

ERAI – Supply Chain Security 2015



- Introduce the presenters for today
- Mark Northrup IEC Electronics (EMS)
- Lori Leroy Global IC Trading Group, Inc. (PD)
 - EMS Supply Chain Security Timeline
 - Past
 - Present
 - Future



IEC EMS at a glance...

"High Reliability"

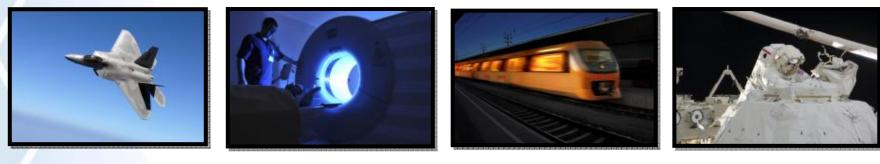
• Where performance-on-demand is critical and downtime is not tolerated

Specializing in

- High complexity custom electronics, often integrated into a vertical solution
- Specializing in low to moderate volumes, high mix

Our customers

• Industry leaders in Medical, Industrial, Aerospace, Defense, & Space Flight





Advanced Aerospace, Defense & Space Flight Capabilities

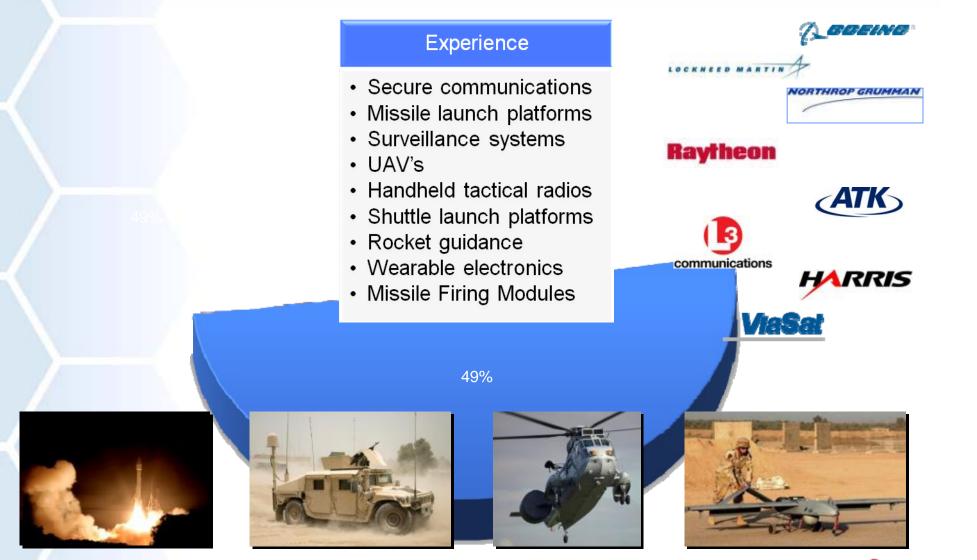
What does IEC bring?

- •Experience with multiple DoD Primes
- Dedicated factories for Aero-Defense
- •Clean Room Manufacturing
- NASA certified operators
- •On-line customer portal
- •Obsolescence mgt & RoHS conversion
- Testing Labs Component Risk Mitigation
- •Proactive, competitive cost model





Aerospace, Defense & Space Flight





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Global IC Trading at a glance...

Quality and Customer Service Driven

- Founded in 2000 based on commitment to quality and customer service
- *Mature Quality System with Industry's most desired quality certifications*
- Recognized early on the radical shift in the industry regarding the inspection of product

Specializing in

- Obsolescence and long lead time products
- Full inspection including X-ray, XRF, Solderability and Decap

Our customers

Quality conscience OEMs and CEMs in a variety of industries including medical, industrial and aerospace



Your Independent Distribution Partner

What does Global IC Trading bring?

- •Superior supplier evaluation, selection and purchase processes
- •Detailed incoming inspection process utilizing a very robust sampling plan
- •Lab equipment / Highly trained inspectors incorporating the most current inspection methods
- Numerous quality certifications
- •Commitment to customers and quality throughout the entire organization
- Custom integrated software system
- •Over 20 years of industry experience



The Past

+2007/2008

- X-ray equipment
- Decapsulation equipment

+2009/2010

- Intensive training
 - CTI Workshops
 - **>IDEA 1010**
- XRF Equipment
- ANSI S20.20 ESD Certification
- AS9120 Certification
- Detailed Sampling Plan



The Past

+2011/2012

- Solderability Equipment / Training
- CCAP Certification

+Significant dollars and time invested in:

- Equipment purchases
- Certifications
- Research / Training / Conferences
- Memberships / Affiliations
- Procedural changes documentation
- AS9120 Certification

+Good return on investment

- Increase in capabilities
- Increase in revenue



The Present

+Certifications

- ISO 9001
- AS9120-A
- ANSI ESD S20.20
- FAA AC-00-56
- CCAP

+Equipment / Capabilities

- Multiple high powered microscopes
- X-Ray
- XRF
- Heated Solvents
- Decapsulation
- Solderability
- Sampling Plan
- Inspection time; Inspection time; Inspection time!



The Present

+Partnered with DRTL

- Equipment
- Capabilities
- Certifications

+ls it enough?

+What's Next?

+AS6081 when dealing with government primes?



EMS Counterfeit Parts Avoidance Policy



MAT-084G IEC Counterfeit Parts Avoidance Policy

1.0 Purpose

1.1 This policy document is intended to raise counterfeit component awareness and to prevent the potential of counterfeit components from entering into IEC supply chain. This policy includes the processes used for risk mitigation, disposition, and reporting of counterfeit parts.

2.0 Scope

- 2.1 Any electronic component whose material, performance, or characteristics are knowingly misrepresented by the vendor, supplier, distributor, or manufacturer is considered a counterfeit component. Examples of counterfeit components include:
- Parts which do not contain the proper internal construction (die, manufacturer, wire bonding, etc.) consistent with the ordered part
- Parts which have not successfully completed the Original Component Manufacturer's (OCM)'s full production and test flow, but are represented as completed product.
- Parts which have different package style or surface plating/finish than the ordered parts
- · Parts sold as upscreened parts, which have not successfully completed upscreening.
- Used/salvaged parts represented as new product
- Parts sold with modified labeling or markings intended to misrepresent the part's form, fit, function, or grade.

3.0 Associate Material

3.1 SAE/AS5553 Standard

3.2 IDEA1010 Standard (Independent Distributors of Electronics Association)

3.3 Mil-Std-1580 for DPA (Destructive Physical Analysis)

3.4 Mil-Std-883

3.5 Mil-Std-750

3.6 GIDEP-Government-Industry Data Exchange Program

3.7 AS-6081

3.8 AS-6171

3.9 DFAR 252.246-7007



EMS Detection of Counterfeit Electronic Components

- + Indents
- + Countries of Origin
- + Texture
- + Blacktopping
- + Marking Permanence
- + Imperfections
- + Sanding
- + Re-attached Leads
- + Incorrect Marking
- + Logos



EMS Testing Services Laboratory



About DRTL

DRTL is an ISO 17025 certified laboratory specializing in failure analysis, DPA, component risk mitigation, material and product qualifications for the military, medical, and industrial markets.



Markets & Services

- Military
 Failure Analysis
- Medical
 Destructive Physical Analysis
- · Industrial · Construction Analysis
- Energy
 Component Risk Mitigation



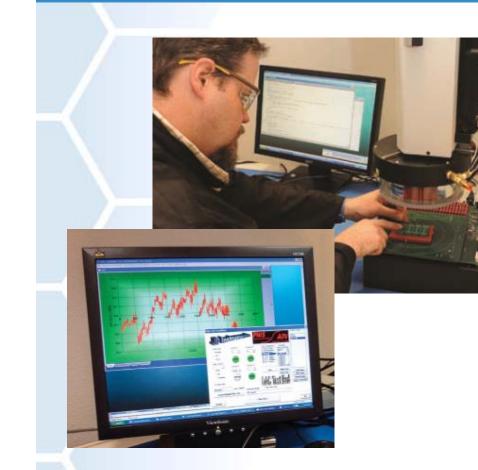
eNewsletter

There's always something new happening at DRTL like new technology investments, upcoming conferences and anti-counterfeit updates. Sign up now to receive your monthly update from DRTL!





Failure Analysis(FA) Electrical Test



Application:

Gun-mounted lasers & night-vision optics for the Military

Scope of work:

- Ecliptek Oscillator on PCBA failing intermittently, shutting down customer acceptance testing
- Complex electrical testing over temperature done by DRTL to investigate failures
- Expedited 1-week turnaround

End Result:

- Failures found to be caused by substandard part
- Now receiving follow on orders as a result of successful 1st analysis

Customer Testimonial

"Although I hope I never have to use a lab again to investigate a serious issue here, I take comfort in knowing I can expect a solid performance by DRTL if necessary." - Senior Supplier Quality Engineer , DoD Prime



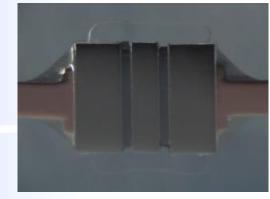
Destructive Physical Analysis (DPA) Mil-std-1580



PASSED

PASSED

External Visual Inspection



Cross-section analysis

Application:

Space satellite system

Scope of work:

- Analyze Microsemi Axial Lead Glass Body Diodes for conformity
- External & internal visual inspection, electrical testing, conformance, gross seal testing, cross - section analysis performed
- Expedited 4-day turnaround

End Result:

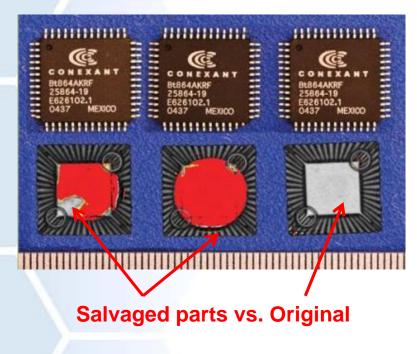
- These devices PASSED DPA requirements
- Customer used authentic PASSED devices to complete order
- Now receiving follow on orders as a result of successful 1st analysis

Customer Testimonial

"Thank you for completing this "Rush" job and facilitating our production schedule!" - Buyer, DoD Prime



Suspect Counterfeit (SC)



Application

Ground vehicle display box

Conexant Digital Video Encoder designed for video systems

Scope of Work

- CRMEDPA requested to mitigate customer assembly build
- Concern about authenticity (PartFax)

End Result

Customer Testimonial "DRTL's ability to identify salvaged parts is impressive!" - Buyer, DoD Prime

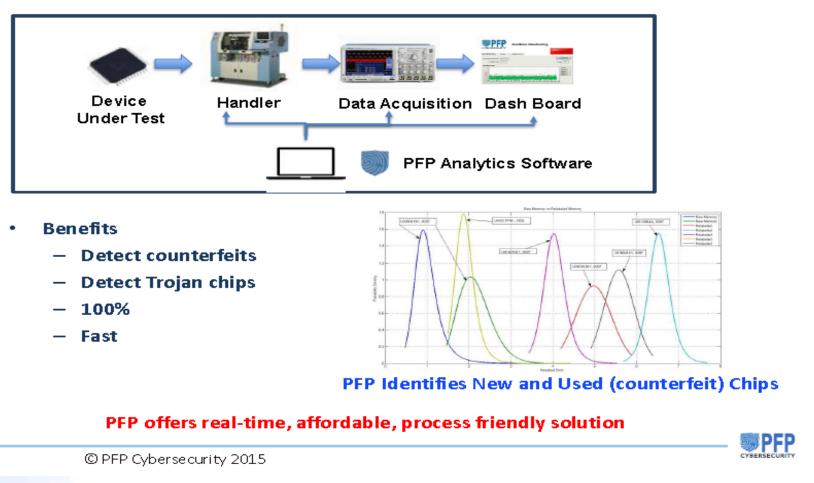
- CSAM testing revealed several of the parts were previously processed
- Temperature excursions resulted in delamination of the part
- Parts deemed as compromised
- Original manufacturer but parts apparently salvaged



The Future

How PFP Can Address the Supply Chain Problem

- for Counterfeit and Trojan Chips





Value + Return on Investment

TBD

AS6171, DLA, MIL-STDs, Certification

AS6081, QTSL, QSLD, JESD31D, 625B

AS9120, CCAP, DFARS, GIDEP, ERAI

X-Ray/Decapsulation/XRF/Electrical/SW

ISO 9001, ESD S20.20

Microscopes/Lighting Training (CTI Workshops; IDEA, Solderability)



Conclusion

- More Equipment
- More Onsite Audits
- More Certifications
- What Point Do the Requirements Being Flowed Down No Longer Support a Viable Business Plan?

K H A

