.

h. Reference (g) provides requirements for UID and valuation of items delivered under DoD contracts. It directs the use of Defense Federal Acquisition Regulation Supplement (DFARS) clauses 252.211-7003 and 252.211-7007 in all contracts for qualifying property items meeting criteria in reference (a).

i. Reference (h) establishes the requirement to track and report contract compliance as directed by the Defense Procurement and Acquisition Policy office.

j. Reference (i) describes the DoD virtual Unique Item Identifier (UII) concept, the processes for assigning and registering virtual UIIs, and the prospective marking of items that have virtual UIIs.

4. Definitions. Terms used in this instruction are defined in enclosure (2).

5. Policy. It is DON policy that:

a. IUID shall be implemented throughout the Department of the Navy for new acquisitions, legacy items, and Government property in the possession of contractors, consistent with DoD IUID policy and guidelines.

b. IUID shall be implemented during initial support planning for systems acquisitions and continued through program disposal.

c. References (a) and (c) provide policy and reporting for IUID implementation within legacy Automated Information Systems (AIS) in accordance with UII condition requirements of the DoD

Weapon System Lifecycle Management/Materiel Supply and Services Management Investment Review Board (IRB) IUID criteria and the Business Enterprise Architecture. In addition, where IRB certification is not required, IUID shall be implemented to enhance business processes where return on investment and/or readiness indicate a positive return, and synchronizes with future Navy Enterprise Resource Planning and Global Combat Support System, Marine Corps architectures.

d. A phased approach will be used to facilitate development of processes, procedures, tools, marking capability, training, infrastructure, and implementation timeline consistent with priorities and constraints.

e. Marking of legacy items shall be performed opportunistically and to the maximum extent possible (e.g., upon induction for maintenance or items in-situ).

f. Engineering change requests and drawing revisions shall not be required when affixing labels with IUID markings to legacy equipment if it does not impact form, fit or function and if the following conditions are met:

(1) The existing label is completely removed.

(a) The new label with IUID compliant data matrix is placed in the same location as the replaced label.

(b) The new label with IUID compliant data matrix has the same dimensions as the replaced label.

(c) The new label material and method of marking is the same as the replaced label or an improved and qualified media replacement. The IUID compliant data matrix must be permanent, per reference (j).

(d) The new label is affixed on the item in the same manner as the replaced label.

(e) The information on the replacement label may be resized or repositioned anywhere on the label to accommodate IUID compliant data matrix.

(2) A replacement label is not required if sufficient space exists to place the IUID compliant data matrix or label to the right, left, up or down with respect to the existing label.

(3) A replacement label is not required if room exists on the current label to add an IUID compliant data matrix.

(4) When otherwise determined by the appropriate Technical Authority (TA) of the respective organization.

g. The Navy and Marine Corps shall collaborate on IUID matters and shall work towards a single integrated IUID implementation strategy supportive of Naval Logistics Integration initiatives.

h. Virtual UII shall be used only on an exception basis. It is suited for extreme situations such as satellites already in operation. Due to the inherent risk of data integrity problems when using virtual UIIs, any use of a virtual UII must be approved in advance by the Systems Command (SYSCOM) IUID lead and the Assistant Secretary of the Navy Research, Development and Acquisition (ASN (RD&A)). The request must at a minimum identify the type of item, the number of items, the constraints on physical IUID marking, and the procedure for ensuring data integrity.

i. The IUID Registry shall be updated when the following triggers occur:

(1) Initial marking or mark error correction.

(2) Modifying an item to change its configuration.

(3) Modifying an item to change its value, causing appreciation or depreciation as defined in reference (k).

(4) Current part number change.

(5) Transfer of custody between military services and/or other DoD entities as defined in reference (l); and, for Government furnished property only, transfer between Department of the Navy and contractor or contract.

(6) Retiring an item from service.

(7) Disposal of an item (abandoned, consumed, destroyed, scrapped, expended, lost, stolen, donated, exchanged, leased, loaned or sold).

j. For legacy items, the UII must be generated using the Enterprise Identifier (EID) of the organization that will assure the uniqueness of the UII. Therefore, unless there is a prior written agreement with the competent authority of the Original Equipment Manufacturer (OEM), the EID of the organization assuring uniqueness must be used to generate the UII. If the original manufacture data (e.g., part number, serial number, etc.) is on the item in human readable format and not used in constructing the UII, it must be entered into the IUID Registry in the "Marks" section, and the OEM EID must be entered in the "Manufacturer Identifier" field, "Descriptive Data" section.

k. IUID matters for classified items will be addressed via separate classified policy.

6. Responsibilities

a. ASN (RD&A) is responsible for overall DON IUID strategic direction and program oversight.

b. ASN (RD&A), or designee, shall:

(1) Act as the central point of coordination for DON IUID implementation, to include monitoring and reporting of implementation progress by SYSCOMs and Program Executive Officers (PEOs).

(2) Develop and utilize IUID compliance tracking metrics for Department of the Navy, working with the other services to propose standardized DoD-level IUID metrics.

(3) Serve as the DON liaison to coordinate with the Office of the Secretary of Defense and other services for joint IUID implementation where feasible.

(4) Provide technical guidance for DON IUID implementation efforts.

(5) Chair the DON Life-Cycle Item Identification Working-Level Integrated Process Team (LCII WIPT). The LCII WIPT shall:

(a) Collaboratively work to determine solutions to systemic problems associated with IUID implementation within the Department of the Navy.

(b) Coordinate IUID efforts with other organizations within the Department of the Navy.

(c) Develop standard processes and procedures that will be utilized across the Department of the Navy.

(6) Champion the development of the DON IUID Concept of Operations and Implementation Plan.

(7) Per reference (c), champion the development of the DON AIS strategy, which will identify requirements for incorporating IUID in AISs supporting program acquisition and in-service support, logistics, and other business processes. Promote the leveraging of IUID data standards resulting from the actions directed by reference (f) in all DON AIS strategy development efforts.

(8) Propose and coordinate DON policy and guidance to facilitate and improve IUID implementation.

c. The Chief of Naval Operations and Commandant of the Marine Corps are responsible for programming adequate resources to implement IUID and its supporting infrastructure within the Department of the Navy.

d. The SYSCOM commanders shall:

(1) Identify an IUID champion who shall:

(a) Perform enterprise level planning, budgeting and execution to implement IUID.

(b) Monitor IUID compliance and implementation progress utilizing designated metrics.

(c) Collect, track, and report implementation metrics to ASN (RD&A) as required.

(d) Participate in the LCII WIPT.

(e) Engage with ASN (RD&A) and other SYSCOMs to share lessons learned and eliminate duplication of efforts where applicable.

(f) Report progress on achieving contracting compliance through DFARS clause insertion, confirmation of receipt of marked items, and DoD IUID Registry data submission to, and as required by, ASN (RD&A).

(2) Serve as the IUID TA within their areas of responsibility.

(3) Identify IUID TA leads to support PEOs and coordinate IUID implementation efforts with the SYSCOM IUID champion.

(4) Deploy and maintain necessary infrastructure for legacy system IUID implementation within their respective organic depot maintenance activities.

e. SYSCOM commanders, Commanding General Marine Corps Logistics Command, and PEOs are responsible for IUID implementation within acquisition programs, in-service support, logistics, and other business processes. Specific responsibilities include:

(1) Compliance with applicable DoD and DON policies for IUID.

(2) Ensuring all acquisition logistics support and maintenance contracts fully comply with DFARS requirements for IUID.

(3) Obtaining and monitoring execution of weapon system IUID implementation plans for all assigned acquisition programs to ensure maximum efficiency and effectiveness.

(a) Plans will be submitted through the applicable IUID TA lead identified in subparagraph 6d(3) and the SYSCOM IUID champion identified in subparagraph 6d(1) to obtain initial approval.

(b) Per reference (m), IUID plans for existing Acquisition Category (ACAT) ID programs will be updated prior to milestone decisions or at least annually by the Program Manager (PM) and approved by the respective PEO. A signed copy will be included as an attachment to the Systems Engineering Plan (SEP) and provided to ASN (RD&A) within 30 days after approval.

(c) Per reference (m), new ACAT ID programs will prepare and submit their IUID plan as a part of their SEP to the appropriate overarching integrated product team chair 90 days after such designation, unless directed otherwise.

(d) Per reference (m), non-ACAT ID programs will include their plans as an attachment to the SEP and the respective milestone decision authority will approve plans for newly identified programs and ensure all existing plans are reviewed and updated prior to milestone decisions or at least annually by the PM. A signed copy will be provided to ASN (RD&A) within 30 days after approval.

(e) For all other programs which have already passed milestone C, approved IUID implementation plans are due to ASN (RD&A) within 180 days of the signature of this instruction.

(f) Report progress on achieving implementation compliance utilizing the designated metrics, to and as required by ASN (RD&A), via the SYSCOM IUID champion.

(4) Identify IUID requirements in applicable budget exhibits as required by governing DoD policy and in accordance with reference (n). Beginning in Program Objective Memorandum 2012 and beyond, IUID requirements, resourcing, logistics and sustainment will be considered part of the normal acquisition program process, and all costs associated with initial marking and logistics sustainment will be incorporated into program and life-cycle costs.

(5) In accordance with reference (o), achieve compliance with requirements for complete IUID marking and registration of

all existing class II (clothing and organizational equipment/ supplies) and class IX (repair parts) items, as well as all embedded assets that meet the criteria for IUID, by 31 December 2015. It is recognized that programs will have different levels of compliance by 2015 because fielded items will not be removed from service for the sole purpose of marking. For other legacy items not meeting the above criteria, compliance is required by 31 December 2010.

(6) Notify SYSCOM IUID champion immediately if IUID implementation is at risk of not complying with the DON IUID strategy and timelines.

7. Compliance and reporting. Compliance with this instruction, to include adequacy of metrics collection, will be assessed during the Independent Logistics Assessments and initial operational capability/final operational capability reviews in accordance with reference (u).

8. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed in accordance with reference (v).

9. Reports Control. The reports required by this instruction are exempt from reports control by reference (w).

ROBERT O. WORK
Under Secretary of the Navy

Distribution:
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REFERENCES, continued

Ref:
(g) DFARS 211.274, Item Identification and Valuation Requirements
(h) Office of the Assistant Secretary of the Navy, Research, Development and Acquisition memo, IUID DFARS Rule Compliance Reporting of 11 Jan 08
(i) DoD Guidelines for the Virtual Unique Item Identifier (UII) Version 1.2 of 28 Nov 06
(j) MIL-STD-130N of 17 Dec 07
(k) Chief Financial Officers Act
(l) IUID System Software User Manual (SUM) Version 4.0 of 28 Jan 09
(m) Under Secretary of Defense for Acquisition, Technology and Logistics memo, Policy for Item Unique Identification (IUID) of Tangible Personal Property – Oversight of IUID Implementation Planning and Execution of 14 Mar 08
(n) Under Secretary of Defense, Acquisition, Technology and Logistics memo, Budget Instructions for Unique Identification (UID) Implementation FY 2007-2012 of 11 May 2005
(o) Acting Under Secretary of Defense Acquisition, Technology and Logistics memo, DoD Instruction 8320.04, Item Unique Identification (IUID) Standards for Tangible Personal Property, June 16, 2008 of 9 Dec 08
(p) MIL-STD-129P of 19 Sep 07
(q) DoD Guide to Uniquely Identifying Items Version 2, Assuring Valuation, Accountability and Control of Government Property of 1 Oct 08
(r) DoD Instruction 5000.02 of 8 Dec 08
(s) DoD Instruction 4151.19 of 26 Dec 06
(t) SECNAVINST 4440.33
(u) SECNAVINST 4105.1B
(v) SECNAV Manual 5210.1
(w) SECNAV Manual 5214.1

DEFINITIONS

1. Automated Identification Technology (AIT). A suite of tools for facilitating total asset visibility source data capture and transfer. AIT includes a variety of devices, such as bar codes, magnetic strips, optical memory cards, and radio frequency tags for marking or tagging individual items, multi-packs, equipment, air pallets, or containers, along with the hardware and software required to create the devices, read the information on them, and integrate that information into AIS with minimal human intervention. AIT increases efficiency and effectiveness of life-cycle support actions, improves management of serialized assets, improves data accuracy, improves combat readiness and allows re-direction of personnel to other more value added functions.

2. Automated Information System (AIS). Assemblies of computer hardware, software, and/or firmware, or any combination of these, configured to collect, create, communicate, compute, disseminate, process, store and/or control data or information.

3. Champion. Champions are typically members of the executive or leadership group who sponsor projects and mentor teams working on those projects. Champions need to have proficient skills in facilitation, collaboration and conflict resolution to ensure timely completion of projects.

4. Controlled Inventory. Those items that are designated as having characteristics that require them to be identified, accounted, segregated, or handled in a special manner to ensure their safeguard and integrity. Includes classified items (require protection in the interest of national security), sensitive items (require a high degree of protection and control due to statutory requirements or regulations, such as precious metals; items of high value, highly technical, or hazardous nature; and small arms), pilferable items (items having a ready resale value or application to personal possession, which are especially subject to theft), and safety controlled items.

5. Data Matrix. A two-dimensional matrix symbology containing dark and light square data modules. It has a finder pattern of two solid lines and two alternating dark and light lines on the perimeter of the symbol. A two-dimensional imaging device such

as a charge-coupled device camera is necessary to scan the symbology. Data matrix is designed with a fixed level of error correction capability. It supports industry standard escape sequences to define international code pages and special encodation schemes. Data matrix is used for small item marking applications using a wide variety of printing and marking technologies.

6. Embedded Item. A lower-indenture level delivered item such as an assembly, subassembly, component, or part, which requires UID.

7. Enterprise Identifier (EID). A unique identifier used to distinguish one activity or organization from another activity or organization. Examples of EID are: Commercial and Government Entity Code and DoD Activity Address Code. An EID code is uniquely assigned to an activity by an issuing agency registered in accordance with procedures outlined in International Organization for Standardization (ISO)/ International Electrotechnical Commission (IEC) 15459-2. An enterprise may be an entity such as a design activity, manufacturer, supplier, depot, program management office or third party.

8. Equipment. A tangible article of personal property that is functionally complete for its intended purpose, durable and nonexpendable. Equipment generally has an expected service life of 2 years or more; is not intended for sale; does not ordinarily lose its identity or become a component part of another article when put into use; and has been acquired or constructed with the intention of being used.

9. Item Unique Identification (IUID). An element of the DoD UID program that addresses tangible personal property. It is one technology product in a comprehensive system for marking items delivered to and managed by the Department of Defense with an UII in accordance with procedures outlined in ISO/IEC 16022, Error Correction Code 200 compliant two-dimensional data matrix. It is a system that globally and unambiguously distinguishes one item from another.

10. IUID Registry. The IUID Registry captures, retains, and provides current and historical data regarding uniquely identified tangible items enabling net-centric data discovery,

correlation, and collaboration in order to facilitate effective and efficient accountability and control of DoD assets and resources in support of DoD business transformation and warfighter mission fulfillment. The IUID Registry is the central repository of IUID information and serves as an acquisition gateway to identify:

a. What the item is.

b. How and when it was acquired.

c. The initial unit cost of the item.

d. Current custody (government or contractor).

e. How it is marked.

11. Label. An item, the purpose of which is to provide identification information of another item and is affixed to the item it identifies. A label may be of any similar or different material than that of the item to which it is affixed. A label may be made of a metallic or non-metallic material. Labels may be affixed to the identified item by any appropriate means. Labels are often referred to as plates (i.e., data plate, name plate, ID plate, etc.), however, label material and method of marking and affixing has no bearing on this distinction.

12. Legacy Items. Specified tangible items acquired under contract and still in government inventory. The reference to "still in government inventory" indicates that the item is still in active utilization by Department of Defense. The predominant categories of legacy item are as follows:

a. Items in production.

b. Items in fielded service.

c. Items in storage under the accountability of Department of Defense.

d. Items in the process of repair/retrofit.

e. Items in storage under the accountability of a contractor.

13. Material. All property that may be consumed or expended during the performance of a contract, component parts of a higher assembly, or items that lose their individual identity through incorporation into an end item.

14. Materiel. All items (including ships, tanks, self-propelled weapons, and aircraft, etc., and related spares, repair parts, and support equipment, but excluding real property (land and improvements to land, i.e., facilities), installations, and utilities) necessary to equip, operate, maintain, and support military activities without distinction as to its application for administrative or combat purposes. Materiel is either serviceable (i.e., in an issuable condition) or unserviceable (i.e., in need of repair to make it serviceable).

15. Mission Essential. A code indicating the composite effect of an item on the overall military mission based on the most critical significant application of the item. It shall be used in determining resource allocations, determining degree of management intensity, and communicating essentiality among the DoD components.

16. Permanent. The UII label or mark shall be as permanent as the normal life-cycle expectancy of the item and be capable of withstanding the environmental tests and cleaning procedures specified for the item to which it is affixed. If not possible for the label or mark to survive the item's intended life-cycle, including the maintenance cycle process, "permanent" means surviving the anticipated life-cycle up to the point of the next maintenance cycle. For new items, the permanent label or mark must pass the same test conditions as the item itself.

17. Personal Property. For purposes of this instruction, personal property is defined as all property (systems/equipment, materials, and supplies) and all items (including ships, tanks, self-propelled weapons, and aircraft, etc., and related spares, repair parts, and support equipment, but excluding real property, installations, and utilities) necessary to equip, operate, maintain, and support military activities without distinction as to its application for administrative or combat purposes.

18. Serialized Item. An item that is uniquely identified within a domain and is distinguishable as a single item instance from all other instances within the domain. The serial number is attached to the item instance and is coupled with the domain identifier.

19. Serially Managed. A tangible item used by Department of Defense, which is designated by a DoD or service item manager to be uniquely tracked, controlled or managed in maintenance, repair and/or supply by means of its serial number. DoD serially managed items include reparable items down to and including sub-component reparable unit level; life-limited, time-controlled, or items requiring records (e.g., logbooks, aeronautical equipment service records, etc.); and items that require technical directive tracking at the part level.

20. Technical Authority (TA). The authority comprised of responsibility and accountability to establish, monitor, and approve technical standards, tools, and processes in conformance with applicable DoD and DON policy, requirements, architectures, and standards.

21. Unique Identification (UID). A system of establishing globally unique identifiers within the Department of Defense, which serves to distinguish a discrete entity or relationship from other like and unlike entities or relationships. UID includes identification programs for personal property, personnel, real property, acquisition programs and organizations.

22. Unique Item Identifier (UII). A globally unique, unambiguous string of machine readable and alpha-numeric characters. The UII serves to distinguish individual items from other like and unlike items. For items that are serialized within the EID, the UII shall include the data elements of EID and a unique serial number. For items that are serialized within the part, lot or batch number within the EID, the UII shall include the data elements of EID; the original part, lot, or batch number; and the serial number.

23. Virtual UII. A UII of a legacy item that has been entered, along with its associated data, in the DoD IUID Registry, while postponing the physical marking of the item with a DoD IUID

compliant two-dimensional data matrix symbol to a more advantageous time based on logistic and economic considerations.